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What Learning Can Be

Date: 17-10-2021

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

Sub: Intimation under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR') - Annual Report for the Financial Year 2017-18 including notice of the 24th Annual General Meeting of the Company.

Dear Sir / Madam,

This is to inform that the 24th Annual General Meeting ("AGM") of the members of the Company will be held on Monday, November 8, 2021 at 11:30 A.M. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM"), in accordance with the relevant circulars issued by the ministry of Corporate Affairs and the Securities and Exchange Board of India.

The details such as manner of (i) registering / updating email addresses, (ii) casting vote through remote e-voting and (iii) attending the AGM through VC / OAVM has been set out in the Notice of the AGM.

The Annual Report for the Financial Year 2017-18, including the Notice convening Annual General Meeting, being sent to the members through electronic mode, is enclosed for your record. The Company has fixed Monday, November 1, 2021 as the "Cut-off Date" for the purpose of determining the members eligible to vote through remote e-voting on the resolutions set out in the Notice of the AGM or to attend the AGM and cast their vote thereat.

The Annual Report including Notice is also available on the website of the Company, http://www.educomp.com/content/investors-home.

You are requested to acknowledge and update the same in your records.

Thanking You,

Yours Truly,

For Educomp Solutions Limited
(Under CIRP)

Mahender Khandelwal
Resolution Professional in the matter of Educomp Solutions Limited
Email: [mkipeducomp@bdo.in]
IBBI Registration No.: [IBBI/IPA-001/IP-P00033/2016-17/ 10086]

Educomp Solutions Limited

24th Annual Report

2017-2018

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Notice of Annual General Meeting

NOTICE is hereby given that Twenty Fourth Annual General Meeting of the Members of Educomp Solutions Limited ("the Company") will be held on Monday, November 08, 2021 at 11.30 A.M. IST through video conference / other audio-visual means ("VC") to transact the following businesses:

ORDINARY BUSINESS :

ITEM NO. 1:

To receive, consider and adopt the Audited Financial Statements (including the consolidated Financial Statements) of the Company for the financial year ended 31st March, 2018 together with the reports of the Board of Directors and Auditor thereon.

ITEM NO. 2:

To appoint a Director in place of Mr. Shantanu Prakash (DIN: 00983057), who retires from office by rotation at this AGM, and being eligible for re-appointment.

SPECIAL BUSINESS

ITEM NO. 3:

TO APPROVE AND RATIFIED THE REMUNERATION OF M/S AHUJA SUNNY & CO., COST ACCOUNTANTS OF THE COMPANY AND IN THIS REGARD TO CONSIDER AND IF THOUGHT FIT, TO PASS, THE FOLLOWING RESOLUTION AS AN ORDINARY RESOLUTION:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 (hereinafter referred as "the Act") and the Companies (Audit and Auditors) Rules, 2014, (including any amendments, statutory modification(s) or re-enactment(s) thereof for the time being in force) and other applicable provisions, if any, of the Act, M/s. Ahuja Sunny & Co., Cost Accountants appointed as Cost Auditors by the Resolution Professional (as the power of the Board is suspended and delegated to Resolution Professional, as appointed in terms of Insolvency and Bankruptcy Code, 2016) of the Company to audit the cost records of the Company for the financial year 2017-18, be paid a remuneration of Rs. 1,20,000/- (Rupees One Lac Twenty Thousand only) per annum (plus applicable taxes) and out of pocket expenses that may be incurred."

For **Educomp Solutions Limited**
(Under CIRP)

Sd/-
Mahender Khandelwal
Resolution Professional
Taken on record
IBBI Reg. No IBBI/IPA-001/IP-P00033/2016-17/ 10086

Date : October 08, 2021
Place : New Delhi

NOTES:

1. In view of the continuing COVID-19 pandemic, the Govt. of India, Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI) allowed conducting Annual General Meeting through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) and dispensed the physical presence of the members at the meeting. Accordingly, the MCA issued Circular No. 14/2020 dated April 08, 2020, Circular No. 17/2020 dated April 13, 2020, Circular No. 20/2020 dated May 05, 2020 and Circular No. 02/2021 dated January 13, 2021 (collectively referred to as “MCA Circulars”) and Securities and Exchange Board of India vide Circular No. SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 read with Circular No. SEBI/HO/CFD/CMD2/CIR/P/2021/11 dated January 15, 2021, permitted convening the Annual General Meeting (“AGM” / “Meeting”) through Video Conferencing (“VC”) or Other Audio Visual Means (“OAVM”), without the physical presence of the members at a common venue.

2. In accordance with the MCA and SEBI Circulars, provisions of the Companies Act, 2013 ('the Act') and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“Listing Regulations”), the AGM of the Company is being held through VC / OAVM. Since the AGM will be held through VC / OAVM, no Route Map is being provided with the Notice. The deemed venue for the AGM shall be the Registered Office of the Company.

3. The Company has enabled the Members to participate in the 24th AGM. The participation of members through VC /OAVM shall be counted for the purpose of reckoning quorum for the AGM under Section 103 of the Act.

4. In case of Joint-holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.

5. Generally, a member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. Since this AGM is being held through VC / OAVM pursuant to the MCA and SEBI Circulars, physical attendance of members has been dispensed with. Accordingly, the facility for appointment of proxies by the members will not be available for the AGM and hence the Proxy Form and Attendance Slip are not annexed hereto.

6. An Explanatory Statement pursuant to Section 102 of the Act and Rules framed thereunder, in respect of the Special Business under Item No. 3 is annexed hereto. The information regarding the Director who is proposed to be appointed/re-appointed, as required to be provided under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, and Secretarial Standard on General Meetings issued, is annexed hereto.

7. Institutional /Corporate Shareholders (i.e. other than individuals/HUF, NRI, etc) are required to send a scanned copy (PDF/JPEG Format) of its Board Resolution or governing body Resolution/Authorisation etc., authorising its representative to attend the Annual General Meeting through VC/OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorization shall be sent to the Scrutinizer by email through their registered email address to mkipeducomp@bdo.in with copies marked to the Company at and to its RTA at swapann@linkintime.co.in.

8. Members who have not registered their E-mail address so far are requested to register their e-mail for receiving all communication including Annual Report, Notices and Circulars etc. from the company electronically. **Members can do this by updating their email addresses with their depository participants.**

   Registration of email ID and Bank Account details:

   (a) In case the shareholder's email ID is already registered with the Company/its Registrar & Share Transfer Agent “RTA”/Depositories, log in details for e-voting are being sent on the registered email address.

   (b) In case the shareholder has not registered his/her/their email address with the Company/its RTA/Depositories and or not updated the Bank Account mandate for receipt of dividend, the following instructions to be followed:

      (i) Kindly log in to the website of our RTA, Link Intime India Private Ltd., www.linkintime.co.in under

Investor Services > Email/Bank detail Registration - fill in the details and upload the required documents and submit. **OR**

(ii) ***In the case of Shares held in Demat mode:***The shareholder may please contact the Depository Participant (**"DP"**) and register the email address and bank account details in the demat account as per the process followed and advised by the DP.

9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details such as bank account number, name of the bank and branch details, MICR Code and IFSC Code, mandates, nomination, power of attorney, change of address, change of name, e-mail address, contact numbers, etc to their depository participant (**"DP"**). Members holding shares in physical form are requested to intimate such changes to Company's RTA, i.e. Link Intime Private Limited along with relevant evidences or supporting.

10. The Securities and Exchange Board of India (**"SEBI"**) has mandated the submission of Permanent Account Number (PAN) by every participant in Securities Market. Members holding shares in electronic form are therefore requested to submit PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to Company's RTA i.e. Link Intime India Private Limited.

11. SEBI has also made amendment to Regulation 40 of SEBI LODR Regulations with respect to mandatory dematerialization for transfer of securities. Pursuant to the aforesaid amendment to SEBI LODR Regulations, Listed Companies and their Registrars and Transfer Agents (**"RTAs"**) are advised to ensure that shares which are lodged for transfer are mandatory in dematerialized form with effect from April 1, 2019. Therefore, shareholders are requested to get their physical shareholding dematerialized for any further transfers.

12. Pursuant to Section 91 of the Companies Act, 2013 read with Rules framed there under and Regulation 42 (5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Register of Members and Share Transfer Books will remain closed from Tuesday, November 2, 2020 to Monday, November 8, 2021 (both days inclusive) for the purpose of Annual General Meeting.

13. At the 20th AGM held on September 29, 2014 the Members approved appointment of Haribhakti & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 103523W), as Statutory Auditors of the Company to hold office for a period of five years from the conclusion of that AGM till the conclusion of the 25th AGM. The requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away with the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors.

14. Pursuant to Section 72 of the Companies Act, 2013, shareholders holding shares in physical form may file their nomination in the prescribed Form SH-13 with the Company's Registrar and Share Transfer Agent. In respect of shares held in electric/demat form, the nomination form may be filed with the respective Depository Participant.

15. The, AGM Notice along with the Annual Report for the financial year 2017-18 is being sent only by electronic mode to those Members whose email addresses are registered with the Company/Depositories or the Registrar and Share Transfer Agent i.e. Link Intime India Private Limited or the Depository Participant(s) in accordance with the aforesaid MCA Circulars and circular issued by SEBI dated May 12, 2020 read with SEBI Circular dated January 15, 2021. Members may note that the AGM Notice along with the Annual Report for the financial year 2017-18 will also be available on the Company's website http://www.educomp.com/content/investors-home; websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at www.nseindia.com and www.bseindia.com respectively. Members can attend and participate in the Annual General Meeting through VC/OAVM facility only. The Notice shall also be available on the e-voting website of the agency engaged for providing e-voting facility, i.e. Link Intime India Private Limited, (LIIPL) viz., instavote.linkintime.co.in.

    All documents referred to in the Notice and the Explanatory Statement/Annexure shall be made available for inspection by the Members of the Company, without payment of fees upto the date of AGM. Members desirous of inspecting the same may send their requests not later than November 02, 2021 at 11:00 A.M. at mkipeducomp@bdo.in from their registered e-mail addresses mentioning their names and folio numbers/demat account numbers.

In accordance with the MCA Circulars, the Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of Companies Act, 2013 and Register of Contracts or arrangements in which directors are interested maintained under section 189 of the Companies Act, 2013 and Relevant documents referred to in this Notice of AGM and explanatory statement will be available for inspection on the date of AGM in electronic mode and shall remain open and be accessible to any Member.

16. Members of the Company holding shares either in physical form or in Dematerialised forms as on Friday, October 08, 2021 will receive Annual Report and AGM Notice through electronic mode.

17. **PROCEDURE FOR REMOTE E-VOTING AND E-VOTING DURING THE AGM:**

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and administration) Rules, 2014, as amended by the Companies (Management and administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosures Requirements), 2015 (**"Listing Regulations"**), the Company is pleased to provide members, the facility to exercise their vote at the 24th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-voting services. The facility of casting the votes by the eligible members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") and e voting during Annual General Meeting will be provided by the Link Intime India Private Limited. The instructions to cast votes through remote e-voting and through e-voting system during the AGM are annexed separately and form part of this Notice.

The Voting rights shall be reckoned on the paid-up value of shares registered in the name of member/beneficial owners (in case of electronic shareholding) as on the cut-off date i.e. Monday, November 01, 2021.The remote-e-voting period commences on Friday, November 05, 2021 (9.00 a.m. IST) and ends on Sunday, November 07, 2021 (5.00 p.m. IST). During this period, Members of the Company holding shares either in physical from or in dematerialized form as on the cut off date i.e. Monday, November 01, 2021 (hereinafter called as **"Cut-off Date"**), may cast their vote electronically. The remote E-voting module shall be forthwith blocked by Link Intime for voting thereafter. Once the vote on resolution is casted by the Member, he shall not be allowed to change it subsequently as well as a person who is not a member as on the Cut-off date should treat this Notice for information purpose only.

Only those Members who are present in the Meeting through VC or OAVM facility and have not cast their votes on resolutions through remote e-Voting and are otherwise not barred from doing so, shall be allowed to vote through e-Voting system during the AGM. However, Members who would have cast their votes by remote e-Voting may attend the Meeting, but shall neither be allowed to change it subsequently nor cast votes again during the Meeting and accordingly, their presence shall also be counted for the purpose of quorum under Section 103 of the Act. The Members, whose names appear in the Register of Members/list of Beneficial Owners as on cut off date i.e. Monday, November 01, 2021 are entitled to vote on the Resolutions set forth in the Notice. The voting rights of the Members shall be in proportion to their share(s) of the paid-up equity share capital of the Company as on the cut-off date.

The Resolution Professional has appointed Mr. Yogesh Saluja, Proprietor (C.P. No.22676) of M/s Yogesh Saluja and Associates, Practicing Company Secretaries (FRN : S2020DE718100) as the Scrutinizer to scrutinize the e-voting at the meeting and remote e-voting process in a fair and transparent manner.

The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast during the AGM, thereafter unblock the votes cast through remote e-voting and make, not later than 48 hours of conclusion of the AGM, a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any. Thereafter, the Results of e-Voting shall be declared forthwith by the Chairman or a person authorised by him, in writing, in this regard. The Results along with the report of the Scrutinizer shall be placed on the website of the Company (www.educomp.com) and on the website of Link Intime India Private Limited (https://instavote.linkintime.co.in) immediately. The Company shall simultaneously forward the results to National Stock Exchange of India Limited and BSE Limited, where the shares of the Company are listed.

Subject to the receipt of requisite number of votes, the businesses mentioned in the Notice / the resolution(s) forming part of the Notice shall be deemed to be passed on the date of the AGM, i.e., Monday, November 08, 2021.

18. **Remote e-Voting Instructions for shareholders post change in the Login mechanism for Individual shareholders holding securities in demat mode, pursuant to SEBI circular dated December 9, 2020:**

Pursuant to SEBI circular dated December 9, 2020 on e-Voting facility provided by Listed Companies, Individual shareholders holding securities in demat mode can vote through their demat account maintained with Depositories and Depository Participants.

Shareholders are advised to update their mobile number and email Id in their demat accounts to access e-Voting facility.

Login method for Individual shareholders holding securities in demat mode/ physical mode is given below:

Type of shareholders	Login Method
Individual Shareholders holding securities in demat mode with NSDL	• If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: https://eservices.nsdl.com either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the "Beneficial Owner" icon under "Login" which is available under 'IDeAS' section. A new screen will open. You will have to enter your User ID and Password. • After successful authentication, you will be able to see e-Voting services. Click on "Access to e-Voting" under e-Voting services and you will be able to see e-Voting page. Click on company name or e-Voting service provider name and you will be re-directed to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting. • If the user is not registered for IDeAS e-Services, option to register is available at https://eservices.nsdl.com. Select "Register Online for IDeAS "Portal or click at https://eservices.nsdl.com/SecureWeb/IdeasDirectReg.jsp • Visit the e-Voting website of NSDL. Open web browser by typing the following URL: https://www.evoting.nsdl.com/ either on a Personal Computer or on a mobile. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholder/Member' section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-Voting page. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in demat mode with CDSL	• Existing user of who have opted for Easi / Easiest, they can login through their user id and password. Option will be made available to reach e-Voting page without any further authentication. The URL for users to login to Easi / Easiest are https://web.cdslindia.com/myeasi/home/login or www.cdslindia.com and click on New System Myeasi. • After successful login of Easi / Easiest the user will be also able to see the E Voting Menu. The Menu will have links of e-Voting service provider i.e. NSDL, KARVY, LINK INTIME, CDSL. Click on e-Voting service provider name to cast your vote.

Type of shareholders	Login Method
	• If the user is not registered for Easi/Easiest, option to register is available at https://web.cdslindia.com/myeasi/Registration/EasiRegistration • Alternatively, the user can directly access e-Voting page by providing demat Account Number and PAN No. from a link in www.cdslindia.com home page. The system will authenticate the user by sending OTP on registered Mobile & Email as recorded in the demat Account. After successful authentication, user will be provided links for the respective ESP where the E Voting is in progress
Individual Shareholders (holding securities in demat mode) & login through their depository participants	• You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-Voting facility. • Once login, you will be able to see e-Voting option. Once you click on e-Voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-Voting feature. Click on company name or e-Voting service provider name and you will be redirected to e-Voting service provider website for casting your vote during the remote e-Voting period or joining virtual meeting & voting during the meeting.
Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME	1. Open the internet browser and launch the URL: https://instavote.linkintime.co.in ▸ Click on "**Sign Up**" under '**SHARE HOLDER**' tab and register with your following details: - A. **User ID**: Shareholders/ members holding shares in **physical form shall provide** Event No + Folio Number registered with the Company. B. **PAN**: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable. C. **DOB/DOI** : Enter the Date of Birth (DOB) / Date of Incorporation (DOI) (As recorded with your DP / Company - in DD/MM/YYYY format) D. **Bank Account Number** : Enter your Bank Account Number (last four digits), as recorded with your DP/Company. • Shareholders/ members holding shares in **physical form** but have not recorded 'C' and 'D', shall provide their Folio number in 'D' above ▸ Set the password of your choice (The password should contain minimum 8 characters, at least one special Character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter).

Type of shareholders	Login Method
	‣ Click "**confirm**" (Your password is now generated). 2. Click on 'Login' under '**SHARE HOLDER**' tab. 3. Enter your User ID, Password and Image Verification (CAPTCHA) Code and click on '**Submit**'. 4. After successful login, you will be able to see the notification for e-voting. Select '**View**' icon for Educomp Solutions Limited. 5. E-voting page will appear. 6. Refer the Resolution description and cast your vote by selecting your desired option '**Favour / Against**' (If you wish to view the entire Resolution details, click on the '**View Resolution**' file link). 7. After selecting the desired option i.e. Favour / Against, click on '**Submit**'. A confirmation box will be displayed. If you wish to confirm your vote, click on '**Yes**', else to change your vote, click on 'No' and accordingly modify your vote.

Institutional shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on the e-voting system of LIIPL at https://instavote.linkintime.co.in and register themselves as '**Custodian / Mutual Fund / Corporate Body'.** They are also required to upload a scanned certified true copy of the board resolution /authority letter/power of attorney etc. together with attested specimen signature of the duly authorised representative(s) in PDF format in the '**Custodian / Mutual Fund / Corporate Body**' login for the Scrutinizer to verify the same.

Individual Shareholders holding securities in Physical mode & evoting service Provider is LINKINTIME, have forgotten the password:

o Click on '**Login**' under '**SHARE HOLDER**' tab and further Click '**forgot password**?'

o Enter **User ID**, select **Mode** and Enter Image Verification (CAPTCHA) Code and Click on '**Submit**'.

- In case shareholders/ members is having valid email address, Password will be sent to his / her registered e-mail address.
- Shareholders/ members can set the password of his/her choice by providing the information about the particulars of the Security Question and Answer, PAN, DOB/DOI, Bank Account Number (last four digits) etc. as mentioned above.
- The password should contain minimum 8 characters, at least one special character (@!#$&*), at least one numeral, at least one alphabet and at least one capital letter.

Individual Shareholders holding securities in demat mode with NSDL/ CDSL have forgotten the password:

Shareholders/ members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned depository/ depository participants website.

‣ It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- For shareholders/ members holding shares in physical form, the details can be used only for voting on the resolutions contained in this Notice.
- During the voting period, shareholders/ members can login any number of time till they have voted on the resolution(s) for a particular "Event".

Helpdesk for Individual Shareholders holding securities in demat mode:

In case shareholders/ members holding securities in demat mode have any technical issues related to login through Depository i.e. NSDL/ CDSL, they may contact the respective helpdesk given below:

Login type	Helpdesk details
Individual Shareholders holding securities in demat mode with NSDL	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at voting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30
Individual Shareholders holding securities in demat mode with CDSL	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022-

Helpdesk for Individual Shareholders holding securities in physical mode/ Institutional shareholders & evoting service Provider is LINKINTIME.

In case shareholders/ members holding securities in physical mode/ Institutional shareholders have any queries regarding e-voting, they may refer the **Frequently Asked Questions ('FAQs')** and **InstaVote e-Voting manual** available at https://instavote.linkintime.co.in, under Help section or send an email to enotices@linkintime.co.in or contact on: - Tel: 022 –4918 6000.

19. Process and manner for attending the Annual General Meeting through InstaMeet:

For a smooth experience of AGM proceedings, shareholders who are registered for the event are requested to download and install the Webex application in advance on the device that you would be using to attend the meeting by clicking on the link https://www.webex.com/downloads.html/.Shareholders also have an option to click on the URL provided to attend the meeting. Please read the instructions carefully and participate in the meeting. For any support, shareholders may also call the RTA on the dedicated number provided in the instructions. Once the electronic voting is activated by the scrutinizer/ moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. Open the internet browser and launch the URL: https://instameet.linkintime.co.in

- Select the "**Company**" and '**Event Date**' and register with your following details: -

A. **Demat Account No. or Folio No**: Enter your 16 digit Demat Account No. or Folio No

- Shareholders/ members holding shares in **CDSL demat account shall provide 16 Digit Beneficiary ID**
- Shareholders/ members holding shares in **NSDL demat account shall provide 8 Character DP ID followed by 8 Digit Client ID**

- Shareholders/ members holding shares in **physical form shall provide** Folio Number registered with the Company

B. **PAN**: Enter your 10-digit Permanent Account Number (PAN) (Members who have not updated their PAN with the Depository Participant (DP)/ Company shall use the sequence number provided to you, if applicable.

C. **Mobile No**.: Enter your mobile number.

D. **Email ID**: Enter your email id, as recorded with your DP/Company.

- Click "Go to Meeting" (You are now registered for InstaMeet and your attendance is marked for the meeting).

Please refer the instructions (annexure) for the software requirements and kindly ensure to install the same on the device which would be used to attend the meeting. Please read the instructions carefully and participate in the meeting. You may also call upon the InstaMeet Support Desk for any support on the dedicated number provided to you in the instruction/ InstaMEET website.

2. Members can log in and join 15 minutes prior to the schedule time of the AGM and window for joining the meeting shall be kept open till the expiry of 15 minutes after the scheduled time. The Company shall provide VC/OAVM facility to Members to attend the AGM. The said facility will be available for 1000 Members on first come first served basis. This will not include large Members (i.e. Members with 2% or more shareholding), promoters, institutional investors, directors, key managerial personnel, chairpersons of the audit committee, nomination & remuneration committee and stakeholders' relationship committee, auditors etc. who are allowed to attend the AGM without restriction on account of first come first served basis.

20. Instructions for Shareholders/ Members to Speak during the Annual General Meeting through InstaMeet:

1. Shareholders who would like to speak during the meeting must register their request 7 days in advance with the company by sending their request on the e-mail id at mkipeducomp@bdo.in.
2. Speakers will only be allowed to express their views/ask questions on first come first served basis during the meeting. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
3. Shareholders who would like to ask questions, may send the same in advance mentioning their name, demat account number/folio number, email id, mobile number at mkipeducomp@bdo.in, atleast 48 hours prior to the date of AGM i.e. on or before 10.00 a.m. (IST) on Saturday, November 6, 2021. The same will be replied by the Company suitably.
4. Shareholders will get confirmation on first cum first basis depending upon the provision made by the client.
5. Shareholders will receive "speaking serial number" once they mark attendance for the meeting.
6. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
7. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.
8. Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.
9. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting.

21. Instructions for Shareholders/ Members to Vote during the Annual General Meeting through InstaMeet:

Once the electronic voting is activated by the scrutinizer/moderator during the meeting, shareholders/ members who have not exercised their vote through the remote e-voting can cast the vote as under:

1. On the Shareholders VC page, click on the link for e-Voting "Cast your vote".
2. Enter Demat Account No. / Folio No. and OTP (received on the registered mobile number/ registered email Id) received during registration for InstaMeet and click on 'Submit'.
3. After successful login, you will see "Resolution Description" and against the same the option "Favour/ Against" for voting.
4. Cast your vote by selecting appropriate option i.e. "Favour/Against" as desired.

   Enter the number of shares (which represents no. of votes) as on the cut-off date under 'Favour/Against'.
5. After selecting the appropriate option i.e. Favour/Against as desired and you have decided to vote, click on "Save". A confirmation box will be displayed. If you wish to confirm your vote, click on "Confirm", else to change your vote, click on "Back" and accordingly modify your vote.
6. Once you confirm your vote on the resolution, you will not be allowed to modify or change your vote subsequently.

Note:

Shareholders/ Members, who will be present in the Annual General Meeting through InstaMeet facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting facility during the meeting.

Shareholders/ Members who have voted through Remote e-Voting prior to the Annual General Meeting will be eligible to attend/participate in the Annual General Meeting through InstaMeet. However, they will not be eligible to vote again during the meeting.

Shareholders/Members are encouraged to join the Meeting through Tablets/Laptops connected through broadband for better experience.

Shareholders/Members are required to use Internet with a good speed (preferably 2 MBPS download stream) to avoid any disturbance during the meeting.

Please note that Shareholders/Members connecting from Mobile Devices or Tablets or through Laptops connecting via Mobile Hotspot may experience Audio/Visual loss due to fluctuation in their network. It is therefore recommended to use stable Wi-FI or LAN connection to mitigate any kind of aforesaid glitches.

In case the shareholders/members have any queries or issues regarding e-voting, you can write an email to instameet@linkintime.co.in or Call us: - Tel : 011 – 49411000 InstaMeet Support Desk, Link Intime India Private Limited

Members may note that the AGM Notice and Annual Report for the financial year 2017-18 will also be available on the Company's website www.educomp.com, LIPL's website https://instavote.linkintime.co.in; websites of the Stock Exchanges i.e. National Stock Exchange of India Ltd and BSE Limited at www.nseindia.com and www.bseindia.com respectively.

Annexure to the Notice (Explanatory Statement in respect of the Special Businesses to be transacted at the AGM and set out under Item No. 3 of the accompanying Notice of AGM pursuant to Section 102 (1) of the Companies Act, 2013, as amended)

ITEM NO. 3

Section 148 of the Act, inter-alia, provides that the Central Government may direct audit of cost records of class of Companies. Further, as you are aware that w.e.f 30th May 2017 the Company has been admitted to CIRP under Section 10 of the Code. Thereafter, in accordance with Section 17 of the Code, the powers of the Board stood suspended and be exercised by the Interim Resolution Professional until replaced by Resolution Professional.

In pursuance of Rule 14 of the Companies (Audit and Auditors) Rules, 2014, the Board shall appoint an individual who is a cost accountant in practice or a firm of cost accountants in practice, as cost auditor, which shall also recommend remuneration for such cost auditor. The remuneration recommended shall be considered and approved by the Board and ratified subsequently by the shareholders.

In terms of the same, as specified above that post the initiation of the CIRP the powers of the Board stood suspended and be exercised by the Interim Resolution Professional until replaced by Resolution Professional. Accordingly, Resolution Professional has, considered and approved the appointment of M/s Ahuja Sunny & Co., Cost Accountants as the cost auditor for the financial year 2017-18 at a remuneration of Rs.1.20 lac per annum plus applicable taxes and reimbursement of out of pocket expenses.

None of the Directors/Key Managerial Personnel of the Company/their relatives are in any way, concerned or interested, financially or otherwise, in the resolution.

The resolution mentioned in Item no. 3 of the Notice is recommended for your approval.

For Educomp Solutions Limited
(Under CIRP)

Sd/-
Mahender Khandelwal
Resolution Professional
Taken on record
IBBI Reg. No IBBI/IPA-001/IP-P00033/2016-17/ 10086

Date : October 08, 2021
Place : New Delhi

Details of the Director seeking appointment / re-appointment in the Annual General Meeting to be held on November 8, 2021 pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with applicable Secretarial Standard:

Name of the Director	Mr. Shantanu Prakash
DIN	00983057
Date of Birth	26/01/1965
Date of appointment	07/09/1994
Qualification	Graduate in B.Com (Hons) from S.R.C.C, Delhi University and MBA (IIM- Ahmedabad)
Relation with Directors / KMP	None
Expertise in Functional area/brief resume	Mr. Shantanu Prakash, MBA (IIM- Ahmedabad) is the founder member of Educomp Solutions Limited and has been responsible from its inception. He is an expert in Education Technology and Pedagogy.
List of Directorships in other Companies (other than Educomp Solutions Ltd.)	Refer report on Corporate Governance Report section of the Annual Report 2017-18.
Membership / Chairmanship in Committees of Educomp Solutions Ltd.	1. Audit Committee; 2. Shareholders Relationship Committee; and 3. Nomination & Remuneration Committee.
Membership of Committee of the Board in other Companies.	N.A.
No. of Board Meetings attended / entitled to attend during the year	1 / 1
Number of shares held in Educomp Solutions Ltd.	44315205
Percentage of shareholding in Educomp Solutions Ltd.	36.18 %

For Educomp Solutions Limited
(Under CIRP)

Date : October 08, 2021

Place : New Delhi

Sd/-
Mahender Khandelwal
Resolution Professional
Taken on record
IBBI Reg. No IBBI/IPA-001/IP-P00033/2016-17/ 10086

RESOLUTION PROFESSIONAL'S REPORT ON WORKING & AFFAIRS OF THE COMPANY
(As approved by Resolution Professional appointed pursuant to order dated September 12, 2017 of Hon'ble National Company Law Tribunal)

Dear Shareholders,

Company under Insolvency and Bankruptcy Code 2016 (IBC)

The Corporate Insolvency Resolution Process ("**CIRP**") against the Educomp Solutions Limited ("**Corporate Debtor**") was initiated by the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi ("**Adjudicating Authority**") under Section 10 of the Code vide its order dated 30th May 2017. The Adjudicating Authority vide its order, appointed Dr. Sanjeev Aggarwal as the Interim Resolution Professional ("**IRP**") to conduct the CIRP of the Corporate Debtor. Thereafter, in the third CoC Meeting held on 12th September 2017, the IRP was replaced and Mr. Mahender Kumar Khandelwal was appointed as the Resolution Professional ("RP") to run the CIRP of the Corporate Debtor.

Subsequently, the RP published Expression of Interest ("**EoI**") \ inviting resolution plans for the revival and restructuring of the Corporate Debtor. Further to the issuance of the EoI, the resolution plans were received from one Ebix Singapore Pte. Ltd. ("**Ebix**") and one Boundary Holdings SARL SPF. Pursuant to the discussions and deliberations with the CoC, the Resolution plan submitted by the Ebix was put to vote. Ebix's resolution plan, in terms of Section 30(4) of the Code, was finally approved by the CoC with 75.35% majority voting share on 22nd February 2018 including vote of Chhattisgarh State Electricity Board ("**CSEB**") whose vote was received subsequently due to a technical glitch. Pursuant thereto, the Resolution Professional submitted the Ebix's Resolution Plan for the approval of the Adjudicating Authority by way of an application under Section 30(6) and 31 of the Code (CA 195 of 2018) ("**Plan Approval Application**").

Around July 2019, while the Plan Approval Application was pending adjudication before the Adjudicating Authority, Ebix filed its first application seeking withdrawal of the Resolution Plan on account of the purported inordinate delay in approval pf resolution plan by the Adjudicating Authority, and ongoing investigations into the affairs of the Corporate Debtor. The said application was dismissed by the Adjudicating Authority. Thereafter, Ebix filed another withdrawal application in August 2019 on the similar cause of action. The second application was also dismissed by the Adjudicating Authority. However, the third withdrawal application filed by Ebix (IA 1816 of 2019) after having been heard at length on 25th November 2019 was allowed by the Adjudicating Authority vide its order dated 02nd January 2020 ('**2nd January Order**"). Thereby Ebix was permitted to withdraw its plan despite the same having been approved by the Committee of Creditors of Educomp ("**CoC**"). The Adjudicating Authority also imposed a cost of Rs. 1 lakh on Ebix and extended the CIRP of the Corporate Debtor by 90 days to begin from 16th November 2019. The Adjudicating Authority directed the Resolution Professional to expedite the possibility of achieving resolution of the stressed assets within such extended period.

As a consequence of the 2nd January Order passed by the Adjudicating Authority in third withdrawal application for filed by Ebix (IA 1816 of 2019)., the Adjudicating Authority dismissed the Plan Approval Application filed by the Resolution Professional vide its further order dated 3rd January 2020.

Thereafter, the Committee of Creditors of Educomp ("**CoC**") challenged the 2nd January Order passed by the Adjudicating Authority allowing the withdrawal before the National Company Law Appellate Tribunal ("**NCLAT**") on 28.01.2020 by way of an Appeal bearing number Company Appeal (AT) (Insolvency) No. 203 of 2020 ("**First Appeal**"). The First Appeal was listed for consideration before the NCLAT on **03.02.2020** wherein, the Appellate Tribunal was pleased to issue notice in the appeal and further stayed the operation of the 2nd January order.

On 22nd June 2020, the CoC filed another Appeal i.e. Company Appeal (AT)(Ins) No. 587 of 2020 ("**Second Appeal**") before the NCLAT against the 3rd January order passed by the Adjudicating Authority thereby dismissing the application of the RP seeking approval of the Resolution Plan filed by Ebix. It may be noted that the CoC gained the knowledge of the 3rd January order only during the hearing in the First Appeal and therefore, could not challenge the same at an earlier date.

The NCLAT allowed the First Appeal filed by the CoC vide its judgment dated 29th July 2020 and set aside the 2nd January order passed by the Adjudicating Authority inter alia holding that the Adjudicating Authority did not have the power to allow Ebix (RA) to withdraw its resolution plan after it was approved by the CoC.

Thereafter Ebix filed a Civil Appeal No. 3224 of 2020 ("**Ebix Appeal/Appeal**") before the Hon'ble Supreme Court of India ("**Hon'ble Supreme Court**") challenging the NCLAT Judgment dated 29.07.2020 passed in the First Appeal on the ground that (a) Ebix is not bound by the Resolution Plan until the same is approved by the Adjudicating Authority; (b) inordinate delay in approval of the application under Section 31 and (c) pending SFIO and CBI investigations into the affairs of Educomp called for withdrawal.

The Hon'ble Supreme Court was pleased to issue notice in the Ebix Appeal on 07th October 2020 and vide the same order stayed the proceedings under Second Appeal before the NCLAT. The question of law involved in Ebix's Appeal was "Whether the withdrawal of Resolution Plan is permitted after it has been approved by the CoC".

The Hon'ble Supreme Court after hearing the parties vide its judgment dated 13th September 2021 dismissed the Appeal on the ground that "The existing insolvency framework in India provides no scope for effecting further modifications or withdrawals of CoC-approved Resolution Plans, at the behest of the Successful Resolution Applicant, once the plan has been submitted to the Adjudicating Authority. The Hon'ble Court further held that "A submitted Resolution Plan is binding and irrevocable as between the CoC and the successful Resolution Applicant in terms of the provisions of the IBC and the CIRP Regulations."

Accordingly, the Hon'ble Supreme Court dismissed Ebix's Appeal.

<u>The present status of the proceedings is that the Second Appeal challenging the 3rd January order which is pending adjudication before the NCLAT and is scheduled for consideration before the NCLAT on 25th October 2021.</u>

Since the Company is under CIRP, as per Section 17 of the Code, from the date of appointment of the Resolution Professional :

(a) the management of the affairs of the company shall vest in the Resolution Professional.

(b) the powers of the Board of Directors of the company shall stand suspended and be exercised by the Resolution Professional.

(c) the officers and managers of the company shall report to the resolution professional and provide access to such documents and records of the company as may be required by the Resolution Professional.

(d) the financial institutions maintaining accounts of the company shall act on the instructions of the Resolution Professional in relating to such accounts furnish all information relating to the company available with them to the Resolution Professional.

Further, since most of the employees have left the Company, hence this report is being made on best efforts basis based on whatever information available in order to meet the compliance.

1. FINANCIAL PERFORMANCE :

The highlights of the consolidated and standalone audited financial results for the year ended 31st March 2018 are as follows:

(Rs. in Million)

Particulars	Standalone		Consolidated	
	Audited		Audited	
	31.03.2018	31.03.2017	31.03.2018	31.03.2017
Total Income	**719.77**	**2,154.47**	**1067.27**	**3774.16**
Expenditure	9021.77	2583.02	24958.35	3597.08
Finance Cost	435.68	2536.99	1345.81	3750.78
Depreciation	147.77	272.19	306.58	451.87
Profit / Loss for the year before Exceptional Items & Tax	**(8885.45)**	**(3237.73)**	**(25553.25)**	**(4025.57)**
Exceptional Items	14797.33	1517.86	476.90	3773.69
Tax Expense	-	-	19.81	11.42
Net Profit / (Loss) for the year after Tax	**(23682.78)**	**(4,755.59)**	**(26049.96)**	**(7816.65)**

2. DIVIDEND AND TRANSFER TO RESERVE:

In view of losses incurred during the period under review, the Company does not recommend any dividend on the equity shares for the financial year ended as on March 31, 2018.

During the year under review, the Company has made no transfer to reserves.

3. OPERATING RESULTS AND BUSINESS:

On Standalone basis Company's total revenue stands at Rs. 719.77 million as on March 31, 2018 as compared to Rs. 2,154.47 million as on March 31, 2017, a decline of 66.57%. The loss before taxes is Rs. 23.682.78 million as on March 31, 2018 as against loss before taxes of Rs. 4,755.59 million as on March 31, 2017.

On Consolidated basis Company's total revenue stands at Rs. 1067.27 million as on March 31, 2018 as compared to Rs. 3774.16 million as on March 31, 2017, registering a decline of 71.72%. The loss before tax and after exceptional items stands at Rs. 25553.25 million as on March 31, 2018 as against loss of Rs. 4025.57 million as on March 31, 2017.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management's Discussion and Analysis Report for the year under review detailing economic scenario and outlook, as stipulated under Schedule V of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 (“SEBI LODR Regulations”) is presented in a separate section and forms integral part of this Report.

4. CHANGES IN CAPITAL STRUCTURE:

A. AUTHORIZED SHARE CAPITAL

Authorised Share Capital of the Company is Rs. 40,00,00,000/- (Rupees Forty Crores Only) divided into 20,00,00,000 (Twenty Crores) equity shares of Rs. 2/- (Rupees Two Only) each.

B. ISSUED AND PAID-UP SHARE CAPITAL

During the year under review, the Company has not issued and allotted any equity shares and the paid up share capital stood at Rs. 24,49,34,336/- consisting of 12,24,67,168 Equity Shares of the face value of Rs.

2/- each as on 31st March, 2018 and as on the date of report.

5. FOREIGN CURRENCY CONVERTIBLE BONDS

In Year 2012-13, the Company had raised US$ 10 million, Zero Coupon Foreign Currency Convertible Bonds ("FCCB") for redemption of outstanding Zero Coupon Foreign Currency Convertible Bonds. The Bond holders, as per the agreement, have the option to convert these bonds into Equity Shares, at a price of Rs.188.62 per share within 5 years and 1 day from the date of disbursement. The FCCB are redeemable at a premium of 33.15 % on principal after 5 years and 1 day. The FCCB were raised for the purposes of redemption of earlier FCCB of the Company. As on March, 31, 2017 US$ 10 million (previous year US$ 10 million) FCCB were outstanding for conversion into equity shares of Rs. 2 each. The bonds were convertible latest by July 24, 2017. The Company was not able to redeem these FCCB and thus has defaulted on redemption. In this regard, please note that the Company is CIRP since May 30, 2017 and a moratorium period is in effect since 30th May 2017 wherein no judicial proceedings for recovery, enforcement of security interest, sale or transfer of assets, or termination of essential contracts can be instituted or continued against the Company.

6. SECURED, REDEEMABLE, NON-CONVERTIBLE DEBENTURES & EXTERNAL COMMERCIAL BORROWINGS

Non-Convertible Debentures

As on 31st March 2018, the Company has outstanding Secured Non-Convertible Debentures (NCDs) for an aggregate value of Rs. 45 Crores comprising 350, 13.5% Secured Non-Convertible Debentures (Listed on Bombay Stock exchange) of the face value of Rs.10,00,000/- each aggregating to Rs.35 Crores and 100, 13.25% Secured Non-Convertible Debentures of the face value of Rs.10,00,000/- each aggregating to Rs.10 Crores.

The debenture trustee of these debentures is Axis Trustee Services Limited having its registered office at Axis House, 2nd Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai, Maharashtra-400025. Ph:-022-24255215/5216; email:-complaints@axistrustee.com; debenturetrustee@axistrustee.com.

The Company has defaulted on interest and redemption of these NCDs. In this regard, please note that the Company is CIRP since May 30, 2017 and a moratorium period is in effect since 30th May 2017 wherein no judicial proceedings for recovery, enforcement of security interest, sale or transfer of assets, or termination of essential contracts can be instituted or continued against the Company.

External Commercial Borrowings

In Year 2012-13, the Company has raised US$ 70 million through External Commercial Borrowing ("ECB") comprising US$ 30 million from International Financial Corporation ("IFC") a member of the World Bank Group and US$ 40 million from Société De Promotion Et De Participation Pour La Coopération Économique (PROPARCO), a French development financial institution. The ECB has a term of 8.5 years with a 3 years moratorium and the coupon rate is LIBOR + 4.5%. The ECB has been raised for purposes of redemption of existing FCCB. The said ECB is outstanding at the Financial Year ending on March 31, 2018. The Company has made a default in payment of interest and repayment of these ECBs. In this regard, please note that the Company is under CIRP from May 30, 2017 and a moratorium period is effective since 30th May 2017 wherein no judicial proceedings for recovery, enforcement of security interest, sale or transfer of assets, or termination of essential contracts can be instituted or continued against the Company.

7. MATERIAL CHANGES AND COMMITMENTS

Material Changes affecting the financial position of the Company which have occurred between the F.Y.2017-18 and the date of this report:

The Corporate Insolvency Resolution Process ("**CIRP**") against the Educomp Solutions Limited ("**Corporate Debtor**") was initiated by the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi ("**Adjudicating Authority**") under Section 10 of the Code vide its order dated 30th May 2017. The Adjudicating

Authority vide its order, appointed Dr. Sanjeev Aggarwal as the Interim Resolution Professional ("IRP") to conduct the CIRP of the Corporate Debtor. Thereafter, in the third CoC Meeting held on 12th September 2017, the IRP was replaced and Mr. Mahender Kumar Khandelwal was appointed as the Resolution Professional ("**RP**") to run the CIRP of the Corporate Debtor.

Subsequently, the RP published Expression of Interest ("**EoI**") \ inviting resolution plans for the revival and restructuring of the Corporate Debtor. Further to the issuance of the EoI, the resolution plans were received from one Ebix Singapore Pte. Ltd. ("**Ebix**") and one Boundary Holdings SARL SPF. Pursuant to the discussions and deliberations with the CoC, the Resolution plan submitted by the Ebix was put to vote. Ebix's resolution plan, in terms of Section 30(4) of the Code, was finally approved by the CoC with 75.35% majority voting share on 22nd February 2018 including vote of Chhattisgarh State Electricity Board ("**CSEB**") whose vote was received subsequently due to a technical glitch. Pursuant thereto, the Resolution Professional submitted the Ebix's Resolution Plan for the approval of the Adjudicating Authority by way of an application under Section 30(6) and 31 of the Code (CA 195 of 2018) ("**Plan Approval Application**").

Around July 2019, while the Plan Approval Application was pending adjudication before the Adjudicating Authority, Ebix filed its first application seeking withdrawal of the Resolution Plan on account of the purported inordinate delay in approval pf resolution plan by the Adjudicating Authority, and ongoing investigations into the affairs of the Corporate Debtor. The said application was dismissed by the Adjudicating Authority. Thereafter, Ebix filed another withdrawal application in August 2019 on the similar cause of action. The second application was also dismissed by the Adjudicating Authority. However, the third withdrawal application filed by Ebix (IA 1816 of 2019) after having been heard at length on 25th November 2019 was allowed by the Adjudicating Authority vide its order dated 02nd January 2020 ('**2nd January Order**"). Thereby Ebix was permitted to withdraw its plan despite the same having been approved by the Committee of Creditors of Educomp ("**CoC**"). The Adjudicating Authority also imposed a cost of Rs. 1 lakh on Ebix and extended the CIRP of the Corporate Debtor by 90 days to begin from 16th November 2019. The Adjudicating Authority directed the Resolution Professional to expedite the possibility of achieving resolution of the stressed assets within such extended period.

As a consequence of the 2nd January Order passed by the Adjudicating Authority in third withdrawal application for filed by Ebix (IA 1816 of 2019)., the Adjudicating Authority dismissed the Plan Approval Application filed by the Resolution Professional vide its further order dated 3rd January 2020.

Thereafter, the Committee of Creditors of Educomp ("**CoC**") challenged the 2nd January Order passed by the Adjudicating Authority allowing the withdrawal before the National Company Law Appellate Tribunal ("**NCLAT**") on 28.01.2020 by way of an Appeal bearing number Company Appeal (AT) (Insolvency) No. 203 of 2020 ("**First Appeal**"). The First Appeal was listed for consideration before the NCLAT on **03.02.2020** wherein, the Appellate Tribunal was pleased to issue notice in the appeal and further stayed the operation of the 2nd January order.

On 22nd June 2020, the CoC filed another Appeal i.e. Company Appeal (AT)(Ins) No. 587 of 2020 ("**Second Appeal**") before the NCLAT against the 3rd January order passed by the Adjudicating Authority thereby dismissing the application of the RP seeking approval of the Resolution Plan filed by Ebix. It may be noted that the CoC gained the knowledge of the 3rd January order only during the hearing in the First Appeal and therefore, could not challenge the same at an earlier date.

The NCLAT allowed the First Appeal filed by the CoC vide its judgment dated 29th July 2020 and set aside the 2nd January order passed by the Adjudicating Authority inter alia holding that the Adjudicating Authority did not have the power to allow Ebix (RA) to withdraw its resolution plan after it was approved by the CoC.

Thereafter Ebix filed a Civil Appeal No. 3224 of 2020 ("**Ebix Appeal/Appeal**") before the Hon'ble Supreme Court of India ("**Hon'ble Supreme Court**") challenging the NCLAT Judgment dated 29.07.2020 passed in the First Appeal on the ground that (a) Ebix is not bound by the Resolution Plan until the same is approved by the Adjudicating Authority; (b) inordinate delay in approval of the application under Section 31 and (c) pending SFIO and CBI investigations into the affairs of Educomp called for withdrawal.

The Hon'ble Supreme Court was pleased to issue notice in the Ebix Appeal on 07th October 2020 and vide the same order stayed the proceedings under Second Appeal before the NCLAT. The question of law involved in Ebix's Appeal was "Whether the withdrawal of Resolution Plan is permitted after it has been approved by the CoC".

The Hon'ble Supreme Court after hearing the parties vide its judgment dated 13th September 2021 dismissed the Appeal on the ground that "The existing insolvency framework in India provides no scope for effecting further modifications or withdrawals of CoC-approved Resolution Plans, at the behest of the Successful Resolution Applicant, once the plan has been submitted to the Adjudicating Authority. The Hon'ble Court further held that "A submitted Resolution Plan is binding and irrevocable as between the CoC and the successful Resolution Applicant in terms of the provisions of the IBC and the CIRP Regulations."

Accordingly, the Hon'ble Supreme Court dismissed Ebix's Appeal.

The present status of the proceedings is that the Second Appeal challenging the 3rd January order which is pending adjudication before the NCLAT and is scheduled for consideration before the NCLAT on 25th October 2021.

Further, since the Company is under CIRP, as per Section 17 of the Code, from the date of appointment of the Resolution Professional :

(a) the management of the affairs of the company shall vest in the Resolution Professional.

(b) the powers of the Board of Directors of the company shall stand suspended and be exercised by the Resolution Professional.

(c) the officers and managers of the company shall report to the resolution professional and provide access to such documents and records of the company as may be required by the Resolution Professional.

(d) the financial institutions maintaining accounts of the company shall act on the instructions of the Resolution Professional in relating to such accounts furnish all information relating to the company available with them to the Resolution Professional.

The Company has received a letter dated October 12, 2018 from Serious Fraud Investigation Office ("SFIO"), Ministry of Corporate Affairs ("MCA"), Government of India, intimating the Company that the Ministry of Corporate Affairs has ordered an investigation into the affairs of the Company by the SFIO. The Company is providing the information as and when being sought by SFIO.

There was no proper composition of the Board and Key Managerial Personnel. Most of the senior employees and other staff had also resigned.

The Company has not complied with the various provisions of the Companies Act, 2013 and SEBI (LODR), 2015. Due to this reason the authorities have imposed penalties on the Company. The overall working of the Company has been affected.

CBI has registered an FIR on the Company and its directors and conducted a search at the premises of office of the Company at Educomp Towers, 514, Udyog Vihar, Phase-III, Gurgaon and several other locations of the Company on February 11, 2020. During the course of proceedings, a number of documents were taken in possession by CBI which were duly provided to them by the officials of the Corporate Debtor

8. EXTRACT OF ANNUAL RETURN

Pursuant to the provision of Section 92 (3) of the Companies Act, 2013, the extract of the Annual Return in **Form No. MGT-9** is presented in a separate section and is annexed herewith as "**Annexure- I**" to this report. Form No. **MGT-9** has been prepared on the basis of best efforts and information to the extent available.

9. PUBLIC DEPOSITS:

During the year, the Company has not accepted any deposits under the provisions of the Companies Act, 2013.

10. SUBSIDIARIES/ JOINT VENTURES/ ASSOCIATES

As on March 31, 2018, the Company had 41 Subsidiaries, 1 Joint ventures and 2 Associates. In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and financial statements of the subsidiary which is consolidated with the Company will be available on our website http://www.educomp.com/content/company

We have prepared consolidated financial statements of the Company and all its subsidiaries and Associates for the year ended March 31, 2018, except 3 subsidiaries namely EduSmart Services Private Limited (ESSPL) (a subsidiary through potential voting rights), Educomp Asia Pacific Pte Limited. (EAPL), The Learning Internet Inc (L.com) and 1 step down subsidiary, Educomp Learning Hour Private Limited have filed for insolvency on June 27, 2017, June 30, 2017, June 30, 2017 and December 11, 2017 respectively consequent to which Resolution Professionals (RP) have been appointed in the respective companies and all the powers to direct the state of affairs of these companies rests with the respective RP's. Accordingly, by virtue of provisions of Ind AS 110 Consolidated Financial Statement, the Holding Company has lost its controlling power over the above mentioned subsidiaries and have not been consolidated in current year. Further, as per Ind AS110" Consolidated Financial Statements" ,Loss of Control accounting is required to be done on the date on which control is lost by the parent entity. Since the financials on the date of loss of control are not available with the management of the holding company, loss of control accounting in preparing these consolidated Ind AS financial statements has been done on the basis of last financials statements available for the year ended March 31, 2017.

Further, during the previous year ended March 31, 2017, the holding company had total investment of 41.82% in Joint venture namely Educomp Raffles Higher Education Limited (ERHEL), through two of its wholly owned subsidiaries i.e. 41.17% through Educomp Asia Pacific Pte Ltd. (EAPL) and 0.65% through Educomp Professional Education Limited (EPEL). During current year, the High Court of the Republic of Singapore, on the grounds of insolvency, vide its order dated June 30, 2017 has passed an order of compulsory winding up against EAPL pursuant to which liquidators have been appointed in EAPL. Hence, by virtue of Ind AS110" Consolidated Financial Statements" the holding company has lost its controlling power over EAPL leading to loss of significant influence in ERHEL as the investment of the Holding company in ERHEL has reduced to 0.65% from 41.82% during the year. Accordingly, ERHEL has ceased to be a Joint venture of the Holding Company as at March 31, 2018 and hence the same has been disclosed as an investment in others.

Further, the report on the performance and financial position of each of the subsidiary, associate and joint venture and salient features of the financial statements in the prescribed Form AOC-1 is annexed to this report and marked as **Annexure-II.**

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements, including the consolidated financial statements and related information of the Company and financial statements of the subsidiary which is consolidated with the Company will be available on our website http://www.educomp.com/content/investors-home.

11. BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As on 31st March 2018, Board of Directors of Educomp Solutions Limited comprises of one Executive Director namely Mr. Vinod Kumar Dandona, Whole Time Director; one non-executive non independent director namely Mr. Shantanu Prakash and one non-executive Independent Director namely Mr. Vijay Kumar Chaudhary.

As on date of the report, the Company is having two directors i.e Mr. Shantanu Prakash and Mr. Vinod Kumar Dandona.

As per section 152 of the Companies Act, 2013 Mr. Shantanu Prakash is the Director liable to retire by rotation and further being eligible, for re-appointment at the ensuing Annual General Meeting. The Board recommends their re-appointment and requisite resolution forms part of the notice convening the AGM.

The brief resume and other details relating to the directors, who are to be appointed/ re-appointed as stipulated under Listing Regulations, 2015, are furnished in the Notice of AGM forming part of the Annual Report.

Mr. Ashish Mittal has resigned as Chief Financial Officer of the Company w.e.f May 30, 2018. Mr. Yogesh Saluja has resigned as Company Secretary and compliance officer of the Company w.e.f October 3, 2019. On May 05, 2021 the company has appointed Mr. Manoj Garg as Chief Financial Officer and Mr. Lakshay Vaid as Company Secretary of the Company. Moreover, as on date of the report, the Company does not have the Managing Director/CEO/WTD.

Board Evaluation

As specified the Company has been admitted to CIRP under Section 10 of the Code w.e.f 30th May 2017. Thereafter, in accordance with Section 17 of the Code, the powers of the Board stood suspended and be exercised by the Interim Resolution Professional until replaced by Resolution Professional. Accordingly, due to the suspension of the powers of the board no Board evaluation has been carried out during the year under review.

12. BOARD MEETINGS

Only 1 (One) Board Meeting on May 10, 2017 was convened during the year under review. Further, w.e.f May 30, 2017 the Company has been admitted to CIRP under Section 10 of the Code. Thereafter, in accordance with Section 17 of the Code, the powers of the Board stood suspended and be exercised by the Interim Resolution Professional until replaced by Resolution Professional.

13. COMMITTEES TO THE BOARD OF DIRECTORS

The details regarding committees of the Board of Directors of the Company viz. composition, terms of reference, and other information, as required, have been provided in the Report on Corporate Governance which forms integral part of Annual Report.

14. INDEPENDENT DIRECTORS' DECLARATION

As specified above that w.e.f May 30, 2017 the Company has been admitted to CIRP under Section 10 of the Code. Thereafter, in accordance with Section 17 of the Code, the powers of the Board stood suspended and be exercised by the Interim Resolution Professional until replaced by Resolution Professional. Accordingly, the Company does not have the necessary declaration, for period under review, from the Independent Director as required in accordance with Section 149(7) of the Companies Act, 2013, that he/she meets the criteria of independence as laid out in sub-section (6) of Section 149 of the Companies Act, 2013 read with Clause 16(1)(b) and 25 of the Listing Regulations, 2015.

15. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS

Your Company has put in place a structured induction and familiarization programme for Independent Directors. The Company through such programme familiarizes Independent Directors with a brief background of the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model, operations of the Company, etc. Details on familiarization programme for Independent Directors is posted on the Company's website and can be accessed at http://www.educomp.com/content/familiarisationprogramme. No Familiarization program has been carried out by the company during the period under review as the company is under CIRP w.e.f. May 30, 2017.

16 NOMINATION AND REMUNERATION POLICY

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed nomination and remuneration Policy for selection and appointment of Directors, Key Managerial Personnel and their remuneration as well as policy on the appointment and remuneration of other employees. The Remuneration Policy is stated in the Corporate Governance Report that forms part of this Annual Report.

17. DIRECTORS RESPONSIBILITY STATEMENT:

To the best of knowledge and beliefs and according to the information and explanations obtained by the RP of the Company, the RP makes the following statement in terms of Section 134(3)(c) of the Companies Act, 2013::

a) That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;

b) That the RP has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit/loss of the Company for the period ended on March 31, 2018;

c) That RP has taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) That the annual accounts have been prepared on a going concern basis; and

e) that proper internal financial controls were laid down and that such internal financial controls are adequate and were operating effectively.

f) That the RP has devised the proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

18. HUMAN RESOURCE MANAGEMENT:

The Company is having no new operations and servicing only to old customers and hence comprises of very limited staff. Educomp had total employee strength of 958 as on 31st March, 2018 as compared to 3793 as on 31st March, 2017.

19. STATUTORY DISCLOSURES:

As specified above that w.e.f May 30th, 2017 the Company has been admitted to CIRP under Section 10 of the Code. Thereafter, in accordance with Section 17 of the Code, the powers of the Board stood suspended and be exercised by the Interim Resolution Professional until replaced by Resolution Professional. The Company does not have the written declaration, for period under review, in Form DIR-8 from all Directors as required under the provisions of Section 164(2) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014.

20. CORPORATE SOCIAL RESPONSIBILITY INITIATIVES

The Company has the Corporate Social Responsibility (CSR) Committee and CSR Policy, as per the provisions of Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules 2014. For other details regarding the CSR Committee, please refer to the corporate governance report, which forms part of this report. Further, the Annual Report on CSR Activities in format prescribed in Companies (Corporate Social responsibility) Rules, 2014 including the brief outline of the corporate social responsibility (CSR) policy of the Company annexed to this report **Annexure III**.

The Company has losses in the past periods and has no amount attributable to Corporate Social Responsibility as per the Companies Act and the company is currently undergoing Corporate Insolvency and Resolution Process, Hence no expenses towards the Corporate Social Responsibility is required.

21. AUDITORS & AUDITORS' REPORT:

Haribhakti & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 103523W), who are the Statutory

Auditors of the Company, hold office until the conclusion of the 25th (Twenty Fifth) Annual General Meeting (AGM). The Members of the Company at the 20th (Twentieth) AGM held on 29th September, 2014 approved the appointment of M/s Haribhakti & Co. LLP, Chartered Accountants (ICAI Firm Registration No. 103523W) to examine and audit the accounts of the Company for Five years to hold office till the conclusion of the Twenty Fifth AGM of the Company to be held in the year 2019 subject to ratification at every AGM held thereafter. Further, the requirement to place the matter relating to appointment of auditors for ratification by Members at every AGM has been done away with the Companies (Amendment) Act, 2017 with effect from May 7, 2018. Accordingly, no resolution is being proposed for ratification of appointment of statutory auditors.

Auditor's Qualification

MANAGEMENT'S RESPONSE TO AUDITORS' QUALIFICATIONS FOR THE FINANCIAL YEAR ENDING 31ST MARCH 2018:-

These responses have been incorporated in the Resolution Professional's Report as per the response provided by the management of the Company

Audit Observations and our remarks

S. No.	Audit Observation	Our Remarks
1	As mentioned in note 3.2 to the standalone Ind AS Financial Statements, the Management did not conduct physical verification of Property, plant and equipment at certain locations having a net carrying value of Rs. 17.36 million as at March 31, 2018. In absence of the same, we are unable to comment over existence, valuation and extent of the adjustment, if any required in respect of these assets as at March 31, 2018.	The management has physically verified the fixed assets lying only at Corporate Office location Gurgaon on October 23, 2020. The offices at other locations of the company have been shut down due to liquidity and business constraints and the assets lying at these locations, carrying value of Rs. 17.36 million, have been shifted to the warehouse at Mahipalpur (New Delhi) and Chennai which could not be physically verified during the year
2	The Company has not evaluated its investments in one of its subsidiaries, namely Educomp Learning Private Limited aggregating to Rs. 1.96 million as at March 31, 2018 for impairment. In absence of such assessment, we are unable to comment upon the appropriateness of carrying amount of such investment as at March 31, 2018 and possible impact of the same on the loss for the year ended on that date and equity as on that date.	The carrying value of investment in subsidiaries, namely Educomp Learning Private Limited aggregating to Rs. 1.96 millions. This is pertaining to leasehold land and building of SEZ Noida. Further there is positive net worth of ELPL as on March 2018 so the provision is not made

3	As regards trade receivable amounting Rs. 2,660.44 million (net of provision of Rs. 13,726.60 million), as on March 31, 2018, the management is of the view that the same are good and recoverable in due course and hence no further provision is required. Out of the above, trade receivables to the extent of only Rs. 460.27 million have subsequently been realized by the Company till June 30, 2020. In the absence of appropriate audit evidences including balance confirmations, correspondences from parties, and details of subsequent realization post June 30, 2020, we are unable to comment on the recoverability of balance outstanding trade receivables of Rs. 2,200.17 million and the possible impact on the loss for the year ended on that date and on the balance of trade receivables and equity as at March 31, 2018.	The Provision has been created on smartclass customers against whom legal action has been initiated and on remaining Customers including ICT (Govt. customers) and retail customers on case to case basis. We are regularly collecting money from these customers. The receivables of Rs. 2,649.80 million are good and recoverable. However due to company being in IBC the auditor had given is qualified opinion. The fact that an amount of Rs. 758 million has been recovered upto March 31, 2021 from these receivables demonstrates that the receivables are good and recoverable. The balance receivables will we collected in the next two years subject to the company keeping their servicing commitments with the customers under these contracts.
4	As mentioned in Note 25 to the Standalone Ind AS Financial Statements, the Company follows Expected Credit loss (ECL) model for measuring impairment of its trade receivables. The ECL allowance or loss rate is computed based on a provision matrix which takes into account historical credit loss experience. The computed loss rate is mentioned in Note 25 to the Standalone Ind AS Financial Statements, however, we have not been provided with the workings of such loss rate computed by the Company Further, the Company has not taken effect of aforesaid loss rate in computation of impairment provision, if any on trade receivable over and above the existing provision in the books of account. In absence of relevant workings and other details, we are unable to comment on the appropriateness of the loss rate and the possible impact of non-considering effect of the loss rate in impairment provision on trade receivables as on March 31, 2018 and the loss for the year ended March 31, 2018 and on the equity as on that date. Our report on the financial statements for the previous year ended March 31, 2017 was qualified in respect of this matter.	The Company following the provisioning method based on the legal recovery status initiated against the customer. Historically we are following norms as under. 1. For the cases closed/ cancelled 100% provision. 2. For the cases arbitration award passed in our favour 60% provision. 3. For the cases under arbitration (award not yet passed) 100% provision. The same clarified in note # 25 of our Financial Statement. It is technical qualification based on different view on the adoption of Ind AS.

5	We have not received direct confirmations for balance in certain current accounts amounting Rs. 0.17 million, term deposits accounts amounting Rs. 0.20 million and balance of margin money amounting Rs. 1.52 million, as at March 31, 2018. In absence of sufficient appropriate audit evidence, we are unable to determine any possible impact thereof on the loss for the year and on the balance of cash and cash equivalent and equity as at March 31, 2018.	As audit procedure, auditor had sent letters to confirm the balance in current accounts, term deposit accounts and margin money to all bankers but bankers hadn't provided balance confirmation. Since the company admitted in IBC on May 30, 2017, lenders had filed their claims. After that date no communication are provided by lenders.
6	We have neither got the direct confirmations from the bank nor we been provided with the bank statements for borrowings from banks and financial institutions amounting Rs. 20,029.77 million as at March 31, 2018. In absence of sufficient appropriate audit evidence, we are unable to determine any possible impact thereof on the loss for the year and the balance of borrowings and equity as at March 31, 2018	All the 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. Since the company admitted in IBC on May 30, 2017, lenders had filed their claims. After that date no communication are provided by lenders.
7	Balance in borrowings account amounting Rs. 1,015.50 million (other than those mentioned in paragraph '6' above) as at March 31, 2018 is subject to direct confirmations. Further, in case of borrowings amounting Rs. 3,413.69 million wherein we have received confirmations, there are differences amounting Rs. 109.77 million (short in books of accounts) in amount reported in confirmation from that of amount recorded in the Standalone Ind AS Financial Statements. In absence of reconciliations and other alternative audit evidences, we are unable to comment on any possible impact thereof on the loss for the year and balance of such borrowings as at March 31, 2018 and equity as on that date.	As audit procedure auditor had sent letters to confirm the balance of loan accounts but bankers hadn't provided balance confirmation. Since the company admitted in IBC on May 30, 2017, lenders had filed their claims. After that date no communication are provided by lenders. 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.

8.	As mentioned in note 12.4 to the Standalone Ind AS Financial Statement, the Company has not accrued interest on borrowing post May 30, 2017, being CIRP commencement date. The amount of such interest not accrued is estimated to be Rs. 2,167.83 million for the year. This has resulted in understatement of financial liabilities by Rs 2,167.83 million as at March 31, 2018 and understatement of loss for the year and overstatement of equity as on that date by that amount.	Post CRP admission, financial creditors has filed their claims which are crystallized and admitted claims are already filed with NCLT post approval of resolution plan by COC. Since post admission of claim no liability can accrue on account of interest, therefore same is not provided.
9	The Company has not determined the provision for penal interest for defaults on borrowings as per the contractual terms of the underlying agreements. In absence of such assessment, we are unable to comment on the possible impact thereof on the loss for the year and borrowings and equity as on March 31, 2018	In FY 17 the 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. Post CRP admission, financial creditors has filed their claims which are crystallized and admitted claims are already filed with NCLT post approval of resolution plan by COC. Since post admission of claim no liability can accrue on account of interest, therefore same is not provided.
10	As disclosed in Note 37 to the Standalone Ind AS Financial Statements, as per the Insolvency Code, the RP has received, verified and admitted the claims submitted by the creditors (Operational and Financial), employees and workmen of the Company aggregating to Rs. 30,437.72 million till May 30, 2017. These claims have been taken into cognizance by CoC in its 12th meeting held on February 17, 2018, while approving the Resolution Plan of the Company. The details of such claims have been disclosed in the said note. As represented by the Management/RP, pending approval of the Resolution Plan by Hon'ble NCLT, a reconciliation of the admitted claims vis-à-vis liabilities outstanding as at March 31, 2018 has not been prepared and any impact thereof has not been considered in the preparation of these Standalone Ind AS Financial Statements as at and for the year ended March 31, 2018.	As per the Insolvency Code, the RP has received, verified and admitted the claims submitted by the creditors (Operational and Financial), employees and workmen of the Company till the approval of resolution plan by the CoC. The RP has received claims of Rs. 31,378.12 millions, verified and admitted claims of Rs. 30,437.72 millions and claims of Rs. 940.41 millions not admitted by RP. These claims have been taken into cognizance by CoC in its 12th meeting held on February 17, 2018, while approving the Resolution Plan of the Company. As represented by the Management/RP, pending approval of the Resolution Plan by Hon'ble NCLT, a reconciliation of the admitted claims vis-à-vis liabilities outstanding as at March 31, 2018 has not been prepared and any impact thereof has not been considered in the preparation of these Standalone Ind AS Financial Statements as at and for the year ended March 31, 2018.

	In the absence of the above, we are unable to comment upon appropriateness of carrying value of such liabilities as at March 31, 2018 and any possible impact of the same on the loss for the year ended on that date and equity as at that date.	
11	As disclosed in Note 29 to the Standalone Ind AS Financial Statements regarding financial guarantees aggregating Rs. 11,621.69 issued to banks on behalf of its subsidiaries. As per Ind AS 109 "Financial Instruments", the said financial guarantees are required to be initially measured at fair value and subsequently measured at the higher of (i) the amount of loss allowance in accordance with Expected Credit Loss ("ECL") method and (ii) amount initially recognized less cumulative amount of income recognized in income statement. However, no measurement of financial guarantees at fair value and estimation of loss allowances in accordance with ECL method were performed during the year. In absence of such measurement, we are unable to comment on the resultant impact thereof on the loss for the year ended March 31, 2018 and corresponding liability and equity as on that date. Our report on the Ind AS financial statements for the previous year ended March 31, 2017 was qualified in respect of this matter.	It is technical qualification on adoption of Ind AS and the liability against corporate guarantees provided by the company towards borrowings of subsidiaries shall only be crystallized upon default and invocation by the lenders. It doesn't have any impact on profit and loss account of the company. Financial guarantees are part of the claims submitted by the lenders, so no provision made.
12	As explained in Note 35 to the Standalone Ind As Financial Statements regarding managerial remuneration paid to one of the whole time directors of the Company during the quarter ended June 30, 2015 and year ended March 31, 2015 in non-compliance with the requirements of Section 197 and Section 198 read with Schedule V to the Companies Act, 2013 and paid during the year ended March 31, 2014 in non-compliance with the requirements of Section 198, Section 269 and Section 309 read with Schedule XIII to the Companies Act, 1956, for which Central Government's approval is yet to be obtained. Our report on the Ind AS financial statements for the previous year ended March 31, 2017 was qualified in respect of this matter.	Due to inadequacy of the profits, managerial remuneration paid by the Company to one of its Whole Time Director during the quarter ended June 30, 2015 and year ended March 31, 2015, was in excess of limits prescribed under Section 197 and 198 read with Schedule V to the Companies Act, 2013. Similarly, managerial remuneration paid during the financial year ended March 31, 2014 to one of its Whole Time Director was also in excess of limits prescribed under Section 198, 269 and 309 read with Schedule XIII of the Companies Act, 1956. The management of the Company had filed an applications to the Central Government to obtain its approval for the waiver/approval of the remuneration so paid in years ended March 31, 2014, March 31, 2015 and quarter ended June 30, 2015.

		Since the Company had not received any response from the Central Government approving or granting any waiver for the said excess remuneration, pursuant to the provisions of Section 197(9) of the Companies Act, 2013, the Company (through its resolution professional) has sought a refund via email dated December 28, 2020, for the entire excess remuneration paid. The amount is however, yet to be refunded by the Whole Time Director. Further the company had not paid any remuneration to whole time directors after June 30, 2015.
13	Based on the information and explanations provided to us by the Management, the Company is currently subjected to the investigations by Serious Fraud Investigation Office (SFIO) and the Central Bureau of Investigation (CBI). As further explained to us, certain information have been requested by them from the Company and the investigations are currently underway and the Company is yet to get any orders or directions in this respect from the said Authorities till the date of signing this report. In absence of pending final outcome of the investigations, we are unable to comment on the consequential impact of these matters on these Standalone Ind AS financial statements as at and for the year ended March 31, 2018.	The Company is currently subjected to the investigations by Serious Fraud Investigation Office (SFIO) and the Central Bureau of Investigation (CBI). Certain information have been requested by them from the Company and the investigations are currently underway. The Company is yet to get any orders or directions in this respect from the said Authorities till the date of signing these financial statements.
14	The Company did not have any internal audit conducted during the year as required under sections 138 of the Act. The impact of the non-compliance on the accompanying Standalone Ind AS financial statements is presently not ascertainable	Due to the limited bandwidth the Company has not carried out any internal audit during the year as required under sections 138 of the Act.

15	The Company did not have a full time company secretary as on the date of approval of these Standalone Ind AS Financial Statements. Consequently, these standalone Ind AS Financial Statements could not be authenticated by a company secretary ensuring compliance with all applicable provisions of the Companies Act, 2013. Also, the impact of this non-compliances on the accompanying Standalone Ind AS financial statements is presently not ascertainable'	The Company did not have the Company secretary for the FY 17-18. However the company has appointed recently full time company secretary for the FY 20-21 onwards.
16	The Company did not have a Chief Financial Officer (CFO) as on the date of approval of these Standalone Ind AS Financial Statements as required under section 203 of the Act. Consequently, these standalone Ind AS Financial Statements could not be authenticated by a CFO. Also, the impact of this non-compliance on the accompanying Standalone Ind AS financial statements is presently not ascertainable.	The Company did not have the Chief Financial Officer (CFO) for the FY 17-18. However the company has appointed recently CFO for the FY 20-21 onwards.
17	The Company has not been in compliance with various other provisions of the Companies Act 2013, SEBI LODR Regulations, 2015 RBI circulars and Foreign Exchange Management Act, 1999. The financial or other impact of these non-compliances on these Standalone Ind AS Financial Statements is presently not ascertainable.	As the company is under IBC, we don't have control and information regarding foreign subsidiary companies to comply the RBI requirement. Further regular compliances are made based on available information. Similarly SEBI and ROC compliances are not complied with due to non finalization of audited accounts.

22. Secretarial Auditor & Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company appointed M/s. S K Nirankar & Associates, Company Secretaries, a firm of Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the financial year 2017-18. The Report of the Secretarial Auditor is annexed herewith as **Annexure-IV**.

MANAGEMENT RESPONSE TO THE OBSERVATIONS IN THE SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDING 31ST MARCH 2018:-

With reference to observations provided by the Secretarial Auditor, please note that the observations are related to the non-compliances under the Companies Act, 2013 and SEBI regulations. As the members are aware that the Company is under CIRP and most of the officials of the company including the top management has left.

The Company is making its best efforts to make all compliances under all applicable laws to the extent possible.

23. Cost Auditor and Cost Audit Report

As per Section 148 of the Companies Act, 2013, the Company is required to have the audit of its cost records conducted by a Cost Accountant in practice. In this connection, the Company appointed M/s Ahuja Sunny & Co., Cost Accountant, as the Auditor of the Cost records of the Company for the year ending 31st March, 2018. Further, as specified above, as the powers of the board stood suspended and be exercised by the Interim Resolution Professional until replaced by Resolution Professional. The Resolution professional further approved the appointment of M/s Ahuja Sunny & Co., Cost Accountant, as the cost auditors of the Company for the year ending 31st March, 2018, at a remuneration, subject to approval and ratification by the shareholders, of Rs. 120,000 (Rupees One Lakh Twenty Thousand Only) plus out of pocket expenses.

The cost audit report of M/s Ahuja Sunny & Co., Cost Accountant, for the financial year 2017-18 does not contains any adverse qualification or remarks.

24. SHARE REGISTRATION ACTIVITY:

The Company has appointed "LINK INTIME INDIA PRIVATE LIMITED" a category-I Registrar and Share Transfer Agent reregistered with Securities and Exchange Board of India (SEBI) to handle the work related to Share Registry.

25. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to Section 177 of the Companies Act, 2013 and Regulation 22 of the Listing Regulations, 2015, the Company has a Vigil Mechanism Policy/ Whistle Blower Policy to deal with instance of unethical practices, fraud and mismanagement or gross misconduct by the employees of the Company, if any, that can lead to financial loss or reputational risk to the organization. The details of the vigil mechanism Policy/ Whistle Blower Policy are explained in the Corporate Governance Report and also posted on the website of the Company. It can be accessed on the following link http://www.educomp.com/content/policies.

26. RISK MANAGEMENT COMMITTEE AND RISK MANAGEMENT POLICY

Like any other business, the Company too is exposed to various uncertainties and risks such as changing customer preferences and behavior, competition and economic uncertainties. Thus, with the objective of assessing and addressing such business risks and their prioritization on regular basis, a comprehensive risk management policy has been put in place, which describes the scope, objectives, processes as well as roles and responsibilities of various functions in risk management.

By way of a systematic risk assessment process, a detailed enterprise risk identification exercise is carried out every year; and risks are evaluated for their likelihood of materialization, potential impact and mitigation efforts. Management has assigned ownership of key risks to various risk owners who are responsible to monitor and review these risks from time to time, and plan for their mitigation measures. Your Company's Risk Management Policy is backed by strong internal control systems. The risk management framework consists of policies and procedures framed at management level and strictly adhered to and monitored at all levels. The framework also defines the risk management approach across the enterprise at various levels. Risk management is embedded in our critical business activities, functions and processes. The risks are reviewed for change in the nature and extent of the major risks identified since the last assessment. It also provides control measures for risk and future action plans.

In terms of the SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 the Company is not require to form Risk Management Committee.

As specified above the Company is present under CIRP w.e.f May 30, 2017 and all the powers of the management are vested to the Interim Resolution Professional followed by the Resolution Professional. Resolution Professional, in accordance with the provisions of the code, is performing his best to mitigate the all risk associated with the company.

27. RELATED PARTY TRANSACTIONS

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. Audit Committee Policy is also uploaded on the website of the Company & can be accessed on http://www.educomp.com/content/policies .

Since all related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business and there was no material related party transactions entered into by the Company during the financial year, accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not required.

The details of the transactions with related parties are provided in the notes to accompanying standalone financial statements.

28. CONSOLIDATED FINANCIAL STATEMENTS:

As required under the Companies Act, 2013 and also under the Listing Regulations, 2015 we have, prepared consolidated financial statements of the Company and all its subsidiaries and Associates except during the year ended March31, 2018,3 subsidiaries namely EduSmart Services Private Limited (ESSPL) (a subsidiary through potential voting rights), Educomp Asia Pacific Pte Limited. (EAPL), The Learning Internet Inc (L.com) and 1 step down subsidiary, Educomp Learning Hour Private Limited have filed for insolvency on June 27, 2017, June 30, 2017, June 30, 2017 and December 11, 2017 respectively consequent to which Resolution Professionals (RP) have been appointed in the respective companies and all the powers to direct the state of affairs of these companies rests with the respective RP's. Accordingly, by virtue of provisions of Ind AS 110 Consolidated Financial Statement, the Holding Company has lost its controlling power over the above mentioned subsidiaries and have not been consolidated in current year. Further, as per Ind AS110" Consolidated Financial Statements" ,Loss of Control accounting is required to be done on the date on which control is lost by the parent entity. Since the financials on the date of loss of control are not available with the management of the holding company, loss of control accounting in preparing these consolidated Ind AS financial statements has been done on the basis of last financials statements available for the year ended March 31, 2017.

Further, during the previous year ended March 31, 2017, the holding company had total investment of 41.82% in Joint venture namely Educomp Raffles Higher Education Limited (ERHEL), through two of its wholly owned subsidiaries i.e. 41.17% through Educomp Asia Pacific Pte Ltd. (EAPL) and 0.65% through Educomp Professional Education Limited (EPEL). During current year, the High Court of the Republic of Singapore, on the grounds of insolvency, vide its order dated June 30, 2017 has passed an order of compulsory winding up against EAPL pursuant to which liquidators have been appointed in EAPL. Hence, by virtue of Ind AS110" Consolidated Financial Statements" the holding company has lost its controlling power over EAPL leading to loss of significant influence in ERHEL as the investment of the Holding company in ERHEL has reduced to 0.65% from 41.82% during the year. Accordingly, ERHEL has ceased to be a Joint venture of the Holding Company as at March 31, 2018 and hence the same has been disclosed as an investment in others.

The audited consolidated financial statements together with Auditor's Report form part of this Annual Report.

29. LISTING OF SHARES:

The Equity Shares of your Company are listed on National Stock Exchange of India Limited (NSE) and Bombay Stock Exchange Limited (BSE). The Listing fee for the financial year 2017-18 has already been paid to BSE and NSE.

30. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The particulars are prescribed under section 134(3)(m) of the Companies Act, 2013, read with Rule 8 of the

Companies (Accounts) Rules, 2014 regarding the energy conservation, technology absorption and foreign exchange earnings and outgo are set out in 'Annexure – V' attached to this report.

31. RATINGS, AWARDS, ACHIEVEMENTS & RECOGNITIONS:

As specified above the Company is present under CIRP w.e.f May 30, 2017 and all the powers of the management are vested to the Interim Resolution Professional followed by the Resolution Professional. The Company has not carried out any rating during the period under review. So we are reproducing the last ratings as allocated to the company.

Ratings

Credit Analysis & Research Ltd, or CARE, has assigned the following ratings in relation to our long term and short term financing facilities:

Bank facilities: 'CARE D' (Single D) to our bank facilities aggregating to Rs. 1921.80 Crore.

Receivable assignment facilities: 'CARE D' (Single D) to our Receivable Assignment facilities, aggregating to Rs. 404.08 Crore.

. **Non-Convertible Debentures** (NCDs): 'CARE D' (Single D) to our Non- Convertible Debenture issuance of Rs. 45 crore.

32. CORPORATE GOVERNANCE

A detailed report on Corporate Governance along with the Certificate from M/s Vijay K. Singhal & Associates., Company Secretaries, confirming compliance with conditions of Corporate Governance as stipulated under Part C of Schedule V of the Listing Regulations, 2015 are annexed and forms part of this Annual Report.

33. CODE OF CONDUCT:

As per the Listing Regulations, 2015, the Board of the Company has laid down Code of Conduct for all the Board members of the Company and Senior Management Personnel as well and the same has been posted on Website of the Company which can be access by the following link http://www.educomp.com/content/code-conduct.

34. NOTES TO ACCOUNTS:

They are self-explanatory and do not require any explanations.

35. INTERNAL FINANCIAL CONTROLS AND INTERNAL CONTROL SYSTEM

The Company has established Internal Financial Control System for ensuring the orderly and efficient conduct of the business including adherence to Company's Policies, the safeguarding of assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable Financial Statements.

As specified above the Company is present under CIRP w.e.f May 30, 2017 and all the powers of the management are vested to the Interim Resolution Professional followed by the Resolution Professional. Resolution Professional, in accordance with the provisions of the code, is performing his best to mitigate the all risk associated with the company along with the internal financial control and internal control system.

36. PARTICULARS OF EMPLOYEES:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are annexed to this report and Marked as **Annexure VI**

Further, the disclosure pursuant to Section 197(14) of the Companies Act, 2013 in respect of remuneration or commission received from any holding or subsidiary company of the company by any Managing Director or

Whole Time Director who is also in receipt of commission from that company is not available with the company.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 or any statutory modification or amendment in these Rules, a statement showing the name of top ten employees in terms of Remuneration drawn forms part of the Report and annexed to this report and marked as **Annexure VII**. Further, there was no employee in the Company who drawn the remuneration in excess of the limits set out in the said Rules. Therefore, the disclosure for the same is not required.

37. EMPLOYEES STOCK OPTION SCHEMES (ESOPs)

The Nomination and Remuneration Committee of the Board of Directors of the Company, inter alia, administers and monitors the Employees' Stock Option Schemes of the Company in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (erstwhile Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999) hereinafter referred as the "SEBI Guidelines".

The Details as required under the SEBI Guidelines, for Employees' Stock Option Schemes have been uploaded on the website of the Company and can be accessed through the link http://www.educomp.com/content/employee-stock-option-schemes. There is no material change in the ESOP schemes of the Company during the year.

38. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The particulars of loans, guarantees given, security provided and investments made during the year as per Section 186 of the Companies Act, 2013 form part of the notes and schedules of the Financial Statements provided in this Annual Report.

39. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS, COURTS OR TRIBUNAL

Please refer point no. 7 - Material Changes and Comments of this report.

40**. DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has zero tolerance towards sexual harassment at the workplace and has adopted a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder.

No case of sexual harassment of women at workplace was reported during the period under review.

Note: The Company is undergoing CIRP and the powers of Board are suspended. Hence this report has been initialed by RP in order to meet the compliance.

For Educomp Solutions Limited
(Under CIRP)

Sd/-
Mahender Khandelwal
Resolution Professional
Taken on record
IBBI Reg. No IBBI/IPA-001/IP-P00033/2016-17/ 10086

Date : October 8, 2021
Place : New Delhi

Annexure-I

Form No. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2018

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

I. REGISTRATION AND OTHER DETAILS

i)	**CIN**	L74999DL1994PLC061353
ii)	**Registration Date**	07th September, 1994
iii)	**Name of the Company**	Educomp Solutions Limited (Under CIRP)
iv)	**Category / Sub-Category of the Company**	Company Limited by Shares / Indian Non-Government Company
v)	**Address of the Registered office and contact details**	1211, Padma Tower – I, 5 Rajendra Place, New Delhi-110008 TEL: 91-11-25755920 Fax: 91-11-25766775 Email: investor.services@educomp.com Website: www.educomp.com
vi)	**Whether listed company**	Yes
vii)	**Name, Address and Contact details of Registrar and Transfer Agent, if any**	Link Intime India Private Limited Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058 Telephone : 011-41410592-94 Fax : 011-41410591, Email : delhi@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1.	Educational Support Services	85500*	100%

***As per National Industrial Classification 2008**

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

S. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	**Wheitstone Productions Private Limited** No.71/5 IV Main Road, Chennai-600004, Tamil Nadu	U52599TN1998PTC041563	Subsidiary	51.00	2(87)(ii)
2	**Edumatics Corporation Inc., USA** 5701 W. Slaughter LN Suite A130-400, Austin TX 78749	Foreign Company	Subsidiary	100	2(87)(ii)
3	**Educomp Learning Private Limited** Corniche Allatheef, NO. 25, Cunningham Road, Banglore, Karnataka-560001	U72900KA2003PTC032674	Subsidiary	51.00	2(87)(ii)
4	**Educomp Infrastructure & School Management Limited** 514, Udyog Vihar, Phase-III, Gurgaon, Haryana – 122001	U70104HR2006PLC045915	Subsidiary	83.61	2(87)(ii)
5	**Educomp School Management Limited** 1211 Padma Tower 1,L 5, Rajendra Place New Delhi-110008	U80103DL2006PLC153405	Subsidiary	68.35	2(87)(ii)
6	**ELHPL Private Limited****(Formerly known as Educomp Learning Hour Private Limited) Second Floor, Kamal Theatre Building, Safdarjung Enclave, New Delhi-110029	U72200DL2005PTC142030	Subsidiary	95.15	2(87)(ii)
7	**Educomp Asia Pacific Pte. Ltd.**,** 8 Shenton Way #47-01, AXA tower, Singapore (068811)	Foreign Company	Subsidiary	100	2(87)(ii)
8	**Educomp Software Limited** 1210, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U72900DL2007PLC171509	Subsidiary	95.15	2(87)(ii)
9	**Educomp Infrastructure Services Private Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U45400DL2008PTC174712	Subsidiary	83.61	2(87)(ii)
10	**Educomp Professional Education Limited** 514, Udyog Vihar, Phase-III, Gurgaon, Haryana – 122001	U80300HR2008PLC037672	Subsidiary	100	2(87)(ii)
11	**Learning Internet Inc., U.S.A.**** 1620 SW Taylor Street Suite 100Portland, Oregon 97205	Foreign Company	Subsidiary	56.85	2(87)(ii)

12	**Educomp APAC Services Ltd., BVI** ATC Trustees (BVI) Limited, 2nd Floor, Abbott Building, Road Town, Tortola, British Virgin Islands	Foreign Company	Subsidiary	83.61	2(87)(ii)
13	**Savvica Inc., Canada** 110 Fourth Avenue, Courtice, Ontario, Canada	Foreign Company	Subsidiary	79.55	2(87)(ii)
14	**Educomp Online Supplemental Service Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U80301DL2010PLC200323	Subsidiary	95.15	2(87)(ii)
15	**Educomp Intelliprop Ventures Pte. Ltd., Singapore (Formerly Educomp Intelprop Ventures Pte. Ltd.)** 8 Shenton Way,,#47-01, AXA tower, Singapore (068811)	Foreign Company	Subsidiary	100	2(87)(ii)
16	**Educomp Investment Management Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U74140DL2010PLC206434	Subsidiary	100	2(87)(ii)
17	**Falcate Builders Private Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U80100DL2007PTC159420	Subsidiary	83.43	2(87)(ii)
18	**Newzone Infrastructure Private Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U80100DL2007PTC159532	Subsidiary	83.31	2(87)(ii)
19	**Rockstrong Infratech Private Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U80100DL2007PTC159426	Subsidiary	83.38	2(87)(ii)
20	**Reverie Infratech Private Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U80100DL2007PTC159846	Subsidiary	83.42	2(87)(ii)
21	**Herold Infra Private Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U80100DL2007PTC159533	Subsidiary	83.44	2(87)(ii)
22	**Growzone Infrastructure Private Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U80100DL2007PTC159428	Subsidiary	83.42	2(87)(ii)
23	**Hidream Constructions Private Limited** L-74, Mahipalpur Extension New Delhi-110037	U80100DL2007PTC159764	Subsidiary	83.44	2(87)(ii)

24	**Leading Edge Infratech Private Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U80100DL2007PTC159595	Subsidiary	83.34	2(87)(ii)
25	**Strotech Infrastructure Private Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U80100DL2007PTC159419	Subsidiary	83.44	2(87)(ii)
26	**Markus Infrastructure Private Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U80100DL2007PTC159417	Subsidiary	83.41	2(87)(ii)
27	**Orlando Builders Private Limited** L-74, Mahipalpur Extension New Delhi-110037	U80100DL2007PTC159418	Subsidiary	83.53	2(87)(ii)
28	**Crosshome Developers Private Limited** L-74, Mahipalpur Extension New Delhi-110037	U80100DL2007PTC160056	Subsidiary	83.33	2(87)(ii)
29	**Good Luck Structure Private Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U80100DL2007PTC159526	Subsidiary	83.24	2(87)(ii)
30	**Evergreen Realtech Private Limited** L-74, Mahipalpur Extension New Delhi-110037	U80100DL2010PTC197529	Subsidiary	83.29	2(87)(ii)
31	**Zeta Buildcon Private Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U80100DL2010PTC197552	Subsidiary	83.44	2(87)(ii)
32	**Onega Infrastructure Private Limited** L-74, Mahipalpur Extension New Delhi-110037	U80100DL2009PTC197133	Subsidiary	83.37	2(87)(ii)
33	**GriderInfratech Private Limited** L-74, Mahipalpur Extension New Delhi-110037	U80100DL2010PTC197525	Subsidiary	83.41	2(87)(ii)
34	**Boston Realtech Private Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U80100DL2009PTC197514	Subsidiary	83.31	2(87)(ii)
35	**Modzex Infrastructure Private Limited** L-74, Mahipalpur Extension New Delhi-110037	U80100DL2007PTC159888	Subsidiary	83.27	2(87)(ii)
36	**Virtual Buildtech Private Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U80100DL2007PTC159525	Subsidiary	83.21	2(87)(ii)
37	**Laservision Estates Private Limited** 1211, Padma Tower 1, 5, Rajendra Place New Delhi-110008	U80100DL2010PTC197531	Subsidiary	83.26	2(87)(ii)

38	**Knowledge Vistas Limited** 2nd Floor, Unit No. 9, Corporate Park V. N. Purva Marg, Chembur Mumbai Mumbai City MH 400071	U80301MH2009PLC190552	Subsidiary	40.31	2(87)(ii)
39	**Educomp Global Holding WLL** A1 MatrookBuildingRoad 1705, Diplomatic Area P .O Box 11522, Manama 317 Kingdom of Bahrain	Foreign Company	Subsidiary	100	2(87)(ii)
40	**Educomp Global FZE.** PO Box: 16111,RAS AL KHAIMAH United Arab Emirates	Foreign Company	Subsidiary	100	2(87)(ii)
41	**Edu Smart Services Private Limited**** 2L-2nd Floor, Gopala Tower, Rajendra Place, 25, New Delhi 110008	U80902DL2009PTC191840	Subsidiary	*	2(87)(ii)
42	**Greycells18 Media Limited** First Floor, Empire Complex, 414 - Senapati Bapat Marg, Lower Parel, Mumbai 400013	U65923MH2006PLC274887	Associate	25.78	2(6)
43	**Little Millennium Education Private Limited** (Formerly known as Educomp Child Care Private Limited) 502-506, M3M Cosmopolitan, Golf Course Extn Road, Sector-66 Gurgaon-122001	U80100HR2008PTC045934	Associate	48.29	2(6)

* one of the Subsidiary of the Company. The Company holds 5% Cumulative Compulsorily Convertible Preference Shares in Edu Smart Services Private Limited. Therefore, M/s Edu Smart Services Private Limited is considered as the Subsidiary of Educomp Solutions Limited and the extent of holding is 99.82% of Total of Equity & Convertible Preference Shares of Edu Smart Services Private Limited.

** During the year ended March 31, 2018 3 subsidiaries namely EduSmart Services Private Limited (ESSPL)(a subsidiary through potential voting rights), Educomp Asia Pacific Pte Limited.(EAPL),The Learning Internet Inc (L.com) and 1 step down subsidiary, Educomp Learning Hour Private Limited have filed for insolvency on June 27, 2017, June 30, 2017, June 30, 2017 and December 11, 2017 respectively consequent to which Resolution Professionals (RP) have been appointed in the respective companies and all the powers to direct the state of affairs of these companies rests with the respective RP's. Accordingly, by virtue of provisions of Ind AS 110 Consolidated Financial Statement, the Holding Company has lost its controlling power over the above mentioned subsidiaries and have not been consolidated in current year.

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category wise shareholding

Category of shareholders		No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
		Demat	**Physical**	**Total**	**% of Total Shares**	**Demat**	**Physical**	**Total**	**% of Total Shares**	
A.	**Promoters**									
(1)	**Indian**									
a)	Individual/ HUF	47553645	-	47553645	38.83	47553645	-	47553645	38.83	0
b)	Central Govt	-	-	-	-	-	-	-	-	-
c)	State Govt(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corp.	7284600	-	7284600	5.95	7284600	-	7284600	5.95	0
e)	Banks/ FI	-	-	-		-	-	-		
f)	Any Other ...	-	-	-	-	-	-	-	-	
	Sub-total (A) (1):-	**54838245**	-	**54838245**	**44.78**	**54838245**	-	**54838245**	**44.78**	**0**
(2)	**Foreign**									
a)	NRIs-Individuals	-	-	-	-	-	-	-	-	-
b)	Other-Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corp.	-	-	-	-	-	-	-	-	-
d)	Banks/ FI	-	-	-	-	-	-	-	-	-
e)	Any Other ...	-	-	-	-	-	-	-	-	-
	Sub-total (A) (2):-	-	-	-	-	-	-	-	-	-
	Total shareholding of Promoter (A) = (A)(1)+(A)(2)	**54838245**	-	**54838245**	**44.78**	**54838245**	-	**54838245**	**44.78**	**0**

B.	**Public Shareholding**									
1	**Institutions**									
a)	Mutual Funds	-	-	-	-	-	-	-	-	-
b)	Banks/ FI	729905	-	729905	0.59	207101	-	207101	0.17	(0.42)
c)	Central Govt or State Govt(s)	10168	-	10168	0.0083	10168	-	10168	0.0083	-
d)	Venture Capital Funds	-	-	-	-	-	-	-	- -	
e)	Insurance companies	-	-	-	-	-	-	-	-	-
f)	FIIs	-	-	-	-	-	-	-	-	-
g)	Foreign Venture Capital Fund	-	-	-	-	-	-	-	-	-
h)	Others (Specify)	-	-	-	-	-	-	-	-	-
	Sub Total (B)(1)	**740073**	**-**	**740073**	**0.60**	**217269**	**-**	**217269**	**0.18**	**(0.42)**
2	**Non Institutions**									
a)	Bodies Corp.									
i)	Indian	6786014	0	6786014	5.54	5729586	0	5729586	4.68	(0.86)
ii)	Overseas	1823545	0	1823545	1.49	1823545	0	1823545	1.49	0
b)	Individuals									
i)	Individual shareholders holding nominal share capital upto Rs.1 lakh	49851082	6189	49857271	40.71	51016663	5534	51022197	41.66	0.95

ii)	Individual shareholders holding nominal share capital in excess of Rs.1 lakh	4571587	0	4571587	3.73	5272371	0	5272371	4.30	0.29
c)	Any other (Specify)	0	0	0	0	0	0	0	0	0
i)	Non Resident Indians	1512573	0	1512573	1.24	1511410	0	1511410	1.23	(0.01)
ii)	Clearing Members	1442726	0	1442726	1.18	1222265	0	1222265	1.00	(0.18)
iii)	Trusts	55141	0	55141	0.05	1800	0	1800	0.001	(0.049)
iv)	HUF	1931898	0	1931898	1.58	2118244	0	2118244	1.73	0.15
v)	Foreign Portfolio Investors	839993	0	839993	0.69	810231	0	810231	0.66	(0.03)
Vi)	IPEF	0	0	0	0	18249	0	18249	0.01	0.01
	Sub-total (B)(2):-	**66882661**	**6189**	**66888850**	**54.62**	**67387871**	**5534**	**67393405**	**55.03**	**0.41**
	Total Public Shareholding (B)=(B)(1)+(B)(2)	**67622734**	**6189**	**67628923**	**55.22**	**67623389**	**5534**	**67628923**	**55.22**	**0**
C.	**Shares held by Custodian for GDRs & ADRs**	-	-	-	-	-	-	-	-	-
	Grand Total (A+B+C)	**122460979**	**6189**	**122467168**	**100**	**122461634**	**5534**	**122467168**	**100**	**0**

(ii) Shareholding of Promoters

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	No. of Shares	% of total shares of the company	% of shares pledged/ encumbered to total shares	
1.	Shantanu Prakash	4,43,15,205	36.18	36.18	4,43,15,205	36.18	36.18	0
2.	Anjlee Prakash	32,38,440	2.65	2.65	32,38,440	2.65	2.65	0
3.	A. P. Eduvision Pvt. Ltd.	72,84,600	5.95	0	72,84,600	5.95	5.95	0
	Total	**5,48,38,245**	**44.78**	**38.83**	**5,48,38,245**	**44.78**	**44.78**	**0**

(iii) Change in promoter's shareholding (please specify, if there is no change) :

No change in promoter shareholding during the year

(iv) Shareholding pattern of top 10 shareholders (other than Directors, Promoters and Holders of GDRs and ADRs)

S. No.	Particulars of Shareholders*	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1.	**SOCIÉTÉ DE PROMOTION ET DE PARTICIPATION POUR LA COOPERATION ECONOMIQUE SA (PROPARCO)**	**No. of Shares**	**% of total shares of the company**	**No. of Shares**	**% of total shares of the company**
	At the beginning of the year	1823545	1.489	1823545	1.489
	Bought during the Year	-	0.00	1823545	1.489
	Sold during the Year	-	0.00	1823545	1.489
	At the End of the year	1823545	1.489	1823545	1.489

2.	**Madan Doulatram Bahal**	**No. of Shares**	**% of total shares of the company**	**No. of Shares**	**% of total shares of the company**
	At the beginning of the year	721902	0.5895	721902	0.5895
	Bought during the Year	-	-	721902	0.5895
	Sold during the Year	42450	0.0347	679452	0.5548
	At the End of the year	679452	0.5548	679452	0.5548
3.	**Globe Capital Market Ltd**	**No. of Shares**	**% of total shares of the company**	**No. of Shares**	**% of total shares of the company**
	At the beginning of the year	563704	0.4603	563704	0.4603
	Bought during the Year	69846	0.057	633550	0.5173
	Sold during the Year	-	-	633550	0.5173
	At the End of the year	633550	0.5173	633550	0.5173
4.	**Premier Investment Fund Ltd.**	**No. of Shares**	**% of total shares of the company**	**No. of Shares**	**% of total shares of the company**
	At the beginning of the year	633550	0.5173	633550	0.5173
	Bought during the Year	-	-	633550	0.5173
	Sold during the Year	-	-	633550	0.5173
	At the End of the year	633550	0.5173	633550	0.5173
5.	**Karvy Stock Broking Ltd.**	**No. of Shares**	**% of total shares of the company**	**No. of Shares**	**% of total shares of the company**
	At the beginning of the year	510919	0.4172	510919	0.4172
	Bought during the Year	57415	0.0469	568334	0.4641
	Sold during the Year	-	-	568334	0.4641
	At the End of the year	568334	0.4641	568334	0.4641
6.	**PROGRESSIVE FINLEASE LIMITED**	**No. of Shares**	**% of total shares of the Company**	**No. of Shares**	**% of total shares of the company**
	At the beginning of the year	0	0	0	0
	Bought during the Year	444329	0.3628	444329	0.3628
	Sold during the Year	-	-	444329	0.3628
	At the End of the year	444329	0.3628	444329	0.3628
7.	**JAINAM SHARE CONSULTANTS PVT. LTD.**	**No. of Shares**	**% of total shares of the**	**No. of Shares**	**% of total shares**

			company		of the company
	At the beginning of the year	2002	0.0016	2002	0.0016
	Bought during the Year	396122	0.3235	398124	0.3251
	Sold during the Year	-	-	398124	0.3251
	At the End of the year	398124	0.3251	398124	0.3251
8.	**GAJA ADVISORS PRIVATE LIMITED**	**No. of Shares**	**% of total shares of the company**	**No. of Shares**	**% of total shares of the company**
	At the beginning of the year	365000	0.2980	365000	0.2980
	Bought during the Year	-	-	365000	0.2980
	Sold during the Year	-	-	365000	0.2980
	At the End of the year	365000	0.2980	365000	0.2980
9.	**HANIF JAMALBHAI DAYATAR**	**No. of Shares**	**% of total shares of the company**	**No. of Shares**	**% of total shares of the company**
	At the beginning of the year	75	0.0001	75	0.0001
	Bought during the Year	-	-	303620	0.2479
	Sold during the Year	-	-	-	-
	At the End of the year	75	0.0001	303695	0.2480
10.	**GOPAL JAIN**	**No. of Shares**	**% of total shares of the company**	**No. of Shares**	**% of total shares of the company**
	At the beginning of the year	300000	0.2450	300000	0.2450
	Bought during the Year	-	-	300000	0.2450
	Sold during the Year	100	0.3397	299900	0.2449
	At the End of the year	299900	0.2449	299900	0.2449

* Top ten shareholders of the Company as on March 31, 2017 have been considered for the above disclosure.

* The above information is prepared on the basis of the opening and closing shareholding data of the top 10 shareholders, as provided by the Registrar of Transfer Agent of the company. Further, the net difference of the opening and closing shareholding , of the above top 10 Shareholders, will be shown under the column shares bought during the year and/or shares sold during the year.

(v) SHAREHOLDING OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

S. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
1.	**Mr. Shantanu Prakash, Director**	**No. of Shares**	**% of total shares of the company**	**No. of Shares**	**% of total shares of the company**
	At the beginning of the year	4,43,15,205	36.18	4,43,15,205	36.18
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	4,43,15,205	36.18
	At the End of the year	**4,43,15,205**	**36.18**	**4,43,15,205**	**36.18**
2.	**Mr. Vinod Kumar Dandona, Whole Time Director**	**No. of Shares**	**% of total shares of the company**	**No. of Shares**	**% of total shares of the company**
	At the beginning of the year	-	0.00	-	0.00
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	0.00
	At the End of the year	-	0.00	-	0.00
3.	**Mr. Vijay Kumar Chaudhary, Independent Non Executive Director**	**No. of Shares**	**% of total shares of the company**	**No. of Shares**	**% of total shares of the company**
	At the beginning of the year	-	0.00	-	0.00
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	0.00
	At the End of the year	-	0.00	-	0.00
4.	**Mr. Yogesh Saluja, Company Secretary**	**No. of Shares**	**% of total shares of the company**	**No. of Shares**	**% of total shares of the company**
	At the beginning of the year	-	0.00	-	0.00
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	0.00
	At the End of the year	-	0.00	-	0.00
5.	**Mr. Ashish Mittal Chief Financial Officer**	**No. of Shares**	**% of total shares of the company**	**No. of Shares**	**% of total shares of the company**
	At the beginning of the year	-	0.00	-	0.00
	Date wise Increase/ Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment/transfer/bonus/sweat equity etc):	-	-	-	0.00
	At the End of the year	-	0.00	-	0.00

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

(Amount in Rs. Millions)

Indebtedness at the beginning of the Financial year	**Secured Loans excluding deposits**	**Unsecured Loans**	**Deposits**	**Total Indebtedness**
i) Principal Amount	24,166.58	550.29	-	24,716.87
ii) Interest due but not paid	3,027.36	52.46	-	3,079.82
iii) Interest accrued but not due	105.82	-	-	105.82
Total (i+ii+iii)	**27,299.76**	**602.75**	**-**	**27,902.51**
Changes in Indebtedness during the financial year				
Addition*	442.01	7.31	-	449.32
Reduction	60.66	0.53	-	61.19
Net Change	**381.35**	**6.78**	**-**	**388.13**
Indebtedness at the end of the financial year				
i) Principal Amount	24,203.74	553.85	-	24,757.59
ii) Interest due but not paid**	3,477.37	55.68	-	3,533.05
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**27,681.11**	**609.53**	**-**	**28,290.64**

Note

* In Secured loan included Rs. 16.99 million forex restatement of ECB and FCCB.

** In secured loan included Rs. 3.04 million forex restatement of interest on ECB.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole Time Director and/or Manager : No remuneration has been paid to Managing Director, Whole Time Director and/or Manager during the year.

B. Remuneration to other Directors No remuneration except sitting fees has been paid to non-executive directors.

S. No.	Particulars of Remuneration	Mr. Vijay Kumar Choudhary	Total Amount (In Rupees)
1	**Independent Directors**		
	Fee for attending Board / Committee Meetings* **(Amount in Rupees)**	-	-
	Commission	-	-
	Others, please specify	-	-
	Total (1)	**-**	**-**
2	**Other Non-Executive Directors**		
	Fee for attending Board / Committee Meetings	-	-
	Commission	-	-
	Others, please specify	-	-
	Total (2)	-	-
	Total (B)=(1+2)	**-**	**-**
	Total Managerial Remuneration		
	Overall Ceiling as per the Act	Rs. 1,00,000 per meeting of the board and committee	Rs. 1,00,000 per meeting of the board and committee

* Excluding service tax

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

S. No.	Particulars of Remuneration			
		Mr. Ashish Mittal, Chief Financial Officer	**Mr. Yogesh Saluja, Company Secretary**	**Total**
1.	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	49,65,301	11,10,707	60,76,008
	(b) Value of perquisites u/s 17(2) Income-Tax Act, 1961	9,900	29,700	39,600
	I Profits in lieu of salary under section 17(3) Income tax Act, 1961	NIL	NIL	NIL
2.	Stock Options (in number)	NIL	2,00,000	2,00,000
3.	Sweat Equity	NIL	NIL	NIL
4.	Commission	NIL	NIL	NIL
	(a) as % of profit			
	(b) others, specify …			
	(i) Particulars			
	(ii) Amount			
5.	Other, please specify	NIL	NIL	NIL
	(a) Particulars			
	(b) Amount			
	Total (amount in Rs.)	**49,75,201**	**11,40,407**	**61,15,608**

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES : Nil

For Educomp Solutions Limited
(Under CIRP)

Sd/-
Mahender Khandelwal
Resolution Professional
Taken on record
IBBI Reg. No IBBI/IPA-001/IP-P00033/2016-17/ 10086

Date : October 8, 2021
Place : New Delhi

Annexure-II

Form No. AOC-1

Statement containing salient features of the financial statements of the Subsidiaries / Associates / Joint Ventures

[Pursuant to first proviso to sub- section (3) of Section 129 read with Rule 5 of the Companies (Accounts) Rules, 2014]

Part - " A " Subsidiaries

Name of the subsidiary	Reporting currency	Exchange Rate as at 31.03.18	Share capital	Reserves & surplus	Total assets	Total Liabilities	Investments	Turnover	Profit before taxation	Provision for taxation	Profit after taxation	Proposed Dividend	% of shareholding
Educomp learning Pvt. ltd.	INR	1.00	1	33	40	6	-	14	(8)	-	(8)	-	51.00%
Educomp School Management Ltd	INR	1.00	1	92	94	1	73	0	(0)	-	(0)	-	68.35%
Wheitstone Productions Pvt. Ltd.	INR	1.00	2	(3)	0	2	`-	-	(0)	-	(0)	-	51.00%
Edumatics Corporation, usa	USD	1.00	62	(51)	24	12	-	-	-	-	-	-	100.00%
Educomp Asia Pacific Pte. Ltd.	USD	65.1366	1,221	459	2,813	1,134	2,771	-	-	-	-	-	100.00%
The Learning Internet, Inc. USA	USD	65.1366	1,354	(1,474)	691	812	-	-	-	-	-	-	56.85%
Educomp Professional Educational Ltd.	INR	1.00	43	959	1,005	3	98	1	(3)	-	(3)	-	100.00%
Savvica Inc. canada	CAD	50.5082	151	(154)	9	12	-	-	-	-	-	-	79.55%
Educomp Intelliprop Ventures Pte. Ltd. (Formerly known as Educomp Intelprop Ventures Pte. Ltd.)	EURO	80.2777	39	(255)	29	245	`-	-	-	-	-	-	100.00%
Educomp Online Supplemental Services Ltd.	INR	1.00	37	(140)	13	117	-	0	(347)	-	(347)	-	95.15%
Educomp Learning Hour Pvt.Ltd.	INR	1.00	-	-	-	-	-	-	-	-	-	-	95.15%
Educomp Software Ltd.	INR	1.00	46	(32)	151	138	-	47	27	-	27	-	95.15%
Educomp Investment Managmentt Ltd.	INR	1.00	7	2	11	2	0	0	(0)	-	(0)	-	100.00%
Educomp Global FZE	AED	17.7363	1	(13)	3	14	-	-	-	-	-	-	100.00%
Educomp Global Holding W.L.L.	BHD	173.2356	30	14	43	-	-	-	-	-	-	-	100.00%
Educomp Infrastructure & School Management Ltd	INR	1.00	321	2,929	12,141	8,892	-	270	(3,675)	20	(3,694)	-	83.61%
BOSTON Realtech Pvt.Ltd	.INR	1.00	28	40	68	0	-	-	(0)	-	(0)	-	83.31%

Crosshome Developers Pvt.Ltd.	INR	1.00	30	45	75	1	-	0	(0)	-	(0)	-	83.33%
Evergreen Realtech Pvt.Ltd.	INR	1.00	26	39	65	0	-	-	(0)	-	(0)	-	83.29%
Falcate Builders Pvt.Ltd.	INR	1.00	47	140	187	0	-	-	(0)	-	(0)	-	83.43%
Good Luck Structure Pvt.Ltd.	INR	1.00	23	33	56	0	-	-	(0)	-	(0)	-	83.24%
Grider Infratech Pvt.Ltd.	INR	1.00	43	63	106	0	-	-	(0)	-	(0)	-	83.41%
Growzone Infrastructure Pvt.Ltd.	INR	1.00	43	64	107	0	-	(0)	-	(0)	-	-	83.42%
Herold Infra pvt.ltd.	INR	1.00	49	(11)	38	1	-	0	0	-	0	-	83.44%
Hidream Constructions Pvt.Ltd.	INR	1.00	50	223	274	0	-	-	(0)	-	(0)	-	83.44%
Knowledge Vista Ltd.	INR	1.00	6	207	420	206	-	0	(20)	-	(20)	-	40.31%
Laservision Estates Pvt. Ltd.	INR	1.00	24	35	59	0	-	-	(0)	-	(0)	-	83.26%
Leading edge Infratech Pvt.Ltd.	INR	1.00	31	45	76	0 -		-	(0)	-	(0)	-	83.34%
Markus Infrastructure Pvt.Ltd	.INR	1.00	42	32	75	0	-	-	(0)	-	(0)	-	83.41%
Modzex Infrastructure Pvt.Ltd.	INR	1.00	24	40	65	0	-	1	1	0	1	-	83.27%
Newzone Infrastructure Pvt.Ltd.	INR	1.00	28	47	75	0	-	1	1	0	1	-	83.31%
Orlando Builders Pvt.Ltd.	INR	1.00	100	(40)	61	2	-	-	(111)	(0)	(111)	-	83.53%
Onega Infrastructure Pvt.Ltd.	INR	1.00	34	(46)	89	1100	-	-	(0)	-	(0)	-	83.37%
Reverie Infratech Pvt.Ltd.	INR	1.00	45	(12)	35	3	-	-	(0)	-	(0)	-	83.42%
Rockstrong Infratech Pvt.Ltd.	INR	1.00	36	51	87	0	-	-	(0)	-	(0)	-	83.38%
Strotech Infrastructure Pvt.Ltd.	INR	1.00	48	90	139	1	-	1	1	0	1	-	83.44%
Virtual Buildtech Pvt Ltd.	INR	1.00	21	30	51	0	-	-	(0)	-	(0)	-	83.21%
ZETA Buildcon Pvt.Ltd.	INR	1.00	48	(19)	120	90	-	0	(0)	-	(0)	-	83.44%
Educomp APAC Services Pvt.BVI	USD	65.1366	927	(435)	492	-	-	-	(48)	-	(48)	-	83.61%
Eucomp Infrastructure services pvt Ltd.	INR	1.00	1	(1)	0	0	-	-	(0)	-	(0)	-	83.61%
Educomp Childcare Pvt.ltd.	INR	1.00	334	(154)	297	118	80	254	5	-	5	-	48.29%
Greycells 18 Media Ltd.	INR	1.00	116	(255)	47	186	-	47	(48)	-	(8)	-	25.78%

Part - " B " : Associates and Joint Ventures

S.No.	Particulars	Greycells 18 Media Ltd.	Little Millenium Education Private Limited
1	Latest Audited Balance Sheet Date	19-04-2018	Not Available
2	Date on which the Associate / JV was associated / acquired	19-01-2010	Not Available
3	Share of Associate / JV held by the Company on the year end i) Amount of Investment in Associated/JV ii) extend of Holding	2999749 159.91 25.78%	16110239 161.1 48.29%
4	Description of how there is significant infuluence	company is holding more than 25% of shares in the associate	company is holding more than 25% of shares in the associate
5	Reasons why the associate / JV is not Consolidated	Consolidated	Consolidated
6	Networth attributable to shareholding as per the latest audited balance sheet	(35.73)	86.66
7	Profit / Loss for the year		
	i) Considered in Consolidated	(12.20)	2.70
	ii) Not Considered in Consolidation	(35.14)	2.90

For Educomp Solutions Limited
(Under CIRP)

Sd/-
Mahender Khandelwal
Resolution Professional
Taken on record
IBBI Reg. No IBBI/IPA-001/IP-P00033/2016-17/ 10086

Date : October 8, 2021
Place : New Delhi

Annexure-III

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programmes.

Educomp Solutions Limited as the largest education solution provider of the country determined to align its corporate goals with greater societal needs. Educomp Solutions Limited through Educomp Foundation engages itself in the welfare of the under privileged sections of the society. Educomp Foundation strives to play a catalytic role in bringing a paradigm shift in Education, health, awareness and employability potential levels of the rural community.

CSR POLICY

The policy is to empower the disadvantaged people and marginalized sections of society by facilitating quality education, skill development and provide access to alternative livelihood opportunities in order to bring about a long term, sustainable impact on the life of people in the community. The primary objective of the policy is to focus on the key areas which include Education, Health care, skill development and Inclusive Growth. Details are as under:

I. To promote primary education with active involvement in teaching and creating learning environment
II. To facilitate awareness campaign related to health and hygiene and organize relevant workshops
III. To reach out to masses with real intervention in the fields of women empowerment and senior citizen care.
IV. To develop and analyse case studies and research materials related to pressing global challenges
V. To engage with youth/ students to develop them into real empathetic leaders.

As specified above the Company is present under CIRP w.e.f May 30, 2017 and all the powers of the management are vested to the Interim Resolution Professional followed by the Resolution Professional. Accordingly, during the financial year no programme was conducted by the Educomp Foundation i.e. the implementing agency for the CSR Activities of the Company, as the Company does not contributed any amount for the CSR activities due to lack of profits or insufficient Funds in the Company..

The CSR Policy of the Company can be assessed at the company's website through the link: http://educomp.com/content/policies

2. The Composition of the CSR Committee.

- Mr. Shantanu Prakash –Chairman
- Mr. Vinod Kumar Dandona – Member
- Mr. Vijay Kumar Choudhary –Member

3. Average net profit of the company for last three financial years

Average Net Loss is Rs. (10,557.67) Million.

4. Prescribed CSR Expenditure (two per cent. Of the amount as in item 3 above)
NIL

5. Details of CSR spent during the financial year.
(a) Total amount to be spent for the financial year;:- NIL
(b) Amount unspent, if any – Not Applicable
(c) Manner in which the amount spent during the financial year is detailed below

S. No.	CSR Projects or Activities	Sector in which the project is covered	Locations Districts (State)	Amount outlay (budget) project or programs wise	Amount spent on the projects or Programs	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency*
	-	-	-	-	NIL	-	-

*Give details of implementing agency, if any: Educomp Foundation

6. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report.
   Not Applicable

7. As the Company is presently in CIRP and all powers of Boards are delegated to Resolution Professional.

For Educomp Solutions Limited
(Under CIRP)

Sd/-
Mahender Khandelwal
Resolution Professional
Taken on record
IBBI Reg. No IBBI/IPA-001/IP-P00033/2016-17/ 10086

Date : October 8, 2021
Place : New Delhi

Annexure-IV

MR-3
Secretarial Audit Report

For the Financial period ended March 31, 2018
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Educomp Solutions Limited
(Company under the Corporate Insolvency Resolution Process)
1211, Padma Tower I, 5 Rajendra Place,
New Delhi- 110008
[CIN: L74999DL1994PLC061353]

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

It is to be noted that pursuant to an order passed by the Hon'ble National Company Law Tribunal, Principal Bench ("NCLT") on May 30, 2017 for the initiation of Corporate Insolvency Resolution Process ("CIRP") of the Company as per the provisions of the Insolvency and Bankruptcy Code, 2016 ("IBC"/"Code") and Dr. Sanjeev Agarwal, having IP Registration no. IBBI/IPA-001/IP-00445/2016-17/1339, was appointed as the Interim Resolution Professional ("IRP"). Further, NCLT vide its order dated September 12, 2017 appointed Mr. Mahender Khandelwal having IP Registration no. IBBI/IPA-001/IP-P00033/2016-17/10086 as the Resolution Professional ("RP") of the Company. As per the provisions of the Section 17 and 18 of the IBC, the powers of the Board of Directors and the Management of the Company stand suspended from the date of initiation of the CIRP and vest with the RP.

Based on my verification of the information, books, papers, forms as provided by the management/RP and returns filed and other records maintained by the Company digitally and/ or in soft copies and also the information provided by the Company, its officers and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial period ended on 31st March 2018 (Commencing from April 1, 2017 to March 31, 2018), complied with the statutory provisions listed hereunder during the Audit Period including from the commencement of Corporate Insolvency Resolution Process (CIRP) w.e.f. 30th May, 2017, to the extent applicable during the CIRP period, except the non-compliances as mentioned in this report and subject to the reporting made hereinafter. The members are requested to read this report along with my letter dated January 13, 2021 annexed to this report as **Annexure – A**.

1. I have examined books, papers, forms and returns filed and other records, as made available and maintained by the Company, for the financial period ended on March 31, 2018 according to the applicable provisions of:

i) The Companies Act, 2013 (the "**Act**") and the rules made thereunder;

ii) The Securities Contracts (Regulation) Act, 1956 ("**SCRA**") and the rules made thereunder;

iii) The Depositories Act, 1996 and the regulations and bye laws framed thereunder;

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

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

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

II. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (“**PIT Regulations**”);

III. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 *(Not applicable to the Company during the Audit period)*;

IV. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (“**SBEB Regulations**”);

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

VI. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 (Not applicable to the Company during the Audit period);

VII. The Securities and Exchange Board of India (Registrars to an issue and share transfer agents) Regulations, 1993 regarding the Companies Act and dealing with clients to the extent of securities issued;

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

IX. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI LODR Regulations**”).

2. **I, further report that,** the Company is engaged in providing end to end solutions in the education technology domain through licensing of digital content, solutions for bridging the digital divide (a government initiative to enhance the computer literacy), professional development and retail & consulting initiatives. The company's business can be categorized into four strategic business units namely

- School Learning Solutions (Comprising of Smart Class and Edureach (ICT) business)
- K-12 Schools (comprising pre-schools & high school)
- Higher Learning Solutions (comprising of vocational, higher education and professional development)
- On-line, supplemental & global business (comprising of Internet based educational services and coaching spreading education ecosystem).

As informed by the Company and Authorized representative of the Management/RP, there is no sector specific law applicable on the Company.

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

i) Secretarial Standards issued by The Institute of Company Secretaries of India, with respect to board and general meetings (“**Secretarial Standards**”). *I have not found any document evidencing the compliance of* Secretarial Standard-1 on Board Meeting with reference to only one Board Meeting held on May 10, 2017 during the Audit Period; and

ii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“**SEBI (LODR) Regulations, 2015**”) and the Listing Agreements entered into by the Company with the National Stock Exchange of India Limited (hereinafter referred as “the **NSE**”) and the Limited (“the **BSE**”) (collectively hereinafter referred as 'the **Stock Exchanges**').

4. **I, further report that**, having regard to the compliance system prevailing in the Company and on examination of the documents and records, on test check basis, for the Audit Period, the Company has complied with the provisions of the Act, Rules, Regulations and Guidelines, to the extent applicable and as mentioned above except reported herein after and elsewhere mentioned in this report:

   i) During the period under review only one Board meeting was conducted on May 10, 2017 as The Hon'ble National Company Law Tribunal, New Delhi Bench (NCLT) has admitted the application filed by the Company and commenced Corporate Insolvency Resolution Process against the Company under the Insolvency and Bankruptcy Code, 2016 on May 30, 2017 and, therefore, the powers of Board of Directors of the Company stand suspended and the said powers are being exercised by the RP. As a result thereof, Committee of creditors was formed and 12 meetings were held during the period under review;

   ii) Draft unsigned minutes of Board meeting held on May 10, 2017 provided;

   iii) The Company did not have a woman director and sufficient number of Independent Directors on its Board as required under Section 149 and 152 of the Act;

   iv) The Composition of Audit Committee of the Board was not in compliance of the provision of the Section 177 of the Act;

   v) The Composition of Nomination and Remuneration Committee of the Board was not in compliance of the provision of the Section 178 of the Act;

   vi) The Company has not filed form IEPF-2 i.e. Statement of unclaimed and unpaid amount of dividend as required rule 5(8) of the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016;

   vii) The remuneration paid to one of the WTDs of the Company during the quarter ended 30th June, 2015, year ended 31st March, 2015 and year ended 31st March, 2014 is recoverable by the Company under Section 197(9) of the Act;

   viii) The Company has not prepared the Quarterly and Annual Results/ Financial Statements for the financial year ended on 31st March, 2018 as required under Regulation 33 of SEBI LODR Regulations and Section 129 of the Act;

   ix) During the period under review, there have been late filings to the Stock Exchanges in certain instances under Regulation 27(2)(a) of SEBI LODR, 2015.

   x) The Company has not convened the AGM for the period ended on 31.03.2017 within the stipulated time on or before 30.09.2017. However, the aforesaid AGM has been convened by the RP on 29.06.2020.

   xi) The Company has not carried out Internal Audit for the period under review as per Section 138 of the Act; and

   xii) The Company has not complied with provisions of PIT Regulations and SBEB Regulations during the period under review.

5. Without qualifying our report, we further report that during the financial year 2017-18, Form ODI Part II i.e. Annual Performance Report (APR) as per A.P. (DIR Series) Circular No. 62 dated April 13, 2016 for financial year 2016-17 was not found in the records of the Company and few e- forms were filed with delay along with additional fee with the Registrar of Companies.

6. I further report that compliance of applicable financial laws including Direct and Indirect Tax Laws by the Company has not been reviewed in this audit since the same has been subject to review by the Statutory Auditors and accordingly, I rely on Statutory Auditors' Report in relation to the financial statements, qualifications and accuracy of financial figures for, Sales Tax, Value Added Tax, Related Party Transactions, Provident Fund, ESIC etc. as disclosed under financial statements.

7. I further report that:

   i) In terms of SEBI (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2018, a company undergoing the corporate insolvency resolution process is not required to comply with relevant Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 dealing with the requirements of, amongst others, composition of board of directors including that of independent director, constitution, meetings and terms of reference of the audit committee, constitution, meetings and terms of reference of the nomination and remuneration committee, constitution, meetings and terms of reference of the stakeholders' relationship committee.

   ii) During the period under review, the Board of Directors of the Company was not duly constituted with proper balance of Executive Directors, Non–Executive Directors and Independent Directors. The Board also did not have a woman director. Further, there is only one Executive Director on Board as on date of this report.

   iii) I further report that, during the audit period, the Company had following events which had bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, standards, guidelines etc.

      (a) During the FY 2016-17, the Ministry of Corporate Affairs (“MCA”) had carried out inspection of the Books of Accounts, records and other statutory documents of the Company under section 206 of the Act in which certain non-compliances were noticed by the office of Regional Director, Northern Region, MCA (“RD”) and it issued a letter dated March 21, 2017 to the Company. In response to the said RD letter, the Company filed its reply on March 24, 2017. Subsequently, Office of Registrar of Companies, NCT of Delhi & Haryana (“ROC”) has, inter-alia, issued the following Show Cause Notices to the Company:

         - Notice No. ROC/125/2017/ESL dated January 23, 2018 for non-compliance of Section 125 of the Companies Act, 1956

         - Notice No. ROC/193/2017/ESL dated January 23, 2018 for non-compliance of section 193 of the Companies Act, 1956

         - Notice No. ROC/142/2017/ESL dated January 24, 2018 for non-compliance section 142(1) of the Companies Act, 2013

         - Notice No. ROC/129/2013/ESL dated January 23, 2018for non-compliance of section 129 of the Companies Act, 2013 r/w AS-16 and AS-26

      In response to the above Show Cause Notices, the Company had filed their replies. However, ROC office has filed complaints against the Company before the Court of LD. ACMM (SPL ACT), Central Tis Hazari, Delhi which is pending for disposal as on date of this Report. As represented by the Company, the Company is in process of filing compounding applications with the MCA against aforementioned non-compliances.

      ROC has also issued Show Cause Notices to current/former directors and former officials of the Company pursuant to aforesaid inspection.

(b) As on date of this Report, the Company has received several Invoices for Penalties against the violations of SEBI Act, Rules, Regulations and Guidelines etc. from both the Stock Exchanges i.e. BSE and NSE.

(c) The Company has not created Debenture Redemption Reserve in relation to the earlier issue of debentures since the Company is in losses;

(d) As informed by the Management/RP, as on date of this Report, pursuant to the provisions of the IBC, the Committee of Creditors ("CoC") had approved the resolution plan received from Ebix Singapore Pte. Ltd. ("Resolution Applicant"/ "Ebix"). Accordingly, the Corporate Debtor has submitted the resolution plan for final approval with the Hon'ble NCLT under Section 30(6) of IBC vide application dated March 03, 2018 ("Resolution Plan") and the matter was under consideration before the NCLT. Subsequently, the Resolution Applicant filed an application under Section 60(5) of the IBC seeking withdrawal of its Resolution Plan. Vide NCLT's Order dated January 02, 2020, the withdrawal application of Ebix was allowed, to the extent of granting leave to the said Resolution Applicant to withdraw the Resolution Plan pending approval u/s 30(6) before the NCLT by payment of cost of INR 1 lakh by the Resolution Applicant into the corpus of the Corporate Debtor. Further, Hon'ble NCLT vide the same order also granted 90 days-time commencing from November 16, 2019 to the Resolution Professional and the CoC to seek/expedite the possibility of achieving resolution of the stressed assets of the Corporate Debtor within such time of 90 days. Thereafter, the NCLT vide its Order dated January 03, 2020, dismissed the approval application as infructuous as a consequence of its order dated January 02, 2020 which allowed the withdrawal of the Resolution Plan by Ebix. Thereafter, an appeal under Section 61 of the IBC against the NCLT Order dated January 02, 2020 (allowing withdrawal of Resolution Plan) and Order dated January 03, 2020 was filed with Hon'ble National Company Law Appellate Tribunal ("NCLAT") by the CoC's legal counsel. On July 29, 2020, the Hon'ble NCLAT has allowed the appeal and has set aside the Hon'ble NCLT order dated January 02, 2020 in CA No. 1816(PB)/2019 in C.P.(IB)No. 101 (PB) 2017. Thereafter, Ebix challenged the final order and judgment dated July 29, 2020 before the Hon'ble Supreme Court of India by way of a civil appeal. The matter is sub-judice before the Supreme Court of India wherein the matter is expected to be listed for next hearing in the week commencing January 18, 2021. The Hon'ble Court has also extended the stay (issued vide order dated 07.10.2020) on the NCLAT proceedings (Co. Appeal No. 587 of 2020/Second Appeal) till the next date of hearing.

(e) As on date of this Report, the Company is under investigation by the Serious Fraud Investigation Office ("SFIO") and Central Bureau of Investigation ("CBI")

For S K Nirankar & Associates
Company Secretaries
(FRN: S2018UP570400)

Satish Kumar Nirankar
Proprietor
Membership No: F9605
Certificate of Practice No: 19993
UDIN: F009605B001978902

Date: January 13, 2021
Place: Noida

Annexure –A to Secretarial Audit Report dated January 13, 2021

To,
The Members,
Educomp Solutions Limited
(Company under the Corporate Insolvency Resolution Process)
1211, Padma Tower I, 5 Rajendra Place,
New Delhi- 110008
[CIN: L74999DL1994PLC061353]

My Secretarial Audit Report dated January 13, 2021 is to be read with this letter.

1. The compliance of provisions of all laws, rules, regulations and standards applicable to **Educomp Solutions Limited** ('the **Company**') is the responsibility of the management/RP of the Company. My examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.

2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management/RP of the Company. My responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required.

3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices we followed provide a reasonable basis for the purpose of issue of the Secretarial Audit Report.

4. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company as it is taken care in the statutory audit.

5. I have relied on the Management's/RP confirmation about the compliance of laws, rules and regulations and happening of events, wherever required.

6. This Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management/RP has conducted the affairs of the Company.

For S K Nirankar & Associates
Company Secretaries
(FRN: S2018UP570400)

Satish Kumar Nirankar
Proprietor
Membership No: F9605
Certificate of Practice No: 19993
UDIN: F009605B001978902

Date: January 13, 2021
Place: Noida

Annexure V

INFORMATION RELATING TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH AND DEVELOPMENT AND FOREIGN EXCHANGE EARNING AND OUTGO FORMING PART OF DIRECTORS' REPORT IN TERMS OF SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014.

A) CONSERVATION OF ENERGY

(i)	the steps taken or impact on conservation of energy;:-	Though energy does not form a significant portion of the cost for the Company yet wherever possible and feasible, continuous efforts are being put for conservation of energy and minimize power cost
(ii)	the steps taken by the company for utilizing alternate sources of energy;:-	NIL
(iii)	the capital investment on energy conservation equipments; :-	NIL

B) TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION

RESEARCH AND DEVELOPMENT (R & D) –

Specific area in which R&D was carried out by the Company	NIL
Benefits derived as a result of the above R&D	NIL.

Future plan of action

To add more technical skills to provide better educational solutions to clients.

Expenditure on R&D

Capital	: NIL
Recurring	: NIL
Total	: NIL
Total R&D expenditure as a Percentage of total turnover	: NIL

TECHNOLOGY, ABSORPTION, ADAPTATION AND INNOVATION

The efforts made towards technology absorption, adaptation and innovation.

We at Educomp Solutions Limited are well aware of latest technology being available in our field of operation. Necessary training is imparted to the relevant people from time to time to make them well acquainted with the latest technology.

The Benefit derived as a result of above efforts e.g. product improvement, cost reduction, product development, import substitution etc. :

We are able to provide educational services in more innovative form & maintain a high standard of quality.

In case of imported technology (imported during the last 3 years reckoned from the beginning of the financial year), following information may be furnished:

Technology imported. : N.A.
Year of import. : N.A.
Has technology been fully absorbed : N.A.
If not fully absorbed, areas where this has not taken place, reasons there for and future plans of action. : N.A.

c) FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to export, initiatives to increase exports, Developments of New export markets for products and Services and Export plan

The Company has continued to maintain focus on and avail of export opportunities based on economic considerations.

Foreign Exchange Earning & Outgo details are as follows:

(Rs. in Million)

Foreign Exchange details *	**As on 31st March, 2018**	**As on 31st March, 2017**
Foreign Exchange Earnings (A) (Including deemed exports & sales through export houses)	-	-
Foreign Exchange Outgo (B)	23.70	12.3
Net Foreign Exchange Earnings (A-B)	(23.70)	(12.3)

* The Figures are on accrual basis.

Annexure – VI

DETAILS PERTAINING TO REMUNERATION AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Name & Designation	Ratio to Median Remuneration
Mr. Shantanu Prakash, Chairman & Managing Director	-
Mr. Vinod Kumar Dandona, Whole-time Director	-
Mr. Vijay Kumar Chaudhary, Independent Non- Executive Director	-

(ii) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Name & Designation	% increase in remuneration in the financial year
Mr. Shantanu Prakash, Chairman & Managing Director	-
Mr. Vinod Kumar Dandona, Whole-time Director	-
Mr. Vijay Kumar Chaudhary, Independent Non- Executive Director	-
Mr. Ashish Mittal, Chief Financial Officer	-
Mr. Yogesh Saluja, Company Secretary '	-

(iii) The percentage increase in the median remuneration of employees in the financial year- Not Available

(iv) The number of permanent employees on the rolls of company as on 31st March, 2018: 958 Employees

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for the increase;
N.A

(vi) The key parameters for any variable component of remuneration availed by the directors
NIL

(vii) Affirmation that the remuneration is as per the remuneration policy of the company.
The Company hereby affirms that the remuneration paid is as per the remuneration policy of the company.

Annexure – VII

DISCLOSURE PURSUANT TO THE PROVISIONS OF SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULES 5(2) OF THE COMPANIES (AP POINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014, A STATEMENT SHOWING THE NAME OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION DRAWN

S. No.	Employee Name	Designation	Nature of Duties	Qualification	Joining date	Age (In Years)	Experience (Yrs)	Remuneration Received (considering the Cost to the company OR actual amount received, whichever is higher) (In Rs.)	Previous Employment-designation
1.	Ashish Mittal	Chief Financial Officer	Finance & Accounts- Head	Chartered Accountant	01-Nov-2013	51	26	8,800,000	Ashish Mittal & Company, Chartered Accountant-Proprietor
2.	Somnath Mukherjee	Senior Manager - IT	System Admin	Graduate	15-Feb-2001	41	N.A	1,909,092	N.A.
3.	PramodThatoi	General Manager	Finance & Accounts	B.Com	12-Sep-2013	50	27	6,495,096	Educomp Datamatics
4.	Rashmi Kakkar	Head - Communications	SSG – BO	Graduate	16-Mar-2009	57	N.A	1,584,840	N.A
5.	Manish Kumar Jaiswal	Assistant General Manager	Finance & Accounts	Chartered Accountant	02-Jan-2006	42	15	2,430,096	N.A.
6.	Rajendra Singh Kandari	Assistant General Manager	Finance & Accounts	Chartered Accountant	10-Jun-2009	38	N.A	2,180,748	N.A.
7	Santosh Kumar Tiwari	Senior Manager	Finance & Accounts	Graduate	12-Sep-2013	39	18	2,828,040	N.A
8	Baljeet Singh Bindra	National Manager	SSG - Operations	Graduate	1-Apr-2014	34	N.A	1,599,456	N.A.
9	Chander Shekher Prabhakar	Vice President - ERP & Business Process	ERP	Graduate	27-Oct-2014	53	N.A	3,100,860	N.A.
10	Sanju Shishodia	Vice President - Corporate Planning & Strategy	Finance & Accounts	Master of Business Administration	14-Jan-2015	53	N.A	3,500,004	N.A

Notes:

1. The remuneration received shown as above comprises of salary, bonus, allowances, cash incentives and monetary value of perquisites (excluding ESOP Perquisites) as per income tax rules, Provident Fund and professional tax.
2. None of the employees shown above is related to any Directors of The Company.
3. None of employees mentioned above is holding more than 2% of outstanding equity shares of the Company as on 31st March 2018.
4. All the employees shown above are in full-time employment with the Company.
5. In addition to the above remuneration, employees are entitled to gratuity in accordance with the Company's rules.
6. The appointment of the above employees is non-contractual and are governed by the company's policy and rules.
7. The aforesaid employees were in receipt of remuneration which in the aggregate is in excess of that drawn by Managing Director of the Company and but does not hold by himself or along with his spouse and dependent children, more than 2% of the equity shares of the Company.

MANAGEMENT DISCUSSIONS AND ANALYSIS

The Management's Discussion and Analysis (“MDA”) focuses on significant factors that affected Educomp Solutions Limited from FY 2017-18 till date. It contains a review and analysis of the financial results for the relevant period, identifies business risks that the Company faces.

The Company had been facing significant challenges in servicing its debt obligations over the years and debt restructuring efforts could not succeed. The Hon'ble NCLT, New Delhi, (“Adjudicating Authority”) vide its order dated May 30, 2017, initiated corporate insolvency resolution process (“CIRP”) of the Company in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016 (“Code”). Thereafter, in accordance with the provisions of the Code, the powers of the Board stood suspended and Dr. Sanjeev Aggarwal was appointed as interim resolution professional of the Company. The IRP carried out his duties from May 30, 2017 till Mr. Mahender Khandelwal was appointed as Resolution Professional (“RP”) vide the order of NCLT dated September 12, 2017 and took over the management of the affairs of the Company. Please refer to the discussion on revival plan of the Company for further details.

a) Industry structure and developments for FY 2017-18.

Indian economy is on the cusp of a major change with a slew of reforms by the Government including Make in India, Digital India, Skill India, rural electrification drive, Smart Cities Mission, impetus on infrastructure, rising disposable income, low inflationary pressures, implementation of the Seventh Pay Commission, recovery in exports and private investments. These factors have together resulted in 6.7% GDP growth at constant prices in FY18 versus 7.1% in FY17, as per the provisional estimates issued by the Central Statistics Organisation (CSO). In the World Bank's Ease of Doing Business index, India's global ranking reached to 100th among 190 countries in 2018 as compared to 130th rank in the previous year. Acceleration in manufacturing, enhanced capacity utilisation, strong pickup in activity in the services sector, low inflationary pressures and normal monsoon, work in favour robust economic growth.

The education sector in India is estimated at US$ 91.7 Bn in FY18 and is expected to reach US$ 101.1 Bn in FY19. With approximately 28.1% of India's population in the age group of 0-14 years, educational sector in India provides great growth opportunity. With evolving times, the purpose of education has evolved from imparting knowledge to all-round development of students to groom them to be literate citizens. The schools guide the students to explore their potential and understand their passion while also develop their skills like language, technology, cross-cultural understanding etc. Schools are adopting innovative and practical teaching methods and have brought about a sea change in the teaching methodology with use of technology.

b) Threats, risks and concerns

Due to financial crisis, as a result of business related issues faced by the Company arising out of the Company's inability to service its customers (schools) spread across the length and breadth of the country because of delinquencies by many customers. This coupled by delays in receiving money under government contracts lead to a situation where the Company was not able to services its debts leading the Bankers to take the Company to Corporate Debt Restructuring (CDR) in July 2013. The CDR of the Company was approved with effect from April 1 2013. However, CDR was not successful and the Company filed application for CIRP under Section 10 of Code on May 12, 2017. Pursuant to said application made by the Company, Adjudicating Authority, vide its order dated 30th May 2017, had ordered the commencement of CIRP in respect of the Company under the provisions of the Code. Thereafter, in accordance with Section 17 of the Code, the powers of the Board stood suspended and Dr. Sanjeev Aggarwal was appointed as interim resolution professional of the Company. The IRP carried out his duties from May 30, 2017 till Mahender Khandelwal was appointed as Resolution Professional (“RP”) vide the order of NCLT dated September 12, 2017 and took over the management of the affairs of the Company. Pursuant to CIRP, Ebix Singapore Pte. Ltd.("Ebix"), Singapore submitted the resolution plan of the Company which was approved by the Committee of Creditors ("COC"), consisting of all bankers of the Company on February 17, 2018. Subsequent to submission of Resolution Plan with Adjudicating Authority for approval on March 07, 2018, application was filed by Ebix Singapore Pte. Ltd under Section 60(5) of the Code seeking withdrawal of their Resolution Plan. Multiple hearings took place in the said matter before the Adjudicating Authority. The matter was heard at length on November 25, 2019 wherein after duly hearing and recording the submissions made by the Counsel for CoC and Counsel for the Resolution Applicant, the Adjudicating Authority reserved its order on application filed by the Resolution Applicant for the withdrawal of the Resolution Plan. On January 02, 2020, Adjudicating Authority directed that the prayer of Resolution Applicant for withdrawal of Resolution Plan is allowed with cost of Rs. 1 lakh to be paid by the Resolution Applicant into the corpus of the Company. Adjudicating Authority has further granted extension of 90 days from November 16, 2019. Adjudicating Authority directed that RP and the members of CoC to expedite the possibility of achieving resolution of the stressed assets of the Company within the extended period. Thereafter, CoC meeting was called by the RP to discuss the way forward with regard to the Order dated January 02, 2020 passed by the Hon'ble NCLT.

Thereafter, the Committee of Creditors of Educomp (**"CoC"**) challenged the 2nd January Order passed by the Adjudicating Authority allowing the withdrawal before the National Company Law Appellate Tribunal (**"NCLAT"**) on 28.01.2020 by way of an Appeal bearing number Company Appeal (AT) (Insolvency) No. 203 of 2020 (**"First Appeal"**). The First Appeal was listed for consideration before the NCLAT on 03.02.2020 wherein, the Appellate Tribunal was pleased to issue notice in the appeal and further stayed the operation of the 2nd January order.

On 22nd June 2020, the CoC filed another Appeal i.e. Company Appeal (AT)(Ins) No. 587 of 2020 ("**Second Appeal**") before the NCLAT against the 3rd January order passed by the Adjudicating Authority thereby dismissing the application of the RP seeking approval of the Resolution Plan filed by Ebix. It may be noted that the CoC gained the knowledge of the 3rd January order only during the hearing in the First Appeal and therefore, could not challenge the same at an earlier date.

The NCLAT allowed the First Appeal filed by the CoC vide its judgment dated 29th July 2020 and set aside the 2nd January order passed by the Adjudicating Authority *inter alia* holding that the Adjudicating Authority did not have the power to allow Ebix (RA) to withdraw its resolution plan after it was approved by the CoC.

Thereafter Ebix filed a Civil Appeal No. 3224 of 2020 ("***Ebix Appeal/Appeal***") before the Hon'ble Supreme Court of India ("***Hon'ble Supreme Court***") challenging the NCLAT Judgment dated 29.07.2020 passed in the First Appeal on the ground that (a) Ebix is not bound by the Resolution Plan until the same is approved by the Adjudicating Authority; (b) inordinate delay in approval of the application under Section 31 and (c) pending SFIO and CBI investigations into the affairs of Educomp called for withdrawal.

The Hon'ble Supreme Court was pleased to issue notice in the Ebix Appeal on 07th October 2020 and vide the same order stayed the proceedings under Second Appeal before the NCLAT. The question of law involved in Ebix's Appeal was "*Whether the withdrawal of Resolution Plan is permitted after it has been approved by the CoC*".

The Hon'ble Supreme Court after hearing the parties vide its judgment dated 13th September 2021 dismissed the Appeal on the ground that "*The existing insolvency framework in India provides no scope for effecting further modifications or withdrawals of CoC-approved Resolution Plans, at the behest of the Successful Resolution Applicant, once the plan has been submitted to the Adjudicating Authority.* The Hon'ble Court further held that *"A submitted Resolution Plan is binding and irrevocable as between the CoC and the successful Resolution Applicant in terms of the provisions of the IBC and the CIRP Regulations."*

Accordingly, the Hon'ble Supreme Court dismissed Ebix's Appeal.

The present status of the proceedings is that the Second Appeal challenging the 3rd January order which is pending adjudication before the NCLAT and is scheduled for consideration before the NCLAT on 25th October 2021.

In the event, no resolution is achieved of stressed assets of the Company, the Company may be liquidated upon the order of the Adjudicating Authority /Appellate Tribunal/subsequent appellate authority.

Financial Risk

The large debt burden and rising interest cost caused defaults in payment of its obligations leading to the Company being admitted under the CIRP on 30th May, 2017 vide an order of the Adjudicating Authority. In the event, any resolution of stressed assets of the Company is achieved, the capital structure and the associated risk profile of the Company is expected to significantly change and therefore at the moment, the management is not able to comment on the future capital structuring of the Company and the resultant change in the risk profile.

c) Opportunities and Outlook

Subject to the adjudication of the Adjudicating Authority and other appellate authorities in relation to the receipt and approval of any resolution plan and with the support of the resolution applicant submitting such resolution plan, the Company may be in a position in terms of capacities, capabilities and customer relationships to capitalise on market opportunities. Approval of any resolution plan would enable the Company to progressively ramp up operations.

However, in the event, no resolution is achieved of stressed assets of the Company, the Company may be liquidated upon the order of the Adjudicating Authority /Appellate Tribunal/subsequent appellate authority. Further, for better explanation refer below to the point (e).

Internal control systems and their adequacy.

The Company has established Internal Financial Control System for ensuring the orderly and efficient conduct of the business including adherence to Company's Policies, the safeguarding of assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable Financial Statements.

As specified above the Company is present under CIRP w.e.f May 30, 2017 and all the powers of the management are vested to the Interim Resolution Professional followed by the Resolution Professional. Resolution Professional, in accordance with the provisions of the code, is performing his best efforts to mitigate all risks associated with the company along with the internal financial control and internal control system.

d) Financial performance.

Financial performance (Standalone)

The total revenues of Educomp aggregated Rs. 719.77 million in FY18 as compared to Rs. 2,154.47 million in FY17.

In fiscal 2018, the Company's profit/(loss) before prior period items, exceptional items and taxes aggregated Rs. (8,885.45) million as against Rs (3,237.73) million in fiscal 2017.

In fiscal 2018, the Company's profit/(loss) after taxes, prior period, exceptional items and other comprehensive income aggregated Rs. (23,676.03) million as against Rs (4,731.27) million in fiscal 2017.

In fiscal 2018, the Company's earnings/(loss) per share (basic) is Rs (193.38) as against Rs (38.83) in fiscal 2017.

Financial performance summary (Consolidated)

In fiscal 2018, the total consolidated revenues of Educomp group aggregated Rs. 1,067.27 million as compared to Rs 3,774.16 million in fiscal 2017.

The consolidated profit/(loss) before taxes aggregated Rs (26,030.15) million in fiscal 2018 as against Rs (7,805.23) million In fiscal 2017.

In fiscal 2018, the Company's consolidated profit after taxes, prior period and minority interest aggregated Rs (26,042.23) million as against Rs (7,774.26) million in fiscal 2017.

In fiscal 2018, the Company's consolidated earnings/(loss) per share (basic) is Rs (207.49) as against Rs (27.38) in fiscal 2017.

Key Ratios (Standalone)

Ratio	FY1 8	FY1 7
EBIDTA/Net Sales	-1153 .42 %	-19.89%
Profit/(loss) after Tax and prior period items/ Net Sales	-3289 .39 %	-219.60%
Total Expenditure/ Net Sales	1334 .48 %	250.28%
Cost of Goods Sold/ Net Sales	8.25 %	19.46%
Staff Cost/Net Sales	51.8 6%	51.84%
Selling, Distribution & Administration expenses (including Miscellaneous Expenses)/ Net Sales	1193 .32 %	48.59%

Segment Results

Segment Revenue & Expenses (External)

(Rs. In millions)

	For the year ended March 31, 2018			For the year ended March 31, 2017		
	Revenue	Expenses	Results	Revenue	Expenses	Results
Higher Learning Solutions	-	-	-	104.97	6.54	98.43
School Learning Solutions	634.28	8,042.34	(7,408.06)	1,658.33	2,230.32	(571.99)
K-12 Schools	-	-	-	-	-	-
Online, Supplementary & Global	10.18	0.73	9.45	11.47	17.86	(6.39)
	644.46	**8,043.07**	**(7,398.61)**	**1,774.77**	**2,254.72**	**(479.95)**

Cash Flows:

The cash (used)/generated from operations stands at Rs. (153.94) million as on March 31, 2018 as against Rs. 745.15 million as on March 31, 2017.

The cash generated/ (used) in on account of investing activities stands at by Rs. 11.85 million as on March 31, 2018 as against Rs. 33.68 million as on March 31, 2017.

The net cash generated/ (used) in financing activity were Rs. (58.26) million as on March 31, 2018 as against Rs. (709.10) million as on March 31, 2017.

e) Revival Plans for the Company and admission under the corporate insolvency resolution process defined under Insolvency and Bankruptcy Code, 2016

The Company was admitted under the CIR process in terms of the Code vide an order of Adjudicating Authority dated 30 May, 2017 ("Order"). Pursuant to the Order, Dr. Sanjeev Aggarwal was ap The Corporate Insolvency Resolution Process ("CIRP") against the Educomp Solutions Limited ("Corporate Debtor") was initiated by the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi ("Adjudicating Authority") under Section 10 of the Code vide its order dated 30th May 2017. The Adjudicating Authority vide its order, appointed Dr. Sanjeev Aggarwal as the Interim Resolution Professional ("IRP") to conduct the CIRP of the Corporate Debtor. Thereafter, in the third CoC Meeting held on 12th September 2017, the IRP was replaced and Mr. Mahender Kumar Khandelwal was appointed as the Resolution Professional ("RP") to run the CIRP of the Corporate Debtor.

Subsequently, the RP published Expression of Interest ("EoI") \ inviting resolution plans for the revival and restructuring of the Corporate Debtor. Further to the issuance of the EoI, the resolution plans were received from one Ebix Singapore Pte. Ltd. ("Ebix") and one Boundary Holdings SARL SPF. Pursuant to the discussions and deliberations with the CoC, the Resolution plan submitted by the Ebix was put to vote. Ebix's resolution plan, in terms of Section 30(4) of the Code, was finally approved by the CoC with 75.35% majority voting share on 22nd February 2018 including vote of Chhattisgarh State Electricity Board ("CSEB") whose vote was received subsequently due to a technical glitch. Pursuant thereto, the Resolution Professional submitted the Ebix's Resolution Plan for the approval of the Adjudicating Authority by way of an application under Section 30(6) and 31 of the Code (CA 195 of 2018) ("Plan Approval Application").

Around July 2019, while the Plan Approval Application was pending adjudication before the Adjudicating Authority, Ebix filed its first application seeking withdrawal of the Resolution Plan on account of the purported inordinate delay in approval pf resolution plan by the Adjudicating Authority, and ongoing investigations into the affairs of the Corporate Debtor. The said application was dismissed by the Adjudicating Authority. Thereafter, Ebix filed another withdrawal application in August 2019 on the similar cause of action. The second application was also dismissed by the Adjudicating Authority. However, the third withdrawal application filed by Ebix (IA 1816 of 2019) after having been heard at length on 25th November 2019 was allowed by the Adjudicating Authority vide its order dated 02nd January 2020 ('2nd January Order"). Thereby Ebix was permitted to withdraw its plan despite the same having been approved by the Committee of Creditors of Educomp ("CoC"). The Adjudicating Authority also imposed a cost of Rs. 1 lakh on Ebix and extended the CIRP of the Corporate Debtor by 90 days to begin from 16th November 2019. The Adjudicating Authority directed the Resolution Professional to expedite the possibility of achieving resolution of the stressed assets within such extended period.

As a consequence of the 2nd January Order passed by the Adjudicating Authority in third withdrawal application for filed by Ebix (IA 1816 of 2019)., the Adjudicating Authority dismissed the Plan Approval Application filed by the Resolution Professional vide its further order dated 3rd January 2020.

Thereafter, the Committee of Creditors of Educomp ("CoC") challenged the 2nd January Order passed by the Adjudicating Authority allowing the withdrawal before the National Company Law Appellate Tribunal

("NCLAT") on 28.01.2020 by way of an Appeal bearing number Company Appeal (AT) (Insolvency) No. 203 of 2020 ("First Appeal"). The First Appeal was listed for consideration before the NCLAT on 03.02.2020 wherein, the Appellate Tribunal was pleased to issue notice in the appeal and further stayed the operation of the 2nd January order.

On 22nd June 2020, the CoC filed another Appeal i.e. Company Appeal (AT)(Ins) No. 587 of 2020 ("Second Appeal") before the NCLAT against the 3rd January order passed by the Adjudicating Authority thereby dismissing the application of the RP seeking approval of the Resolution Plan filed by Ebix. It may be noted that the CoC gained the knowledge of the 3rd January order only during the hearing in the First Appeal and therefore, could not challenge the same at an earlier date.

The NCLAT allowed the First Appeal filed by the CoC vide its judgment dated 29th July 2020 and set aside the 2nd January order passed by the Adjudicating Authority inter alia holding that the Adjudicating Authority did not have the power to allow Ebix (RA) to withdraw its resolution plan after it was approved by the CoC.

Thereafter Ebix filed a Civil Appeal No. 3224 of 2020 ("Ebix Appeal/Appeal") before the Hon'ble Supreme Court of India ("Hon'ble Supreme Court") challenging the NCLAT Judgment dated 29.07.2020 passed in the First Appeal on the ground that (a) Ebix is not bound by the Resolution Plan until the same is approved by the Adjudicating Authority; (b) inordinate delay in approval of the application under Section 31 and (c) pending SFIO and CBI investigations into the affairs of Educomp called for withdrawal.

The Hon'ble Supreme Court was pleased to issue notice in the Ebix Appeal on 07th October 2020 and vide the same order stayed the proceedings under Second Appeal before the NCLAT. The question of law involved in Ebix's Appeal was "Whether the withdrawal of Resolution Plan is permitted after it has been approved by the CoC".

The Hon'ble Supreme Court after hearing the parties vide its judgment dated 13th September 2021 dismissed the Appeal on the ground that "The existing insolvency framework in India provides no scope for effecting further modifications or withdrawals of CoC-approved Resolution Plans, at the behest of the Successful Resolution Applicant, once the plan has been submitted to the Adjudicating Authority. The Hon'ble Court further held that "A submitted Resolution Plan is binding and irrevocable as between the CoC and the successful Resolution Applicant in terms of the provisions of the IBC and the CIRP Regulations."

Accordingly, the Hon'ble Supreme Court dismissed Ebix's Appeal.

The present status of the proceedings is that the Second Appeal challenging the 3rd January order which is pending adjudication before the NCLAT and is scheduled for consideration before the NCLAT on 25th October 2021.

In the event, no resolution is achieved of stressed assets of the Company, the Company may be liquidated upon the order of the Adjudicating Authority /Appellate Tribunal/subsequent appellate authority.

In terms of Section 25 of the Code, the Company is continuing to operate as a going concern.

f) Human Resources

The Company is having no new operations and servicing only to old customers and hence comprises of very limited staff. The Company had been operating with 958 employees during FY 2017-18.

Cautionary Statement

Statements in the Management Discussion and Analysis, describing the Company's objectives, projections and estimates may be forward-looking statements within the meaning of applicable securities laws and regulations. Actual results may vary from those expressed or implied, depending upon economic conditions, Government policies and other incidental / related factors. Please also note that as mentioned elsewhere also the Company is in insolvency under IBC.

CORPORATE GOVERNANCE
REPORT ON CORPORATE GOVERNANCE

1. Corporate Governance

Corporate Governance is based on the principles of integrity, transparency, accountability and commitment to values. The framework is driven by the objective of enhancing long term stakeholder value without compromising on ethical standards and corporate social responsibilities. The Company believes in transparency, empowerment, accountability and integrity in its operations having duly delegated authority to the various functional heads who are responsible for attaining the corporate plans with the ultimate purpose of enhancement of “stakeholder value”.

A report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as “Listing Regulations”) is given below:

2. Corporate Insolvency Resolution Process (CIRP)

The Corporate Insolvency Resolution Process (“**CIRP**”) against the Educomp Solutions Limited (“**Corporate Debtor**”) was initiated by the Hon'ble National Company Law Tribunal, Principal Bench at New Delhi (“**Adjudicating Authority”**) under Section 10 of the Code vide its order dated 30th May 2017. The Adjudicating Authority vide its order, appointed Dr. Sanjeev Aggarwal as the Interim Resolution Professional (“IRP”) to conduct the CIRP of the Corporate Debtor. Thereafter, in the third CoC Meeting held on 12th September 2017, the IRP was replaced and Mr. Mahender Kumar Khandelwal was appointed as the Resolution Professional (“**RP**”) to run the CIRP of the Corporate Debtor.

Subsequently, the RP published Expression of Interest (“**EoI**”) inviting resolution plans for the revival and restructuring of the Corporate Debtor. Further to the issuance of the EoI, the resolution plans were received from one Ebix Singapore Pte. Ltd. (“**Ebix**”) and one Boundary Holdings SARL SPF. Pursuant to the discussions and deliberations with the CoC, the Resolution plan submitted by the Ebix was put to vote. Ebix's resolution plan, in terms of Section 30(4) of the Code, was finally approved by the CoC with 75.35% majority voting share on 22nd February 2018 including the vote of Chhattisgarh State Electricity Board (“**CSEB**”) whose vote was received subsequently due to a technical glitch. Pursuant thereto, the Resolution Professional submitted the Ebix's Resolution Plan for the approval of the Adjudicating Authority by way of an application under Section 30(6) and 31 of the Code (CA 195 of 2018) (“**Plan Approval Application**”).

Around July 2019, while the Plan Approval Application was pending adjudication before the Adjudicating Authority, Ebix filed its first application seeking withdrawal of the Resolution Plan on account of the purported inordinate delay in approval pf resolution plan by the Adjudicating Authority, and ongoing investigations into the affairs of the Corporate Debtor. The said application was dismissed by the Adjudicating Authority. Thereafter, Ebix filed another withdrawal application in August 2019 on the similar cause of action. The second application was also dismissed by the Adjudicating Authority. However, the third withdrawal application filed by Ebix (IA 1816 of 2019) after having been heard at length on 25th November 2019 was allowed by the Adjudicating Authority vide its order dated 02nd January 2020 (**"2nd January Order"**). Thereby Ebix was permitted to withdraw its plan despite the same having been approved by the Committee of Creditors of Educomp (“**CoC**”). The Adjudicating Authority also imposed a cost of Rs. 1 lakh on Ebix and extended the CIRP of the Corporate Debtor by 90 days to begin from 16th November 2019. The Adjudicating Authority directed the Resolution Professional to expedite the possibility of achieving resolution of the stressed assets within such extended period.

As a consequence of the 2nd January Order passed by the Adjudicating Authority in third withdrawal application for filed by Ebix (*IA 1816 of 2019*)., the Adjudicating Authority dismissed the Plan Approval Application filed by the Resolution Professional vide its further order dated 3rd January 2020.

Thereafter, the Committee of Creditors of Educomp ("**CoC**") challenged the 2nd January Order passed by the Adjudicating Authority allowing the withdrawal before the National Company Law Appellate Tribunal ("**NCLAT**") on 28.01.2020 by way of an Appeal bearing number Company Appeal (AT) (Insolvency) No. 203 of 2020 ("**First Appeal**"). The First Appeal was listed for consideration before the NCLAT on **03.02.2020** wherein, the Appellate Tribunal was pleased to issue notice in the appeal and further stayed the operation of the 2nd January order.

On 22nd June 2020, the CoC filed another Appeal i.e. Company Appeal (AT)(Ins) No. 587 of 2020 ("**Second Appeal**") before the NCLAT against the 3rd January order passed by the Adjudicating Authority thereby dismissing the application of the RP seeking approval of the Resolution Plan filed by Ebix. It may be noted that the CoC gained the knowledge of the 3rd January order only during the hearing in the First Appeal and therefore, could not challenge the same at an earlier date.

The NCLAT allowed the First Appeal filed by the CoC vide its judgment dated 29th July 2020 and set aside the 2nd January order passed by the Adjudicating Authority *inter alia* holding that the Adjudicating Authority did not have the power to allow Ebix (RA) to withdraw its resolution plan after it was approved by the CoC.

Thereafter Ebix filed a Civil Appeal No. 3224 of 2020 ("***Ebix Appeal/Appeal***") before the Hon'ble Supreme Court of India ("***Hon'ble Supreme Court***") challenging the NCLAT Judgment dated 29.07.2020 passed in the First Appeal on the ground that (a) Ebix is not bound by the Resolution Plan until the same is approved by the Adjudicating Authority; (b) inordinate delay in approval of the application under Section 31 and (c) pending SFIO and CBI investigations into the affairs of Educomp called for withdrawal.

The Hon'ble Supreme Court was pleased to issue notice in the Ebix Appeal on 07th October 2020 and vide the same order stayed the proceedings under Second Appeal before the NCLAT. The question of law involved in Ebix's Appeal was "*Whether the withdrawal of Resolution Plan is permitted after it has been approved by the CoC*".

The Hon'ble Supreme Court after hearing the parties vide its judgment dated 13th September 2021 dismissed the Appeal on the ground that "*The existing insolvency framework in India provides no scope for effecting further modifications or withdrawals of CoC-approved Resolution Plans, at the behest of the Successful Resolution Applicant, once the plan has been submitted to the Adjudicating Authority.* The Hon'ble Court further held that *"A submitted Resolution Plan is binding and irrevocable as between the CoC and the successful Resolution Applicant in terms of the provisions of the IBC and the CIRP Regulations."*

Accordingly, the Hon'ble Supreme Court dismissed Ebix's Appeal.

<u>The present status of the proceedings is that the Second Appeal challenging the 3rd January order which is pending adjudication before the NCLAT and is scheduled for consideration before the NCLAT on 25th October 2021.</u>

The members are further apprised that in terms of the provisions of Regulation 15(2A) & (2B) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the **"SEBI LODR Regulations or Listing Regulations 2015"**), provisions of Regulation 17,18,19,20 and 21 are not applicable to the Company during insolvency resolution process period. Further, this Corporate Governance Report has been prepared by the Resolution Professional on the best efforts basis based on whatever information available and provided to him since the Company is under IBC and most of the employees has left the organization.

3. Size and Composition of the Board

On the Application by the Company on May 12, 2017 under Section 10 of the Insolvency and Bankruptcy Code, 2016 ("the Code"), Hon'ble National Company Law Tribunal, Delhi ("Adjudicating Authority"), vide its order dated May 30, 2017, had ordered the commencement of the Corporate Insolvency Resolution Process ("CIRP") in respect of your Company and Since from the initiation of the CIRP, under the provisions of Code and pursuant to Section 17 of the IBC, the powers of the Board of Directors of the Company stood suspended, and such powers are vested with the Resolution Professional, Dr. Sanjeev Aggarwal who was appointed as interim resolution professional of the Company. The IRP carried out his duties from May 30, 2017 till Mr. Mahender Khandelwal who was appointed as Resolution Professional ("**RP**") vide the order of NCLT dated September 12, 2017 and took over the management of the affairs of the Company.

The strength of Board of Directors prior to commencement of CIRP was 3 Directors, out of which 2 are Executive Directors, including the Chairman & Managing Director and Whole Time Director, and 1 Independent Non-Executive Director. Mr. Shantanu Prakash was Executive Chairman of the Board. The details of Directors appointed/ resigned during the financial year 2017-18, if any, are provided in the Directors Report, forming part of this Annual Report.

The provisions as specified in Regulation 17 of SEBI (LODR) Regulations, 2015 related to "Composition of Board of Directors" shall not be applicable during the Insolvency Resolution Process period in respect of a listed entity, which is undergoing Corporate Insolvency Resolution Process.

A. The particulars regarding composition of the Board of Directors and its Meetings held during the year are given hereunder:-

Name of Director	Category	Designation	Number of Board meetings during the year 2017-18		Whether attended last AGM held on June 29, 2020	Directorships in Other Indian Companies (other than Educomp Solutions Limited)*	Committees Position in Other Indian Companies (other than Educomp Solutions Limited)	
Shantanu Prakash DIN:- 00983057	Promoter & Executive Director	Chairman & Managing Director***	1	1	Yes	6	-	-
Vinod Kumar Dandona DIN:- 06730804	Executive Director	Whole-Time Director****	1	1	No	10	-	-
Vijay K Choudhary***** DIN:- 00203673	Independent & Non-Executive Director	Director	1	1	No	3	2	-

*That includes the directorship held as on March 31, 2018 as obtained from the website of the Ministry of Corporate Affairs.

*** ceased to be Managing Director of the company w.e.f. 31st July 2017 due to expiry of term of Managing Director and due to non-reappointment for further term.

**** ceased to be Whole Time Director of the company w.e.f. 12th November 2019 due to expiry of term of as Whole Time Director.

***** ceased to be Director of the company w.e.f. 30th September 2019, the day when the Annual General Meeting of the company for year 2019 ought to be held, due to expiry of term as Additional Director appointed w.e.f 01st April 2019 for the second term as Independent Non-Executive Director of the company.

B. Disclosure of relationship between Directors inter-se

None of the Directors of the Company are related with the other Directors in any manner as per the provisions of Companies Act, 2013 and SEBI LODR Regulations.

C. Number of Shares & Convertible instruments held by Non-Executive Directors

Mr. Shantanu Prakash whose term as Managing Director expired on July 31, 2017 and due to non reappointment he automatically become the non executive director. Accordingly, as on March 31, 2018, being the non executive director of the company, he holds 4,43,15,205 shares in the Company. Further, non of the other Non-Executive Directors holds any Shares and Convertible instruments, in the company, during the year under review.

D. Separate Meeting of Independent Director's & Familiarization Programme for Independent Directors

During Financial Year 2017-18, no Separate Meeting of the Independent Directors of the Company was held as the company is under CIRP with w.e.f. May 30, 2017 and as per Section 17 of the Code the powers of the board has been suspended from the commencement of CIRP. Further, No Familiarization program has been carried out by the company during the period under review as the company is under CIRP with w.e.f. May 30, 2017. Details of the familiarization programme for the Independent Directors of the Company for enabling them to acquaint with the nature of business of the company are provided on the website of the Company http://www.educomp.com/content/familiarisation-programme.

E. Details of Board Meetings held during the year

During the financial year ended on March 31, 2018, 1 (One) Board Meetings were held on May 10, 2017. Post that w.e.f 30th May 2017 the Company has been admitted to CIRP under Section 10 of the Code. Thereafter, in accordance with Section 17 of the Code, the powers of the Board stood suspended and be exercised by the Interim Resolution Professional until replaced by Resolution Professional.

4. Committees of Board

The provisions as specified in Regulations 18 (Audit Committee), Regulation 19 (Nomination and Remuneration Committee), Regulation 20 (Stakeholder's Relationship Committee) and Regulation 21 (Risk Management Committee) under SEBI (LODR) Regulations, 2015 shall not be applicable during the Insolvency Resolution Process in respect of a listed entity which is undergoing corporate insolvency resolution process under the Insolvency Code and subsequent to resignation of the Independent Directors as on March 28^{th}, 2017 no committee meeting(s) were held during the financial year 2017-18.

A. Audit Committee
B. Nomination and Remuneration Committee
C. Stakeholder Relationship Committee
D. Corporate Social responsibility Committee
E. Finance Committee
F. Debenture Committee
G. Fund raising cum Allotment Committee
H. Corporate Management Committee

A. Audit Committee

As on 30th May 2017 i.e. the day when the CIRP has been imitated with respect to the Company, Audit Committee comprised of three Directors, namely Mr. Vijay Kumar Choudhary, Mr. Vinod Kumar Dandona and Mr. Shantanu Prakash. The terms of the reference of Audit Committee include inter alia the following:

Powers of Audit Committee

i. To investigate any activity within its terms of reference.
ii. To seek information from any employee.
iii. To obtain outside legal or other professional advice.
iv. To secure attendance of outsiders with relevant expertise, if it considers necessary.

Key responsibilities of Audit Committee

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.

2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.

3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors.

4. Reviewing, with the management, the annual/Quarterly financial statements before submission to the board for approval, with particular reference to:

   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of section 134 of the Companies Act, 2013
   b. Changes, if any, in accounting policies and practices and reasons for the same

c. Major accounting entries involving estimates based on the exercise of judgment by management
d. Significant adjustments made in the financial statements arising out of audit findings
e. Compliance with listing and other legal requirements relating to financial statements
f. Disclosure of any related party transactions
g. Qualifications in the draft audit report.
h. The quality and acceptability of:
   i. the accounting policies and practices, including without limitation critical accounting policies and practices, all alternative accounting treatments within generally accepted accounting principles for policies and procedures related to material items that have been discussed with management, ramifications of the use of such alternative treatments and the treatment preferred by the external auditors; and
   ii. financial reporting disclosures and changes thereto, including a review of any material items of correspondence between the Company and the external auditors;
i. The extent to which the financial statements are affected by any unusual transactions or any off-balance sheet arrangements, including any disclosable guarantees, indemnification agreements or interests in unconsolidated special purpose entities, in the year and how they are disclosed;
j. the policies and process for identifying and assessing business risks and the management of these risks;
k. material misstatements detected by the auditors that individually or in aggregate have not been corrected and management's explanations as to why they have not been adjusted;
l. possible impairments of the Group's assets;
m. compliance with financial reporting standards and relevant financial and governance reporting requirements;

5. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.

6. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems.

7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.

8. Discussion with internal auditors any significant findings and follow up there on.

9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.

10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.

11. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.

12. To review the functioning of the Whistle Blower Mechanism, in case the same is existing.

13. Mandatory review the following information:

i. Management discussion and analysis of financial condition and results of operations;
ii. Statement of significant related party transactions (as defined by the audit committee), submitted by management;
iii. Management letters / letters of internal control weaknesses issued by the statutory auditors;
iv. Internal audit reports relating to internal control weaknesses; and
v. The appointment, removal and terms of remuneration of the Chief internal auditor

14. Overseeing the relationships with the external auditors as follows:

i. To consider the appointment of the external auditors and provide the Board with its recommendation to the shareholders on the appointment, reappointment and removal of the external auditors, approve the audit engagement fees and terms and review annually their activities, findings, conclusions and recommendations. The external auditors shall report directly to the Audit Committee. The Audit Committee shall be responsible for ensuring the resolution of any disagreements between management and the external auditors regarding financial reporting;

ii. To discuss with the external auditors the nature and scope of the audit (including any significant ventures, investments or operations which are not subject to audit) and ensure co-ordination if more than one audit firm is involved;

iii. To review and monitor the independence of the external auditors and the objectivity and the effectiveness of the audit process including reviewing and monitoring the external auditors' quality control procedures and steps taken by the external auditors to respond to changes in regulatory and other requirements. This review will include a review of the experience and qualifications of the senior members of the audit team, including rotational procedures;

iv. To pre-approve the scope and extent of audit and non-audit services provided to the Group by any third party in the case of audit services and by the external auditors in the case of audit and permitted non-audit services. The Audit Committee may delegate to the Chairman of the Audit Committee (and in his absence another member) the authority to pre-approve any audit or permitted non-audit service to be provided by the external auditors provided such approvals are presented to the Audit Committee at its next scheduled meeting;

v. To consider communications from the external auditors on audit planning and findings and on material weaknesses in accounting and internal control systems that came to the auditors' attention, including a review of material items of correspondence between the Company and the external auditors; and

vi. To ensure that there are no restrictions on the scope of the statutory audit;

14A The recommendation for appointment, remuneration and terms of appointment of auditors of the company;

14B Review and monitor the auditor's independence and performance and effectiveness of audit process;

14C Examination of the financial statement and the auditors' report thereon;

14D Approval or any subsequent modification of transactions of the company with related parties;

14E Scrutiny of inter-corporate loans and investments;

14F Valuation of undertakings or assets of the company, wherever it is necessary;

14G Evaluation of internal financial controls and risk management systems;

14H Monitoring the end use of funds raised through public offers and related matters.

14I Approval of appointment of Chief Financial Officer (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;

15 Such other functions, as may be assigned by the Board of directors from time to time or as may be stipulated under any law, rule or regulation including listing agreement and the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force)

Meetings & Attendance of the Committee

The Board of Directors in their meeting held on 10th May, 2017 had duly reconstituted the Audit Committee. As on 31st March, 2018, the Audit Committee comprises of following members:

Sr. no	Name of the Director	Category	Designation
1	Mr. Vijay K Choudhary	Independent- Non Executive Director	Chairman
2	Mr. Shantanu Prakash	Promoter & Executive Director	Member
3	Mr. Vinod Kumar Dandona	Executive Director	Member

No meeting of the audit committee was held was held during the year under review. As specified above that w.e.f 30th May 2017 the Company has been admitted to CIRP under Section 10 of the Code. Thereafter, in accordance with Section 17 of the Code, the powers of the Board stood suspended and be exercised by the Interim Resolution Professional until replaced by Resolution Professional.

INTERNAL AUDITORS

During the FY 2017-18, the Company had not appointed the Internal Auditors of the Company.

B. NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors in their meeting held on 10th May, 2017 had duly reconstituted the Nomination and Remuneration Committee.

The Nomination and Remuneration Committee consists of three Directors as members, out of which two are Executive Directors and One Independent Director. The Chairman of the Nomination and Remuneration Committee is an Independent Director. As on May 30, 2017 the Nomination and Remuneration Committee comprises of following members:

Sr. no	Name of the Director	Category	Designation
1	Mr. Vijay K Choudhary	Independent- Non Executive Director	Chairman
2	Mr. Shantanu Prakash	Promoter & Executive Director	Member
3	Mr. Vinod Kumar Dandona	Executive Director	Member

The Broad terms of reference of the Committee includes the following:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;

2. Formulation of criteria for evaluation of Independent Directors and the Board;

3. Devising a policy on Board diversity;

4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;

5. To review performance and recommend remuneration of Executive Directors' to the board;

6. To formulate ESOP plans and decide on future grants;

7. To formulate terms and conditions on followings under the present Employee Stock Option Schemes of the Company:

i. the quantum of options to be granted under ESOP scheme(s) per employee and in aggregate;

ii. the conditions under which options vested in employees may lapse in case of termination of employment for misconduct;

iii. the exercise period within which the employee should exercise the option and that option would lapse on failure to exercise the option within the exercise period;

iv. the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;

v. the right of an employee to exercise all the options vested in him at one time or at various points of time within the exercise period;

vi. the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of rights issues, bonus issues and other corporate actions;

vii. the grant, vest and exercise of option in case of employees who are on long leave; and

viii. the procedure for cashless exercise of options.

ix. Any other matter, which may be relevant for administration of ESOP schemes from time to time.

8. such other functions, as may be assigned by the Board of directors from time to time or as may be stipulated under any law, rule or regulation including listing regulations and the companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force)

Meetings and Attendance of Committee:

No meeting of Nomination and remuneration Committee was held during the year under review. As specified above that w.e.f 30th May 2017 the Company has been admitted to CIRP under Section 10 of the Code. Thereafter, in accordance with Section 17 of the Code, the powers of the Board stood suspended and be exercised by the Interim Resolution Professional until replaced by Resolution Professional.

Performance Evaluation Criteria for the Independent Directors

The Companies Act, 2013 and Listing Regulations, 2015 has enabled an evaluation mechanism to appraise the performance of the Independent Directors. In terms of that, the Nomination & Remuneration Committee of the Company has laid down the criteria for the evaluation of the Independent Directors of the Company. The performance of Independent Directors shall be done by the entire Board of Directors (excluding the Director being evaluated) and on the basis of evaluation, it shall be determined whether to extend or continue the term of appointment of the Independent Director.

The criteria for evaluation of the Independent Directors maybe on the following parameters and further, the Committee/Board shall also be authorised to modify the criteria as it may deem fit and necessary:

General Criteria:

- Highest personal and professional ethics, integrity and values;
- Inquisitive and objective perspective, practical wisdom and mature judgment;
- Demonstrated intelligence, maturity, wisdom and independent Judgment;
- Self-confidence to contribute to board deliberations and stature such that other board members will respect his or her view;

REMUNERATION TO DIRECTORS

NOMINATION AND REMUNERATION POLICY

The Company has a credible and transparent policy in determining, identifying and recommending the criteria for the appointment and remuneration of Director's, Key Managerial Personnel and Senior Management. The remuneration policy is aimed at attracting and retaining high caliber professionals/individuals. The broad objective and purpose of policy are:

- To lay down criteria and terms and conditions with regard to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who may be appointed in Senior Management and Key Managerial positions and to determine their remuneration.
- To determine remuneration based on the Company's size and financial position and trends and practices on remuneration prevailing in peer companies, in the education industry.
- To carry out evaluation of the performance of Directors, as well as Key Managerial and Senior Management Personnel.
- To provide them reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.

Appointment

Nomination and remuneration committee determines the criteria of appointment to the director, Key Managerial Personnel and senior management level and is vested with the authority to identify candidates for appointment to the Board of Directors, Key Managerial Personnel and/or at senior management level. In evaluating the suitability of a person for appointment / continuing to hold appointment as a Director, Key Managerial Personnel and/or at senior management level nomination and remuneration committee evaluates and takes into account apart from others, Board diversity, person's eligibility, qualification, expertise, track record, general understanding of the business, professional ethics, integrity, values and other fit and proper criteria's.

Remuneration

The remuneration of Executive / Non-Executive Directors and KMPs will be determined by the committee which is governed by the external competitive environment, track record, potential, individual performance and performance of the Company as well as industry standards and approved by nomination and remuneration committee in accordance of abovementioned policies. It is proposed by nomination and remuneration committee and subsequently approved by the Board.

a) Remuneration of Executive Director/(s)

Remuneration of Executive Directors is decided based upon their qualification, experience and contribution at the respective positions in the past and expected future benefits to the company and is consistent with the existing industry practice. Executive Directors are entitled for the remuneration as follows:

(i) Salary and commission not to exceed limits prescribed under the Companies Act, 2013
(ii) Revised from time to time depending upon the performance of the Company,
(iii) No Sitting Fees is being paid to them
(iv) Eligible for ESOP except Promoter Director

In the beginning of financial year 2017-18 the company had two Executive Directors Mr. Shantanu Prakash, Chairman and Managing Director and Mr. Vinod Kumar Dandona, Whole Time Director.

No remuneration has been paid to the Executive Directors during the period under review. For further details of the remuneration paid to Executive Directors and there shareholding in the company for the year ended March 31, 2018, please refer to extract of Annual Return MGT-9 which forms part of Director Report.

Details of Service Contract of Executive Director(s)

Name of Director	Tenure	Notice Period	Stock Options	Severance Fee
Mr. Shantanu Prakash	3 years w.e.f August 01, 2014	3 months by either party	No Stock Options	Nil
Mr. Vinod Kumar Dandona	3 years w.e.f August 01, 2014	3 Years w.e.f November 13, 2016	No Stock Options	Nil

b) Remuneration to Non Executive Director/(s):

Non- Executive Directors are entitled as follows:
(i) Sitting fees not to exceed limits under the Act
(ii) Commission not to exceed limits prescribed under the Act
(iii) Eligible for ESOP except Independent Non Executive Director

The Company has not paid any remuneration to any Non-Executive Directors during the year.

Details of the Pecuniary Relationship or Transactions of the Non- Executive Directors

During the period under review there is no Pecuniary Relationship or Transactions of the Non- Executive Directors with the company.

C. STAKEHOLDER RELATIONSHIP COMMITTEE

As on 30th May 2017 i.e. the day when the CIRP process has been initiated with respect to the Company, the Stakeholder Relationship Committee ("the Committee") consist of three Directors, namely Mr. Vijay Kumar Choudhary, Chairman, Independent and Non Executive Director, Mr. Vinod Kumar Dandona, Executive Director and Mr. Shantanu Prakash, Promoter and Executive Director.

The broad terms of reference of the Committee includes the following:

- Redressal of shareholder and investor complaints including, but not limiting itself to transfer of shares and issue of duplicate share certificates, non-receipt of balance sheet, non-receipt of declared dividends, etc.;

- Overseeing and reviewing all matters connected with securities of the Company;

- Overseeing the performance of the Registrar and Transfer Agent of the Company and recommends measures for overall improvement in the quality of Investor services;

  Monitoring transfers, transmissions, dematerialization, re-materialization, splitting and consolidation of shares issued by the Company, and

- Such other role/functions as may be specifically referred to the Committee by the Board of Directors and / or other committees of Directors of the Company or mentioned in the Listing Regulations 2015.

Meetings and Attendance of Committee:

No meeting of Stakeholder Relationship Committee was held during the year under review. As specified above that w.e.f 30th May 2017 the Company has been admitted to CIRP under Section 10 of the Code. Thereafter, in accordance with Section 17 of the Code, the powers of the Board stood suspended and be exercised by the Interim Resolution Professional until replaced by Resolution Professional.

Compliance Officer

During the year under review, Mr. Yogesh Saluja, Company Secretary, was the Compliance Officer for complying with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 and was also responsible for complying with the requirements of Listing Regulations, 2015. Mr. Yogesh Saluja has resigned from the post of the company Secretary w.e.f. October 03, 2019.

Status of Investor complaints received by the Company during the year under review is as follows:

Particulars	Pending as on April 1, 2017	Received during the Year	Disposed during the Year	Pending as on March 31, 2018
No of Complaints	2	16	11	7

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Composition

As on 30th May, 2017, i.e at the time of initiation of the CIRP, the Committee consisted of two Executive Directors i.e. Mr. Shantanu Prakash and Mr. Vinod Kumar Dandona and one Independent Non-Executive Director Mr. Vijay Kumar Choudhary. The Chairman of the Committee is Mr. Shantanu Prakash.

Meeting & Attendance during the year

No meeting was held during the year under review,

E. OTHER COMMITTEES OF THE BOARD

The details of the meetings of the other committees of the board, held during the year 2017-18, are given herein below:-

FINANCE COMMITTEE

As on 30th May 2017 i.e. the day when the CIRP process has been imitated with respect to the company, Finance Committee consist of three Directors, namely Mr. Vijay Kumar Choudhary, Mr. Vinod Kumar Dandona and Mr. Shantanu Prakash. During the year ended March 31, 2018, No meeting of the Finance Committee was held.

DEBENTURE COMMITTEE

There was no meeting held of the Debenture Committee during the Financial Year 2017-18,

As on May 30, 2017, the Committee consisted of three directors namely Mr. Shantanu Prakash, Mr. Vijay Kumar Choudhary and Mr. Vinod Kumar Dandona.

FUND RASING CUM ALLOTMENT COMMITTEE

There was no meeting held of the Debenture Committee during the Financial Year 2017-18. As on May 30, 2017, the Committee consisted of three directors namely Mr. Shantanu Prakash, Mr. Vijay Kumar Choudhary and Mr. Vinod Kumar Dandona.

CORPORATE MANAGEMENT COMMITTEE

There was no meeting held of the Debenture Committee during the Financial Year 2017-18. As on May 30, 2017, the Committee consisted of three directors namely Mr. Shantanu Prakash, Mr. Vijay Kumar Choudhary and Mr. Vinod Kumar Dandona.

5. GENERAL BODY MEETINGS

Details of the AGM/EGM held in the last three years along with special resolutions passed there at:

Financial Year	Date and Time	Venue	Particulars of special resolution passed
2014-15 (AGM)	28-09-2015 4:00 P.M.	Sri, Sathya Sai International Center, Pragati Vihar, Lodhi Road, New Delhi-110003	1. To approve the waiver of the recovery of remuneration of Mr. Shantanu Prakash (DIN: 00983057), Chairman & Managing Director of the Company. 2. To approve the remuneration of Mr. Shantanu Prakash (DIN: 00983057), Chairman & Managing Director of the Company for the period from 01st April 2013 to 31st July 2014. 3. To approve the remuneration of Mr. Shantanu Prakash (DIN: 00983057), Chairman & Managing Director of the Company for the period of three years from 01st August 2014. 4. To approve the waiver of the recovery of remuneration paid to Mr. Jagdish Prakash (DIN: 00001115), Whole Time Director of the Company during financial year 2012-13. 5. To approve the waiver of the recovery of remuneration of Mr. Vinod Kumar Dandona (DIN: 06730804), Whole Time Director of the Company. 6. To approve the remuneration of Mr. Vinod Kumar Dandona (DIN: 06730804), Whole Time Director of the Company. 7. To approve the agreement to be entered between the Company and M/s Edu Smart Services Private Limited, Related Party. 8. To approve the Educomp Employee Stock Options Scheme 2015 and issue of securities. 9. To approve the Educomp Employee Stock Options Scheme 2015 for subsidiaries.

2015-16 (AGM)	30-09-2016 03:30 P.M	Sri, Sathya Sai International Center, Pragati Vihar, Lodhi Road, New Delhi-110003	1. To approve the re-appointment and remuneration of Mr. Vinod Kumar Dandona, (DIN:06730804) Whole Time Director of the company.
2016-17 (AGM)	29-06-2020 04:00 P.M.	Held through Video conferencing / other Audio visual mean	Nill

Extra Ordinary General Meeting

During the last three financial years, there was no Extra Ordinary General Meeting held.

Postal Ballot

No Special Resolution was passed by the Company during the year through Postal Ballot.

At the ensuing Annual General Meeting, there is no resolution proposed to be passed by postal Ballot.

Procedure for postal ballot:

Serial No.	Procedure
1.	After obtaining consent to act as Scrutinizer the Board of Directors appoints Scrutinizer to conduct Postal Ballot process in true, fair and transparent manner.
2.	Cut Off date is fixed for identifying shareholders entitled to receive notice of the postal ballot.
3.	Postal Ballot Notice along with explanatory statement and Postal Ballot form with instructions are dispatched to shareholders. As per requirements of Listing Agreement, e-voting facility was also provided to Shareholders of the Company
4.	Company advertises dispatch of postal ballot in one English Newspaper and one Vernacular language.
5.	The postal ballot form duly completed and signed should be sent to the Scrutinizer appointed by the Company at the registered office of the Company on or before the close of the Business hours on specified date.
6.	After due scrutiny of all the Postal Ballot forms received & considering the voting through electronic mode upto the close of working hours scrutinizer submitted his report to the company on the specified date
7.	Result of the postal ballot is declared at the registered office of the company and the same is notified to stock exchanges as well as published on the website of the company.

6. DISCLOSURES

I. The Company has the Related Party Transactions Policy of the Company as approved by the Board. The Policy Related Party Transactions has been uploaded on the website of the Company and can be accessed on http://educomp.com/content/policies. The Company's major related party transactions are generally with its subsidiaries and associates. There is no materially significant related party transactions during the period under review which may have potential conflict with the interests of the listed entity at large.

II. As specified earlier that pursuant to an application for Corporate Insolvency Resolution Process ("CIRP") under Section 10 of the Insolvency and Bankruptcy Code, 2016 ("the Code") on May 12, 2017, Hon'ble National Company Law Tribunal, Delhi ("Adjudicating Authority"), vide its order dated 30th May 2017, had ordered the commencement of CIRP in respect of your Company under the provisions of Code. Thereafter, in accordance with Section 17 of the Code, the powers of the Board stood suspended and Dr. Sanjeev Aggarwal was appointed as interim resolution professional of the Company. The IRP carried out his duties from May 30, 2017 till Mahender Khandelwal was appointed as Resolution Professional ("RP") vide the order of NCLT dated September 12, 2017 and took over the management of the affairs of the Company. Since the inception of the CIRP, the majority of employees has left the Company due to which the company is unable to do various compliances, within the stipulated time, under various appliable laws. Such delay in making the compliances results in non-compliances, under various applicable laws, which leads to imposition of penalties on the companies.

III. The Company has established and adopted a Vigil Mechanism/Whistle-Blower Policy which is uploaded on the website and can be access through the link: http://educomp.com/content/policies. Further, the company has affirmed that no personnel has been dined access to the Interim Resolution Professional/ Resolution Professional. (as specified above that w.e.f 30th May 2017 in accordance with Section 17 of the Code, the powers of the Board stood suspended and be exercised by the Interim Resolution Professional until replaced by Resolution Professional.)

IV. Company has 'Material non-listed Subsidiary Companies' during the accounting year under review in terms of the provisions of Regulation 16(1)(c) of the Listing Regulations, 2015. The Company formulated a policy for determining 'material' subsidiaries and such policy uploaded on the Company's website and & can be accessed through the link http://educomp.com/content/policies.

V. As specified above that w.e.f 30th May 2017 in accordance with Section 17 of the Code, the powers of the Board stood suspended and be exercised by the Interim Resolution Professional until replaced by Resolution Professional. Accordingly, all the mandatory requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to Corporate Governance are not being properly adhered to / complied with.

VI. The Company has adopted a Code of Conduct applicable to all Directors and the Senior Management Personnel of the Company and the same is available on the website of the Company http://educomp.com/content/code-conduct .

VII. A certificate from M/s Vijay K. Singhal & Associates, Practicing Company Secretaries, as stipulated Part C of Schedule V to the SEBI LODR Regulations for the period April 01, 2017 to March 31, 2018 is attached herewith with this report.

VIII. The Company follows Indian accounting standards notified under the Act and applicable Accounting Standard as laid down by the Institute of Chartered Accountants of India (ICAI) in the preparation of financial statements, the Company has not adopted a treatment different from that prescribed in any Accounting Standards. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

IX. Commodity price risk or Foreign exchange risks, if any, are tracked and managed within the Risk Management framework. The foreign exchange market is highly regulated and the Company ensures compliance with all the regulations.

7. DISCLOSURES OF THE COMPLIANCE WITH CORPORATE GOVERNANCE

As specified above that w.e.f 30th May 2017 in accordance with Section 17 of the Code, the powers of the Board stood suspended and be exercised by the Interim Resolution Professional until replaced by Resolution Professional. Accordingly, the Company is unable to make the compliance with regard to some of the mandatory requirements pertaining to Corporate Governance as stipulated under the Listing Regulations, 2015.

With reference to observations as provided by M/s Vijay K. Singhal & Associates, Practicing Company Secretaries , in the Corporate Governance Certificate, as stipulated Part C of Schedule V to the SEBI LODR Regulations, please note that the observations are related to the non-compliances pertaining to Corporate Governance under the SEBI regulations. As the members are aware that the Company is under CIRP and most of the officials of the company including the top management has left. The Company is making its best efforts to make all compliances under all applicable laws to the extent possible.

8. CODE OF CONDUCT

The Company has adopted a Code of Conduct applicable to all Directors and the Senior Management Personnel of the Company and the same is available on the website of the Company http://educomp.com/content/code-conduct.

As specified above that w.e.f 30th May, 2017 in accordance with Section 17 of the Code, the powers of the Board stood suspended and be exercised by the Interim Resolution Professional until replaced by Resolution Professional. Accordingly, the Company is unable to get the compliance Report for the year ended 31st March, 2018 from the Board members and senior management of the Company regarding the compliance of all the provisions of Code of Conduct.

1. GENERAL SHAREHOLDER INFORMATION

I. Ensuing Annual General Meeting Date, Time and Venue:

Location	Day and Date	Time
In view of the continuing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its circular dated May 5, 2020 read with circulars dated April 8, 2020, April 13, 2020, and January 13, 2021 (collectively referred to as 'MCA Circulars') and SEBI Circular dated May 12, 2020and January 15, 2021 (collectively referred to as 'SEBI Circulars') permitted the holding of the Annual General Meeting through video-conferencing / other audio visual means ('VC / OAVM'), without the physical presence of the Members at a common venue. In compliance with the provisions of the Act, MCA Circulars and SEBI Circulars, the AGM of the Company is being held through VC / OAVM. For details please refer to the Notice this AGM.	Monday, November 08, 2021	11:30 A.M (IST)

II. **Financial Year**: 1st April 2017 to 31st March 2018

III. **Dividend Payment Date**:- The Company has not declared any dividend during the financial year under review.

IV. **Date of Book Closure**: November 02, 2021 to November 08, 2021 (both days inclusive)

V. **Listing on Stock Exchanges**:-

Name of Exchange and Address	Securities	DEMAT ISIN NO	Stock/Scrip Code
National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex, Bandra (East), Mumbai-400051	Equity	NSDL and CDSL INE216H01027	EDUCOMP
BSE Limited, PJ Towers, Dalal Street, Fort, Mumbai-400001	Equity	NSDL and CDSL INE216H01027	532696
BSE Limited, PJ Towers, Dalal Street, Fort, Mumbai-400001	Debentures	NSDL and CDSL INE216H07016	948029

VI. **Listing Fee:**- Annual Listing fees for the year 2017-18 ;2018-19 and 2019-20, as applicable, have been paid to the above Stock Exchanges.

VII. Stock Market Data:-

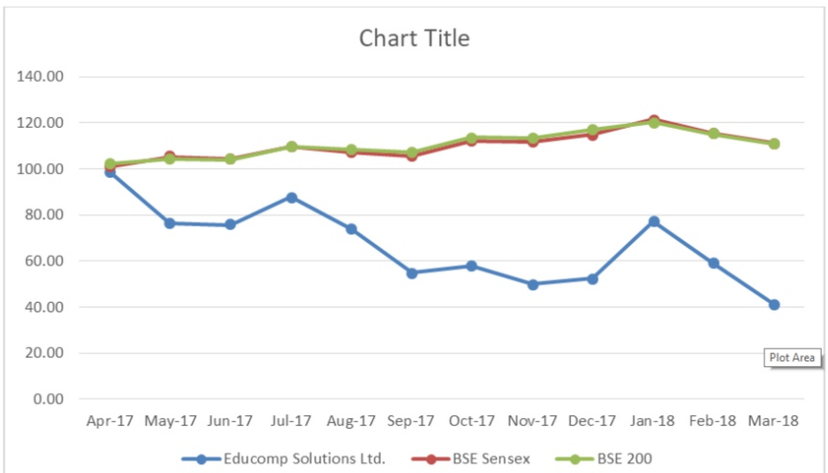
The Market Price data- high, low during each month in last financial year are as under:-

Month	BSE				NSE			
	High	Low	Close	Volume	High	Low	Close	Volume
Apr 2017	11.8	10	10.47	921751	11.15	10.45	10.50	4229374
May 2017	10.7	7.9	8.11	1468049	10.70	7.80	8.10	7053056
June 2017	8.86	8	8.04	797423	8.90	7.85	8.00	3072992
July 2017	10.4	8.02	9.35	1871759	9.95	8.00	9.40	7738985
Aug 2017	9.48	7.55	7.87	657679	9.55	7.50	7.90	3888957
Sep 2017	8.7	5.84	5.84	1051534	8.70	5.95	5.95	4203071
Oct 2017	6.19	4.39	6.14	1816447	6.20	4.55	6.20	1335859
Nov 2017	6.98	5.13	5.32	1292235	6.80	5.05	5.20	822433

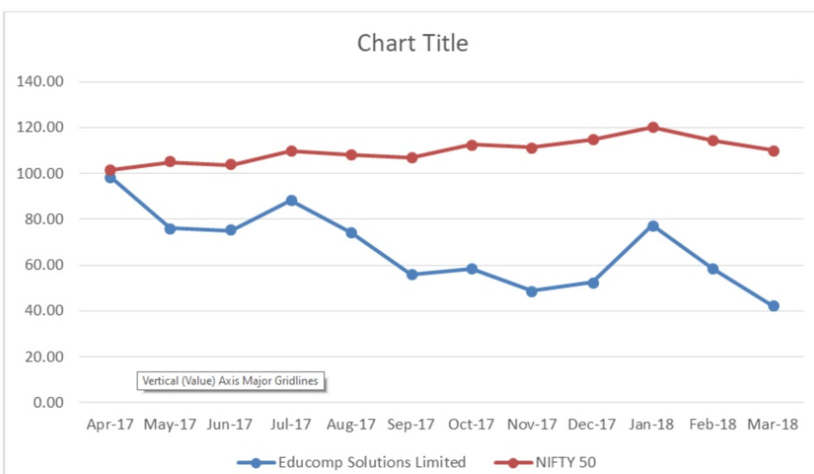
De c 2017	5.59	4.73	5.59	1047714	5.60	4.70	5.60	1020209
Jan 2018	9.96	5.86	8.23	4461692	9.70	5.85	8.25	2593358
Feb 2018	8.45	5.91	6.27	880703	8.50	5.90	6.20	1135530
March 2018	6.5	4.3	4.41	886139	6.40	4.50	4.50	1000410

VIII. Stock Performance chart in comparison to broad- based inices:-

BSE SENSEX



NSE



	1 Year
EDUCOMP SOLUTIONS LIMITED	-57.88
BSE SENSEX	10.20
BSE 200	8.56

IX. **Details relating to Suspension of Securities and reasons thereof**

As specified above that w.e.f 30th May 2017 in accordance with Section 17 of the Code, the powers of the Board stood suspended and be exercised by the Interim Resolution Professional until replaced by Resolution Professional. Due to the ongoing CIRP company is unable to make timely compliances of various clauses of SEBI Listing Regulation, 2015 which results into the trading suspension of the shareholding of the promoters.

X. **Registrar and Share Transfer Agents:**

The Company has appointed Link Intime India Private Limited having its office at Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058 as Registrar and Transfer Agent for physical transfer

XI. **Share Transfer System:**

Share Transfers are registered and returned within a period of fifteen (15) days from the date of receipt, if the documents are clear in all respects. The authority for transfer of shares has been delegated to the Managing Director for transfer of shares up to a fixed number beyond which the matters are placed before the shareholders Committee, which meets as and when required. As reported by Company's RTA all valid requests for transfer during the year under review were transferred within stipulated time limit.

XII. **Distribution of shareholding as on 31st March 2018:**

a) Distribution of Shareholding as on 31st March 2018

SR.NO.	SHARES RANGE	NUMBER OF SHAREHOLDERS	% OF TOTAL SHAREHOLDERS	TOTAL SHARES FOR THE RANGE	% OF ISSUED CAPITAL
1	1 - 500	102376	85.3290	10091105	8.2398
2	501 - 1000	8208	6.8413	6800747	5.5531
3	1001 - 2000	4539	3.7832	7005158	5.7200
4	2001 - 3000	1632	1.3602	4188704	3.4203
5	3001 - 4000	769	0.6410	2751745	2.2469
6	4001 - 5000	744	0.6201	3541935	2.8922
7	5001 - 10000	974	0.8118	7310549	5.9694
8	10001 - above	736	0.6134	80777225	65.9583
	Total	**119978**	**100.0000**	**122467168**	**100.0000**

b) Categories of Equity Shareholding as on 31st March, 2018

Category	No. of Shares held	%age of shareholding
Promoters	5,48,38,245	44.78 %
FII / Foreign Portfolio Investors/ Banks & Foreign Body Corporate	28,40,877	2.32 %
Body Corporate	57,29,586	4.68 %
Others	5,90,58,460	48.22 %
Total	**12,24,67,168**	**100 %**

XIII. Dematerialization of Shares and Liquidity

About 99.99% of the Equity Shares of the Company have been dematerialized as on 31st March 2018. The Company's Shares are compulsorily traded in dematerialization form.

Relevant data for the monthly turnover for the period starting from 01st April, 2017 till 31st March, 2018 is provided in point VII above pertaining to Stock Market Data.

XIV. Outstanding GDRs / ADRs / Warrants or any other Convertible instruments, conversion date and likely impact on equity:

No GDRs/ ADRs/Warrants have been issued by the Company.

In Year 2012-13, the Company had raised US$ 10 million, Zero Coupon Foreign Currency Convertible Bonds ("FCCB") for redemption of outstanding Zero Coupon Foreign Currency Convertible Bonds. The Bond holders, as per the agreement, have the option to convert these bonds into Equity Shares, at a price of Rs.188.62 per share with in 5 years and 1 day from the date of disbursement. The FCCB are redeemable at a premium of 33.15 % on principal after 5 years and 1 day. The FCCB were raised for the purposes of redemption of earlier FCCB of the Company. As on March, 31, 2018 US$ 10 million (previous year US$ 10 million) FCCB were outstanding for conversion into equity shares of Rs. 2 each.

The Company was not able to redeem these FCCB and thus has defaulted on redemption. In this regard, please note that the Company is CIRP since May 30, 2017 and a moratorium period is in effect since 30th May 2017 wherein no judicial proceedings for recovery, enforcement of security interest, sale or transfer of assets, or termination of essential contracts can be instituted or continued against the Company.

Further, Details of outstanding Stock Options are being uploaded on the website of the Company and same can be accessed through web link: http://www.educomp.com/content/investors-home.

XV. DISCLOSURE OF COMMODITY PRICE RISK OR FOREIGN EXCHANGE RISK AND HEDGING ACTIVITIES

Commodity price risk or Foreign exchange risks, if any, are tracked and managed within the Risk Management framework. The foreign exchange market is highly regulated and the Company ensures compliance with all the regulations.

XVI. Offices till March 31, 2018 : New Delhi, Gurgaon (Haryana), Noida, Lucknow (U.P), Mumbai (Maharashtra), Kolkatta (West Bengal), Bangalore (Karnataka), Mohali (Punjab), Chennai (Tamil Nadu), Parwanoo (Himachal Pradesh), Secunderabad (Hyderabad), Ghandhinagar (Gujrat), Guwahati (Assam), Dhankawadi (Pune).

Addresses of Major Business Offices till March 31, 2018:

1. Khasara No. 701, 2nd Floor, Vill-Taksal, Sec-2, Kasauli Road, Parawnoo (HP) 173220;
2. Plot no 85, Special Economic Zone, Phase II, Sector 82, Noida;
3. Brigade Square, 2nd Floor, Cambridge Road, Ulsoor, Bangalore -560 008;
4. Plot No 514, Udyog Vihar, Phase III, Gurgaon – 122 001.

XVII. Address for Correspondence:

Investor Correspondence: For transfer/ Dematerialization of Shares, Payment of dividend on shares, change of address, transmissions, and any other query relating to shares and debentures of the Company.

- **For securities held in physical form**: Please contact Registrar & Transfer Agent at address given below.
- **For securities held in Demat Form**: To the Depository Participant
- **Any query on Annual Report**: To the Company address.

Company Address	Debenture Trustee Address	Registrar & transfer Agent Address
Educomp Solutions Limited Plot No 514, Udyog Vihar, Phase-III, Gurgaon-122001, (Haryana) Telephone: 0124-4529000 Fax: 0124 – 4529039 Email:investor.services@educomp.com	**Axis Trustee Services Limited,** Axis House, 2nd Floor, Bombay Dyeing Mills Compound, Pandurang Budhkar Marg, Worli, Mumbai, Maharashtra- 400025 Ph:-022-24255215/5216; email:-complaints@axistrustee.com debenturetrustee@axistrustee.com	**Link Intime India Private limited** Noble Heights, 1st Floor, Plot No. NH 2, LSC, C-1 Block, Near Savitri Market, Janakpuri, New Delhi-110058 Telephone: 011-41410592-94 Fax: 011-41410591 Email : delhi@linkintime.co.in

MEANS OF COMMUNICATION

The Annual Report for the F. Y. 2017-18 of the Company and the annual results of the Company are placed on the Company's website i.e. www.educomp.com and also on the website of NSE and BSE and can be downloaded. There is a separate dedicated section under ''Investors Relations" on the Company's website which gives information on unclaimed dividends, quarterly compliance reports and other relevant information of interest to the investors / public.

As specified above that w.e.f May 30, 2017 the company is under CIRP and the powers of the board has been suspended and also most of the employees has left the company due to that company is unable to approve and adopt the quarterly results, as per SEBI Listing Regulations 2015, post the initiation of the CIRP. However, the complete set of the financial results for the financial year ended March 31, 2018 are displayed on the website of the Company i.e. www.educomp.com.

PROCEDURES FOR FAIR DISCLOSURE OF UNPUBLISHED PRICE SENSITIVE INFORMATION AND PREVENTION OF INSIDER TRADING

The Company has adopted the Code of Practices and Procedures for Fair Disclosure of Unpublished Price Sensitive Information and Code of Conduct for Prevention of Insider Trading with a view to deal with Unpublished Price Sensitive Information and trading in securities by Directors, employees of the Company, Designated Employees and Connected Persons. The said Code is available on the website of the Company and can be access through the link http://www.educomp.com/Data/Code-of-Fair-Practices-Procedures-V1.pdf.

9. Details of non-compliance with regard to Capital Market

During the Financial Year 2017-18 there were instances of non-compliances by the Company on various matter related to capital markets. However, please note the following:

a) The Company has not appointed Woman Director after March 28, 2017 as required by the Companies Act, 2013 and SEBI LODR Regulations.

b) Due to initiation of CIRP since 30th May 2017, the powers of the Board of Directors & committees thereof have been suspended.

c) There were frequent resignations of Directors as well as Company Secretary & Chief Financial Officer. Further, since March 28, 2017 there is no proper composition of the Board. Most of the senior employees and other staff has also resigned.

d) Since CIRP date, the Company is not complying with the various provisions of the Companies Act, 2013,Regulations of the SEBI (LODR), 2015 and BSE & NSE has imposed penalties under various Regulations which are still pending for payment. The Company is making efforts to comply with pending compliances.

e) The Company along with Directors/Ex-Directors, Employees/Ex-Employees has been facing issues and investigations such as investigation by SFIO, CBI.

f) Annual General Meeting ("AGM") of the Company for the FY 2018-19 and 2019-2020 are also not held. The Company is making efforts to hold the AGM of these years at the earliest possible.

Note: The Company is undergoing CIRP and the powers of Board are suspended. Hence this report has been prepared on best efforts basis based on whatever information available and initialed by RP in order to meet the compliance.

For Educomp Solutions Limited
(Under CIRP)

Sd/-
Mahender Khandelwal
Resolution Professional
Taken on record
IBBI Reg. No IBBI/IPA-001/IP-P00033/2016-17/ 10086

Corporate Governance Certificate

To
The Members
Educomp Solutions Limited

We have examined the compliance of conditions of Corporate Governance by Educomp Solutions Limited ("the Company") on the basis of limited information and documents available, for the financial year ended March 31, 2018 as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). The Company is under the Corporate Insolvency Resolution Process (CIRP) under section 10 of Insolvency and Bankruptcy Code, 2016 w.e.f. 30th May, 2017.

The compliance of conditions of Corporate Governance is the responsibility of the management of the Company. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company. Further, since the Company is in CIRP, this is certificate is being issued on the request of Resolution Professional and on the basis of very limited information/documents provided.

In our opinion and to the best of our information and according to the explanations given to us, we certify that during FY 2017-18, the Company has complied with the conditions of Corporate Governance as stipulated under Regulations 17 to 27 and clauses (b) to (i) of Regulation 46(2) and Para C, D and E of Schedule V to the Listing Regulations except the following:

- *The Company has not conducted 4 mandatory board meetings as stipulated in Regulation 17 of the Listing Regulation.*
- *The Company has not obtained the compliance certificate, in terms of Regulation 17 (8) from the chief executive officer and the chief Financial Officer as specified in Part B of Schedule II of Listing Regulations.*
- *The performance of the independent director(s) for the financial year 2017-18 of the Company were not evaluated by the Board of Directors of the Company as required under Regulation 17(10) of Listing Regulations.*
- *The Company did not have a woman director and sufficient number of Independent Directors on its Board as required under Regulation 17 of Listing Regulations. The Composition of the Board of the company is also not compliance of the Regulation 17 of the Listing Regulations.*
- *The Composition of Audit Committee of the Board was not in compliance of the Regulation 18 of the Listing Regulations.*
- *The Company has not conducted 4 mandatory Audit Committee meetings as stipulated in Regulation 18 of the Listing Regulation.*
- The Composition of Nomination and Remuneration Committee of the Board was not in compliance of the Regulation 19 of the Listing Regulations.
- *We have not received any documents pertaining to the compliance of the Regulation 23 of the Listing Regulations. In the absence of any documents, we are unbale to comment that whether the related parties transaction, under during the period under review, is in compliance of the Listing Regulations.*
- *The Company is not in proper compliance of the Regulation 24 of the Listing Regulation, which relates to the corporate governance requirements with respect to subsidiary of listed entity, as the company w.e.f. May 30, 2017 is in CIRP and in terms of the Section 17 of the Insolvency and Bankruptcy Code, 2016 the powers of the board, since from the initiation of CIRP, has been suspended and delegated to IRP until replaced by the Resolution Professional.*
- *No meeting of the independent director(s) has been conducted during the period under review as stipulated under Regulation 25 of the Listing Regulations.*

- *The Company was unable to get the compliance Report for the year ended 31st March 2018 from the Board members and senior management of the Company regarding the compliance of all the provisions of Code of Conduct and also, during the course audit, the copies of the affirmation(s), from board of directors and senior management personnel, for the compliance with code of conduct are not available.*
- *During the period under review, there has been late filings to Stock Exchanges in certain instances under Regulation 27(2)(a) of the Listing Regulations.*
- *The web-site of the Company is not properly updated.*
- *The company has not carried out Internal Audit for the period under Review.*
- *The Company has not intimated to the Stock Exchanges regarding non-payment of interest on any of its borrowings (including External Commercial Borrowings) and repayment thereof [Regulation 51(2) read with Part B of Schedule III of Listing Regulations].*
- *As Regulation 50(1) of Listing Regulations, the listed entity shall give prior intimation to the stock exchange(s) at least eleven working days before the date on and from which the interest on debentures and bonds, and redemption amount of redeemable shares or of debentures and bonds shall be payable and as per Regulation 10(1) of Listing Regulations, the listed entity shall file the reports, statements, documents, filings and any other information with recognised stock exchange(s) on the electronic platform as specified by Securities and Exchange Board of India or the recognised stock exchange(s); however, we have not received any information pertaining to the compliance of the said regulation.*
- *The Company has not prepared the Quarterly/Annual Results/ Statements for the financial year ended on 31st March, 2018 as required under Regulation 33 of Listing Regulations.*

Other Matter

Pursuant to an application for Corporate Insolvency Resolution Process (“CIRP”) under Section 10 of the Insolvency and Bankruptcy Code, 2016 (“the Code”) on May 12, 2017, Hon'ble National Company Law Tribunal, Delhi (“Adjudicating Authority”), vide its order dated 30th May 2017, had ordered the commencement of CIRP in respect of your Company under the provisions of Code. Further, the Company has not complied with various provisions of Listing Regulations since that.

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

We further state that this certificate has been issued in order to meet the compliance based on whatever information has been provided by the Resolution Professional of the Company since most of the employees have left the Company.

Date:-06/10/2021
Place:- New Delhi

For **Vijay K. Singhal & Associates**
Company Secretaries
Firm Registration No: S2013DE223300

Sd/-
CS Vijay K. Singhal
Proprietor
Membership No:-ACS 21089
CP NO:- 10385
UDIN:A021089C001101509

INDEPENDENT AUDITORS' REPORT

To the Members of Educomp Solutions Limited

Report on the Standalone Ind AS Financial Statements

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

Management's Responsibility for the Standalone Ind AS Financial Statements

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

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

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

Auditor's Responsibility

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

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

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

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

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

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

Basis for Adverse Opinion

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

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

that date.

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

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

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

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

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

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

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

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

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

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

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

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

13. Based on the information and explanations provided to us by the Management, the Company is currently subjected to the investigations by

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

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

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

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

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

Adverse Opinion

In our opinion, because of the significance of the matters discussed in the Basis for Adverse Opinion paragraph and the elapse of significant time from the closure of financial year and any other matters that could have come to our notice had we been provided with complete and timely information; the aforesaid Standalone Ind AS Financial Statements do not give the information required by the Act in the manner so required and also do not give a true and fair view, in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Material Uncertainty Related to Going Concern

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

Our opinion is not modified in respect of this matter.

Emphasis of Matter

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

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

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

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

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

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

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

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

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

   d. Except for the possible effects of the matters described in the Basis for Adverse Opinion paragraph, in our opinion, the aforesaid

Standalone Ind AS Financial Statements comply with the Indian Accounting Standards referred to in Section 133 of the Act with relevant rules issued thereunder;

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

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

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

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

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

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

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

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

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

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

Place: New Delhi
Date: March 11, 2021

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

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

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

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

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

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

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

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

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

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

*Being amount recoverable from ESSPL on invocation of guarantee.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

Place: New Delhi
Date: March 11, 2021

Appendix A-Details of Loan Defaults forming part of clause v (iii) of Caro

Default not rectified and existing at year end - Banks

(Amount in Rs. millions)

Particulars	Nature of Facility	Nature of Paymen	Period of default		Total amount of default as on March 31, 2018
			Less than 1 Year	More than 1 Year	
Canara Bank	Term Loan	Principal	340.33	118.46	458.79
		Interest	7.64	57.88	65.52
	Cash Credit	Principal	32.13	-	32.13
		Interest	0.54	0.13	0.67
Central Bank of India	Term Loan	Principal	720.34	227.48	947.83
		Interest	20.17	140.92	161.09
ICICI Bank	Term Loan	Principal	577.85	147.94	725.79
		Interest	12.49	86.76	99.25
	Cash Credit	Principal	11.49	-	11.49
		Interest	-	1.22	1.22
IndusInd	Term Loan	Principal	64.24	10.91	75.15
		Interest	1.56	8.87	10.43
State Bank of Bikaner and Jaipur	Term Loan	Principal	283.73	20.77	304.51
		Interest	5.76	28.04	33.80
	Cash Credit	Principal	4.48	-	4.48
		Interest	0.08	0.29	0.37
Syndicate loan	Term Loan	Principal	310.47	59.14	369.61
		Interest	7.27	47.35	54.63
IDBI Loan	Term Loan	Principal	3,458.00	1,092.00	4,550.00
		Interest	87.90	569.59	657.49
J and K Loan	Term Loan	Principal	1,489.60	470.40	1,960.00
		Interest	37.13	234.46	271.59
Union Bank	Term Loan	Principal	889.90	281.26	1,171.16
		Interest	22.51	146.39	168.90
Axis Bank	Term Loan	Principal	2,568.07	669.64	3,237.70
		Interest	65.42	395.99	461.41
	Cash Credit	Principal	175.99	-	175.99
		Interest	3.44	14.90	18.34
SCB	Term Loan	Principal	484.66	92.32	576.98
		Interest	10.43	89.66	100.09
	Cash Credit	Principal	117.08	-	117.08
		Interest	-	-	-
Yes bank	Term Loan	Principal	92.94	207.06	300.00
		Interest	5.85	21.89	27.74
State Bank of India	Term Loan	Principal	152.40	29.03	181.42
		Interest	3.44	22.13	25.57
	Cash Credit	Principal	52.49	-	52.49
		Interest	1.02	7.26	8.28
State bank of Patiala	Term Loan	Principal	1,682.15	240.31	1,922.45
		Interest	35.22	128.77	163.99
	Cash Credit	Principal	799.16	-	799.16
		Interest	14.39	39.24	53.64
DBS Bank	Term Loan	Principal	359.80	-	359.80
		Interest	5.32	40.28	45.60

Default not rectified and existing at year end - Financial Institutions

(Amount in Rs. millions)

Particulars	Nature of Facility	Nature of Paymen	Period of default		Total amount of default as on March 31, 2018
			Less than 1 Year	More than 1 Year	
External Commercial Borrowings	Term Loan	Principal	3,315.91	1,237.66	4,553.57
		Interest	100.67	871.25	971.92
Foreign Curreny Convertible Bonds	Term Loan	Principal	866.15	-	866.15
		Interest	-	-	-
Reliance	Unsecured Loan	Principal	-	12.00	12.00
		Interest	0.36	2.33	2.69
IBM Global Financing	Unsecured Loan	Principal	59.00	73.58	132.58
HP Financial Services	Unsecured Loan	Principal	141.97	78.65	220.62
		Interest	3.38	49.60	52.99

Defaults not rectified and existing as on March 31, 2018 in respect of Debentures

(Amount in Rs. millions)

Particulars	Period of default		Total amount of default as on March 31, 2018
	Less than 1 Year	More than 1 Year	
Principal on Debentures	450.00	-	450.00
Interest on Debentures	59.76	16.09	75.85

Defaults in respect of guarantees invoked during the year and not rectified as at March 31, 2018

(Amount in Rs. millions)

Particulars	Period of default		Total amount of default as on March 31, 2018
	Less than 1 Year	More than 1 Year	
Corporate guarantee invoked - given on behalf of Edu Smart	-	258.19	258.19

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

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

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

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

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the ICAI.

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Disclaimer of Opinion

According to the information and explanation given to us, the Company has not established its internal financial control over financial reporting on criteria based on or considering the essential components of internal control

stated in the Guidance Note issued by ICAI.

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

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

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

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

Place: New Delhi
Date: March 11, 2021

Balance Sheet as at March 31, 2018

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

Particulars	Notes	As at March 31, 2018	As at April 01, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	3	102.74	115.23
Other intangible assets	4	134.42	269.34
Capital work-in-progress	5	20.00	20.81
Financial assets			
i) Investments	6.1	918.46	15,113.36
ii) Loans	6.2	11.77	9.73
iii) Other financial Assets	6.3	6.89	711.12
Income tax assets		87.62	148.06
Other non-current assets	7	3.19	3.69
Total		**1,285.09**	**16,391.34**
Current assets			
Inventories	8	14.41	68.05
Financial assets			
i) Loans	6.2	27.63	396.07
ii) Trade receivables	6.4	2,660.44	10,236.42
iii) Cash and Cash equivalents	6.5	185.63	385.98
iv) Bank balances other than (iii) above	6.5 A	27.90	12.87
v) Other Financial Assets	6.3	2.31	284.10
Other current assets	9	47.19	106.36
Total		**2,965.51**	**11,489.85**
Total Assets		**4,250.60**	**27,881.19**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share capital	10	244.93	244.93
b) Other equity	11		
i) Equity component of compound financial instruments		524.45	524.45
ii) Reserves and surplus		(27,100.54)	(3,544.77)
Total Equity		**(26,331.16)**	**(2,775.39)**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Borrowings	12.1	188.65	188.65
Provisions	13	8.89	32.22
Total		**197.54**	**220.87**

Contd.....

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

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

Summary of significant accounting policies 2

The accompanying notes form an integral part of these financial statements
As per our report of even date.

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

Sd/-
Kunj B. Agrawal
Partner
Membership No.: 095829

Place : New Delhi
Date : March 11, 2021

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

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

Place : New Delhi
Date : March 11, 2021

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

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

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

The accompanying notes form an integral part of these financial statements
As per our report of even date.

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

Sd/-
Kunj B. Agrawal
Partner
Membership No.: 095829

Place : New Delhi
Date : March 11, 2021

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

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

Place : New Delhi
Date : March 11, 2021

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

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

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

B.) Other equity

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

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

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

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

As per our report of even date.

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

Kunj B. Agrawal
Partner
Membership No.: 095829

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

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

Statement of Cash Flows for the year ended March 31, 2018

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

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

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

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
component of compounded financial instruments)	-	30.00
Repayment of non-current borrowings	-	(307.17)
Payment of dividend (including dividend tax)	(0.47)	(0.38)
Interest on borrowings	(62.39)	(648.91)
Proceeds of current borrowings (net of repayment)	4.60	217.36
Net cash used in financing activities (C)	**(58.26)**	**(709.10)**
Net (decrease) in cash and cash equivalents (A+B+C)	**(200.35)**	**69.73**
Opening cash and cash equivalents	385.98	316.25
Closing cash and cash equivalents	**185.63**	**385.98**
Notes:		
Reconciliation of components of cash and cash equivalents		
Balances with banks-on current accounts (Refer note 6.5)	185.58	380.21
Cash on hand (Refer note 6.5)	0.05	0.62
Cheques/draft on hand (Refer note 6.5)	-	5.15
	185.63	**385.98**
Reconciliation of liabilities arising from financing activities pursuant to Ind AS 7 Cash flows.		
Net debt including interest accrued - Opening balance	27,902.51	26,489.03
Proceeds from non-current borrowings (including current maturities)	-	30.00
Repayment of non-current borrowings (including current maturities)	-	(307.17)
Proceeds/(repayment) of current borrowings	4.60	217.36
Interest expenses	409.75	2,433.46
Interest paid	(62.39)	(648.91)
Non cash adjustments	36.17	(311.26)
Net debt including interest accrued - closing balance	**28,290.64**	**27,902.51**

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

Summary of significant accounting policies 2

As per our report of even date.

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

Sd/-
Kunj B. Agrawal
Partner
Membership No.: 095829

Place : New Delhi
Date : March 11, 2021

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

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

Place : New Delhi
Date : March 11, 2021

Notes to the Standalone Ind AS financial statements for the year ended March 31, 2018

1. Background

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

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

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

Subsequently, Ebix filed an application under Section 60(5) of IBC seeking withdrawal of its Resolution Plan. After multiple hearings, the application seeking withdrawal of Ebix's resolution plan was listed before the Principal Bench, the Hon'ble NCLT for the pronouncement of order on January 02, 2020. Vide Order dated January 02, 2020 passed by the Hon'ble NCLT, the withdrawal application of Ebix was allowed to the extent of granting leave to Resolution Applicant to withdraw the Resolution Plan pending approval u/s 30(6) before the Hon'ble NCLT with cost of Rs. 1 lakh to be paid by the Resolution Applicant into the corpus of the Corporate Debtor. Further, the Hon'ble NCLT, vide the same order, also granted 90 days-time commencing from November 16, 2019 to the RP and CoC to seek/expedite the possibility of achieving resolution of the stressed assets of the Corporate Debtor within such time of 90 days. Thereafter, the Hon'ble NCLT vide its Order dated January 03, 2020, dismissed the approval application as infructuous as a consequence of its order dated January 2, 2020 which allowed the withdrawal of the Resolution Plan by Ebix.

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

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

The question of law involved in Ebix's appeal is "Whether the withdrawal of Resolution Plan is permitted after it has been approved by the CoC". Considering the issues similar to those involved in Ebix's Appeal have also been raised in the matters of Gujarat Urja Vikas Nigam Ltd vs. Amit Gupta and Ors. (Civil Appeal No. 9241 of 2020) and Kundan Care Products Limited vs. Amit Gupta (Civil Appeal No. 3560 of 2020), all the three matters have been kept together for hearing. The Gujarat Urja Vikas Nigam Ltd. matter was being heard first and arguments in the said matter (to be followed by the other two matters) which were part-heard as on February 3, 2021, February 4, 2021 and February 9, 2021. Subsequently, on February 10, 2021, the Hon'ble Court heard the Gujarat Urja Vikas Nigam Ltd. matter and wherein the order was pronounced on March 8,2021 in the Gujarat Urja matter and the other two matters namely, Kundan Care matter and Educomp matter (E-bix Appeal) were adjourned for hearing on March 18, 2021.

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

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

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

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

(c) Moratorium period

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

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

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

2A. Basis for preparation

(a) Statement of compliance

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

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

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

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

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

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

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

Accordingly, these standalone financial statements of the Company for the year ended March 31, 2018 have been approved

Notes to the Standalone Ind AS financial statements for the year ended March 31, 2018

by the RP on March 11, 2021 on the basis of and relying on the aforesaid certifications, representations and statements of the erstwhile management of the Company.

(b) Historical cost convention

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

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

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

(d) Functional currency:

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

(e) Rounding off

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

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

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

2B. Summary of significant accounting policies

a) Segment reporting

Identification of segments:

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

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

Intersegment transfers:

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

Allocation of common cost

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

Unallocated items

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

Notes to the Standalone Ind AS financial statements for the year ended March 31, 2018

Segment accounting policy

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

b) Property, Plant and Equipment

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

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

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

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

c) Intangible assets

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

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

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

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

d) Capital work-in-progress

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

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

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

Pursuant to the notification of Schedule II of the Companies Act, 2013, by the Ministry of Corporate Affairs, effective April 1 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
Furniture and fixtures	5-10
Office equipment	5
Vehicle	8
Computer equipment	3
Computer software	6

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

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

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

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

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

f) Revenue recognition

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

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

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

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

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

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

Interest income

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

g) Investment and other financial assets

g.1.Classification

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

i. those to be measured at fair value (either through other comprehensive income, or through profit or loss),

ii. those measured at amortized cost; and

iii. Investment in equity of subsidiaries, joint ventures and associates are accounted and carried at cost less impairment in accordance with Ind AS 27.

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

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

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

g.2. Initial Measurement

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

g.3. Subsequent Measurement:

g.3.1 Debt instruments

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

Amortised cost:

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

Fair value through other comprehensive income (FVOCI):

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

Fair value through profit or loss (FVTPL):

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

g.3.2 Equity instruments

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

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

Investments in subsidiaries/ joint ventures/associates

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

g.4. Impairment of financial assets

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

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

g.5. Derecognition of financial asset

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

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

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

h) Financial Liabilities

Borrowings

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

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

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

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

Trade and other payables

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

Financial Guarantee Contracts

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

Derecognition

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

i) Inventories

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

j) Trade receivables

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

k) Income taxes

Income tax expense for the year comprises of current tax and deferred tax. Income tax is recognized in the Statement of Profit and Loss except to the extent that it relates to items recognized in 'Other comprehensive income' or directly in equity and Regulatory Assets, in which case the tax is recognized in 'Other comprehensive income' or directly in equity, respectively.

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

Current tax

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

Deferred taxes

Deferred income taxes are calculated, without discounting using the balance sheet method on temporary differences between the carrying amounts of assets and liabilities and their tax bases using the tax laws that have been enacted or substantively enacted by the reporting date. However, deferred tax is not provided on the initial recognition of an asset or liability unless the related transaction is a business combination or affects tax or accounting profit. Tax losses available to be carried forward and other income tax credits available to the entity are assessed for recognition as deferred tax assets.

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

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

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

Minimum Alternative Tax (MAT)

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

Notes to the Standalone Ind AS financial statements for the year ended March 31, 2018

l) Leases

Operating lease

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

Where the Company is lessee:

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

Where the Company is lessor:

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

Finance lease

Where the Company is lessee

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

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

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

Where the Company is the lessor:

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

m) Foreign exchange transactions

Initial recognition

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

Conversion

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

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

Exchange difference

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

n) Impairment of non-financial assets

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

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

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

o) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

p) Share-based payment

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

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

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

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

q) Borrowing Cost

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

r) Contingent liabilities, contingent assets and provisions

Contingent liabilities

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

Contingent Assets

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

Provisions

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

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

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

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

s) Equity and Reserves

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

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

t) Earnings per share

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

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

u) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

v) Employee benefits

Short term employee benefits

Short term benefits comprise of employee costs such as salaries, bonuses, and accumulated absents are accrued in the year in which the associated services are rendered by employees of the Company and are measured at the amounts expected to be paid when the liabilities are settled.

The liabilities are presented as current employee benefit obligations in the balance sheet.

Other long term employee benefits

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

Post-employment obligations

The Company operates the following post-employment schemes:

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

(b) defined contribution plans such as provident fund.

Pension and gratuity obligations

The liability or asset recognised in the balance sheet in respect of defined benefit pension and gratuity plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by actuaries using the projected unit credit method.

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

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

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

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

Defined contribution plan

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

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

w) Exceptional items

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

x) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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

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

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

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

y) Recent accounting pronouncements

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

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

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

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

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

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

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

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

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

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

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

aa) Critical estimates and judgments

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

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

Critical estimates and judgments

The areas involving critical estimates or judgments are:

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

  The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

  The Company reviews, at the end of each reporting date, the useful life of property, plant and equipment and intangible asset and changes, if any, are adjusted prospectively, if appropriate.

- Recoverable amount of property, plant and equipment

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

- Estimation of defined benefit obligation

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

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

  The Company review carrying amount of deferred tax assets and Liabilities at the end of each reporting period.

  The policy for the same has been explained under Note No 2(k).

- Provision for warranty

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

- Going concern

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

- Impairment of trade receivables

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

- Fair value measurement

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

Note 3 Property plant and equipment

Current year

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

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

Previous Year

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

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

Note 4 Other intangible assets

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

Current year

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

Previous Year

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

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

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

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

Note 5 Capital work in progress

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

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

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

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

Note 6.1 Non-current investments

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

Particular	Number of shares/units as at		Face value	Proportion of the ownership interest		As on March 31, 2018	As on March 31, 2017
	March 31, 2018	March 31, 2017		March 31, 2018	March 31, 2017		
Investments at cost (Un-quoted)							
a) Investment in subsidiaries in equity instruments							
Wheitstone Productions Private Limited	85,899	85,899	Rs. 10	51.00%	51.00%	3.35	3.35
Less: Provision for impairment of investment (refer note 22)						(3.35)	(3.35)
Savvica Inc., Canada	3,503,522	3,503,522	CAD 1	79.55%	79.55%	150.72	150.72
Less: Provision for impairment of investment (refer note 22)						(150.72)	(150.72)
Edumatics Corporation Inc, United States of America (refer note 6.1.2)	1,366,092	1,366,092	USD 1	100.00%	100.00%	62.09	62.09
Less: Provision for impairment of investment (refer note 22)						(62.09)	-
Educomp Learning Private Limited (refer note 6.1.2)	53,550	53,550	Rs. 10	51.00%	51.00%	1.96	1.96
Educomp Infrastructure & School Management Limited (refer note 6.1.3 and 6.1.7)	26,726,448	26,726,448	Rs. 10	83.38%	83.38%	10,427.45	10,427.45
Less: Provision for impairment of investment (refer note 22)						(10,427.45)	-
Educomp School Management Limited (refer note 6.1.2)	34,000	34,000	Rs. 10	68.00%	68.00%	50.00	50.00
Less: Provision for impairment of investment (refer note 22)						(42.29)	-
Educomp Asia pacific Pte Ltd., Singapore (refer note 6.1.2)	24,085,351	24,085,351	USD 1	100.00%	100.00%	1,220.51	1,220.51
Less: Provision for impairment of investment (refer note 22)						(1,220.51)	(1,220.51)
Educomp Professional Education Limited (refer note 6.1.2)	4,284,095	4,284,095	Rs. 10	100.00%	100.00%	2,960.09	2,960.09
Less: Provision for impairment of investment (refer note 22)						(2,511.17)	-
Educomp Intelliprop Ventures Pte Limited, Singapore (refer note 6.1.6)	1,198,755	1,198,755	SGD 1	100.00%	100.00%	39.30	39.30
Less: Provision for impairment of investment (refer note 22)						(39.30)	-
Educomp Online Supplemental Services Limited (refer note 6.1.2)	904,056	904,056	Rs. 10	24.72%	24.72%	14.56	14.56
Less: Provision for impairment of investment (refer note 22)						(14.56)	(14.56)
Educomp Online Supplemental Services Limited - ₹ 5 paid up	4,351,675	4,351,675	Rs. 10	59.49%	59.49%	502.62	502.62
Less: Provision for impairment of investment (refer note 22)						(502.62)	(502.62)
Educomp Investment Management Limited (refer note 6.1.2)	689,045	689,045	Rs. 10	100.00%	100.00%	7.32	7.32
Less: Provision for impairment of investment (refer note 22)						(7.32)	-
Educomp Global Holding W.L.L, Kingdom of Bahrain (refer note 6.1.2)	2,475	2,475	BHD 100	100.00%	100.00%	29.61	29.61
Less: Provision for impairment of investment (refer note 22)						(29.61)	-
Educomp Global FZE, United Arab Emirates (refer note 6.1.2)	1	1	AED 100,000	100.00%	100.00%	1.46	1.46
Less: Provision for impairment of investment (refer note 22)						(1.46)	-

Vidya Mandir Classes Private Limited (refer note 6.1.4)	39,088	-	Rs. 10	53.69%	-	277.97	-
Less: Provision for impairment of investment (refer note 22)						(249.17)	-
8% Cumulative Redeemable Non-convertible Preference Shares, in Edu Smart Services Private Limited (Equity component) (refer note 6.1.5)	-	-	-	-	-	394.18	394.18
Less: Provision for impairment of investment (refer note 22)						(394.18)	-
b) Investment in associates in equity shares							
Greycells 18 Media Limited(refer note 6.1.2)	2,999,749	2,999,749	Rs. 10	25.78%	25.78%	159.91	159.91
Less: Provision for impairment of investment (refer note 22)						(159.91)	-
Little Millenium Education Private Limited (refer note 6.1.2)	16,110,239	16,110,239	Rs. 10	48.29%	48.29%	161.10	161.10
c) Investment in subsidiaries in preference shares							
0% Redeemable optionally fully convertible Preference shares, in Educomp Infrastructure & School Management Limited (refer note 6.1.7)	79,857	79,857	Rs. 1000	83.38%	83.38%	79.86	79.86
Less: Provision for impairment of investment (refer note 22)						(79.86)	-
0.10% Non Cumulative optionally convertible Preference shares in Educomp Infrastructure & School Management Limited (refer note 6.1.7)	20,327	20,327	Rs. 100	83.38%	83.38%	347.33	347.33
Less: Provision for impairment of investment (refer note 22)						(347.33)	-
0.10% Non Cumulative optionally convertible Preference shares in Educomp Professional Education Limited	1,150,772	1,150,772	Rs. 10	100.00%	100.00%	269.98	269.98
8% Cumulative Redeemable Non-convertible Preference Shares, in Edu Smart Services Private Limited (Financial Liability portion) (refer note 6.1.5)	4,500,000	4,500,000	Rs. 100			121.72	121.72`
Less: Provision for impairment of investment (refer note 22)						(121.72)	-
Net value of investments (Unquoted Investments)						**918.46**	**15,113.36**
Aggregate value of provision for diminution in value of investments (refer note 22)						**(16,364.63)**	**(1,891.76)**

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

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

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

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

Based on the subsequent information, the Purchaser has not exercised such rights till the exercise lapse date i.e. March 31, 2019. Accordingly, the transaction is not enforceable now. Consequently, the transaction of sale of Tranche B shares (53.69% shareholding) recorded in previous year has been reinstated during the year and the related consideration of Rs. 602.43 million shown as recoverable as at March 31, 2017 has been reversed. (also refer note 22.3)

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

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

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

Note 6.2 Loans

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

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

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

Note 6.3 Other financial assets

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

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

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

(ii) This receivable is recognised against the corporate guarantee given on behalf of Edu Smart Services Private Limited to a bank. Simultaneously a payable to the bank for the same amount is recognised as a liability against the guarantee given by the company. (refer note 12.3)

(iii) Advances to related parties include following:

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

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

Note 6.4 Trade receivables

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

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

(i) Trade receivables from related parties comprise:

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

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

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

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

Note 6.5 Cash and cash equivalents

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

Note 6.5 A Bank balances other than cash & cash equivalents

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

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

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

Note 7 Other non-current assets

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

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

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

Note 9 Other current assets

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured considered good		
Advance to suppliers	5.88	23.48
Prepaid expenses	19.44	67.05
Balance with government authorities	19.82	15.83
Advance to Others (Refer note 9.1)	2.05	-
Unsecured considered doubtful		
Advance to suppliers (Refer note 9.1)	58.17	38.30
Less: Provision for doubtful advances	(58.17)	(38.30)
Total	**47.19**	**106.36**
9.1 Includes advances to related parties as follows:		
Subsidiaries		
Advance to suppliers		
Educomp Investment Management Limited	0.91	0.91
Educomp Software Limited	0.86	0.86
Advance to Others		
Educomp Learning Private Limited	1.95	-
Education Quality Foundation of India	0.10	0.10
Total	**3.82**	**1.87**

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

Note 10 Equity share capital

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

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

c) Movement in equity share capital

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

d) Terms/ rights attached to equity shares

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

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

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

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

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

No equity shares has been issued by way of bonus shares during the financial years 2013-14 to 2017-18.

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

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

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

For details of shares reserved for issue on conversion of Zero Coupon Foreign Currency Convertible Bonds (refer note 12.1)

For details of shares reserved for issue on employee stock option, (refer note 31)

For details of shares reserved for issue to lender banks as per CDR scheme, (refer note 12.1 (e))

Notes to the Ind AS financial statements for the year ended March 31, 2018
Note 11 Other Equity

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

(a) Equity component of compound financial instruments

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

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

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

(i) Movement of Other Equity

1. Equity component of compound financial instruments

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

(ii) Equity component of compound financial instruments

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

2. Reserves & Surplus

(i) Securities Premium

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

(ii) General reserve

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

(iii) Employee stock option outstanding account

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

(iv) Capital Reserve

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

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Opening Balance	411.66	411.66
Closing Balance	**411.66**	**411.66**

(v) Retained Earnings

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

(vi) Foreign currency monetary item translation difference account

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

(vii) Other comprehensive income

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

Securities premium reserve

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

Employee stock option outstanding account

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

Capital Reserve

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

Foreign currency monetary item translation difference account (FCMITDA)

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

General reserve

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

Note 12.1 Borrowings

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

a) Non-current borrowings

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

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

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

(b) Current borrowings

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

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

Liability component of compounded financial instruments

(c) Foreign Currency Convertible Bond (FCCB)

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

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

(d) Promoters contribution

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

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

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

Particulars	Amount Outstanding as at		Terms of repayment	Security
	March 31, 2018	March 31, 2017		
Loan from Bank - CDR - Secured				
Term loan (a)	102.40	102.40	Repayment in 10 quarterly equal installments of Rs. 10.25 million commencing from quarter ended December 31, 2015 and ending in quarter ending 31 March 2018	-First pari passu charge on all fixed assets (movable and immovable) of the company, both present and future. - First pari passu charge on all the, intangible assets including without limitation computer software and knowledge based content, current assets, other non current assets and other receivables and unencumbered receivables of ESSPL, both present and future. - First charge on the borrower's bank accounts, including but not limited to Trust & Retention Account. - Pledge of all unencumbered shares held by the Promoters Group in company. - Pledge of all unencumbered shares held by company in various companies. - Pledge of all unencumbered shares of subsidiaries of the borrower held by Mr. Shantanu Prakash in the share capital of such subsidiaries. - Unconditional & irrevocable Personal Guarantees from Mr.Shantanu Prakash & Mr. Jagdish Prakash and Corporate Guarantee of ESSPL. - First pari-passu charge by way of mortgage of personal property of Mr. Shantanu Prakash situated at Residential Plot No. P-63, Sector 56, Gurgaon, Haryana.
Term loan (b)	216.39	216.39	Repayment in 30 quarterly structured installments after moratorium of 30 months from the cut-off date i.e. April 01, 2013 commencing from quarter ended December 31, 2015 and ending in quarter ending March 31, 2023. installments Amount per Inst. 1-2 93.29 3-14 139.94 15-30 174.92	
Term loan (c)	309.85	309.85		
Term loan (d)	204.07	204.07		
Term loan (e)	62.72	62.72		
Working capital term loan	2,837.33	2,837.33		
Funded interest term loan - FITL	910.34	910.34		
Term loan (f)	2,813.00	2,813.00	Repayment in 30 quarterly structured installments after moratorium of 30 months from the cut-off date i.e. April 01, 2013 commencing from quarter ended December 31, 2015 and ending in quarter ending March 31, 2023. installments Amount per Inst. 1-2 357.85 3-14 536.77 15-30 298.21	
Term loan (g)	4,550.00	4,550.00		
Term loan (h)	397.65	397.65		
Term loan (i)	1,960.00	1,960.00		
Term loan (j)	1,171.16	1,171.16		
Term loan (k)	947.83	947.83		
Working capital facility	1,191.47	1,186.87	Payable on demand	
Term loan (l)	300.00	300.00	Balance repayable up to quarter ending September 30, 2017.	- Sub-servient charge on the current assets of the Company. - Subservient charge on all current assets of Educomp Infrastructure & School Management Limited (EISML). - Personal guarantee of Mr. Shantanu Prakash
Term loan (m)	359.80	359.80	Repayable in 14 unequal quarterly installments commencing from quarter ended December 31, 2015 and ended in quarter ending March 31, 2019.	-First ranking pari passu charge on the entire current assets of the Company. -Second pari-passu charge over the fixed assets of the Company. -Personal guarantee of the Mr. Shantanu Prakash and Mr. Jagdish Prakash and equitable mortgage on one of the personal property of Mr. Shantanu Prakash.
Loan from Other - Secured				
Non Convertible Debentures	450.00	450.00	NCD aggregating Rs. 350.00 million and Rs. 100.00 million were issued on May 24, 2012 and July 20, 2012 respectively and are repayable at par on May 24, 2019 and July 20, 2019 respectively. Further, the investors have put option on May 24, 2017 and July 24, 2017, five years from their respective dates of issue.	- Pari-passu charge with the CDR lenders, without any preference or priority to one over the other or others. (The Company has created partial security on the assets of the Company and is taking necessary steps to create security in respect of these debentures.)
Foreign Currency Convertible Bonds (FCCB)- Debt component of compounded financial instrument	Refer note 12.1(c) above	Refer note 12.1(c) above	Refer note 12.1(c) above	Second charge on following assets · 51% of the fully paid up equity shares of EISML held by the Company.
External Commercial Borrowings (ECB)	4,553.57	4,538.70	Repayable in 11 half yearly equal installments of USD 6.36 million starting from January 15, 2016 and ending January 15, 2021.	First charge on following assets · 51% of the fully paid up equity shares of the EISML held by the Company.
Loan from others-unsecured				
From others - unsecured (a)	353.20	349.64	There are two loans to repayable in 26 & 45 unequal monthly installments as per their repayment schedules.	Not applicable
From others - unsecured (b)	12.00	12.00	Rs. 12.00 million is over due as on Balance Sheet date.	Pledge of shares of the Company held by Mr. Shantanu Prakash.
From others - unsecured (c)	Refer note 12.1(d) above	Refer note 12.1(d) above	Interest free loan repayable after final settlement date as per CDR MRA.	Not applicable

Notes to the Ind AS financial statements for the year ended March 31, 2018 **(All amount in Rs. million, unless otherwise stated)**

Note:

(i) Term loan (a) to (k), working capital term loan, funded interest term loan, working capital facility are at interest rate ranging from 10% to 13% p.a (March 31, 2017 10% to 13% p.a.)

(ii) Term loan (l) to (m) are at varying rate of interest ranging from 9% to 11% p.a. (March 31, 2017 9% to 11% p.a.)

(iii) Loans from other unsecured (a) and (b) are at varying rate of interest ranging from 12.50% to 18% p.a. (March 31, 2017 12.50% to 18% p.a.)

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

(v) ECB are at interest rate of 4.5% p.a.+LIBOR (March 31, 2017 4.5% p.a.+LIBOR)

(vi) Non Convertible Debentures are at interest rate ranging from 13.25% to 13.50% p.a. (March 31, 2017 13.25% to 13.50% p.a.)

(vii) Aggregate of loan amount guaranteed by promoter Mr. Shantanu Prakash and Mr. Jagdish Prakash Rs.18,334.03 million (March 31, 2017 Rs. 18,329.41 million)

(viii) Aggregate of loan amount guaranteed by Edu Smart Services Pvt. Ltd. Rs. 17,674.23 million (March 31, 2017 Rs. 17,669.62 million)

(ix) Working capital facility and loan from others unsecured (b) constitute short term borrowings.

(x) Corporate debt restructuring scheme

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

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

-(i) The rate of interest was changed and reduced to 11% with effect from April 01, 2013. The interest due with effect from April 01, 2013 till March 31, 2016 at revised rates amounting to Rs. 919.62 million in March 31, 2016 and Rs. 886.60 million in April 01, 2015 was converted into Funded Interest Term Loan (FITL (a)).

- (ii) The moratorium period for principle amount after restructure shall be 30 months from the cut off date of April 01, 2013.

- (iii) The CDR scheme envisages monetization of certain assets of the Company and its subsidiaries.

- (iv) The revised charge in favour of lenders as per the terms of MRA, is pending registration.

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

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018 **(All amount in Rs. million, unless otherwise stated)**

(xi). Details of continuing default in repayment of loan or interest as at March 31, 2018 is given below:

a) Details of defaults of principal and interest for loans payable during the year.

Particulars	FY 2017-18			
	Delay upto 3 month	Delay of 3 to 6 month	Delay of 6 to 12 month	Delay more than 12 month
Repayment of principal	-	-	19,500.34	-
Interest	-	-	511.59	-
	-	**-**	**20,011.93**	**-**

Particulars	FY 2016-17			
	Delay upto 3 month	Delay of 3 to 6 month	Delay of 6 to 12 month	Delay more than 12 month
Repayment of principal	1,159.17	760.43	1,919.86	-
Interest	626.01	502.47	992.59	-
	1,785.18	**1,262.91**	**2,912.45**	**-**

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

Particulars	FY 2017-18			
	Delay upto 3 month	Delay of 3 to 6 month	Delay of 6 to 12 month	Delay more than 12 month
Repayment of principal	-	-	19,500.34	5,068.61
Interest	-	-	511.59	3,021.46
	-	**-**	**20,011.93**	**8,090.07**

Particulars	FY 2016-17			
	Delay upto 3 month	Delay of 3 to 6 month	Delay of 6 to 12 month	Delay more than 12 month
Repayment of principal	1,159.17	760.43	1,919.86	1,229.14
Interest	626.01	502.47	992.59	958.74
	1,785.18	**1,262.91**	**2,912.45**	**2,187.88**

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

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

Note 12.2 Trade Payables

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

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

Note 12.3 Other financial liabilities

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

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

Note 12.4:

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

Note 13 Provisions

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

Note 13.1 Post employment benefits

(i) Gratuity

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

(ii) Leave encashment

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

a) Net employee benefit expense recognised

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

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

Expected contribution for the next annual reporting period:

Particulars	March 31, 2018 Gratuity	March 31, 2018 Leave benefit	March 31, 2017 Gratuity	March 31, 2017 Leave benefit
Service Cost	1.94	0.62	6.44	0.32
Net interest cost	0.91	0.13	2.41	0.04
Net actuarial (gain)/loss	-	-	-	(0.08)
Expected expense	**2.85**	**0.75**	**8.85**	**0.28**

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

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

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

c) Principal actuarial assumptions at the Balance Sheet date:

Notes to the Ind AS financial statements for the year ended March 31, 2018

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

Particulars	March 31, 2018	March 31, 2017
Discounting rate	7.73%	7.35%
Expected rate of increase in salary	FY 2018-19 to 2020-21 0% & There after 5%	8.00%
Demographic assumptions		
i) Retirement age (Years)	58	58
ii) Mortality table	**IALM (2006--2008)**	**IALM (2006--2008)**
iii) Ages	**Withdrawal Rate (%)**	**Withdrawal Rate (%)**
Up to 30 Years	22	3
From 31 to 44 years	51	2
Above 44 years	1	1

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

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

f) Sensitivity analysis

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

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

Note 13. 2 Provision for warranties

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

Reconciliation of opening and closing balance of provisions for warranties

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

Note 14 Other current liabilities

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

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

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

(ii) Includes advances from related parties

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

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

Note 15 Revenue from operation*

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

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

Note 16 Other income*

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

Note 17 Purchase of stock-in-trade

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

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

Note 18 Changes in inventories of stock-in-trade

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

Note 19 Employee benefit expenses

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

* Contribution to provident and other funds includes:

Defined contribution plan

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

Note 20 Finance cost

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

Note 21 Other expenses

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

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

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

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

Note 22 Exceptional items

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

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

During the current year the Company has carried out further assessment in the value of its investments and recorded the provision for impairment in investments of its subsidiaries and associate:

(i) Edusmart Services Private Limited amounting to Rs. 515.91 million since the subsidiary is under CIRP process;

(ii) Edumatics Corporation Inc. United States of America amounting to Rs. 62.09 millions since the company is not operational and does not have significant assets;

(iii) Educomp Intelipop Ventures Pte Limited, Singapore amounting to Rs. 39.30 millions since the company is not operational and does not have significant assets;

(iv) Educomp Global Holding W.L.L. Kingdom of Bahrain amounting to Rs. 29.61 millions since the company is not operational and does not have significant assets;

(v) Educomp Global FZE, United Arab Emirates amounting to Rs. 1.46 millions as the company is not operational and does not have significant assets;

(vi) Educomp Professional Education Limited amounting to Rs. 2,511.17 millions as the company is not operational and does not have significant assets;

(vii) Greycells 18 Media Limited amounting to Rs. 159.91 millions since the company has been in operational losses for several years and net worth is eroded;

(viii) Educomp Infrastructure & School Management Limited amounting to Rs. 10,854.64 millions since the Resolution Plan has been approved by NCLT, Chandigarh and as per the approved resolution plan shareholders are not entitled to any proceeds of the resolution plan;

(ix) Educomp Investment Management Limited amounting to Rs. 7.32 millions since the company is not operational and does not have significant assets; and

(x) Educomp School Management Limited amounting to Rs. 42.29 millions since the company is not operational and does not have significant assets.

(xi) Vidya Mandir Classes Private Limited amounting to Rs. amounting to Rs. 249.17 millions since the company is not operational and does not have significant assets

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

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

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018 (All amount in Rs. million, unless otherwise stated)

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

As per clause 2.3 of the agreement which is reproduced here:

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

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

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

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

Note 23 Tax expense

	Year Ended March 31, 2018	Year Ended March 31, 2017
(a) Tax expense		
Current tax		
Current tax on the profits of the year	-	-
Tax relating to previous years	-	-
Total Current tax expense	-	-
Deferred tax expense	-	-
Total	**-**	**-**

	Year Ended March 31, 2018	Year Ended March 31, 2017
(b) Income tax expense is attributable to:		
Profit from the continuing operations	-	-
	-	-

	Year Ended March 31, 2018	Year Ended March 31, 2017
(c) Reconciliation of tax expense and the accounting profit multiplied by the tax rate.		
Loss before tax (A)	(23,682.78)	(4,755.59)
Income tax rate applicable (B)	30.90%	30.90%
Income tax expense (A*B)	**(7,317.98)**	**(1,469.48)**

Notes to the Ind AS financial statements for the year ended March 31, 2018 (All amount in Rs. million, unless otherwise stated)

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

(d) (i) Significant estimates

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

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

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

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

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

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

Note 24 Fair valuation measurements

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

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

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

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

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

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

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018 (All amount in Rs. million, unless otherwise stated)

Note 25 FINANCIAL RISK MANAGEMENT

Risk management objectives and policies

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

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

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

1 Market risk

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

1(a)Foreign currency risk

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

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

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

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

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

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

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

These percentages have been determined based on the average market volatility in exchange rates in the previous 12 months.

The sensitivity analysis given in the table below is based on the Company's foreign currency financial instruments held at each reporting date.

Notes to the Ind AS financial statements for the year ended March 31, 2018 (All amount in Rs. million, unless otherwise stated)

Sensitivity analysis for entities with foreign currency balances in INR

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

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

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

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

1(b) Price risk sensitivity

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

1(c) Interest rate sensitivity

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates.

The Company's policy is to minimise interest rate cash flow risk exposure on long-term financing. At March 31, 2018, the Company is exposed to changes in market interest rates majorly through ECB borrowings and borrowings restructured under MRA (refer note 12.1).

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

The interest rate profile of the Company's interest-bearing financial instruments as reported to the management of the Company is as follows:

The following table provides a break-up of the Company's fixed and floating rate borrowings:

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

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018 (All amount in Rs. million, unless otherwise stated)

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

2 CREDIT RISK

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

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

In respect of trade and other receivables, the Company follows simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition. However, the Company records full credit loss on the receivables for which the Company had filed litigation.

Lifetime ECL is the expected credit loss resulting from all possible default events over the expected life of a financial instrument.

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

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

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

The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

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

Reconciliation of loss allowance provision – Trade receivables

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

Significant estimates and judgements

Impairment of financial assets

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

Notes to the Ind AS financial statements for the year ended March 31, 2018 (All amount in Rs. million, unless otherwise stated)

3 Liquidity risk

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

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

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

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

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

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

Further Current maturities of long term loans have been reclassified from other financial liabilities to borrowings to reflect the maturity profile of borrowings in a better manner. Pursuant to delays in repayment of loan/interest payments and ongoing CIRP process (refer note 1(a)), the future contractual interest payments has not been considered in above table.

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

Note 26 Capital management

(a) Risk Management

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

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018 (All amount in Rs. million, unless otherwise stated)

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

(i) Loan covenants

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

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

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

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

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

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

(b) Dividend

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

Note 27 Segment Reporting

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

The Company has followings segments namely :-

a) Higher Learning Solutions (HLS) comprising of vocational, higher education and professional development.

b) School Learning Solutions (SLS) comprising of Smart Class & Edureach (ICT) business.

c) K-12 Schools comprising preschools & high schools.

d) Online, Supplemental & Global business (OSG) comprising of internet based educational services and coaching.

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

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

a) Business segment information

(ii) Segment Capital Expenditure

	Year Ended March 31, 2018	Year Ended March 31, 2017
HLS	-	-
SLS	0.09	127.92
K-12	-	-
OSG	-	-
Unallocated	0.27	10.06
	0.36	**137.98**

Notes to the Ind AS financial statements for the year ended March 31, 2018 **(All amount in Rs. million, unless otherwise stated)**

(iv) Segment depreciation

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

v) Material Non-Cash Items

	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
HLS	-	-
SLS	7,126.44	20.88
K-12	-	-
OSG	-	-
Unallocable	15,597.07	2,166.45
	22,723.51	**2,187.32**

(vi) Segment Revenue & Expenses (External)

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

(vii) Segment assets

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018

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

(viii) Segment liabilities

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

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

(b) Geographical Segments

	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
Revenue		
India	644.46	1,774.77
Outside India	-	-
	644.46	**1,774.77**

Capital Expenditure

	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
India	0.36	137.98
Outside India	-	-
	0.36	**137.98**

Non-current Assets

	For the Year Ended March 31, 2018	For the Year Ended March 31, 2017
India	347.97	557.13
Outside India	-	-
	347.97	**557.13**

Note 28 Related party transactions

(a) List of related parties and relationships:

Subsidiary Companies (Direct and Indirect Holding)

S. No.	Name of Related Party
1	Wheitstone Productions Private Limited
2	Edumatics Corporation Inc., USA
3	Educomp Learning Private Limited.
4	Educomp Infrastructure & School Management Limited
5	Educomp School Management Limited.
6	Educomp Learning Hour Private Limited
7	Educomp Asia Pacific Pte. Ltd., Singapore

8	Vidya Mandir Classes Limited
9	Educomp Software Limited
10	Educomp Infrastructure Services Private Limited
11	Educomp Professional Education Limited
12	Learning Internet Inc., U.S.A.
13	Educomp APAC Services Ltd., BVI
14	Savvica Inc.Canada
15	Educomp Online Supplemental Service Limited
16	Educomp Intelliprop Ventures Pte. Ltd., Singapore
17	Educomp Investment Management Limited
18	Falcate Builders Private Limited
19	Newzone Infrastructure Private Limited
20	Rockstrong Infratech Private Limited
21	Reverie Infratech Private Limited
22	Herold Infra Private Limited
23	Growzone Infrastructure Private Limited
24	Hidream Constructions Private Limited
25	Leading Edge Infratech Private Limited
26	Strotech Infrastruture Private Limited
27	Markus Infrastructure Private Limited
28	Orlando Builders Private Limited
29	Crosshome Developers Private Limited
30	Good Luck Structure Private Limited
31	Evergreen Realtech Private Limited
32	Zeta Buildcon Private Limited
33	Onega Infrastructure Private Limited
34	Grider Infratech Private Limited
35	Boston Realtech Private Limited
36	Modzex Infrastructure Private Limited
37	Virtual Buildtech Private Limited
38	Laservision Estates Private Limited
39	Knowledge Vistas Limited
40	Educomp Global Holding WLL
41	Educomp Global FZE.
42	Edu Smart Services Private Limited

Associates

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

Joint Venture of Direct Subsidiary

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

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018 (All amount in Rs. million, unless otherwise stated)

Resolution Professional (RP)

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

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

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

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

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

***Refer note 22.4

Notes to the Ind AS financial statements for the year ended March 31, 2018

'c) Transactions with related parties during the year:

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

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

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

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

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

	Year ended March 31, 2018	Year ended March 31, 2017
Notes		
28.1 Sales and services to/ (return) from:		
Edu smart Services Private Limited	2.44	9.12
Educomp Raffles Higher Education Limited	-	104.97
Educomp Infrastructure & School Management Limited	-	0.09
Shiri Hare Educational Trust	0.05	0.17
Siya Ram Educational Trust	0.01	0.07
Sri Vasudev Educational Trust	0.01	0.11

Notes to the Ind AS financial statements for the year ended March 31, 2018 **(All amount in Rs. million, unless otherwise stated)**

28.2 Other income from:		
Educomp Learning Private Limited	0.14	0.14
Edu smart Services Private Limited	-	0.96
Healthsetgo Services Private Limited	-	1.07
Learning Link Foundation	-	0.12
Learning Leadership Foundation	0.12	0.12
28.3 Expenses paid on behalf of:		
Educomp Learning Private Limited	1.95	-
28.4 Expenses paid for services		
Unnati Educational Trust	51.01	37.61
DSK Legal	-	9.05
V. K. Dandona	0.45	2.70
28.5 Advance / (return) from/ to customers:		
Orlando Builders Private Limited	-	(0.55)
28.6 Rent paid to:		
Educomp Learning Private Limited	-	0.04
28.7 Loan received from		
Mr. Shantanu Prakash	-	30.00
28.8 Notional interest income on amortised valued investment in preference shares		
Edu smart Services Private Limited	-	12.06
28.9 Notional interest expense on the amortised valued borrowings		
Mr. Shantanu Prakash	-	23.01

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

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018 (All amount in Rs. million, unless otherwise stated)

(iii) Key Management Personnel

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

(iv) Parties having significant Influence

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

(e) Terms and conditions

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

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

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

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

29 Contingent Liabilities

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

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018 (All amount in Rs. million, unless otherwise stated)

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

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

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

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

Note 30. Commitments

Capital commitments

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

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

Note 31. Share based payment

(a) Employee option plan

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

Employee Stock Option Scheme 2006

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

Employee Stock Option Scheme 2007

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

Employee Stock Option Scheme 2008

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

Employees Stock Option Scheme 2010

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

Notes to the Ind AS financial statements for the year ended March 31, 2018 **(All amount in Rs. million, unless otherwise stated)**

Employees Stock Option Scheme 2011

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

Employees Stock Option Scheme 2012

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

Employees Stock Option Scheme 2014

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

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018 (All amount in Rs. million, unless otherwise stated)

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of stock options	Weighted average price (Rs.)	No. of stock options	Weighted average price (Rs.)
Outstanding at the end of year	**-**	**-**	**596,600**	**176.13**
Weighted average remaining contractual life (in years)	Nil		3.31 yrs	
Payment received against share allotted during the year	Nil		Nil	
Employee Stock Option Scheme 2010				
No. of shares under option				
Outstanding at the beginning of the year	223,750	70.50	988,125	67.03
Granted	-	-	-	-
Exercised		-	-	- -
Forfeited/expired during the year	223,750	70.50	764,375	66.02
Outstanding at the end of year	**-**	**-**	**223,750**	**70.50**
Weighted average remaining contractual life (in years)	Nil		1.97 yrs	
Payment received against share allotted during the year	Nil		Nil	
Employee Stock Option Scheme 2011				
No. of shares under option				
Outstanding at the beginning of the year	335,000	23.18	745,000	22.46
Granted		-	-	- -
Exercised		-	-	- -
Forfeited/expired during the year	335,000	23.18	410,000	21.87
Outstanding at the end of year	**-**	**-**	**335,000**	**23.18**
Weighted average remaining contractual life (in years)	Nil		2.51 yrs	
Payment received against share allotted during the year	Nil		Nil	
Employee Stock Option Scheme 2012				
No. of shares under option				
Outstanding at the beginning of the year	1,861,625	37.89	3,371,625	29.77
Granted		-	-	- -
Exercised		-	-	- -
Forfeited/expired during the year	1,851,625	38.00	1,510,000	19.75
Outstanding at the end of year	**10,000**	**19.10**	**1,861,625**	**37.89**
Weighted average remaining contractual life (in years)	3.37 yrs		1.80 yrs	
Payment received against share allotted during the year	Nil		Nil	
Employee Stock Option Scheme 2014				
No. of shares under option				
Outstanding at the beginning of the year	3,973,450	15.06	4,898,650	14.86
Granted		-	-	- -
Exercised		-	-	- -
Forfeited/expired during the year	3,673,450	14.37	925,200	14.00
Outstanding at the end of year	**300,000**	**23.50**	**3,973,450**	**15.06**
Weighted average remaining contractual life (in years)	2.87 yrs		2.20 yrs	
Payment received against share allotted during the year	Nil		Nil	

Notes to the Ind AS financial statements for the year ended March 31, 2018 (All amount in Rs. million, unless otherwise stated)

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

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

Fair value of options granted

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

(c) Expense arising from share-based payment transactions

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

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

Note 32 Loss per share (EPS)

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018 (All amount in Rs. million, unless otherwise stated)

Note 33 Leases

Operating lease (as a lessee)

ai) Assets taken on lease

i).General description of lease terms:

- Assets are taken on lease over a period of one to five years.
- Lease rentals are charged on the basis of agreed terms over the lease term.
- There are no restrictions imposed by the lessor.
- There are scheduled escalations.

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

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

aii) Assets given on lease and sub lease

i) General description of lease terms:

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

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

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

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

Notes to the Ind AS financial statements for the year ended March 31, 2018 (All amount in Rs. million, unless otherwise stated)

bi) Assets given on lease

i) General description of lease terms:

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

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

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

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

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

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

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

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

Note 35. Due to inadequacy of the profits, managerial remuneration paid by the Company to one of its Whole Time Director during the quarter ended June 30, 2015 and year ended March 31, 2015, was in excess of limits prescribed under Section 197 and 198 read with Schedule V to the Companies Act, 2013. Similarly, managerial remuneration paid during the financial year ended

Notes to the Ind AS financial statements for the year ended March 31, 2018 (All amount in Rs. million, unless otherwise stated)

March 31, 2014 to one of its Whole Time Director was also in excess of limits prescribed under Section 198, 269 and 309 read with Schedule XIII of the Companies Act, 1956. The management of the Company had filed an applications to the Central Government to obtain its approval for the waiver/approval of the remuneration so paid in years ended March 31, 2014, March 31, 2015 and quarter ended June 30, 2015.

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

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

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

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

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

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

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

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

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

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

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

As per our report of even date.

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

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

Kunj B. Agrawal
Partner
Membership No.: 095829

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

INDEPENDENT AUDITOR'S REPORT

To the Members of Educomp Solutions Limited

Report on the Audit of 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, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter together referred to as "the Consolidated Ind AS Financial Statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Resolution Professional of the Holding Company, Mr. Mahender Khandelwal ("RP") appointed by the Committee of Creditors ("CoC") pursuant to the order passed by the 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"), is responsible for the preparation 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 state of affairs (financial position), consolidated profit or loss (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 specified under Section 133 of the Act, read with relevant rules issued thereunder. The RP of the Holding Company and 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 RP of the Holding Company, as aforesaid.

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

In preparing the Consolidated Ind AS financial statements, RP of the Holding Company and the respective Board of Directors of the Companies included in the Group and of its associates and jointly controlled entity are responsible for assessing the ability of the Group and of its associates and jointly controlled entity to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our responsibility is to express an opinion on the 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 auditors' 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 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 2A(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 are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the Consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Basis for Adverse Opinion

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

1. As fully explained in Note 56.1 of the Consolidated Ind AS financial Statements, and as represented by the RP, the financial statements and other financial information for the year ended March 31, 2018 relating to 5 subsidiaries incorporated outside India namely Edumatics Corporation Inc. USA, Savvica Inc., Canada, Educomp IntelliProp Ventures Pte Ltd, Educomp Global Holding WLL, Bahrain and Educomp Global FZE, are not available with the management/RP of the holding company. In absence of the same, the Consolidated Ind AS Financial Statements are prepared using the last available financial information with the RP. Accordingly, these consolidated financial statements have been prepared based on the unaudited financial statements for the year ended March 31, 2016 in respect of 1 subsidiary namely Savicca Inc., Canada, and based on the audited financial information for the year ended March 31, 2017 in respect of 4 subsidiaries namely Edumatics Corporation Inc. USA, Educomp IntelliProp Ventures Pte Ltd, Educomp Global Holding WLL-Bahrain and Educomp Global FZE, which is not in compliance with the requirements of Ind AS-110 "Consolidated Financial Statements". Therefore In absence of availability of financial information for the year ended March 31, 2018 in respect of these subsidiaries, we are unable to comment on any possible impact of the same on the consolidated statement of Profit & Loss for the year ended March 31, 2018 and on the financial position and Equity, including various mandatory disclosures of the Group and its associates and jointly controlled entity as on that date. Further, to this extent, current year consolidated financial statements are not comparable to the previous year.
2. As mentioned in note 3.7 to the Consolidated Ind AS Financial Statement, the management of the Holding Company did not conduct physical verification of property, plant and equipment at certain locations having a net carrying value of Rs. 17.36 million at March 31, 2018. In absence of the same, we are unable to comment over existence, valuation and extent of the adjustment, if any required in respect of these asset as at March 31, 2018.

3. As regard trade receivable amounting to Rs. 2,658.99 million (net of provision of Rs. 13,721.11 million) as at March 31, 2018, the Management is of the view that the same are good and recoverable in due course and hence no further provision is required. Out of the above trade receivable to the extent of only Rs. 460.27 million have subsequently been realized by the Holding company till June 30, 2020. In absence of appropriate audit evidence including balance confirmation, correspondences from parties, and the details of subsequent realization post June 30, 2020, we are unable to comment on the recoverability of the balance outstanding trade receivable of Rs. 2,198.72 million as at March 31, 2018 and the possible impact on loss for the year ended on that date and the equity as at March 31, 2018.

4. As mentioned in Note 34.2 to the Consolidated Ind AS Financial Statements, the Holding Company follows Expected Credit Loss (ECL) model for measuring impairment of its trade receivables. The ECL allowance or loss rate is computed based on a provision matrix which takes into account historical credit loss experience. The computed loss rate is mentioned in Note 34 to the Consolidated Ind AS Financial Statements. However, we have not been provided with the underlying 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 receivable over and above the existing provision in the books of account. In absence of relevant workings and other details, we are unable to comment on the appropriateness of the loss rate and the possible impact of not considering the effect of the loss rate for purpose of computing total ECL on the trade receivables balance as at March 31, 2018 and the loss for the year ended March 31, 2018 and on the equity as on that date. Our report on the consolidated financial statements for the previous year ended March 31, 2017 was qualified in respect of this matter.

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

6. We have neither got any direct confirmations nor we been provided with the statements for borrowings from banks and financial institutions by the Holding Company amounting to Rs. 20,029.77 million as at March 31, 2018. In absence of sufficient appropriate audit evidence, we are unable to determine any possible impact thereof on the loss for the year and on the balance of borrowings and the equity as at March 31, 2018. Also refer Note 55.2 to the Consolidated Ind AS Financial Statements.

7. Balance in borrowings account in the books of accounts of the Holding Company amounting Rs. 1,015.50 million (other than those mentioned in paragraph ' 6' above) as at March 31, 2018 is subject to direct confirmations. Further, in case of borrowings amounting Rs. 3,413.69 million wherein we have received confirmations, there are differences amounting Rs. 109.77 million (short in books of accounts of the Holding Company) in amount reported in confirmation from that of amount recorded in the books of accounts of the Holding Company. In absence of reconciliations and other alternative audit evidences, we are unable to comment on any possible impact thereof on the loss for the year and balance of such borrowings as at March 31, 2018 and the equity as on that date. Also refer Note 55.3 to the Consolidated Ind AS Financial Statements.

8. As mentioned in Note 20.1 to the Consolidated Ind AS Financial Statements, the Holding Company has not accrued interest on borrowing post May 30, 2017, being CIRP commencement date. The amount of such interest not accrued is estimated to be Rs. 2,167.83 million for the year. This has resulted in understatement of financial liabilities by Rs. 2,167.83 million as at March 31, 2018 and understatement of loss for the year and overstatement of the equity as on that date by that amount.

   The Holding Company has not determined the provision for penal interest for defaults on borrowings as per the contractual terms of the underlying agreements. In absence of such assessment, we are unable to comment on the possible impact thereof on the loss for the year and on the balance of borrowings and equity as on March 31, 2018. Our report on the consolidated financial statements for the previous year ended March 31, 2017 was also qualified in respect of these matters.

9. As disclosed in Note 50 to the Consolidated Ind AS Financial Statements, as per the Insolvency Code, the RP has received, verified and admitted the claims submitted by the creditors (Operational and Financial), employees and workmen of the Holding Company aggregating to Rs. 30,437.72 million till May 30, 2017. These claims have been taken into cognizance by CoC in its 12th meeting held on February 17, 2018, while approving the Resolution Plan of the Holding Company. The details of such claims have been disclosed in the said note. As represented by the RP, pending approval of the Resolution Plan by Hon'ble NCLT, a reconciliation of the admitted claims vis-à-vis liabilities outstanding as at March 31, 2018 has not been prepared and any impact thereof has not been considered in the preparation of these Consolidated Ind AS Financial Statements as at and for the year ended March 31, 2018.

   In the absence of the above, we are unable to comment upon appropriateness of carrying value of such liabilities as at March 31, 2018 and any possible impact of the same on the loss for the year ended on that date and the equity as at that date. Our report on the consolidated financial statements for the previous year ended March 31, 2017 was also qualified in respect of these matters.

10. We draw attention to Note 2A(c) to the consolidated Ind AS financial statements, which states that resolution plan of Educomp Infrastructure & School Management Limited (EISML), a material subsidiary, is under corporate insolvency resolution process (CIRP). As explained in Note 50 to the consolidated Ind AS Financial Statements, as per the Insolvency Code, the Resolution Professional of EISML has to receive, collate and admit all the claim 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 the resolution plan by COC, The resolution plan has subsequently been approved. The impact of such claims and the said resolution plan, read together with the qualification of the EISML's auditors as reproduced under paragraph 25 of this report, has not been considered by the Holding Company in preparation of these consolidated Ind AS financial statements. In the absence of such assessment, we are unable to comment upon the resultant impact thereof on the loss for the year ended March 31, 2018 and corresponding liability and equity as on that date.

11. As disclosed in Note 38.1 to the consolidated Ind as financial statements, the Holding Company issued financial guarantees aggregating Rs. 2,250.00 million to banks on behalf of Edu Smart Services Private Limited, one of its subsidiary till March 31, 2017. As per Ind AS 109 “Financial Instruments”, the said financial guarantees are required to be initially measured at fair value and subsequently measured at the higher of (i) the amount of loss allowance in accordance with Expected Credit Loss (“ECL”) method and (ii) amount initially recognized less cumulative amount of income recognized in income statement. However, no measurement of financial guarantees at fair value and estimation of loss allowances in accordance with ECL method were performed during the year. In absence of such measurement, we are unable to comment upon the resultant impact thereof on the loss for the year ended March 31, 2018 and corresponding liability and equity as on that date.

12. The Holding Company has not performed any evaluation for impairment of goodwill on consolidation in respect of its investment in subsidiaries. In absence of such assessment, we are unable to comment upon the appropriateness of carrying amount of such goodwill as at March 31, 2018 and possible impact of the same on the loss for the year ended on that date and equity as on that date.

13. As explained in Note 49 to the Consolidated Ind AS Financial Statements regarding managerial remuneration paid to one of the whole time directors of the Holding Company during the quarter ended June 30, 2015 and the year ended March 31, 2015 in non-compliance with the requirements of Section 197 and Section 198 read with Schedule V to the Companies Act, 2013, and paid during the year ended March 31, 2014 in non-compliance with the requirements of Section 198, Section 269 and Section 309 read with Schedule XIII to the Companies Act, 1956, for which the Central Government's approval is yet to be obtained. Our report on the Consolidated Ind AS financial statements for the previous year ended March 31, 2017 was also qualified in respect of this matter.

14. As disclosed in Note 57 to the Consolidated Ind AS Financial Statements, the Holding Company and Educomp Infrastructure & School Management Limited (EISML) are currently subjected to the investigations by Serious

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

15. As disclosed in Note 58 to the Consolidated Ind AS Financial Statements, the Holding Company did not have any internal audit conducted during the year as required under sections 138 of the Act. The impact of the non-compliance on the accompanying Consolidated Ind AS financial statements is presently not ascertainable.

16. As disclosed in Note 59 to the Consolidated Ind AS Financial Statements, the Holding Company did not have a full time company secretary during the financial year 2017-18. Consequently, these Consolidated Ind AS Financial Statements could not be authenticated by a company secretary ensuring compliance with all applicable provisions of the Companies Act, 2013. Also, the impact of this non-compliance on the accompanying Consolidated Ind AS financial statements is presently not ascertainable.

17. As disclosed in Note 60 to the Consolidated Ind AS Financial Statements, the Holding Company did not have a Chief Financial Officer (CFO) during the financial year 2017-18 as required under section 203 of the Act. Consequently, these Consolidated Ind AS Financial Statements could not be authenticated by a CFO. Also, the impact of this non-compliance on the accompanying Consolidated Ind AS financial statements is presently not ascertainable.

18. As disclosed in Note 61 to the Consolidated Ind AS Financial Statements, the Holding Company has not been in compliance with various other provisions of the Companies Act 2013, SEBI LODR Regulations, 2015, RBI circulars and Foreign Exchange Management Act, 1999. The financial or other impact of these non-compliances on these Consolidated Ind AS Financial Statements is presently not ascertainable.

19. The Financial statements of 31 subsidiaries (including 24 step-down subsidiaries) and two associates as considered in these Consolidated Ind AS Financial Statements (refer paragraph (a) of Other Matter below), have been audited by other auditors and 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 issued detailed questionnaire to auditors of these subsidiaries and associates. We however, did not receive any response from the auditors of such subsidiaries and associates. In the absence of such response, we are unable to obtain sufficient appropriate audit evidence as required under SA 600 “Using the Work of Another Auditor” with respect to scope and timing of their work on financial information and their findings, if any; and 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 had these procedures been performed.

20. The Preference shares issued by Educomp Infrastructure & Management Limited (EISML) to its minority shareholders amounting to Rs. 2,303.84 million as on March 31, 2018 are 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. However, in absence of relevant information made available to us by the Management, we are unable to comment on the possible impact of the same on the liability component of compound financial instruments, non-controlling interest and the Equity as at March 31, 2018 and its corresponding impact on loss for the year ended March 31, 2018. Our report on the Consolidated Ind AS financial statements for the previous year ended March 31, 2017 was also qualified in respect of this matter.

21. The disclosure of the net assets, share in profit/loss and share in other comprehensive income in respect of Knowledge Vista Limited, a step down subsidiary, as disclosed under Note 56 to the Consolidated Ind AS Financial Statements, has been presented based on the management information in absence of availability of the audited information with the RP.

22. Following mandatory disclosure are not given in these Consolidated Ind AS Financial Statements, as the complete information is not available with the RP:

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

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

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

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

    v. disclosure with regard to financial risk management as required under paragraph 33 to 35, of Ind AS 107 "Financial Instruments: Disclosures " as applicable; and

    vi. disclosure with regard to financial liability – defaults and breaches as required under paragraphs 18 and 19, of Ind AS 107 "Financial Instruments - Disclosures", as applicable.

    The Holding Company has not complied with the disclosures requirements of Indian Accounting Standards notified under the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Act to the extent of above disclosures.

23. As mentioned in Note 40A of the Consolidated Ind AS financial Statements, during the year ended March 31, 2018 four of the subsidiaries namely Edu Smart Services Private Limited (ESSPL), The Learning Internet. Inc (L.com), Educomp Learning Hour Private Limited (ELHPL) and Educomp Asia Pacific Pte Ltd. (EAPL) filed for corporate insolvency resolution process (CIRP) under the Insolvency & Bankruptcy Code, 2016 on June 27, 2017, June 30, 2017, December 11, 2017 and June 30, 2017, respectively. By virtue of such filings, the Group lost control over these subsidiaries with effect from CIRP commencement date and appointment of interim resolution professional. According to Ind AS 110 "Consolidated Financial Statements", the Group was required to derecognised assets and liabilities of the subsidiaries on the date when the control was lost. As represented by the RP, since the financial statements of these subsidiaries as on the date of loss of control are not prepared/available with the management/RP, loss of control accounting, has been done on the basis of last available financial statements for the year ended March 31, 2017 of these subsidiaries. In absence of the financial statements on the date of loss of control, we are unable to comment upon any possible impact of the same on the consolidated statement of Profit & Loss for the year ended March 31, 2018 and on the consolidated financial position and the Equity as on that date.

II) We refer to the following matters which are included by the statutory auditors of Educomp Infrastructure & School Management Limited (EISML), a Subsidiary Company in Basis of Qualification paragraph in their Audit report:

24. As mentioned in Note 54 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 tangible fixed assets of EISML & EISML's subsidiaries have been identified for sale in a time bound manner. As per the valuation of such tangible fixed assets as evaluated and disclosed in the approved Corporate Debt Restructuring Package, some of these assets are expected to have a Lower Realisable values than their carrying values. Such property, plant and equipment having carrying value of Rs. 3,213.08 million as at March 31, 2018 are included in the property, plant and equipment.

    The Management has not carried out 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.

25. As mentioned in the Note 52 to the consolidated Ind AS financial statements, the subsidiary of EISML, Knowledge Vistas Limited (KVL) had taken 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 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 had started its operation in Academic Session 2011-12 but due to environment matters, 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 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.

26. The management of EISML has not carried out fair valuation of its asset held as land & building in its books and in its subsidiary from independent expert. As we are unable to obtain sufficient appropriate audit evidence about the extent of its recoverability of carrying value of EISML's fixed asset and investment in its subsidiary companies , we are unable to determine whether or not any adjustment to these amounts are necessary.

27. We neither got bank statement nor have been able to obtain direct confirmation for borrowing from banks of EISML, which are amounting to Rs. 7,997.32 million and interest due thereon of Rs. 974.98 million as at March 31, 2018. In absence of sufficient appropriate audit evidence, we are unable to determine any possible impact thereof on the loss for the year and the balance of borrowing and equity as at March 31, 2018.

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 matter discussed in the Basis for Adverse Opinion paragraph, the accompanying 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 (financial position) of the Group, its associates and jointly controlled entity as at March 31, 2018, their consolidated loss (financial performance including other comprehensive income), consolidated statement of changes in equity and their consolidated cash flows for the year then ended.

Material Uncertainty Related to Going Concern

We draw attention to Note 2A(c) to the consolidated Ind AS financial statements, which indicates that the Holding Company has incurred substantial losses during the year, its net worth has been completely eroded, has defaulted in repayment of its loans and related interest, and has negative working capital. Further, during the year, the CIRP has been initiated, which is under process. These conditions indicate that a material uncertainty exists that may cast significant doubt about the 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 as the Management/RP is of the view that the Holding Company has been able to discharge its operational liabilities from its internal accrual of funds till the date of its balance sheet and is confident that the Holding Company is having sufficient fund balance to continue as a going concern as stated in the said note.

Our opinion is not modified in respect of above matter.

Emphasis of Matter

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

(a) Note 2A(a) to Consolidated IND AS Financial Statements, wherein it is stated that CIRP has been initiated in the name of the Holding company vide an order of the principal bench of the NCLT dated May 30, 2017 under the provision of insolvency code. Pursuant to the order, 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 COC. These consolidated Ind AS financial statement have been prepared and approved by RP.

(b) Note 38.1 and Note 1(b) to the consolidated Ind AS Financial Statements, Considering the moratorium period, status of contingent liabilities has been updated till the date of approval of insolvency application of the holding company under the insolvency code i.e., till May 30,2017.

(c) Note 40A of the Consolidated Financial Statements in relation to non-consolidation of financial statements of four of the subsidiaries namely Edu Smart Services Private Limited (ESSPL), The Learning Internet. Inc (L.com), Educomp Learning Hour Private Limited (ELHPL) and Educomp Asia Pacific Pte Ltd., Singapore (EAPL) based on the management's assessment of non-existence of the control over these entities by virtue of appointment of resolution professional consequent to initiation of corporate insolvency resolution process on June 27, 2017, June 30, 2017, December 11, 2017 and June 30, 2017, respectively. We have relied upon the management's representation in this respect.

(d) Note 31.5 of the Consolidated Financial Statements in relation to non-consolidation of financial statements of Vidya Mandir Classes Limited (VMCL), based on the management's assessment of non-existence of the control over the entity. The Holding Company had transferred the control in VMCL to the Purchaser by virtue of the Share Purchase Agreement dated July 25, 2016 and the shares of VMCL held by the holding company are considered to be non-substantive. We have relied on the management's representation in this respect.

Our opinion is not modified in respect of the above matters (a) to (d).

We draw attention to the following matter which are included by the statutory auditors of respective subsidiaries in Emphasis of Matter paragraph in their Audit reports:

In respect of EISML:

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

(f) Note 2A(c) in the consolidated Ind AS financial statements, which states that EISML has filed an application under section 10 of insolvency and bankruptcy code, 2016 for resolution of its debt and the same is approved subsequently.

In respect of Educomp School Management Limited (ESML):

(g) The auditors' of ESML, one of the subsidiary, in their audit report dated April 11, 2018, have included a matter of emphasis drawing attention to the matter related to aged inventories (as included in Note 12 to the Consolidated Financial statements), that despite the Inventory amounting to Rs. 17.80 million being more than three years old, the Company has not made any provision for obsolence as these are curriculum books and company estimates its net realizable value more than its cost. Their opinion was not modified in respect of this matter.

The opinion of the respective auditors are not modified in respect of the above matters (e) to (g).

Other Matters

(a) We did not audit the Ind AS financial statements of 31 subsidiaries, whose Ind AS financial statements reflects total assets of Rs. 13,582.85 million and net assets of Rs. 4,362.19 millionas at March 31, 2018, total revenues (including other income) of Rs. 285.00 millionand net cash flows amounting to Rs. 79.45 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. 9.78 million for the year ended March 31, 2018, as considered in the consolidated Ind AS financial statements, in respect of 2 associates, whose Ind AS financial statements have not been audited by us. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the 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 associates, and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.

(b) We did not audit the Ind AS financial statements of one subsidiary, whose Ind AS financial statement reflects total assets of Rs. 151.48 million and net assets of Rs. 13.45 million as at March 31, 2018, total revenues (including other income) of Rs. 46.68 million and net cash flows amounting to Rs. 7.78 million for the year ended on that date, as considered in the consolidated Ind AS financial statements, whose Ind AS financial statement have not been audited by us. The Ind AS financial statement of the aforesaid subsidiary are unaudited and have been furnished to us by the RP 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 our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiary is based solely on such unaudited Ind AS financial statement.

(c) As fully explained in Note 56 of the Consolidated Ind AS Financial Statements and also refer paragraph '1' of the basis of adverse opinion above, in case of 5 subsidiaries whose financial information reflects total assets of Rs. 107.51 million and net assets of Rs.(175.84) million as at March 31, 2018, total revenues (including other income) of Rs. Nil and net cash flows amounting Rs. Nil for the year ended on that date as considered in the Consolidated Ind AS Financial Statements, the financial information of such subsidiaries for the year ended March 31, 2018 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, 2018 are based on last available unaudited financial information of 1 subsidiary namely Savicca Inc., Canada, for the year ended March 31, 2016; and audited financial information of 4 subsidiaries namely Edumatics Corporation Inc. USA, Educomp IntelliProp Ventures Pte Ltd, Educomp Global Holding WLL- Bahrain and Educomp Global FZE for the year ended March 31, 2017.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below, is not modified (except for the matter 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 auditor(s) and the Ind AS financial statements/financial information certified by the management/RP.

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, 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, in our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the 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. Considering the possible effects of the matters described in the Basis for Adverse Opinion paragraph, In our opinion the aforesaid Consolidated Ind AS Financial Statements do not 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 Material Uncertainty Related to Going Concern paragraph, in our opinion, may have an adverse effect on the functioning of the Group including its associates and jointly controlled entity;

f. In respect of Holding Company, we have not received written representation from any of the directors of the Holding Company as on March 31, 2018. In the absence of written representation received, we are unable to comment whether the directors are disqualified as on March 31, 2018 from being appointed as a director in terms of sub-section (2) of section 164 of the Act.

   Further, except for the matter described in paragraph '19' of the Basis for Adverse Opinion paragraph above, on the basis of the reports of the statutory auditors of subsidiary companies and associate companies incorporated in India, none of the directors of the subsidiary companies and associate companies incorporated in India is disqualified as on March 31, 2018 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 above;

h. With respect to the adequacy of the internal financial controls over financial reporting of the Group and its associates and jointly controlled entities incorporated in India and the operating effectiveness of such controls, refer to our separate report in "Annexure 2". Our report expresses a Disclaimer of Opinion on the Group's internal financial controls over financial reporting for the reasons stated therein;

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

   (i) Except for the matters described in the Basis of Adverse Opinion paragraph above, the consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates and jointly controlled entities– Refer Note 38.1 to the consolidated Ind AS financial statements; Also refer paragraph "(b)" under Emphasis of Matter paragraph on Contingent Liabilities;

   (ii) Except for the possible effects of the matters described in the Basis of Adverse Opinion paragraph, provision has been made in the consolidated Ind AS financial statements, as required under the applicable law or Indian Accounting Standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts; and

   (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, associate companies incorporated in India.

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

Sd/-

Kunj B. Agrawal
Partner
Membership No.095829
UDIN: 21095829AAAACB2835

Place: New Delhi
Date: Sept. 15, 2021

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph (h) under 'Report on Other Legal and Regulatory Requirements' section in our 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, 2018]

Report on the Internal Financial Controls with reference to Financial Statements 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 Educomp Solutions Limited ("Holding Company") as of and for the year ended March 31, 2018, we were engaged to audit the internal financial controls with reference to financial statements of the Holding Company and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), and its associates, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to the financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India ("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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting with reference to the financial statements of Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, both issued by the ICAI.

Because of the matter described in Disclaimer of Opinion paragraph below, we were not able to obtain sufficient appropriate audit evidence to provide a basis for an audit opinion on internal financial controls with reference to financial statements of the Holding Company its subsidiary Companies and its associate companies, which are companies incorporated in India.

Meaning of Internal Financial Controls with reference to Financial Statements

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

Disclaimer of Opinion

In respect of the Holding Company

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

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

In respect of Subsidiary and Associate Companies

i) In respect of 30 subsidiary companies and 2 associate companies, as mentioned in paragraph (a) of 'Other Matters' below, which are companies incorporated in India, we considered the reporting of other auditors, which state that the respective subsidiaries and associates have, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as at March 31, 2018.

We however, did not receive any response to our detailed questionnaire issued to the respective auditors of the subsidiary and associate companies as mentioned in paragraph (a) of 'Other Matters' below, with respect to the adequacy and operating effectiveness of the internal financial controls over financial reporting. In absence of any response from the auditors of such subsidiaries and associates with respect to scope and timing of their work on the internal financial controls, and their findings, if any; we are unable to comment on the adequacy and operating effectiveness of the internal financial controls over financial reporting in respect of these 30 subsidiary companies and the 2 associate companies as at March 31, 2018.

ii) In respect of 1 subsidiary company, as mentioned in paragraph (b) of 'Other Matters' below, which is a company incorporated in India and whose financial statements have not been audited; in absence of any evidences provided by the management of the Holding Company with respect to establishment of an internal financial control over financial reporting on criteria based on or considering the essential components of internal control stated in the Guidance Note issued by ICAI, we are unable to comment on the adequacy and operating effectiveness of the internal financial controls over financial reporting in respect of such subsidiary as at March 31, 2018.

We have considered the disclaimer reported above in determining the nature, timing, and extent of audit tests applied in our audit of the consolidated Ind AS financial statements of the Group and its associates, and resultant effect of it on our opinion on the consolidated Ind AS financial statements of the Group and its associates.

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:

a) 30 subsidiaries companies and 2 associates, which are companies incorporated in India, have been audited by other auditors and whose reports have been furnished to us by the management/RP of the Holding Company; and

b) 1 subsidiary company, which is a company incorporated in India and whose financial statements have not been audited and have been furnished to us by the Management.

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

Sd/-
Kunj B. Agrawal
Partner
Membership No.095829
UDIN: 21095829AAAACB2835

Place: New Delhi
Date: Sept. 15, 2021

Consolidated Balance sheet as at March 31, 2018

(Rs. In millions unless otherwise stated)

Particulars	Notes	As at March 31, 2018	As at March 31, 2017
ASSETS			
Non-current assets			
Property, plant and equipment	3	11,500.79	11,417.57
Capital work-in-progress	4	427.86	428.67
Goodwill	5	6.14	10,243.30
Other Intangible assets	6	579.90	969.12
Investment	7	226.62	846.66
Financial assets			
i) Loans	8	388.67	559.17
ii) Other financial Assets	9	238.83	1,166.42
Deferred tax assets (net)	32	110.55	129.77
Non-current tax assets (net)	10	87.75	147.74
Other non-current assets	11	100.33	739.17
Total		**13,667.44**	**26,647.59**
Current assets			
Inventories	12	58.00	107.17
Financial assets			
i) Trade receivables	13	2,703.37	6,732.45
ii) Cash and Cash equivalents	14.1	314.84	939.25
iii) Bank balances other than (ii) above	14.2	27.90	17.13
iv) Loans	8	203.59	616.28
v) Other Financial Assets	9	29.59	332.17
Current tax assets (net)	10	51.65	51.56
Other current assets	15	71.48	197.00
Total		**3,460.42**	**8,993.01**
Total Assets		**17,127.86**	**35,640.60**
EQUITY AND LIABILITIES			
EQUITY			
a) Equity Share capital	16	244.93	244.93
b) Other equity	17		
i) Equity component of compound financial instruments		524.45	524.45
ii) Reserves and surplus		(24,159.25)	1,402.09
Equity attributable to owners of the company		**(23,389.87)**	**2,171.47**
Non controlling interest	40B	797.63	(10,102.33)
Total Equity		**(22,592.24)**	**(7,930.86)**

LIABILITIES			
Non-current liabilities			
Financial liabilities			
i) Borrowings	18	194.48	9,248.65
Provisions	21	8.95	44.27
Other non-current liabilities	22	-	186.76
Total		**203.43**	**9,479.68**
Current liabilities			
Financial liabilities			
i) Borrowings	18	1,338.17	1,348.12
ii) Trade payables	19		
Due to micro and small enterprises		9.89	7.90
Due to others		1,277.09	1,547.93
iii) other financial liabilities	20	36,612.18	29,729.51
Provisions	21	4.66	266.69
Other current liabilities	22	274.68	1,191.63
Total		**39,516.67**	**34,091.78**
Total liabilities		**39,720.10**	**43,571.46**
Total Equity and liabilities		**17,127.86**	**35,640.60**
Summary of significant accounting policies	2		

The accompanying notes form an integral part of these financial statements

As per our report of even date.

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

Sd/-
Kunj B. Agrawal
Partner
Membership No.: 095829

Place: New Delhi
Date: September 15, 2021

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

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

Place: New Delhi
Date: September 15, 2021

Consolidated Statement of Profit and loss for the year ended March 31, 2018

(Rs. In millions unless otherwise stated)

Particulars	Notes	Year ended March 31, 2018	Year ended March 31, 2017
I. Revenue from operations	23	917.08	2,924.16 II.
II. Other Income	24	150.19	850.00
III. Total Income (I + II)		**1,067.27**	**3,774.16**
IV. Expenses			
Purchase of stock-in-trade	25	35.93	463.13
Changes in inventories of work in progress and stock-in-trade	26	18.97	65.56
Employee benefit expense	27	392.16	1,345.26
Finance cost	28	1,345.81	3,750.78
Depreciation and amortisation expense	29 A	306.58	451.87
Impairment of goodwill and other non-current assets	29 B	9,795.99	-
Other expense	30	14,715.30	1,723.13
Total expenses (IV)		**26,610.74**	**7,799.73**
V. Loss before exceptional items, share of net loss of investment			
accounted for using equity method and tax (III - IV)		(25,543.47)	(4,025.57)
VI. Share of loss of associates (net of tax)	42	(9.78)	(5.97)
VII. Share of loss of Joint venture (net of tax)	42	-	-
VIII. Loss before exceptional items and tax (V - VI -VII)		**(25,553.25)**	**(4,031.54)**
IX. Exceptional items31		**476.90**	**3,773.69**
X. Loss before tax (VIII - IX)		**(26,030.15)**	**(7,805.23)**
XI. Tax expense	32		
a) Current tax		0.35	11.46
b) Deferred tax		19.46	(0.04)
XII. Loss for the year (X - XI)		**(26,049.96)**	**(7,816.65)**
XIII. Other comprehensive income			
i. Items that will not be reclassified to profit or loss			
Re-measurement of the defined benefit plan		7.46	24.61
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
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)	42	0.27	0.02
XIV. Total comprehensive loss for the year (XII + XIII)		**(26,042.23)**	**(7,774.26)**

Loss attributable to :			
Owners of the company		(25,410.54)	(3,353.33)
Non-controlling interest		(639.42)	(4,463.32)
Other comprehensive income attributable to :			
Owners of the company		7.61	43.14
Non-controlling interest		0.12	0.75)
Total comprehensive loss attributable to :			
Owners of the company		(25,402.93)	(3,310.19)
Non-controlling interest		(639.30)	(4,464.07)
Earnings per equity share (Nominal value of Rs. 2 per share)	53		
a) Basic		(207.49)	(27.38)
b) Diluted		(207.49)	(27.38)
Summary of significant accounting policies	2		

The accompanying notes form an integral part of these financial statements

As per our report of even date.

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

Sd/-
Kunj B. Agrawal
Partner
Membership No.: 095829

Place: New Delhi
Date: September 15, 2021

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

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

Place: New Delhi
Date: September 15, 2021

Consolidated Statement of Changes in equity for the year ended March 31, 2018

(Rs. In millions unless otherwise stated)

A.) Equity share capital	Amount
As at April 01, 2016	244.93
Changes in equity share capital	-
As at March 31, 2017	244.93
Changes in equity share capital	-
As at March 31, 2018	**244.93**

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	Retained earnings	Foreign currency translation reserve			
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)
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)
Impact of sale of investment in a subsidiary	-	-	-	-	-	-	-	-	-	(119.00)	(119.00)
Money refunded against Share Warrant	-	-	-	-	-	-	-	-	-	(66.67)	(66.67)
Other adjustments	-	-	-	-	(20.72)	-	33.21	-	12.49	0.90	13.39
ESOP cost reversal on forfeiture	-	-	-	-	-	-	-	-	-	-	-

Equity component of compounded financial instruments issued during the year	21.73	-	-	-	-	-	-	-	21.73	-	21.73
Total Additions/(Deletions) during the year.	21.73	(62.94)	-	(14.32	7.39	329.51	(3,295.47)	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	1,521.47	(512.23)	(19,898.36)	(168.93)	1,926.54	(10,102.33)	(8,175.79
Balance as at April 01, 2017	524.45	451.28	19,928.01	80.84	1,521.47	(512.23)	(19,898.36)	(168.93)	1,926.54	(10,102.33)	(8,175.79
Loss for the year	-	-	-	-	-	-	(25,410.54)	-	(25,410.54)	(639.42)	(26,049.96
Other comprehensive income for the year											
- Re-measurement of the defined benefit plan	-	-	-	-	-	-	7.61	-	7.61	0.12	7.73
- Exchange differences on translation of foreign operations	-	-	-	-	-	-	-	(5.66)	(5.66)	-	(5.66
Total comprehensive loss during the year	-	-	-	-	-	-	(25,402.93)	(5.66)	(25,408.59)	(639.30)	(26,047.89
Employee stock compensation provided	-	-	-	0.60	-	-	-	-	0.60	-	0.60
Employee stock option forfeited	-	-	-	(59.33	-	-	-	-	(59.33)	-	(59.33
Foreign currency monetary item translation difference created during the year	-	-	-	-	-	(16.99)	-	-	(16.99)	-	(16.99
Foreign currency monetary item translation difference amortised during the year	-	-	-	-	-	136.65	-	-	136.65	-	136.65
Impact of loss of control in a subsidiary	-	-	-	-	-	-	(273.00)	-	(273.00)	11,539.26	11,266.26
Money refunded against Share Warrant	-	-	-	-	-	-	-	-	-	-	-
Other adjustments	-	-	-	-	-	-	-	-	-	-	-
ESOP cost reversal on forfeiture	-	-	-	-	59.33	-	-	-	59.33	-	59.33
Equity component of compounded financial instruments issued during the year	-	-	-	-	-	-	-	-	-	-	-
Total Additions/(Deletions) during the year.	-	-	-	(58.73	59.33	119.66	(25,675.93)	(5.66)	(25,561.33)	10,899.96	(14,661.37)
Balance as at March 31, 2018	524.45	451.28	19,928.01	22.11	1,580.80	(392.57)	(45,574.29)	(174.59)	(23,634.80)	797.63	(22,837.17)

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

Sd/-
Kunj B. Agrawal
Partner
Membership No.: 095829

Place: New Delhi
Date: September 15, 2021

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

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

Place: New Delhi
Date: September 15, 2021

Consolidated Statement of Cash Flows for the year ended March 31, 2018

(Rs. In millions unless otherwise stated)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Cash flows from operating activities		
Net (Loss) before taxation as per Statement of Profit and Loss	**(26,030.15)**	**(7,805.23)**
Adjusted for :		
Share of loss of associate & joint venture	9.78	5.97
Exceptional items		
- penalty under settlement	-	407.73
- provision for doubtful debts	-	3,123.64
- provision for obsolence inventory	-	649.21
- bad debt written off	-	82.32
- loan advances written off	-	59.87
- loan liability written back	-	(250.00)
- profit on sale of investment	324.46	(144.86)
- provision for capital advance	495.43	-
- provision for advances	-	36.78
- gain associated with loss of control of an investment	(342.99)	(191.00)
Provision for doubtful advances	1,050.09	35.46
Provision for doubtful trade receivable	12,513.76	-
Provision for Inventory	50.77	(4.83)
Provisions no longer required written back	(32.60)	(171.14)
Advance against fixed assets held for sale written back	(15.94)	-
Bad debts and advances written off	367.71	101.15
Depreciation and amortisation expense	306.58	451.87
Impairment of goodwill and other non-current assets	9,795.99	-
Net foreign exchange effects	131.55	150.00
Interest income	(69.17)	(456.03)
Interest costs	1,338.61	3,750.59
ESOP amortisation cost	0.60	13.79
Interest on income tax written off	-	(9.75)
Profit on sale of property, plant and equipment (net)	-	(147.70)
Provisions for employee benefits	(12.46)	5.16
Other non cash expenses	(0.26)	(0.08)
Operating loss before working capital changes	**(118.24)**	**(307.08)**
Adjusted for :		
(Increase) in trade receivables	(168.86)	(1,000.21)
(Increase) in loans	(9,831.10)	(5,669.44)
(Increase)/Decrease in other financial assets	(168.86)	827.17
(Increase)/Decrease in other assets	(32.01)	0.99
Increase in trade & other payables	9,689.50	8,217.11
Increase in financial liabilities	859.40	75.19
(Decrease) in others liabilities	(261.12)	(704.03)
Increase in provisions	41.47	95.34
Increase/(decrease) in inventory	(1.60)	70.38
Cash generated from/(used in) operations	**8.58**	**1,605.42**

(Payment of Taxes)/ refunds, net	56.32	135.99
Net cash generated from/(used in) operating activities (A)	**64.90**	**1,741.41**
Cash flows from investing activities		
Purchase of property, plant & equipment (including capital work in progress)	(0.36)	(153.59)
Proceeds from sale of property, plant & equipment	-	647.16
Sale of investment in subsidiary/associate	-	(217.47)
Movement in bank balances other than cash and cash equivalents		
(restricted bank deposits) (Net)	(12.75)#	14.98
Impact of loss of control	(511.39)	(54.90)
Interest received	12.25	34.13
Loans repaid (including interest)	57.09	329.79
Share application money given	-	(0.14)
Net cash generated from investing activities (B)	**(455.16)**	**599.96**
Cash flows from financing activities		
Promoter contribution received (including debt and equity		
component of compounded financial instruments)	-	30.00
Repayment of long-term borrowings	(1.01)	(1,046.61)
Payment of dividend (including dividend tax)	(0.47)	0.38)
Interest on borrowings	(213.31)	(1,791.76)
Proceeds of short-term borrowings	-	(33.60)
Money returned against share warrants (Refer note 43)	-	(66.67)
Net cash generated from /(used) in financing activities (C)	**(214.79)**	**(2,909.02)**
Effect of exchange rate changes (D)	**(0.01)**	**(9.69)**
Net (decrease) in cash and cash equivalents (A+B+C+D)	**(605.05)**	**577.33)**
Opening cash and cash equivalents	(318.24)	257.86
Exchange difference on translation of foreign currency cash and cash equivalents	0.15	1.23
Closing cash and cash equivalents	**(923.15)**	**(318.24)**

Reconciliation of components of cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with banks-on current accounts		
Balances with banks-on current accounts (Refer note 14.1)	312.21	930.95
Cash on hand (Refer note 14.1)	1.74	2.26
Stamp in hand (Refer note 14.1)	0.89	0.89
Cheques/draft on hand (Refer note 14.1)	-	5.15
Bank overdrafts (Refer note 18.2)	(1,237.99)	(1,257.49)
	(923.15)	**(318.24)**

Notes:

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

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

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

Sd/-
Kunj B. Agrawal
Partner
Membership No.: 095829

Place: New Delhi
Date: September 15, 2021

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

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

Place: New Delhi
Date: September 15, 2021

Educomp Solutions Limited

Notes to the Consolidated Ind AS Financial Statements for the year ended March 31, 2018

1. Background

(a) Educomp Solutions Limited (the Holding Company) and its subsidiaries, associates and joint ventures (collectively referred to as "the Group" are 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 Group'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 Holding Company was incorporated in September 7, 1994 under the erstwhile companies Act, 1956. The Holding Company is domiciled in India having its registered office at 1211, Padma tower-1, 5, Rajendra place, New Delhi-110008.

The Holding Company is listed on the Bombay Stock Exchange Limited (BSE) and the National Stock Exchange) NSE in India.

Currently, the Holding Company is under Corporate Insolvency Resolution Process. During the year, Educomp Infrastructure & School Management Limited (EISML), a subsidiary has also filed an application for initiation of CIRP process on January 18, 2018 against which resolution professional was not appointed till the balance sheet date.

Three subsidiaries namely Edu Smart Services Private Limited, Edcomp Asia Pacific Pte Ltd., Singapore and The Learning Internet Inc., USA, are also under CIRP process and resolution professionals have already been appointed during the year. As the resolutions professionals have been appointed resulting in loss of control of the Group, these subsidiaries are no longer part of the Group as at the date of Balance Sheet; and are not considered for preparation of these consolidated financial statements.

(b) In respect of the Holding Company:

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

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

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

January 03, 2020, dismissed the approval application as infructuous as a consequence of its order dated January 02, 2020 which allowed the withdrawal of the Resolution Plan by Ebix.

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

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

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

The Ebix Appeal and other matters which have been kept together were listed for consideration before the Hon'ble Supreme Court on the following dates: October 7, 2020, November 5, 2020, November 27, 2020, December 3, 2020, January 19, 2021, January 28, 2021, February 2, 2021, February 3, 2021, February 4, 2021, February 9, 2021 and February 10, 2021, March 10, 2021, March 18, 2021, March 25, 2021, April 8, 2021, July 6, 2021, July 13, 2021, July 14, 2021, July 15, 2021 and July 20, 2021.

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

The Hon'ble Supreme Court has reserved the order on dated July 20, 2021 in the matter of Ebix Appeal.

Moratorium period

The Hon'ble NCLT vide its letter dated May 30, 2017 has declared the moratorium period as per the provision of section 13 (1) (a) of the Insolvency and Bankruptcy Code, 2016 (“Insolvency Code”) which is further extended to February 24, 2018. As the Resolution Plan is under consideration by Hon'ble NCLT therefore the moratorium period continue to be in effect till conclusion of the CIRP process.

As per section 14 of the IBC, under the moratorium period, the 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 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.

(c) In respect of EISML:

The EISML has filed an application under section 10 of the Insolvency Code with Hon'ble NCLT Chandigarh Bench on January 11, 2018.

Subsequent to the date of Balance Sheet, the Hon'ble NCLT vide order dated April 25, 2018, approved the application and COC of EISML in September 2019 approved a resolution plan submitted by Mr. Paramjit Gandhi. Accordingly the resolution professional of EISML on October 10, 2019 filed an application for the approval of resolution plan at NCLT, Chandigarh which has been approved on December 14, 2020.

2A. Basis for preparation

(a) Statement of compliance

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

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

A corporate insolvency resolution process ("CIRP") has been initiated in case of the 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 Code. (For details refer note 1(b)). Pursuant to the Order, 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 Committee of Creditors ("CoC"). These consolidated financial statements for the year ended March 31, 2018 have been prepared by the Holding Company, RP and his team. In view of the legal opinion received by the RP from a legal firm, the Consolidated Financial Statements have been approved by the RP and presented to the auditors for their report thereon. The relevant extract of the opinion given by the legal firm is reproduced below:

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

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

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

In view of the above opinion, and the fact that the Holding Company did not have the Company Secretary and Chief Financial Officer during the financial year 2017-18, the RP has relied upon the assistance provided by the members of the erstwhile board of directors and the employees of the Company, and certification, representation and statements made by the erstwhile management of the Holding Company in relation to preparation of these Consolidated financial statements.

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

(b) Historical cost convection

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

(c) 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 IBC for CIRP. All these conditions has raised substantial doubt about the Holding Company's ability to continue as a going concern.

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

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

EISML has incurred substantial losses and its net worth has been significantly eroded. Based on EISML's projected cash flows, it shall have sufficient funds to run its operation in foreseeable future. As regards availability of requisite funds to meet its debt related obligations including those falling due in financial year 2017-18 as per its CDR package executed with EISML's lenders, the EISML intends to monetize its identified investments, receivables and assets to meet the necessary obligations. The EISML is also taking several measures to improve operational efficiencies and other avenues of raising funds.

The EISML has also filed an application under section 10 of the Insolvency Code with Hon'ble NCLT Chandigarh Bench on January 11, 2018.

The management of EISML is confident that with the above measures and continuous efforts to improve the business, it would be able to generate sustainable cash flow, discharge its short term and long term liabilities & recover and recoup the erosion in its net worth through profitable operations and continue as a going concern.

(d) Principles of consolidation

Subsidiaries

The Holding 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.

The Group combines the financial statements of the Holding Company 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 after initially being recognize at cost in the consolidated balance sheet.

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

(e) Functional currency:

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

(f) Rounding off

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

(g) 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.

2B. Summary of significant accounting policies

a) Segment reporting

Identification of segments:

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker. The 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 through Resolution Professional 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.

Intersegment transfers:

The Group generally accounts for inter-segment sales and transfers at cost plus appropriate margins.

Allocation of common cost

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

Unallocated items

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

Segment accounting policy

The 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.

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.

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.

d) Capital work-in-progress

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

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

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

Pursuant to the notification of Schedule II of the Companies Act, 2013, by the Ministry of Corporate Affairs, effective 1 April 2014, the management has reassessed and revised wherever necessary the useful lives of the assets, so as to align them with the ones prescribed under schedule II of the Companies Act, 2013. Management reviews the method and estimations of residual values at each financial 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	5-10
Office equipment	5
Vehicle	8
Computer equipment	3
Computer software	6

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

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

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

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

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.

The Group derives its revenue from sale, supply and installation of educational products & rendering of educational services and leasing out infrastructure facilities.

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

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

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

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

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the 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.

g) Investment and other financial assets

g.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

iii. Investment in equity of subsidiaries, joint ventures and associates are accounted and carried at cost less impairment in accordance with Ind AS 27.

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

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.

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

g.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.

g.3. Subsequent Measurement:

g.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 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.

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.

g.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 FVPL category are measured at fair value with all changes recognised in the Consolidated Statement of Profit and Loss.

Investments in joint ventures/associates

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

g.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 34 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.

g.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.

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.

h) Financial Liabilities

Borrowings

Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the 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 a 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 consolidated 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.

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.

Derecognition

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

i) Inventories

Inventories are valued at cost or net realisable value, whichever is lower. Cost of inventories comprises all cost of purchases inclusive of duties (except the refundable component) and other incidental expenses incurred in bringing such inventories to their present location and condition. In determining the cost, moving weighted average cost method is used. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale. The comparison of cost and net realizable value is made on item by item basis.

j) Trade receivables

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

k) Income taxes

Income tax expense for the year comprises of current tax and deferred tax. Income tax is recognized in the Consolidated Statement of Profit and Loss except to the extent that it relates to items recognized in 'Other comprehensive income' or directly in equity, 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 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.

Minimum Alternative Tax (MAT)

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

l) Leases

Operating lease

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

Where the 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 the 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 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.

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 Group's cash-generating units that are expected to benefit from the synergies of the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

If any indication of impairment exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made. Asset/cash generating unit whose carrying value exceeds their recoverable amount are written down to the recoverable amount by recognizing the impairment loss as an expense in the 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) 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.

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

q) Borrowing Cost

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

r) Contingent liabilities, contingent assets and provisions

Contingent liabilities

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the 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 Consolidated 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.

s) Equity and Reserves

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

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

t) Earnings per share

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

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

u) Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current liabilities in the balance sheet.

v) Employee benefits

Short term employee benefits

Short term benefits comprise of employee costs such as salaries, bonuses, and accumulated absences 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 absences 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.

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 consolidated 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 the Consolidated Statement of Profit and Loss on accrual basis. The Group has no further obligations under these plans beyond its monthly contributions.

w) Exceptional items

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

x) Measurement of fair values

A number of the accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

The 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 Group 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.

y) Recent accounting pronouncements

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

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

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

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

Step 1: Identify the contract(s) with a customer

Step 2: Identify the performance obligation in contract

Step 3: Determine the transaction price

Step 4: Allocate the transaction price to the performance obligations in the contract

Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

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

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

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

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

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

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

z) 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 consolidated financial statements.

Critical estimates and judgments

The areas involving critical estimates or judgments are:

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

  The estimated useful life of property, plant and equipment is based on a number of factors including the effects of obsolescence, demand, competition and other economic factors (such as the stability of the industry and known technological advances) and the level of maintenance expenditures required to obtain the expected future cash flows from the asset.

  The 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 consolidated 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 use in pricing the instrument. Where applicable data is not observable, management uses its best estimate about the assumptions that market participants would make. These estimates may vary from the actual prices that would be achieved in an arm's length transaction at the reporting date.

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

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Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

Note 3 Property plant and equipment

(Rs. In millions unless otherwise stated)

	Gross block					Accumulated depreciation					Net block
	Balance as at April 01, 2017	Additions	Disposals	Adjustment	Balance as at March 31, 2018	Balance as at April 01, 2017	Depreciation for the year	On disposals	Adjustment	Balance as at March 31, 2018	Balance as at March 31, 2018
Property plant and equipment											
Freehold land (refer note 3.1 and 3.8)	5,962.64	-	-	246.34	6,208.98	-	-	-	-	-	6,208.98
Leasehold land	101.86	-	-	-	101.86	2.50	1.25	-	-	3.75	98.11
Building	5,393.09	-	-	-	5,393.09	157.75	100.52	-	2.03	260.30	5,132.79
Leasehold improvements	9.16	-	-	(6.20)	2.96	5.31	0.61	-	(3.61)	2.31	0.65
Office equipment	51.57	0.28	-	(6.72)	45.13	29.19	4.41	-	(4.43)	29.17	15.96
Vehicles	2.95	-	-	-	2.95	1.18	0.11	-	-	1.29	1.66
Furniture and fixtures	113.79	-	-	(27.03)	86.76	55.17	13.25	-	(13.63)	54.79	31.97
Computers and equipment	63.64	0.08	-	(27.83)	35.89	30.03	4.68	-	(9.49)	25.22	10.67
Total	**11,698.70**	**0.36**	**-**	**178.56**	**11,877.62**	**281.13**	**124.83**	**-**	**(29.13)**	**376.83**	**11,500.79**

	Gross block					Accumulated depreciation					Net block
	Balance as at April 01, 2017	Additions	Disposals	Adjustment	Balance as at March 31, 2018	Balance as at April 01, 2017	Depreciation for the year	On disposals	Adjustment	Balance as at March 31, 2018	Balance as at March 31, 2018
Property plant and equipment											
Freehold land(refer note 3.1)	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**

Note:

3.1 Includes land amounting Rs. 1,408.56 million (March 31, 2017 Rs. 1,408.56 million) pending registration in the name of Educomp Infrastructure & School Management Limited (EISML), a subsidiary of the Holding Company.

3.2 As per Master Restructuring Agreement (MRA), the respective Companies of the Group under CDR, shall not sell any of its property, plant and equipment (PPE), 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 may sell its non-core assets, wherever applicable with prior approval of the Asset Sale Monitoring Committee.

3.3 Fixed Assets of the respective companies of group are part of security for various loan availed. [refer Note 18.5]

3.4 During the year ended March 31, 2018, the Holding Company has lost its control over 3 subsidiaries namely Edu Smart Services Private Limited (ESSPL), Educomp Asia Pacific Pte Limited (EAPL) and The Learning Internet Inc (L.com), for which loss of control accounting has been done in accordance with para 25 of Ind AS 110 "Consolidated Financial Statements" and accordingly Plant Property and Equipment of such subsidiaries have been de-recognized. For the year ended March 31, 2018, adjustment represents the said derecognition of assets

.3.5 Adjustments also includes foreign currency exchange translation adjustment on account of subsidiaries which have different functional currency.

3.6 For details of assets given on lease refer note 44.

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

3.8 During the year ended March 31, 2016, Educomp Infrastructure & School Management Limited (EISML) had entered into an agreement to sell the land at Dasna, Mysore and Sarjapur consequent to which the freehold land amounting to Rs 246.34 millions was reclassified as asset held for sale under other financial assets and the advance received amounting to Rs 15.94 millions against the sale of land was shown as other current liabilities as at March 31, 2016. As these agreement to sell were cancelled during the current year, EISML has reclassified such freehold land of Rs 246.34 million to fixed assets and shown as an adjustment in the current year.

Note 4 Capital work in progress

	Financial Year 2017-18					Financial Year 2016-17				
	Balance as at April 01, 2017	Additions	Capitalised during the year	Adjustment	Balance as at March 31, 2018	Balance as at April 01, 2016	Additions	Capitalised during the year	Adjustment	Balance as at March 31, 2017
Capital work in progress	457.82	-	(0.81)	-	457.01	476.06	139.36	(157.60)	-	457.82
Provision for Capital work in progress	(29.15)	-	-	-	(29.15)	(29.15)	-	-	-	(29.15)
Net block	**428.67**	**-**	**(0.81)**	**-**	**427.86**	**446.91**	**139.36**	**(157.60)**	**-**	**428.67**

Note 4.1 Capital work-in-progress (CWIP) represents expenditure incurred in respect of capital projects and are carried at cost.

Note 4.2 CWIP of Rs 20.00 million as of March 31, 2018 (previous year: Rs 20 million) (net of provision of Rs 29.15 million) pertains to the work performed by the Holding Company on the basis of a contract with the Chhattisgarh government. The Holding Company has completed the work on certain schools but progress payment has not been received as per the Contract. The Holding Company has initiated arbitration proceedings against the Directorate of Public Instruction, Government of Chhattisgarh, Raipur by appointing an Arbitrator invoking arbitration clause of Agreement dated January 27, 2011. The claim filed by the Holding Company before the Arbitrator was to recover the due amount along with the revocation of Bank Guarantee. After completion of Arbitration proceedings, the award was passed in favour of the Holding Company vide order dated March 21, 2017.
In order to execute the award, the Holding Company has filed an execution case under section 34 of the Arbitration Act before a commercial court. The Directorate of Public Instruction, Government of Chhattisgarh, Raipur appeared before the court and is contested the case. The Hon'ble Judge of the commercial court has held the mandate of the arbitral tribunal as null and void ab-initio and all the proceedings held by the arbitral tribunal have been quashed. The Management of the Holding Company is in the process of appealing the verdict of the commercial court.

Note 4.3 CWIP of Rs. 407.86 million as of March 31, 2018 (previous year: Rs. 407.86 million) pertains to development and construction expenses incurred by Educomp Infrastructure & School Management Limited (EISML) long back and for which no status is available with the management/RP of the Holding Company.

Note 5 Goodwill

	As at March31, 2018		As at March31, 2017	
	Goodwill on Consolidation	Goodwill on Purchase	Goodwill on Consolidation	Goodwill on Purchase
Opening Balance	10,212.84	30.46	10,550.80	59.00
Impairment Charge (refer note 5.1 below)	(9,480.28)	-	-	-
On account of Loss of Control (refer note 5.2 below)	(726.42)	(30.46)	(337.96)	(28.54)
	6.14	**-**	**10,212.84**	**30.46**

Note 5.1 The management has evaluated the goodwill for impairment, using business valuations performed by its own assessment, according to which the management is of the opinion that provision for impairment is considered necessary in respect of these goodwill. Accordingly impairment to the carrying value of its goodwill is recorded in the financial year ended March 31, 2018 (refer note 29B and note 41(a))

5.2 During the year ended March 31, 2018, the Holding Company has lost its control over 3 subsidiaries namely Edu Smart Services Private Limited (ESSPL), Educomp Asia Pacific Pte Limited (EAPL) and The Learning Internet Inc (L.com) and 1 step down subsidiary namely Educomp Learning Hour Private Limited (ELHPL), for which loss of control accounting has been done in accordance with para 25 of Ind AS 110 "Consolidated Financial Statements". Accordingly Goodwill on purchase of Rs 30.46 millions pertaining to ESSPL and goodwill on consolidation of Rs 653.20 millions and Rs 73.23 millions pertaining to L.com and ELHPL respectively has been de-recognized. Also refer note 40A.4 and Note 41(a).

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

(Rs. In millions unless otherwise stated)

Note 6 Other Intangible Assets

Current Year

	Gross block					Accumulated depreciation					Net block
	Balance as at April 01, 2017	Additions	Disposals	Other Adjustment	Balance as at March 31, 2018	Balance as at April 01, 2017	Amortization for the year	On disposals	Other Adjustment	Balance as at March 31, 2018	Balance as at March 31, 2018
Software	3.68	-	-	(0.51)	3.17	1.47	0.96	-	(0.51)	1.92	1.25
content (refer note 6.1)	1,118.00	-	-	(314.15)	803.85	665.03	133.24	-	(105.42)	692.85	111.00
Trade mark license	609.62	-	-	2.00	611.62	95.68	47.55	-	0.74	143.97	467.65
Total	**1,731.30**	**-**	**-**	**(312.66)**	**1,418.64**	**762.18**	**181.75**	**-**	**(105.19)**	**838.74**	**579.90**

Previous Year

	Gross block					Accumulated depreciation					Net block
	Balance as at April 01, 2016	Additions	Disposals	Other Adjustment	Balance as at March 31, 2017	Balance as at April 01, 2016	Amortization for the year	On disposals	Other Adjustment	Balance as at March 31, 2017	Balance as at March 31, 2017
Software	1.98	1.70	-	-	3.68	0.84	0.63	-	-	1.47	2.21
Knowledge-based content (refer note 6.1)	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	**1,659.04**	**114.35**	**14.56**	**(27.53)**	**1,731.30**	**472.36**	**307.93**	**2.76**	**(15.35)**	**762.18**	**969.12**

Note 6.1 Knowledge Based Contant includes internely generated asset

	Gross block					Accumulated depreciation					Net block
	Opening Balance	Additions	Disposals	Other Adjustment	Closing Balance	Opening Balance	Amortization for the year	On disposals	Other Adjustment	Closing Balance	Closing Balance
For the year ended March 31, 2018	669.85	-	-	(222.54)	447.31	480.38	51.43	-	(126.01)	405.80	41.51
For the year ended March 31, 2017	677.09	-	-	(7.24)	669.85	341.96	140.85	-	(2.43)	480.38	189.47

6.2 As per MRA, the respective Companies of Group under Corporate Debt Restructuring (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.
6.3 Intangible Assets of the Respective Companies of Group are part of security for various loan availed.

6.4 For the year ended March 31, 2018 Adjustment represents the derecognition of assets of three subsidiaries namely Edusmart Services Private Limited (ESSPL), Educomp Asia Pacific Pte Limited (EAPL) and The Learning Internet Inc (L.com) on account of loss of control. Also refer note 40A.4.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

Note 7 Non-current investments

(Rs. In millions unless otherwise stated)

Particuars	Number of shares/units as at		Face value	Proportion of the ownership interest		Amount as at March 31, 2018	Amount as at March 31, 2017
	March 31, 2018	March 31, 2017		March 31, 2018	March 31, 2017		
a) Investment in equity shares (accounted using equity method) (refer note 42)							
Unquoted							
i) Associate companies							
Greycells 18 Media Limited (refer note 7.1)	2,999,749	2,999,749	Rs. 10	25.78%	25.78%	66.54	78.74
Less: Provision for impairment in value of Investment (refer Note 29B)						(66.54)	-
Little Millenium Education Private Limited (refer note 7.1)	16,110,239	16,110,239	Rs. 10	48.29%	48.29%	197.82	195.12
ii) Joint venture companies							
Educomp Raffles Higher Education Limited (refer note 7.4)	-	1,577,588	Rs. 10	-	41.82%	-	572.80
b) Investment in others in equity instruments (at cost)							
Vidyamandir Classes Limited (refer note 7.3)	39,088	-	Rs. 10	-	-	277.97	-
Less: Provision for impairment in value of Investment (Refer Note 29B)						(249.17)	-
Educomp Raffles Higher Education Limited (refer note 7.4)	24,379	-	Rs. 10	-	-	-	-
Net value of Investment (Unquoted)						**226.62**	**846.66**
Aggregate carrying amount of quoted investments and market value thereof						-	-
Aggregate value of provision for impairment in value of investments (Refer Note 29B)						(315.71)	-

7.1 Shares are earmarked as per terms of Master Restructuring Agreement pursuant to CDR. (Refer note 18).

7.2 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.

7.3 Vidya Mandir Classes Limited (VMCL) ceased to be a subsidiary of the Holding Company w.e.f. July 25, 2016, even though 39,088 shares (referred to as Tranche B shares) proportionate to the outstanding consideration, continue to be in the name of the Holding Company. These shares are held 'in trust' by the Holding Company to be transferred to the KB Educational Society ("the Purchaser") on a pro-rata basis as the consideration is received. These shares are pledged with the ICICI Bank. Refer Note 31.5 for more details.

7.4 During the previous year ended March 31, 2017, the holding company had total investment of 41.82% in Joint venture namely Educomp Raffles Higher Education Limited (ERHEL), through two of its wholly owned subsidiaries i.e. 41.17% through Educomp Asia Pacific Pte Ltd. (EAPL) and 0.65% through Educomp Professional Education Limited (EPEL). During current year, the High Court of the Republic of Singapore, on the grounds of insolvency, vide its order dated June 30, 2017 has passed an order of compulsory winding up against EAPL pursuant to which liquidators have been appointed in EAPL. Hence, by virtue of Ind AS 110 "Consolidated Financial Statements" the holding company has lost its controlling power over EAPL leading to loss of significant influence in ERHEL as the investment of the Holding company in ERHEL has reduced to 0.65% from 41.82% during the year. Accordingly, ERHEL has ceased to be a Joint venture of the Holding Company as at March 31, 2018 and hence the same has been disclosed as an investment in others.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

Note 8 Loans

(Rs. In millions unless otherwise stated)

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non current	Current	Non current	Current
Security deposits				
Unsecured, considered good	23.04	10.52	52.49	357.08
Unsecured, considered doubtful	-	342.78	-	1.35
Less: Provision for doubtful	-	(342.78)	-	(1.35)
Earnest money deposits				
Unsecured, considered good	-	0.88	0.54	12.53
Unsecured, considered doubtful	-	9.93	-	9.93
Less: Provision for doubtful	-	(9.93)	-	(9.93)
Loans to employees				
Unsecured, considered good	-	16.46	-	27.03
Unsecured, considered doubtful	-	3.33	-	3.33
Less: Provision for doubtful	-	(3.33)	-	(3.33)
Loans to others				
Unsecured, considered good	365.63	175.73	506.14	219.64
Unsecured, considered doubtful	307.87	-	326.19	-
Less: Provision for doubtful	(307.87)	-	(326.19)	-
Total	**388.67**	**203.59**	**559.17**	**616.28**

For explanation on the group's credit risk management, please refer note 34.

Note 9 Other financial assets

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non current	Current	Non current	Current
Unsecured				
Lease recoverables [refer note 44.2(h)]	0.04	1.78	3.50	12.30
Margin money (refer note 9.1 below)				
- Considered Good	8.33	-	4.73	-
- Considered Doubtful	-	-	-	12.87
Less: Provision on doubtful margin money	-	-	-	(12.87)
Interest accrued but not due on loans				
- Considered Good	230.46	0.97	555.76	2.77
- Considered Doubtful	308.61	-	-	-
Less: Provision on doubtful interest	(308.61)	-	-	-
Unbilled revenue	-	-	-	47.61
Receivable against corporate guarantee (refer note 9.2 below)	-	258.19	-	-
Less: Allowance for doubtful advances	-	(258.19)	-	-
Asset held for sale (at lower of cost and net realisable value) (refer note 3.8)	-	-	-	246.34
Receivable against investment sold				
- Vidya Mandir Classes Limited (refer note 31.5)	-	-	602.43	-
- Educomp IntelProp Ventures Pte Limited	-	26.84	-	23.15
Total	**238.83**	**29.59**	**1,166.42**	**332.17**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Note 9.1 Margin money deposit are given against borrowings, letter of credit and bank guarantees including to revenue authorities.

9.2 This represents receivable recognised against the corporate guarantee given by the Holding Company on behalf of Edu Smart Services Private Limited (ESSPL), an erstwhile subsidiary, to a bank. Simultaneously a payable to the bank for the same amount is recognised as a liability against the guarantee given by the holding company (refer note 20).

ESSPL was a subsidiary of the Holding Company till March 31, 2017 and was consolidated. Whereas, during the current year ESSPL has filed for insolvency and Resolution Professional has been appointed due to which the Holding Company has lost control over it. Hence ESSPL has not been considered for consolidation and the amount of receivable against corporate guarantee has not been eliminated in current year.

9.3 For explanation on the companies credit risk management please refer note 34.

Note 10 Tax assets

Particulars	As at March 31, 2018		As at March 31, 2017	
	Non current	Current	Non current	Current
Advance income tax (net of provision for tax)	87.75	51.65	147.74	51.56
	87.75	**51.65**	**147.74**	**51.56**

Note 11 Other non-current assets

Particulars	As at March 31, 2018	As at March 31, 2017
Capital advances		
- considered good	8.77	509.36
- considered doubtful	4,265.71	4,027.15
Less: Provision for doubtful advances	(4,265.71)	(4,027.15)
Balance with government authorities		
- considered good	-	131.82 -
- considered doubtful	19.88	20.87
Less: Provisions for balance with government authorities	(19.88)	(20.87)
Prepaid expenses	91.56	97.99
	100.33	**739.17**

Note 12 Inventories (valued at lower of cost and net realisable value)

Particulars	As at March 31, 2018	As at March 31, 2017
Work-in-progress (A)	11.23	11.23
Stock in trade		
- Technology equipment	125.54	768.69
- Educational products	14.57	14.57
	140.11	**783.26**
Less: Provision for obsolescence (refer note 12.1 below)	(93.34)	(687.32)
(B)	**46.77**	**95.94**
Total (A+B)	**58.00**	**107.17**

Note: 12.1
Provision for obsolescence comprises:

Particulars	As at March 31, 2018	As at March 31, 2017
Educomp Solutions Limited	93.34	38.11
Edu Smart Services Private Limited (ESSPL) (Refer note 12.2)	-	649.21
Total	**93.34**	**687.32**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

12.2 During the previous year ended March 31, 2017, Edu Smart Services Private Limited (ESSPL) had 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. During current year the holding company has lost control over ESSPL hence the same has not been considered for consolidation in preparing these consolidated financial statements. Also, refer Note 40A.4.

12.3 Stock in trade includes inventory of Rs 17.80 million which pertains to Educomp School Management Limited (ESML), subsidiary of Holding Company, and comprises educational books. Such inventory is outstanding for more than three years. The ESML has not made any provision for obsolence as these are curriculum books and the management of ESML estimates its net realisable value more than its cost.

Note 13 Trade receivables

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured		
Considered good		
Trade receivable	2,694.16	6,683.50
Receivables from related parties - refer (i) below	9.21	48.95
	2,703.37	**6,732.45**
Considered doubtful		
Trade receivable	15,363.40	7,303.48
Less: Provision for doubtful debts (also, refer note 48)	(15,363.40)	(7,303.48)
	2,703.37	**6,732.45**

(i) Trade receivable from related parties comprise:

Particulars	As at March 31, 2018	As at March 31, 2017
Receivable from Joint Venture		
Educomp Raffles Higher Education Limited	-	0.02
Receivable from associate		
Little Millenium Education Private Limited	0.26	0.26
Receivable from others		
Healthsetgo Services Private Limited	-	1.23
Learning Leadership Foundation	0.14	38.51
League India Education Foundation	8.79	8.79
Siya Ram Educational Trust	0.02	-
Learning Links Foundation	-	0.14
	9.21	**48.95**

(ii) For terms and conditions of transactions with related party refer note 37

(iii) No trade receivables are due from directors or other officers of the company either severally or jointly with any other person or from any firms or private companies in which any director is a partner, a director or a member.

(iv) For explanation on the company's credit risk management, please refer note 34

Note 14.1 Cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017
Balances with banks		
- in current accounts	312.21	930.95
Cheques/drafts on hand	-	5.15
Stamp-in-hand	0.89	0.89
Cash on hand	1.74	2.26
	314.84	**939.25**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Note 14.2 Bank balances other than cash and cash equivalents

Particulars	As at March 31, 2018	As at March 31, 2017
Unpaid dividend account	0.61	1.08
Deposit with original maturity of more than three months but less than twelve months	21.03	0.12
Margin money deposit (refer note below)	6.26	15.93
	27.90	**17.13**

Note:

Margin Money Deposits are given against borrowings, letter of credit and bank guarantees including to revenue authorities.

Note 15 Other current assets

Particulars	As at March 31, 2018	As at March 31, 2017
Unsecured considered good, unless stated otherwise		
Advance to suppliers		
- considered good	9.62	31.96
- considered doubtful	58.17	38.30
Less: Provision for doubtful advances	(58.17)	(38.30)
Advance to others (Refer note 15.1 below)	0.10	-
Receivable from employees	0.59	0.42
Security Deposits	0.82	0.82
Prepaid expenses	25.14	142.97
Balance with government authorities	35.21	20.83
	71.48	**197.00**

15.1 Includes advances to related parties as follows:

Education Quality Foundation of India	0.10	-
Total	**0.10**	**-**

15.2 For explanation on the company's credit risk management, please refer note 34.

Notes 16 Equity share capital

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

c) **Movement in equity share capital**

Particulars	Year ended March 31, 2018		Year ended March 31, 2017	
	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**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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

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

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

No equity shares has been issued by way of bonus shares during the said period.

No equity shares fully paid up has been issued pursuant to contract(s) without payment being received in cash during the said period

No equity shares bought back pursuant to section 68, 69 and 70 of the Act during the said period.

g) Share reserved for issue under option/contracts

For details of shares reserved for issue on conversion of Zero Coupon Foreign Currency Convertible Bonds (refer note 18)

For details of shares reserved for issue on employee stock option, (refer note 39)

For details of shares reserved for issue to lender banks as per CDR scheme, (refer note 18.5)

Note 17 Other Equity

(A) Equity component of compound financial instruments

Particulars	As at March 31, 2018	As at March 31, 2017
Equity component of compound financial instruments (Refer note 17.1)	524.45	524.45
Total	**524.45**	**524.45**

(B) Reserves & Surplus (Refer note 17.2)

	As at March 31, 2018	As at March 31, 2017
Security premium reserves	19,928.01	19,928.01
General reserves	1,580.80	1,521.47
Employee stock option outstanding account	22.11	80.84
Capital reserves	451.28	451.28
Retained earnings	(45,574.29)	(19,898.36)
Foreign currency monetary items translation difference account	(392.57)	(512.23)
Other comprehensive income - Foreign currency translation reserve	(174.59)	(168.93)
Total	**(24,159.25)**	**1,402.09**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018
Notes

(Rs. In millions unless otherwise stated)

17.1 Movement of Other Equity

Equity component of compound financial instruments

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Opening Balance	524.45	502.72
Add: Additions during the year (refer note 18.3 & 18.4)	-	21.73
Total	**524.45**	**524.45**

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.

17.2 Reserves & Surplus

(i) Securities premium reserves

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Opening Balance	19,928.01	19,928.01
Closing Balance	**19,928.01**	**19,928.01**

(ii) General reserve

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Opening Balance	1,521.47	1,514.08
Add: Other Adjustments	-	(20.72)
Add: ESOP cost reversal on forfeiture	59.33	28.11
Closing Balance	**1,580.80**	**1,521.47**

(iii) Employee stock option outstanding account

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Opening Balance	80.84	95.16
Add: Employee stock compensation provided	0.60	13.79
Less: Employee stock compensation reversed	(59.33)	(28.11)
Closing Balance	**22.11**	**80.84**

(iv) Capital Reserve

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
On consolidation		
Opening Balance	39.62	102.56
Add: Adjustment during the year	-	(62.94)
Closing Balance	39.62	39.62
Others		
Opening Balance	411.66	411.66
Closing Balance	411.66	411.66
Total	**451.28**	**451.28**

(v) Retained Earnings

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Opening balance	(19,898.36)	(16,602.88)
Add: Loss for the year	(25,402.93)	(3,328.68)
Add: transfer to retained earnings	-	12.49
Less: Impact of loss of control in a subsidiary	(273.00)	-
Less: other adjustments*	-	20.72
Closing Balance	**(45,574.29)**	**(19,898.36)**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

*During the previous year ended march 31, 2017, the Holding company had lost control over Vidya Mandir Classes Limited for which loss of control accounting was done in accordance with Ind AS 110 "Consolidated Financial Statements". At the time of loss of control accounting excess amount of Rs. 20.72 million was adjusted from retained earnings instead of general reserve which has now been corrected by restatement of respective previous year figures.

(vi) Foreign currency monetary item translation difference account (FCMITDA)

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

(vii) Other comprehensive income - Foreign currency translation reserve

Particulars	Year Ended March 31, 2018	Year Ended March 31, 2017
Opening Balance	(168.93)	(187.42)
Net movement in FCTR during the year	(5.66)	18.49
Closing Balance	**(174.59)**	**(168.93)**

Securities Premium Reserve

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

Employee stock option outstanding account

The share options outstanding account is used to recognise the grant date fair value of options issued to employees under different Employee stock option plans issued by the company. (refer note 39)

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.

General reserve

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

Note 18 Borrowings

18.1 Non-current borrowings

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Secured		
Bonds and debentures		
13.25%, 100 Non Convertible Debentures of Rs. 1,000,000 each	100.00	100.00
13.50%, 350 Non Convertible Debentures of Rs. 1,000,000 each	350.00	350.00
10 Zero Coupon Foreign Currency Convertible		
Bonds of $ 1,000,000 each (refer note 18.3 below)	866.15	848.46
Term loans		
from banks	25,165.44	27,606.22
from others		
- Financial institutions (refer note 18.1.1 below)	-	158.32
- External commercial borrowings	4,553.57	4,538.70

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

(ii) Unsecured		
Loan from related parties (refer note 18.1.2 & 18.4 below)	188.65	188.65
Loan from other parties	359.03	815.12
Less: Current maturities of long term borrowings (refer note 20)	(31,388.36)	(25,356.82)
	194.48	**9248.65**

Notes:

18.1.1 Term loans from financial institutions amounting to Rs 158.32 million reflecting in previous year ended March 31, 2017 pertains to Edusmart Services Private Limited (ESSPL), subsidiary of the Holding Company till March 31, 2017, During current year, the Holding company has lost control over ESSPL hence it has not been considered for consolidation in preparing these consolidated financial statements. Therefore, the loan amount of Rs 158.32 million has been derecognised and not carried forward during the current year. Also refer note 40A(4).

18.1.2 Refer note 37 for terms and conditions of transaction with related parties.

18.1.3 Refer note 18.5 for details of security & terms of long term borrowings.

18.2 Current borrowings

Particulars	As at March 31, 2018	As at March 31, 2017
(i) Secured		
Term loan		
- from bank	88.18	78.63
Borrowing repayable on demand		
Bank overdrafts	1,237.99	1,257.49
(ii) Unsecured		
Loans from other parties	12.00	12.00 .
Total	**1,338.17**	**1,348.12**

Refer note 18.5 for details of security & terms of current borrowings.

Liability component of compounded financial instruments

18.3 Foreign Currency Convertible Bond (FCCB)

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

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

18.4 Promoters contribution

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

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

Educomp Solutions Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018
(Rs. In millions unless otherwise stated)

Note 18 .5 Particulars of security, interest and terms of repayment of Loans taken by the Group are as follows :

Particulars	Amount Outstanding as at		Terms of repayment		Security	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Bonds, Debentures & External Commercial Borrowings						
Non Convertible Debentures (NCD)	450.00	450.00	NCD aggregating Rs. 350.00 million and Rs. 100.00 million were issued on May 24, 2012 and July 20, 2012 respectively and are repayable at par on May 24, 2019 and July 20, 2019 respectively. Further, the investors have put option on May 24, 2017 and July 24, 2017, five years from their respective dates of issue.		- Pari-passu charge with the CDR lenders, without any preference or priority to one over the other or others. (The Company has created partial security on the assets of the Company and is taking necessary steps to create security in respect of these debentures.)	
Foreign Currency Convertible Bonds (FCCB)-Debt component of compounded financial instrument	Refer note 18.3 above				Second charge on following assets · 51% of the fully paid up equity shares of EISML held by the Company.	
External Commercial Borrowings (ECB)	4,553.57	4,538.70	Repayable in 11 half yearly equal installments of USD 6.36 million starting from January 15, 2016 and ending January 15, 2021.		First charge on following assets · 51% of the fully paid up equity shares of the EISML held by the Company.	
Term Loans & Working Capital Loan from Banks - CDR (Secured)						
Term loan (a)	102.40	102.40	Repayment in 10 quarterly equal installments of Rs. 10.25 million commencing from quarter ended December 31, 2015 and ending in quarter ending 31 March 2018.		-First pari passu charge on all fixed assets (movable and immovable) of the company, both present and future. - First pari passu charge on all the, intangible assets including without limitation computer software and knowledge based content, current assets, other non current assets and other receivables and unencumbered receivables of ESSPL, both present and future. - First charge on the borrower's bank accounts, including but not limited to Trust & Retention Account. - Pledge of all unencumbered shares held by the Promoters Group in company. - Pledge of all unencumbered shares held by company in various companies. - Pledge of all unencumbered shares of subsidiaries of the borrower held by Mr. Shantanu Prakash in the share capital of such subsidiaries. - Unconditional & irrevocable Personal Guarantees from Mr.Shantanu Prakash & Mr. Jagdish Prakash and Corporate Guarantee of ESSPL. - First pari-passu charge by way of mortgage of personal property of Mr. Shantanu Prakash situated at Residential Plot No. P-63, Sector 56, Gurgaon, Haryana.	
Term loan (b)	216.39	216.39	Repayment in 30 quarterly structured installments after moratorium of 30 months from the cut-off date i.e. April 01, 2013 commencing from quarter ended December 31, 2015 and ending in quarter ending March 31, 2023. installments Amount per Inst. 1-2 93.29 3-14 139.94 15-30 174.92			
Term loan (c)	309.85	309.85				
Term loan (d)	204.07	204.07				
Term loan (e)	62.72	62.72				
Working capital term loan	2,837.33	2,837.33				
Funded interest term loan - FITL	910.34	910.34				
Term loan (f)	2,813.00	2,813.00	Repayment in 30 quarterly structured installments after moratorium of 30 months from the cut-off date i.e. April 01, 2013 commencing from quarter ended December 31, 2015 and ending in quarter ending March 31, 2023. installments Amount per Inst. 1-2 357.85 3-14 536.77 15-30 298.21			
Term loan (g)	4,550.00	4,550.00				
Term loan (h)	397.65	397.65				
Term loan (i)	1,960.00	1,960.00				
Term loan (j)	1,171.16	1,171.16				
Term loan (k)	947.83	947.83				
Working capital facility (a) (Refer note xi)	1,191.47	1,186.87	Payable on demand			

Educomp Solutions Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018
(Rs. In millions unless otherwise stated)

Note 18 .5 Particulars of security, interest and terms of repayment of Loans taken by the Group are as follows :

Particulars	Amount Outstanding as at		Terms of repayment		Security	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Term loan {Loan taken by Educomp Infrastructure and School Management Limited (EISML)} (l) (Refer note xiii)	6,874.89	6,881.29	- Carries interest linked to respective banks BPLR. Spread ranging from 0.25% to 6.20%. Repayable in unequal pre - scheduled 52 quarterly installments starting June 2016 till March 2029	- Carries interest linked to respective banks BPLR. The same is fixed at 11% for FY 2013-14, 2014-15 and 2015-16. - Rs.1,162.81 Million 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, 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 '- 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 EISML 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) (Refer note xii & xiii)	1,008.00	1,002.61	- Carries interest linked to respective banks BPLR. Spread ranging from 0.25% to 6.20%. Repayable in unequal pre - scheduled 52 quarterly installments starting June 2016 till March 2029	- Carries interest linked to respective banks BPLR. The same was fixed at 11% for FY 2013-14 and 2014-15. - Rs.21.76 Million is repayable on 15th January 2016. - 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.	
Term Loans & Working Capital Loan from Banks other than CDR (Secured)						
Term loan (n)	300.00	300.00	Balance repayable in 2 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	

Educomp Solutions Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018
(Rs. In millions unless otherwise stated)

Note 18 .5 Particulars of security, interest and terms of repayment of Loans taken by the Group are as follows :

Particulars	Amount Outstanding as at		Terms of repayment		Security	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Term loan (o)	359.80	359.80	Repayable in 14 unequal quarterly installments commencing from quarter ended December 31, 2015 and ended in quarter ending March 31, 2019.		-First ranking pari passu charge on the entire current assets of the Company. -Second pari-passu charge over the fixed assets of the Company. -Personal guarantee of the Mr. Shantanu Prakash and Mr. Jagdish Prakash and equitable mortgage on one of the personal property of Mr. Shantanu Prakash.	
Loan from Banks [Loan taken by Educomp Asia Pacific Pte Ltd. (EAPL)] (p) (Refer note xiii)	-	954.10	Not Applicable	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	Not Applicable	-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.) (b) (Refer note xi)	46.52	70.62	Repayable on demand		- 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 Group. - Subservient charge on all present and future movable fixed assets and exclusive charge on entire intangible assets of the Group. - Unconditional and irrevocable personal gurantee of promoter Mr. Shantanu Prakash	
Term Loan - From Bank [Loan Taken by Educomp Learning Hour Pvt. Ltd.(ELHPL)] (q) (Refer note xiii)	-	333.33	Not Applicable	One time repayment on or before 31st March, 2017. Rate of interest @11%	Not Applicable	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% 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 ESPL. -Corporate guarantee of Vidya Mandir Classes Ltd to the extent of 67% of profits. -Personal guarantee of Mr. Shantanu Prakash.
Term Loan - From Bank [Loan Taken by Educomp Learning Hour Pvt. Ltd.(ELHPL)] ('r) (Refer note xiii)	-	400.00	Not Applicable	One time repayment on or before 31st March, 2017. Rate of interest @11%		

Educomp Solutions Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018
(Rs. In millions unless otherwise stated)

Note 18 .5 Particulars of security, interest and terms of repayment of Loans taken by the Group are as follows :

<table>
<tr><th rowspan="2">Particulars</th><th colspan="2">Amount Outstanding as at</th><th colspan="2">Terms of repayment</th><th colspan="2">Security</th></tr>
<tr><th>March 31, 2018</th><th>March 31, 2017</th><th>March 31, 2018</th><th>March 31, 2017</th><th>March 31, 2018</th><th>March 31, 2017</th></tr>
<tr><td>Term Loan - From Bank [Loan Taken by Knowledge Vistas Ltd. (KVL] (s)</td><td>140.00</td><td>140.00</td><td colspan="2">Payable with in 60 days of Notice dated August 04, 2016 under section 13 (2) of the SRFAESI Act, 2002.</td><td colspan="2">-Primary- exclusive first charge on moveable and immobavle property of the company.
-The Company 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 the company
-Irrevocable and unconditional corporate guarantees of Lavasa Corporation Limited inproportion to their share holding.</td></tr>
<tr><td>Loan From Bank (Loan Taken by Educomp Software Ltd.) (t) (Refer note xi)</td><td>88.18</td><td>78.63</td><td colspan="2">Repayment in four equal quarterly installments starting from December, 2016.</td><td colspan="2">- 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.</td></tr>
<tr><td>Term loan (Taken by Edusmart Services Pvt. Ltd.) (u) (Refer note xiii)</td><td>-</td><td>163.20</td><td>Not Applicable</td><td>-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.</td><td>Not Applicable</td><td>-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</td></tr>
<tr><td>Term loan (Taken by Edusmart Services Pvt. Ltd.) (v) (Refer note xiii)</td><td>-</td><td>86.90</td><td>Not Applicable</td><td>The term Rupee loan to be repaid in 11 quarterly instalments starting from march, 2015</td><td>Not Applicable</td><td>- 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.</td></tr>
</table>

Educomp Solutions Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018
(Rs. In millions unless otherwise stated)

Note 18 .5 Particulars of security, interest and terms of repayment of Loans taken by the Group are as follows :

Particulars	Amount Outstanding as at		Terms of repayment		Security	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Term loan (Taken by Edusmart Services Pvt. Ltd.) (w) (Refer note xiii)	-	324.64	Not Applicable	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.	Not Applicable	- 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) (Refer note xiii)	-	158.32	Not Applicable	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.	Not Applicable	- 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.) (y) (Refer note xiii)	-	177.59	Not Applicable	The term Rupee loan to be repaid in 19 quarterly instalments starting after 3 months of disbursement.	Not Applicable	- 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 ESPL on pari passu basis with other lenders.
Loan from others-unsecured						
From others - unsecured (a)	353.20	349.64	There are two loans to repayable in 26 & 45 unequal monthly installments as per their repayment schedules.		Not Applicable	
From others - unsecured (b) (Refer note xi)	12.00	12.00	Rs. 12.00 million is over due as on Balance Sheet date.		Pledge of shares of the Company held by Mr. Shantanu Prakash.	
From others - unsecured (c)	Refer note 18.4	Refer note 18.4	Interest free loan repayable after final settlement date as per CDR MRA.		Not Applicable	

Educomp Solutions Limited
Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018
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Note 18 .5 Particulars of security, interest and terms of repayment of Loans taken by the Group are as follows :

Particulars	Amount Outstanding as at		Terms of repayment		Security	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
From others - unsecured (d) (SAVVICA Inc.)	5.83	5.61	Repayble on demand		Not Applicable	
From others - unsecured (e) Edusmart services private limited (Refer note xiii)	-	6.15	Not Applicable	Interest free loan repayble after repayment of SICOM loan facility	Not Applicable	
From others - unsecured [Loan Taken by Educomp Learning Hour Pvt. Ltd.(ELHPL)] (f) , (Refer note xiii)	-	453.72	Not Applicable	To be payable over the period of three years as and when demanded. Rate of interest at 9%.	Not Applicable	

Notes:

(i) Term loan (a) to (k), working capital term loan, funded interest term loan, working capital facility are at interest rate of ranging 10% to 13% p.a. (March 31, 2017 10% to 13% p.a.)
(ii) Term loan (n) to (o), are at varying rate of interest ranging from 9% to 11% p.a. (March 31, 2017 9% to 11% p.a.) and unsecured loan (f) from others are at rate of interest Nil (March 31, 2017 9% to 11% p.a.)
(iii) Term loans (p) is at interest rate of Nil (March 31, 2017 LIBOR + 3.50% p.a.)
(iv) FCCB are zero coupon bonds and do not carry interest.
(v) ECB are at interest rate of 4.5% p.a.+LIBOR (March 31, 2017 4.5% p.a.+LIBOR)
(vi) Non Convertible Debentures are at interest rate ranging from 13.25% to 13.50% p.a. (March 31, 2017 13.25% to 13.50% p.a.)
(vii) Aggregate of loan amount guaranteed by promoter Mr. Shantanu Prakash and Mr. Jagdish Prakash Rs. 26,351.60 million (March 31, 2017 Rs. 27,095.89 million)
(viii) On April 01, 2017 The holding company has lost control over one of its subsidiary namely Edu Smart Services Private Limited (ESSPL) consequent to which ESSPL has ceased to be a related party of the group. Therefore the aggregate of loan amount guaranteed by ESSPL of Rs. 17,674.23 million has been considered (March 31, 2017 17,669.62 million)
(ix) Term loan (q) and (r) and Term loan (u) to (y) are at varying rate of interest Nil. (March 31, 2017 11.00% to 15.75 p.a.) and Term loan (s) are at varying rate of interest 11.00% to 15.75 p.a.. (March 31, 2017 11.00% to 15.75 p.a.)
(x) Loans from other unsecured (a) and (b) are at varying rate of interest ranging from 12.50% to 18.00%p.a. (March 31, 2017 12.5% to 18.00%p.a.)
(xi) Working capital facility (a) to (b), term loan (t) and loan from others unsecured (b) constitute short term borrowings.
(xii) Amount due during the year ended March 31, 2017 was converted into 7,866 0.10% Cumulative Compulsory convertible prefernce shares of Rs. 100/- each at a premium of Rs. 16,987/- per share.
(xiii) Term loans (q) and (r) and Term loan (u) to (y) and Term loan (p), unsecured loan (e) and (f) from others, reflecting in previous year ended March 31, 2017 pertains to Edusmart Services Private Limited (ESSPL), Educomp Asia Pacific Pte Limited. (EAPL) and a step down subsidiary Educomp Learning Hour Private Limited respectively as mentioned, during current year as the Holding company has lost control over such subsidiaries hence such subsidiaries has not been considered for consolidation in preparing these consolidated financial statements. Therefore the same has not been carried forward during the current year. Also refer note 40(A)(a).

(xiii) Corporate debt restructuring scheme- ESL

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

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

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

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

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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Note 18.5 Particulars of security, interest and terms of repayment of Loans taken by the Group are as follows :

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

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

Corporate debt restructuring scheme- EISML

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

During the year 2016-17, the Company has entered into "Flexi Scheme 5-25" with its lenders and repayment of the loan is restructured.

Note 18.6 Details of continuing default in repayment of loan or interest as at March 31, 2018 is given below:

Holding Company

a) Details of defaults of principal and interest for loans payable during the year

FY 2017-18

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	-	-	19,500.34	-
Interest	-	-	511.59	-
	-	**-**	**20,011.93**	**-**

FY 2016-17

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	-
Interest	626.01	502.47	992.59	-
	1,785.18	**1,262.90**	**2,912.45**	**-**

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

FY 2017-18

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	-	-	19,500.34	5,068.61
Interest	-	-	511.59	3,021.46
	-	**-**	**20,011.93**	**8,090.07**

FY 2016-17

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**

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

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

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018
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Note 18 (6). Details of continuing default in repayment of loan or interest as at March 31, 2018 is given below:
Holding Company

a) Details of defaults of principal and interest for loans payable during the year

FY 2017-18

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	-	-	19,500.34	-
Interest	-	-	511.59	-
	-	**-**	**20,011.93**	**-**

FY 2016-17

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	-
Interest	626.01	502.47	992.59	-
	1,785.18	**1,262.90**	**2,912.45**	**-**

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

FY 2017-18

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	-	-	19,500.34	5,068.61
Interest	-	-	511.59	3,021.46
	-	**-**	**20,011.93**	**8,090.07**

FY 2016-17

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**

c) The above defaults are not remedied before the financial statements were approved.
*The above amounts reflect the contractual undiscounted cash flows, which may differ from the carrying values of the borrowings at the reporting date.

Other than Holding Company

a) Details of defaults of principal and interest for loans payable during the year

FY 2017-18

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	-	-		
Interest	-	-		
	-	-	-	-

FY 2016-17

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	-	-	831.33	3,380.31
Interest	-	-	280.00	593.66
	-	**-**	**1,111.33**	**3,973.97**

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

FY 2017-18

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	-	-	-	-
Interest	-	-	-	-
	-	-	-	-

FY 2016-17

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**

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

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

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Note 19 Trade Payables

Particulars	As at March 31, 2018	As at March 31, 2017
Trade Payables		
- due to micro and small enterprises (refer note 45)	9.89	7.90
- due to		
- others	1,236.66	1,526.18
- related parties*	40.43	21.75
Total	**1,286.98**	**1,555.83**
***Includes following related party trade payables (refer note 37)**		
Other related parties		
DSK Legal	-	1.51
V. K. Dandona	-	0.20
Unnati Educational Trust	40.43	20.04
	40.43	**21.75**

*Refer note 37 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 20 Other current financial liabilities

Particulars	As at March 31, 2018	As at March 31, 2017
Current maturities of long term debts - ECB*	4,553.57	4,538.70
Current maturities of long term debts - FCCB *	866.15	848.46
Current maturities of long term debts - Term Loans*	25,165.44	19,170.02
Current maturities of long term debts - Non- Convertible Debentures*	450.00	450.00
Current maturities of long term debts - from other parties*	353.20	349.64
Payables against corporate guarantee (refer note 9.2)	258.19	-
Interest accrued and due (refer note 20.1 below)	4,516.96	3,589.57
Interest accrued but not due	1.38	279.96
Interest accrued and due to micro and small enterprises	5.62	-
Employee related payables	352.18	358.92
Security deposits	27.30	1.27
Unpaid dividend	0.61	1.08
Capital creditors	16.16	38.53
Retention money	1.00	1.00
Expenses payable	44.42	102.36
Total	**36,612.18**	**29,729.51**

*Refer note 18 Note 20.1: In respect of the Holding Company, during the current year ended March 31, 2018, the interest on bank and other loans has been accrued only upto the date of commencement of CIRP process i.e. May 30, 2017. The interest for the remaining period which works out to be Rs 2,167.83 million has not been accrued.

Note 21 Provisions

Particulars	Year ended March 31, 2018		Year ended March 31, 2017	
	Non Current	Current	Non Current	Current
Provisions for employee benefits				
Provisions for gratuity (refer note 21.1 below)	7.80	4.09	43.62	2.08
Provisions for leave encashment	1.15	0.57	0.65	3.48
Other Provisions				
Provisions for warranties (refer note 21.2 below)	-	-	-	261.13
Total	**8.95**	**4.66**	**44.27**	**266.69**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Note 21.1 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, 2018	March 31, 2017
Current service cost	2.11	10.02
Net interest cost	2.49	5.99
Total expenses recognised in the Statement of Profit and Loss*	**4.60**	**16.01**
Remeasurement actuarial (gain) / loss from changes in financial assumptions	(7.93)	2.22
Remeasurement actuarial (gain) / loss from changes in demographic assumptions	(1.59)	0.02
Remeasurement actuarial (gain) / loss arising from Experience Adjustment	2.06	(26.85)
Total amount recognised in the Other comprehensive income	**(7.46)**	**(24.61)**

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

Particulars	Gratuity-Unfunded	
	Year Ended March 31, 2018	Year Ended March 31, 2017
Present value of obligation as at the beginning of the year	45.70	77.32
Impact of transfer of holding	(8.42)	(1.95)
Interest cost	2.49	5.99
Current service cost	2.11	9.24
Benefit paid	(21.61)	(20.45)
Actuarial (gain)/loss	(8.38)	(24.45)
Present value of obligation as at the end of the year	**11.89**	**45.70**
Current	4.09	2.08
Non current	7.80	43.62

c) Principal actuarial assumptions at the Balance Sheet date:

Particulars	March 31, 2018	March 31, 2017
Discount rate*	7.71%-7.73%	7.35%-8.50%
Expected rate of increase in salary**	0%-8.00%	6.50%-8.50%
Demographic assumptions		
i) Retirement age (Years)	58	58-62
ii) Mortality table	IALM(2006-08)	IALM(2006-08)
iii) Ages	**Withdrawal Rate (%)**	
Up to 30 Years	5-22	3-8
From 31 to 44 years	2-51	2-5
Above 44 years	1	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 21.2 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 estimated the provision for warranties based on historical warranty claim information. Any recent trends may suggest future actual claims could differ from historical amount.

Reconciliation of opening and closing balance of provisions for warranties

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

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

* As at March 31, 2018, there were no products which were still under warranty.

Note 22 Other liabilities

Particulars	Year ended March 31, 2018		Year ended March 31, 2017	
	Non Current	Current	Non Current	Current
Advances from customers (refer note (i) & (ii) below)	-	252.04	186.76	605.70
Income received in advance	-	-	-	528.82
Advance against sale of fixed assets held for sale (also, refer note 3.8)	-	15.00	-	30.94
Statutory dues	-	7.64	-	26.17
Total	**-**	**274.68**	**186.76**	**1,191.63**

(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, 2018. As per the opinion taken by the management from expert, such deposits are outside the purview of Section 2(31) and Section 73-74 of the Companies Act, 2013 read with Rule 2(1)(c) of the Companies (Acceptance of Deposits) Rules, 2014.

(ii) Includes advances from related parties*

Particulars	As at March 31, 2018	As at March 31, 2017
Shri Hare Educational Trust	0.37	0.44
Vigyan Education Trust	0.60	0.60
Shri Vasudev Education Trust	-	0.03
	0.97	**1.07**

* for terms and conditions for transaction with related party refer note 37

Note 23 Revenue from operations

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Sale of educational products and technology equipment	33.79	583.08
Education and other services	675.49	1,996.41
Lease rent (refer note 44.2)	207.80	344.67
	917.08	**2,924.16**

Notes: 23.1 For related party transactions and terms and conditions thereto refer note 37.
23.2 Also, refer note 47

Note 24 Other income*

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest income on		
- Fixed deposits	1.60	4.36
- Financial instruments measured at amortised cost	1.33	322.54
- Loans given	55.27	88.55
- Others	10.97	29.53
Profit on sale of property, plant & equipment	-	153.07
Provisions no longer required written back	32.60	197.80
Advance against fixed assets held for sale written back	15.94	-
Foreign exchange gain (net)	-	1.24
Sub-lease rental (Note 44.2)	10.76	4.84
Service tax refund received	13.47	-
Miscellaneous Income	8.25	48.07
	150.19	**850.00**

*for related party transactions and terms and conditions thereto refer note 37.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Note 25 Purchase of stock-in-trade

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Technology equipment & accessories	29.26	351.44
Educational products	6.67	111.69
	35.93	**463.13**

Note 26 Change in inventories of work in progress and stock-in-trade

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Opening balances		
Work in progress	**11.23**	**11.23**
Stock-in-trade		
Technology equipment	81.37	763.25
Less: transfer to FA/Repair	(30.20)	-
Educational products	14.57	58.82
	76.97	**833.30**
Closing balances		
Work in progress	11.23	11.23
Stock-in-trade		
Technology equipment	32.20	81.37
Educational products	14.57	14.57
	58.00	**107.17**
Add: Adjustment pursuant to loss of control in subsidiary	-	11.36
Add: Provision for obsolescence inventory (refer note 31)	-	649.21
	58.00	**767.74**
Decrease in inventories of work in progress and stock-in-trade	**18.97**	**65.56**

Note 27 Employee benefit expenses

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Salaries wages and bonus	362.36	1,268.75
Contribution to provident and other funds*	21.86	51.06
Gratuity expenses (Note 21.1)	4.60	4.75
Employee Stock Option Plan amortisation cost (refer note 39)	0.60	13.79
Staff welfare expenses	2.74	6.91
	392.16	**1,345.26**

* Contribution to provident and other funds comprise:

Defined contribution plan	Year ended March 31, 2018	Year ended March 31, 2017
Employer’s contribution to provident fund (including admin charges)	14.34	43.00
Employer’s contribution to employee state insurance	6.96	6.77
Employer’s contribution to employee deposit linked insurance fund	0.50	1.23
Employer’s contribution to labour welfare fund	0.06	0.06
	21.86	**51.06**

Note 28 Finance cost

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Interest expense on		
- borrowings (refer note 20.1)	1,319.80	3,637.11
- financial instruments measured at amortised cost	18.76	96.78
- delay in payment of income tax	0.05	0.30
Other borrowing charges	7.20	16.59
	1,345.81	**3,750.78**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Note 29A Depreciation and amortisation expense

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on property, plant and equipment (Refer note 3)	124.83	143.94
Amortization on intangible assets (Refer note 6)	181.75	307.93
	306.58	**451.87**

Note 29B Impairment of goodwill and other non-current assets

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Impairment on goodwill [refer note (a) below]	9,480.28	-
Impairment of non-current investments [refer note (b) below]	315.71	-
	9,795.99	-

Note:

(a) During the Current year, the management has carried out an impairment assessment of its goodwill on consolidation and recorded the provision for impairment as per below mentioned details:

Particulars	March 31, 2018	March 31, 2017
Impairment of Goodwill on Consolidation of Subsidiaries		
Educomp Infrastructure & School Management Limited (EISML)	9,312.13	-
Educomp School Management Limited (ESML)	8.44	-
Edumatics Corporation	25.95	-
Educomp Online Supplemental Service Limited (EOSSL)	133.76	-
Total	**9,480.28**	-

(b) During the year ended March 31, 2018, the Holding Company has recorded provision for impairment in following
(i) Greycells 18 Media Limited amounting to Rs 66.54 million since the associate company has been in operational losses for several year and net worth is eroded; and
(ii) Vidya Mandir Classes Private Limited amounting to Rs 249.17 millions since the company is not operational and does not have adequate assets.

Note 30 Other expenses

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Repairs to		
- Buildings	15.48	22.55
- Machinery	1.36	6.52
- Others	21.26	344.51
Lease Rent (refer note 44.1)	48.36	85.37
Insurance	0.96	3.36
Rates and taxes	12.24	55.33
Legal and professional	126.16	330.98
Travelling and conveyance	34.75	129.74
Communication	61.34	55.81
Advertisement, publicity and business promotion	21.11	113.04
Freight and forwarding	13.24	45.30
Recruitment and training	16.27	11.17

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Software development charges	-	6.26
Printing and stationery	48.20	62.19
Consumables /Spare parts	198.37	-
Outside contract services	0.23	110.51
Bank charges	0.17	1.80
Bad debts and advances written off	367.71	101.15
Provision for doubtful trade receivable	12,513.76	-
Provision for doubtful advances	1,050.09	35.46
Foreign exchange loss (net)	131.55	154.79
Loss on sale of property plant and equipment	-	5.64
Project running/ implementation expenses	18.87	-
Miscellaneous expenses	13.82	41.65
	14,715.30	**1,723.13**

Note 31 Exceptional items

Particulars	**Year ended March 31, 2018**	**Year ended March 31, 2017**
Bad debts Written off (refer note 31.1 below)	-	82.32
Loans & advances written off (refer note 31.1 below)	-	59.87
Penalty under settlement (refer note 31.2 below)	-	407.73
Provision for Capital Advances (refer note 31.3 below)	495.43	-
Provision for advance (refer note 31.4 below)	-	36.78
Loss/(Gain) on sale of investment (refer note 31.5 below)	324.46	(144.86)
Gain associated with loss of control of an investment (refer note 31.6 below)	(342.99)	(191.00)
Provision for doubtful debts (refer note 31.7 below)	-	3,123.64
Provision for obsolescence inventory (refer note 31.8 below)	-	649.21
Loan liability written back (refer note 31.9 below)	-	(250.00)
	476.90	**3,773.69**

31.1 During the previous year ended March 31, 2017 certain schools to whom infrastructure facilities were provided had closed down their operations and consequently, amounts outstanding as trade receivable amounting to Rs. 82.32 million and loans amounting to Rs. 59.87 million from these schools/trust were written off.

31.2 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 of the Company's post customization 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 did pass an award for damages on December 19, 2016 against the Holding Company. Accordingly, during the previous year the Holding Company had recorded a liability of Rs. 407.73 million (USD 6 million) as "Judgment Debtors".

31.3 Certain vendors had filed legal action against Educomp Infrastructure School & Management Limited (EISML), a subsidiary towards claim for their services provided in relation to land aggregation and these claims were adjudicated against EISML. Hence during the current year, EISML has recorded an additional provision of Rs. 495.43 million.

31.4 During the previous year ended March 31, 2017, an intra-group reconciliation entry of Rs 36.78 millions was recorded after the financial year close, which led to non elimination of the same in the consolidated financial statements for the previous year ended March 31, 2017.

31.5 a) During the previous year ended March 31, 2017, pursuant to a negotiated settlement entered with ICICI Bank, the Holding Company had divested its entire holding of 48,776 number of equity shares comprising 67% shareholding in Vidya Mandir Classes Limited (VMCL), a subsidiary of the Holding Company and conditional sale of Educomp Learning Hour Private Limited (ELHPL), a step down subsidiary of the Holding Company.

As per clause 2.2 of "Share Purchase Agreement" (SPA) executed on July 25, 2016 with KB Educational Society ("KBES" or "the Purchaser"), purchase and sale of shares shall be completed in two tranches in the following manner:

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

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**	

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 below."

Based on terms and condition of SPA, an unconditional interest of Purchaser has been created in all the shares upon transfer of tranche A shares. Further, all the nominee directors of the Holding Company on the board of VMC were replaced by the nominees of the buyers to protect its "interest" created pursuant to this agreement.

b) Accordingly, VMC ceased to be a subsidiary of the Holding Company w.e.f. July 25, 2016, even though the shares mentioned in Tranche B were still in the name of Holding Company and pledged with ICICI Bank. The shares of VMCL proportionate to outstanding consideration continue to be in the name of the Holding Company and are held 'in trust', to be transferred on a pro-rata basis as the consideration is received.

c) Based on the subsequent information:

- the Purchaser has not exercised such rights till the exercise lapse date of March 31, 2019 rendering the transaction no longer enforceable now. Consequently, the transaction of sale of Tranche B shares recorded in previous year has been reinstated during the year along with reversal of the related consideration of Rs. 602.43 million outstanding as at March 31, 2017. Also, gain recognised during the financial year 2016-17 on such transaction amounting to Rs. 324.46 million has also been reversed during the year.

- During the financial year 2018-19, the board of directors of VMCL approved issue of additional equity shares by way of a right issue to existing shareholders in the ratio of 1:15. The Holding Company did not subscribe to the right issue, leading in reduction of its shareholding to 14.1%.

d) As per para 5 of Ind AS 110 "Consolidated Financial Statements" an investor shall determine whether parent "controls" the investee. Since the control of VMCL has been transferred by the Holding company to the Purchaser by virtue of the above mentioned SPA, VMCL is not considered to be a subsidiary. Accordingly, VMCL has not been considered for the purpose of consolidation.

31.6 During the year, two subsidiaries namely Educomp Asia Pacific Pte. Ltd. (EAPL) and Edu Smart Services Private Limited (ESSPL) have filed for insolvency on June 30, 2017 and June 27, 2017 respectively and Resolution Professionals (RP) have been appointed in the respective companies and have gained the control over such subsidiaries. Therefore as per Ind AS 110 "Consolidated Financial Statements", the Holding company has lost control over these subsidiaries. Accordingly the retained investment in the above mentioned subsidiaries have been fair valued and the resultant difference of Rs. 342.99 million has been recognised as an exceptional item.

During the previous year ended March 31, 2017, the Holding company's stake in Little Millennium Education Private Limited was 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 of Rs. 191 million between the fair value of the retained investment and the carrying value of investment (as per equity method) has been recognised as an exceptional item.

31.7 During the previous year ended March 31, 2017, provision amounting to Rs 3,123.64 millions had been created for bad and doubtful receivables on which Edu Smart Services Private Limited (ESSPL) had initiated legal proceedings.

31.8 During the previous 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.

31.9 During the previous year ended March 31, 2017, the Holding Company had written back the liability of Rs. 250.00 million discharged by Mr. Jagdish Prakash, a director to DBS Bank, one of the lenders from his own sources in a continuing matter under section 138 of Negotiable Instrument Act. Mr. Jagdish Prakash made the aforesaid payment in his personal capacity which was arranged by him from his own sources and has waived his claim against the Holding Company.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Note 32 Income tax expense

(a) Income tax expense

	Year ended March 31, 2018	Year ended March 31, 2017
Current tax		
Current tax on the profits of the year	0.38	11.46
Tax relating to earlier years	(0.03)	-
Total Current tax expense	**0.35**	**11.46**
Deferred tax		
Decrease/(increase) in deferred tax assets	19.46	(0.04)
Total Deferred tax expense/(benefit)	**19.46**	**(0.04)**
Total Income tax expense	**19.81**	**11.42**

(b) Movement in deferred tax balances

Current Year	As At March 31, 2017	Recognized in P&L	Recognized in OCI	Other Adjustments	As At March 31, 2018
Deferred Tax Assets					
Carried forward losses and tax credits (MAT credit entitlement)	130.36	(19.52)	-	0.24	111.08
Sub- Total (a)	**130.36**	**(19.52)**	**-**	**0.24**	**111.08**
Deferred Tax Liabilities					
Property, plant and equipment and intangibles	0.59	(0.06)	-	-	0.53
				-	
Sub- Total (b)	**0.59**	**(0.06)**	**-**	**-**	**0.53**
Net Deferred Tax Assets (a)-(b)	**129.77**	**(19.46)**	**-**	**0.24**	**110.55**

Previous Year	As at April 1, 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 intangibles	0.63	(0.04)	-	-	0.59
Sub- Total (b)	**0.63**	**(0.04)**	**-**	**-**	**0.59**
Net Deferred Tax Asset (a)-(b)	**130.34**	**0.04**	**-**	**(0.61)**	**129.77**

(c)(i) Significant estimates

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

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

(c)(ii) (a) Unused tax losses for which no deferred tax has been recognised by the Holding Company

Assessment year	Business Loss	Short term capital loss	Long term capital loss	Total Amount	Available for utilisation till
AY 2011-12	-	-	4.03	4.03	AY 2019-20
AY 2012-13	-	-	-	-	AY 2020-21
AY 2013-14	122.42	15.29	-	137.71	AY 2021-22
AY 2014-15	1,509.46	-	-	1,509.46	AY 2022-23
AY 2015-16	3,122.86	-	-	3,122.86	AY 2023-24
AY 2016-17	3,987.44	-	435.25	4,422.69	AY 2024-25
AY 2017-18	1,596.37	-	-	1,596.37	AY 2025-26
AY 2018-19	844.63	-	-	844.63	AY 2026-27
Unabsorbed Depreciation	1,656.46	-	-	1,656.46	Never Expire
	12,839.64	15.29	439.28	13,294.21	

(b) Unused tax losses for which no deferred tax has been recognised by EISML

Assessment Year	Business Loss	Short term capital loss	Long term capital loss	Total Amount	Available for utilisation till
AY 2011-12	-	-	-	-	AY 2019-20
AY 2012-13	-	-	-	-	AY 2020-21
AY 2013-14	-	-	-	-	AY 2021-22
AY 2014-15	-	-	-	-	AY 2022-23
AY 2015-16	496.99	-	26.01	523.00	AY 2023-24
AY 2016-17	1,965.18	-	-	1,965.18	AY 2024-25
AY 2017-18	595.24	-	105.78	701.02	AY 2025-26
AY 2018-19	101.64	-	-	101.64	AY 2026-27
	3,159.04	-	131.78	3,290.83	

(d) Subsequent to year end, the Holding company has revised income tax return for the year ended March 31, 2016, March 31, 2017 and March 31, 2018. Accordingly, returned loss has undergone changes.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Note 33 Fair valuation measurements

S.No.	Particulars	As at March 31, 2018			As at March 31, 2017		
		FVTPL	FVTOCI	Amortised cost	FVTPL	FVTOCI	Amortised Cost
	Financial assets						
1	Loans	-	-	592.26	-	-	1,175.45
2	Trade receivables	-	-	2,703.37	-	-	6,732.45
3	Other financial assets	-	-	268.42	-	-	1,498.59
4	Cash & Cash Equivalents	-	-	314.84	-	-	939.25
5	Bank balances other than cash & cash equivalents	-	-	27.90	-	-	17.13
	Total Financial Assets	**-**	**-**	**3,906.79**	**-**	**-**	**10,362.87**
	Financial Liability						
1	Borrowings (including current maturities)	-		32,921.01	-		35,953.59
2	Trade & Other Payables	-	-	1,286.98			1,555.83
3	Other financial Liabilities	-	-	5,223.82	-		4,372.69
	Total Financial Liabilities	**-**	**-**	**39,431.81**	**-**	**-**	**41,882.11**

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 there is no change in the current and the previous year lending rates. These are classified as level 3 fair values in the fair value hierarchy due to the inclusion of unobservable inputs including counterparty credit risk.

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

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

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Note 34 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 33. 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 through Resolution Professional, 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:

34.1 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 Holding Company is currently undergoing CIRP process (refer note 1), Accordingly, a moratorium has been declared under section 14 of the code. All the foreign currency liabilities have been crystallised into INR as on May 30, 2017. EISML, one of the subsidiary, has also filed for CIRP during the year. Accordingly, there is no foreign currency risk till completion of CIRP.

1(b)Price risk sensitivity

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

1(c)Interest rate sensitivity

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The 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	Year ended March 31, 2018	Year ended March 31, 2017
Fixed-rate borrowings (Refer note below)	3,490.40	6,550.76
Floating rate borrowings (Refer note below)	29,856.61	29,847.25
Total borrowings	**33,347.01**	**36,398.01**

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

The following table illustrates the sensitivity of profit or loss and other components of equity to a reasonably possible change in interest rates of +/- 1% (March 31, 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, 2018		Year ended March 31, 2017	
	Favourable change of 100 bp	Unfavourable change of 100 bp	Favourable change of 100 bp	Unfavourable change of 100 bp
Loan amount	29,856.61		29,847.25	
Effect on profit and loss after tax	298.57	(298.57)	298.47	(298.47)

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

34.2 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 Group 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 Group records full credit loss on the receivables for which it has filed litigation. On that basis, the Group estimates the following provision matrix at the reporting date:

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

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 impairment has been recorded by the Group.

Reconciliation of loss allowance provision at consolidated level – Trade receivables

Particulars	**Amount**
Loss allowance on 1 April 2016	(4,557.95)
Changes in loss allowance	(2,745.53)
Loss allowance on 31 March 2017	(7,303.48)
Changes in loss allowance	(8,059.92)
Loss allowance on 31 March 2018	**(15,363.40)**

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.

34.3Liquidity 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 :

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

	March 31, 2018			
Particulars	**Upto 1 year**	**1 to 3 years**	**Above 3 years**	**Total**
Borrowings	32,732.36	-	614.65	33,347.01
Trade payables	1,286.98	-	-	1,286.98
Other financial liabilities	5,223.82	-	-	5,223.82
Total	**39,243.16**	**-**	**614.65**	**39,857.81**

	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	1,551.82	4.01	-	1,555.83
Other financial liabilities	4,372.69	-	-	4,372.69
Total	**33,205.95**	**873.80**	**8,246.78**	**42,326.53**

*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 35 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 equivalents 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. However, in view of certain adverse factors and liquidity problems faced by the Holding Company, the net worth of the Holding Company has been fully eroded and the Holding Company is presently under CIRP process and thereby continue to operate as a going concern.

	As at March 31, 2018	As at March 31, 2017
Net debt	32,606.17	35,014.34
Equity	(22,592.24)	(7,930.86)
Net Debt to equity ratio	(1.44)	(4.41)

(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 guarantees 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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018

The Group has complied with all the above covenants throughout the reporting period. As during the FY 2017-18, no such new debt or equity instruments were issued and holding % of promoter Mr. Shantanu Prakash is same as at March 31, 2018 and March 31, 2017 i.e. 36.19%.

The promoter has given interest free loan to the Group for smooth functioning 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 18 (5).

(b) Dividend

The Group has not proposed any dividend for the current and previous year.

Note 36 Segment Reporting

(i) The board of directors of the Holding Company through Resolution Professional 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, 2018	For the Year ended March 31, 2017
HLS	-	-
SLS	0.09	128.12
K-12	-	22.39
OSG	-	3.82
Unallocated	0.27	10.06
	0.36	**164.39**

(iii) Segment depreciation and amortisation

	For the Year ended March 31, 2018	For the Year ended March 31, 2017
HLS	-	-
SLS	141.65	264.99
K-12	157.88	169.45
OSG	0.01	9.57
Unallocated	7.04	7.85
	306.58	**451.86**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

(iv) Segment Revenue & Expenses (External)	For the year ended March 31, 2018			For the year ended March 31, 2017		
	Revenue	Expenses	Results	Revenue	Expenses	Results
HLS	-	3.79	(3.79)	104.97	6.49	98.48
SLS	648.24	8,180.61	(7,532.37)	1,778.80	2,547.52	(768.72)
K-12	211.99	12,367.65	(12,155.66)	421.01	333.17	87.84
OSG	56.85	733.06	(676.21)	619.38	562.29	57.09
	917.08	**21,285.11**	**(20,368.03)**	**2,924.16**	**3,449.47**	**(525.31)**
Less: Unallocable Expenditure			3,979.82			599.48
Less: Finance cost			1,345.81			3,750.78
Operating loss			**(25,693.66)**			**(4,875.57)**
Other Income			150.19			850.00
Loss before exceptional items, share of net loss of investments accounted for using equity method and tax			**(25,543.46)**			**(4,025.57)**
Share of loss in associates and joint venture			(9.78)			(5.97)
Loss before exceptional items and tax			**(25,553.24)**			**(4,031.54)**
Exceptional Items (refer note 31)			476.90			3,773.69
Loss before tax			**(26,030.15)**			**(7,805.23)**
Less: Tax expense						
a) Current tax			0.35			11.46
b) Deferred tax			19.46			(0.04)
Net Profit/(Loss) after tax			**(26,049.96)**			**(7,816.65)**

(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, 2018	As at March 31, 2017
Segment assets		
HLS	909.33	947.58
SLS	2,828.60	5,784.50
K-12	12,458.34	24,501.21
OSG	285.40	1,797.74
Total Segment assets	**16,481.67**	**33,031.03**
Unallocated corporate assets	419.57	1,762.91
Investments	226.62	846.66
Total assets as per the balance sheet	**17,127.86**	**35,640.60**

(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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
HLS	3.08	0.13
SLS	1,277.99	2,212.19
K-12	1,066.97	354.41
OSG	72.99	1,044.05
Total Segment liabilities	**2,421.03**	**3,610.78**
Unallocated corporate liabilities	4,378.06	4,007.09
Current Borrowings	1,338.17	1,348.12
Non-Current Borrowings	31,582.84	34,605.47
Total liabilities as per the balance sheet	**39,720.10**	**43,571.46**

(b) Geographical Segments

Revenue	For year ended March 31, 2018	For year ended March 31, 2017
India	917.08	2,857.08
Outside India	-	67.08
	917.08	**2,924.16**

Capital Expenditure

	For year ended March 31, 2018	For year ended March 31, 2017
India	0.36	164.39
Outside India	-	-
	0.36	**164.39**

Non-current Assets*

	As at March 31, 2018	As at March 31, 2017
India	13,326.41	23,873.48
Outside India	0.02	918.84
	13,326.43	**24,792.32**

*Non-current assets are excluding financial instruments.

Note: For the year ended March 31, 2018 and March 31, 2017, there is no single major customer with respect to consolidated revenue of the Group.

Note 37 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

Joint Venture of direct subsidiary

S. No. Name of Related Party

1Educomp Raffles Higher Education Limited (till June 30, 2017)

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

S. No.	Name of Related Party
1	Mr. Shantanu Prakash (till May 30, 2017)
2	Mr. V. K. Dandona (till May 30, 2017)

Resolution Professional (RP)

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

Enterprises owned or significantly influenced 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	Learning Links Foundation
4	Learning Leadership Foundation
5	Unnati Educational Trust
6	Shri Hare Educational trust
7	Siya Ram Educational trust
8	Sri Vasudev Educational Trust

(b) Transactions with related parties:*

Particulars	Associates	Joint Venture of Subsidiary	KMP#	Others	Total
Revenues (note d.1)	-	-	-	0.07	0.07
	(-)	(104.97)	(-)	(0.35)	(105.32)
Other Income (note d.2)	-	-	-	0.12	0.12
	(-)	(-)	(-)	(1.31)	(1.31)
Expenses paid for services (note d.3)	-	-	0.45	51.01	51.46
	(-)	(-)	(2.70)	(46.66)	(49.36)
Loans & advance received (note d.4)	-	-	-	-	-
	(-)	(-)	(30.00)	(-)	(30.00)
Remuneration (note d.5)	-				
-Paid	(-)	-	0.90	-	0.90
	-	(-)	(-)	(-)	(-)
Provision for impairment in value of investments (note d.6)	66.54	-	-	-	66.54
	(-)	(-)	(-)	(-)	(-)
Notional interest expense on the amortised valued borrowings (note d.7)	-	-	-	-	-
	-	(-)	(23.01)	(-)	(23.01)

* Figures given in parenthesis represent previous year figures.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

(c) Balances with related parties:*

Particulars	Associates	Joint Venture of Subsidiary	KMP#	Others	Total
Investment (Refer Note 7)	197.82	-	-	-	**197.82**
	(273.86)	(572.80)	(-)	(-)	**(846.66)**
Trade receivable	0.26	-	-	8.95	**9.21**
	(0.26)	(0.02)	(-)	(48.67)	**(48.95)**
Trade and other payables	-	-	-	40.43	**40.43**
	(-)	(-)	(0.20)	(21.55)	**(21.75)**
					-
Advance received from customers	**-**	**-**	**-**	0.97	**0.97**
	(-)	(-)	(-)	(1.07)	**(1.07)**
					-
Unsecured Loan (including debt and equity portion of compounded financial instruments)#	-	-	-	-	**-**
	(-)	(-)	(663.07)	(-)	**(663.07)**
Other Current Assets	-	-	-	0.10	**0.10**
	(-)	(-)	(-)	(-)	(-)

* Figures given in parenthesis represent previous year figures.

\# During current year, on May 30, 2017, Corporate Insolvency Resolution Process (CIRP) under the provisions of Insolvency and Bankruptcy Code 2016 have been initiated and a resolution professional (RP) has been appointed. Consequently, the board of the Holding Company has been suspended and all the powers for managing the affairs are now vested with the RP of the Holding Company. Therefore in accordance with Ind AS 24 "Related party Disclosures" board of directors of the Holding company have ceased to be KMP post May 30, 2017. Hence the transactions during the year with the KMP's include only upto the date of initiation of CIRP proceedings. Also, the closing balances as at March 31, 2018 of such KMP's have not been disclosed.

(d) Notes

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
1. Includes sales and services to:		
Joint Venture of direct subsidiary		
Educomp Raffles Higher Education Limited	-	104.97
Others		
Shri Hare Educational Trust	0.05	0.17
Siya Ram Educational Trust	0.01	0.07
Sri Vasudev Educational Trust	0.01	0.11
	0.07	**0.35**
2. Includes other income from:		
Others		
Healthsetgo Services Private Limited	-	1.07
Learning Links Foundation	-	0.12
Learning Leadership Foundation	0.12	0.12
	0.12	**1.31**
3. Expenses paid for services:		
Key Managerial Person		
Mr. V. K. Dandona	0.45	2.70
Others		
DSK Legal	-	9.05
Unnati Educational Trust	51.01	37.61
	51.01	**46.66**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

4. Loan and advances received :		
Key Managerial Person		
Mr. Shantanu Prakash	-	30.00
5. Remuneration includes transaction for the year mainly with :		
Resolution Professional		
Mr. Mahender Kumar Khandelwal	0.90	-
6. Provision for impairment in value of investments		
Greycells 18 Media Limited	66.54	-
7. Notional interest expense on the amortised valued borrowings:		
Key Managerial Person		
Mr. Shantanu Prakash	-	23.01

(e) Terms and conditions

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

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

(iii) Till previous year, certain trusts were not considered and disclosed as related parties. During the current year, the Group has revisited the said view and concluded the above trust as related party. Accordingly, transactions with these trusts has been disclosed during the current and previous year.

Note 38 Contingent Liabilities and Commitments

Note 38.1 Contingent Liabilities

The below mentioned details are based on the status provided by the Group management till the date of initiation of insolvency under the Code i.e. May 30, 2017. Consequently, NCLT has declared the moratorium period as per the provision of section 13 (1) (a) of the Code. As the Resolution Plan is under consideration by Hon'ble NCLT therefore the moratorium period continue to be in effect till conclusion of the CIRP process. Refer Note 1(d) for further details.

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

Particulars	As at March 31, 2018	As at March 31, 2017
i. Claims against the group not acknowledged as debt	102.45	102.45
ii. Legal proceedings and claims, which have arisen in the ordinary course of business, the contingent liability estimated in relation to these Legal cases is as under:		
- Civil Cases :	86.81	86.81
- Consumer/labour related cases :	98.59	98.58
- Arbitration :	-	14.69
iii. Guarantees		
- Edu Smart Services Private Limited*	2,250.00	-

*On April 01, 2017 The holding company has lost control over Edu Smart Services Private Limited (ESSPL), one of the subsidiary, consequent to which ESSPL ceased to be a related party to the group. Therefore, the aggregate of guarantees provided by ESSPL of Rs. 2,250.00 million has been disclosed as contingent liability at March 31, 2018 whereas during the previous year ended March 31, 2017 such amount of contingent liability has not been disclosed as such amount got eliminated at the time of consolidation.

Note 38.2 Commitments

Capital commitments

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

Particulars	As at March 31, 2018	As at March 31, 2017
Uncalled liability on partly paid shares (net of advance)	400.41	400.41
Total	**400.41**	**400.41**

Note 39 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 Company. All the cost including the cost relating to the options granted to employees of subsidiary companies are borne by the Company. Employee stock options are convertible into equity shares in accordance with the respective employees' stock option scheme. The option vesting period is maximum ten years from the date of grant of option to employees at an exercise price approved by the remuneration committee. The exercise period is one year from the end of last vesting date of respective grants. There are no conditions for vesting other than continued employment/ directorship with the Company or its subsidiaries. There has been no cancellation or modification of the respective schemes during the year.

Employee Stock Option Scheme 2006

Pursuant to shareholder's resolution dated August 24, 2006, the 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, 2018 the Holding Company had Nil (March 31, 2017: 739,000) number of shares outstanding for issue under the scheme.

Employee Stock Option Scheme 2007

Pursuant to shareholder's resolution dated September 13, 2007, the 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, 2018 the Holding Company had 200,000 (March 31, 2017: 551,500) 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, 2018 the Holding Company had Nil (March 31, 2017: 596,600) number of shares outstanding for issue under the scheme.

Employees Stock Option Scheme 2010

Pursuant to shareholder's resolution dated 18 March 2010, the 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 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, 2018 the Holding Company had Nil (March 31, 2017: 223,750) number of shares outstanding for issue under the scheme.

Employees Stock Option Scheme 2011

Pursuant to shareholder's resolution dated July 26, 2011, the Holding Company had introduced "Educomp Employees Stock Option Scheme 2011" 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, 2018 the Holding Company had Nil (March 31, 2017: 335,000) number of shares outstanding for issue under the scheme.

Employees Stock Option Scheme 2012

Pursuant to shareholder's resolution dated July 16, 2012, the Holding Company had introduced "Educomp Employees Stock Option Scheme 2012" which provides for the issue of 3,500,000 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 10 years from the date of respective grants. As at March 31, 2018 the Holding Company had 10,000 (March 31, 2017: 1,861,625) number of shares outstanding for issue under the scheme.-

Employees Stock Option Scheme 2014

Pursuant to shareholder's resolution dated August 11, 2014, the Holding Company had introduced "Educomp Employees Stock Option Scheme 2014" which provides for the issue of 5,000,000 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 10 years from the date of respective grants. As at March 31, 2018 the Holding Company had 300,000 (March 31, 2017: 3,973,450) number of shares outstanding for issue under the scheme.

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

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

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

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

Fair value of options granted

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

(c) Expense arising from share-based payment transactions

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

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

(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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Particulars	As at March 31, 2018		As at March 31, 2017	
	No. of stock options	Weighted average price (Rs.)	No. of stock options	Weighted average price (Rs.)
Employee Stock Option Scheme 2010				
No. of shares under option				
Outstanding at the beginning of the year	-	-	36,450	686
Granted	-	-	-	-
Exercised	-	-	-	-
Forfeited/expired during the year	-	-	36,450	686
Outstanding at the end of year	-	-	-	-
Exercisable at the end of the year	-	-	-	-
Weighted average grant date fair value per option for options	Not applicable		Not applicable	
Weighted average remaining contractual life (in years)	Nil		Nil	
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).

(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 reporting 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, 2018		As at March 31, 2017	
	No. of stock options	Weighted average price (Rs.)	No. of stock options	Weighted average price (Rs.)
Employee Stock Option Scheme 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)	3.64 yrs.		3.64 yrs.	
Payment received against share allotted during the year	Nil		Nil	

(iv) Edumatics Corporation Inc (Edumatics) :

The Edumatics Corporation Inc has an Incentive Stock Option Plan (the "Plan"), which provides for the grant of options to purchase stocks of the Edumatics 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 Edumatics 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.

The following tables summarize information about options issued, outstanding and exercisable under the Plan as of March 31, 2017*

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Particulars	As at March 31, 2017	
	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
Granted	-	-
Exercised	-	-
Forfeited/expired during the year	-	-
Outstanding at the end of year	357,143	0.66
Exercisable at the end of the year	-	-
Weighted average remaining contractual life (in years)	2.0 yrs.	
Payment received against share allotted during the year	Nil	

***Note:** The financial statement as at and for the year ended March 31, 2018, of Edumatics Corporation Inc (Edumatics) are not available with the Management/RP of the Holding Company. (Also, refer note 56.1)

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Note 40A Particulars of Subsidiaries, Joint Venture and Associate considered in the Consolidated Financial Statements are: (Contd...)

Particulars	Principal Place of business	Extent of Control		Non Controlling Interest		Principal Activities
		As At March 31, 2018	As At March 31, 2017	As At March 31, 2018	As At March 31, 2017	
(i) Subsidiaries						
Directly held						
Edumatics Corporation Inc.	USA	100.00%	100.00%	Nil	Nil	Developing and Marketing e-learning products and services for use in schools.
Wheitstone Productions Private Limited	India	51.00%	51.00%	49.00%	49.00%	Providing Internet based educational services and coaching
Educomp Learning Private Limited (ELPL)	India	51.00%	51.00%	49.00%	49.00%	Sale/development of Educational Contents
Educomp Infrastructure & School Management Limited (EISML)	India	83.61%	83.61%	16.39%	16.39%	Refer Note 40A.1
Educomp School Management Limited (ESML)	India	68.35%	68.35%	31.65%	31.65%	Licensing of Copyright Content, Intellectual Properties (IP)
Educomp Professional Education Limited (EPEL)	India	100.00%	100.00%	Nil	Nil	Vocational, higher education and professional development
Educomp Asia Pacific Pte Limited. (EAPL) (Refer note 40A.4)	Singapore	Nil	100.00%	Nil	Nil	Providing Internet based educational services and coaching
Savvica Inc.	Canada	79.55%	79.55%	20.45%	20.45%	Providing Internet based educational services and coaching
Educomp Intelliprop Ventures Pte Ltd. (EIVPL)	Singapore	100.00%	100.00%	Nil	Nil	Providing Internet based educational services and coaching
Educomp Online Supplemental Service Limited (EOSSL)	India	95.15%	95.15%	4.85%	4.85%	Refer note 40A.2
Educomp Investment Management Limited (EIML)	India	100.00%	100.00%	Nil	Nil	Provision of Investment Consultancy Services to Venture Capital Funds in the Education Sector.
Educomp Global Holding WLL	Bahrain	100.00%	100.00%	Nil	Nil	Providing Internet based educational services and coaching
Educomp Global FZE	UAE	100.00%	100.00%	Nil	Nil	Providing Internet based educational services and coaching
Edu Smart Services Private Limited (ESSPL) (Refer note 40A.4)	India	Nil	0.00%	Nil	100.00%	Provision of educational services to schools

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Note 40A Particulars of Subsidiaries, Joint Venture and Associate considered in the Consolidated Financial Statements are: (Contd...)

Particulars	Principal Place of business	Extent of Control		Non Controlling Interest		Principal Activities
		As At March 31, 2018	As At March 31, 2017	As At March 31, 2018	As At March 31, 2017	
Indirectly Held						
The Learning Internet Inc (L.Com) (refer note 40A.4)	USA	Nil	56.85%	Nil	43.15%	Providing Internet based educational services and coaching
Educomp Infrastructure Services Private Limited (EISPL), Subsidiary of EISML	India	83.61%	83.61%	16.39%	16.39%	Refer Note 40A.1
Educomp APAC Services Limited (EASL), Subsidiary of EISML	British Virgin Island	83.61%	83.61%	16.39%	16.39%	Refer Note 40A.1
Falcate Builders Private Limited, Subsidiary of EISML	India	83.43%	83.43%	16.57%	16.57%	Refer Note 40A.1
Newzone Infrastructure Private Limited, Subsidiary of EISML	India	83.31%	83.31%	16.69%	16.69%	Refer Note 40A.1
Rockstrong Infratech Private Limited, Subsidiary of EISML	India	83.38%	83.48%	16.62%	16.52%	Refer Note 40A.1
Reverie Infratech Private Limited, Subsidiary of EISML	India	83.42%	83.42%	16.58%	16.58%	Refer Note 40A.1
Herold Infra Private Limited, Subsidiary of EISML	India	83.44%	83.44%	16.56%	16.56%	Refer Note 40A.1
Growzone Infrastructure Private Limited, Subsidiary of EISML	India	83.42%	83.42%	16.58%	16.58%	Refer Note 40A.1
Hidream Constructions Private Limited, Subsidiary of EISML	India	83.44%	83.44%	16.56%	16.56%	Refer Note 40A.1
Leading Edge Infratech Private Limited, Subsidiary of EISML	India	83.34%	83.34%	16.66%	16.66%	Refer Note 40A.1
Strotech Infrastructure Private Limited, Subsidiary of EISML	India	83.44%	83.44%	16.56%	16.56%	Refer Note 40A.1
Markus Infrastructure Private Limited, Subsidiary of EISML	India	83.41%	83.41%	16.59%	16.59%	Refer Note 40A.1
Orlando Builders Private Limited, Subsidiary of EISML	India	83.53%	83.53%	16.47%	16.47%	Refer Note 40A.1
Crosshome Developers Private Limited, Subsidiary of EISML	India	83.33%	83.33%	16.67%	16.67%	Refer Note 40A.1
Good Luck Structure Private Limited, Subsidiary of EISML	India	83.24%	83.24%	16.76%	16.76%	Refer Note 40A.1
Evergreen Realtech Private Limited, Subsidiary of EISML	India	83.29%	83.29%	16.71%	16.71%	Refer Note 40A.1
Zeta Buildcon Private Limited, Subsidiary of EISML	India	83.44%	83.44%	16.56%	16.56%	Refer Note 40A.1
Onega Infrastructure Private Limited, Subsidiary of EISML	India	83.37%	83.37%	16.63%	16.63%	Refer Note 40A.1
Grider Infratech Private Limited, Subsidiary of EISML	India	83.41%	83.41%	16.59%	16.59%	Refer Note 40A.1
Boston Realtech Private Limited, Subsidiary of EISML	India	83.31%	83.31%	16.69%	16.69%	Refer Note 40A.1
Modzex Infrastructure Private Limited, Subsidiary of EISML	India	83.27%	83.27%	16.73%	16.73%	Refer Note 40A.1
Virtual Buildtech Private Limited, Subsidiary of EISML	India	83.21%	83.21%	16.79%	16.79%	Refer Note 40A.1
Laservision Estates Private Limited, Subsidiary of EISML	India	83.26%	83.26%	16.74%	16.74%	Refer Note 40A.1
Knowledge Vistas Limited, Subsidiary of EISML	India	40.31%	40.31%	59.69%	59.69%	Refer Note 40A.1
Educomp Software Limited, Subsidiary of EOSSL	India	95.15%	95.15%	4.85%	4.85%	Refer Note 40A.2
Educomp Learning Hour Private Limited (ELHPL), Subsidiary of EOSSL (refer note 40A.4)	India	Nil	95.15%	Nil	4.85%	Refer Note 40A.2

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Note 40A Particulars of Subsidiaries, Joint Venture and Associate considered in the Consolidated Financial Statements are: (Contd...)

Particulars	Principal Place of business	Extent of Control		Non Controlling Interest		Principal Activities
		As At March 31, 2018	As At March 31, 2017	As At March 31, 2018	As At March 31, 2017	
(ii) Joint Ventures						
Educomp - Raffles Higher Education Limited (refer note 7.4)	India	Nil	41.82%	Nil	Nil	Refer Note 40A.3
(iii) Associates						
Little Millenium Education Private Limited	India	48.29%	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%	Providing education through TV channel and Electronic Media.		

Notes

40A.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. They also provides maintenance and transportation facilities, management services, content and brand licensing and other services to educational institutions.

40A.2 These represents EOSSL and it's subsidiaries. They are engaged in providing internet based educational services and coaching.

40A.3 Educomp - Rafflesis Higher Education Limited is primarily engaged in the business of setting up and running professional, technical and vocational education institute in India.

40A.4 Loss of control

During the year ended March 31, 2018, 3 subsidiaries namely Edu Smart Services Private Limited (ESSPL) (a subsidiary through potential voting rights), Educomp Asia Pacific Pte Limited. (EAPL), The Learning Internet Inc (L.com) and 1 step down subsidiary, Educomp Learning Hour Private Limited have filed for insolvency on June 27, 2017, June 30, 2017, June 30, 2017 and December 11, 2017 respectively consequent to which Resolution Professionals (RP) have been appointed in the respective companies and all the powers to direct the state of affairs of these companies rests with the respective RP's. Accordingly, by virtue of provisions of Ind AS 110 Consolidated Financial Statement, the Holding Company has lost its controlling power over the above mentioned subsidiaries and have not been consolidated in current year.

Further, as per Ind AS 110 "Consolidated Financial Statements", Loss of Control accounting is required to be done on the date on which control is lost by the parent entity. Since the financials on the date of loss of control are not available with the management of the holding company, loss of control accounting in preparing these consolidated Ind AS financial statements has been done on the basis of last financials statements available for the year ended March 31, 2017.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

40B Non- Controlling Interest (NCI)

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

i) Summarised Balance Sheet

As at March 31, 2018

Entity	Share of NCI	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	49.00%	35.93	5.51	30.41	4.13	-	4.13	34.55	16.93
Educomp School Management Limited	31.65%	20.88	0.77	20.11	72.65	-	72.65	92.76	29.36
Educomp Infrastructure & School Management Limited	16.39%	230.98	9,089.40	(8,858.43)	12,188.56	0.58	12,187.98	3,329.55	791.07
Wheitstone Productions Private Limited	49.00%	0.02	1.76	(1.75)	-	-	-	(1.75)	(0.02)
Savvica Inc., Canada	20.45%	9.00	6.06	2.94	-	5.83	(5.83)	(2.89)	(0.02)
Educomp Online Supplemental Service Limited	4.85%	164.44	254.74	(90.30)	0.18	-	0.18	(90.12)	(39.69)
Total									**797.63**

As at March 31, 2017

Entity	Share of NCI	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 (F)=(D-E)	Net Assets/(liabilities) (G)=(C+F)	Accumulated NCI
Educomp Learning Private Limited	49.00%	42.65	5.75	36.90	8.83	2.76	6.08	42.98	21.06
Educomp School Management Limited	31.65%	20.91	0.79	20.12	72.65	-	72.65	92.77	29.36
Learning Internet Inc. USA	43.15%	447.92	621.09	(173.17)	239.67	186.76	52.92	(120.25)	(21.15)
Edu Smart Services Private Limited	100.00%	1,842.84	12,750.95	(10,908.10)	170.42	386.24	(215.82)	(11,123.92)	(11,518.10)
Educomp Infrastructure & School Management Limited	16.39%	2,142.58	503.78	1,638.80	13,308.49	7,859.11	5,449.38	7,088.18	1,417.81
Wheitstone Productions Private Limited	49.00%	0.02	1.75	(1.74)	-	-	-	(1.74)	(0.01)
Savvica Inc., Canada	20.45%	8.65	5.83	2.83	-	5.61	(5.61)	(2.78)	-
Educomp Online Supplemental Service Limited	4.85%	378.83	285.55	93.28	304.31	1,194.90	(890.59)	(797.32)	(31.30)
Total									**(10,102.33)**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

ii) Summarised statement of profit and loss

For the year ended March 31, 2018

Entity	Revenue	Profit/(loss) for the year	Other Comprehensive Income	Total Comprehensive Income	Total comprehensive income allocated to NCI	Dividend allocated to NCI
Educomp Learning Private Limited	13.97	(8.43)	-	(8.43)	(4.13)	-
Educomp School Management Limited	-	(0.01)	-	(0.01)	(0.00)	-
Educomp Infrastructure & School Management Limited	211.99	(3,760.60)	0.71	(3,759.89)	(626.87)	-
Wheitstone Productions Private Limited	-	(0.01)	-	(0.01)	(0.01)	-
Savvica Inc., Canada	-	-	(0.11)	(0.11)	(0.02)	-
Educomp Online Supplemental Service Limited	46.67	(173.08)	-	(173.08)	(8.39)	-
Total	**272.62**	**(3,942.13)**	**0.60**	**(3,941.53)**	**(639.42)**	**-**

For the year ended March 31, 2017

Entity	Revenue	Profit/(loss) for the year	Other Comprehensive Income	Total Comprehensive Income	Total comprehensive income 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)**	**-**

iii) Summarised Cash Flows

For the year ended March 31, 2018

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	(2.44)	-	-	(2.44)
Educomp School Management Limited	(0.03)	-	-	(0.03)
Educomp Infrastructure & School Management Limited	191.47	49.32	(159.05)	81.74
Savvica Inc., Canada	-	-	-	-
Educomp Online Supplemental Service Limited	12.73	0.03	(14.54)	(1.78)

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

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
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

Note 41. Goodwill and Capital Reserve on consolidation as on the Balance Sheet date comprises the following:

	As at	As at
a) Goodwill on consolidation of companies	**March 31, 2018**	**March 31, 2017**
Educomp Learning Private Limited	0.66	0.66
Edumatics Corporation Inc.	25.95	25.95
Educomp Infrastructure & School Management Limited	9,316.06	9,316.06
Educomp School Management Limited	9.99	9.99
Wheitstone Productions Private Limited	-	3.43
The Learning Internet Inc	653.20	653.20
Savicca Inc	-	122.93
Educomp Online Supplemental Services Limited	206.98	206.98
Total Goodwill	**10,212.84**	**10,339.20**
Less: Provision for impairment of goodwill related to:		
Edumatics Corporation Inc.	25.95	-
Educomp Infrastructure & School Management Limited	9,312.14	-
Educomp School Management Limited	8.43	-
Wheitstone Productions Private Limited	-	3.43
Savicca Inc	-	122.93
Educomp Online Supplemental Services Limited	133.76	-
Less: De-recognition of goodwill on account of loss of control related to:		
The Learning Internet Inc (refer note 5.2)	653.19	-
Educomp Learning Hour Private Limited (refer note 5.2)	73.23	-
Net Goodwill	**6.14**	**10,212.84**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017
b) Capital Reserve on consolidation of companies		
Educomp Infrastructure & School Management Limited	39.62	39.62
Total	**39.62**	**39.62**

Note 42 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, 2018	25.78%	-
		As at March 31, 2017	25.78%	78.74
Little Millennium Education Private Limited	India	As at March 31, 2018	48.29%	197.82
		As at March 31, 2017	48.29%	195.12
Joint Venture				
Educomp-Raffles Higher Education Limited (refer note 7.4)	India	As at March 31, 2018	Nil	-
		As at March 31, 2017	41.82%	572.80

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 & Joint venture

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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (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, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Total current assets	38.15	41.32	204.05	166.03	-	621.96
Total non-current assets	9.05	17.97	93.07	98.52	-	773.64
Total assets	47.20	59.29	297.12	264.55	-	1,395.60
Total current liabilities	184.29	149.18	113.67	87.42	-	116.73
Total non-current liabilities	1.51	1.35	3.98	3.27	-	1.94
Total liabilities	185.80	150.53	117.65	90.69	-	118.67
Net assets	(138.60)	(91.24)	179.47	173.86	-	1,276.93

b) Reconciliation to carrying amounts

Particulars	Associates				Joint Venture	
	Greycells 18 Media Limited		Little Millennium Education Limited		Educomp-Raffles Higher Education	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Opening carrying value	78.74	88.63	195.12	63.12	572.80	572.80
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)	-	-
Less: Reduction in value of investment on account of loss of control	-	-	-	-	(572.80)	-
Share of post acquisition profit/(loss)	(12.28)	(9.96)	2.50	3.99	-	-
Other comprehensive income/ (expense)	0.07	0.07	0.20	(0.05)	-	-
Carrying Cost of Investment	**66.53**	**78.74**	**197.82**	**195.12**	**-**	**572.80**
Less: Provision for Diminution in value of Investment	(66.53)	-	-	-	-	-
Closing carrying value	**-**	**78.74**	**197.82**	**195.12**	**-**	**572.80**

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

c) Summarised statement of profit and loss

Particulars	Associates				Joint Venture	
	Greycells 18 Media Limited		Little Millennium Education Limited		Educomp-Raffles Higher Education	
	For the year ended March 31, 2018	For the year ended March 31, 2017	For the year ended March 31, 2018	For the period from April 23, 2016 to March 31, 2017	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue	46.34	59.63	250.72	191.15	-	-
Other Income	1.14	1.46	3.49	0.67	-	-
Profit/ (loss) before tax	(47.62)	(38.65)	5.18	8.65	-	-
Profit/ (loss) after tax	(47.62)	(38.65)	5.18	8.65	-	-
Other comprehensive income/ (expense)	0.28	0.27	0.42	(0.09)	-	-
Total comprehensive income	(47.34)	(38.38)	5.60	8.56	-	-

Educomp-Raffles Higher Education Limited

The consolidated financial statements of JV of the Group i.e. Educomp-Raffles Higher Education Limited as at and for the year ended March 31, 2017 were not available with the management/RP of the holding company and the consolidated financial statements of the group included a net loss of Rs. Nil in respect of this JV for the year ended as at March 31, 2017, which was based on unaudited consolidated financial statements of the JV for the quarter ended March 31, 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 Holding Company doesn't exercise any control over the said JV and hence no financial statements were available with us to consolidate the accounts of this entity into our consolidated financial statements. Also, refer note 7.4.

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

Note 43 Share reserved under contract/commitments under share Warrants

Educomp Infrastructure & School Management Limited (EISML)

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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Note 44. Leases

44.1 Operating leases (the Group as a lessee)

a) Assets taken on lease

General description of lease:

- The Group has taken office space and technology equipment on lease which are both cancellable and non-cancellable.
- Assets are taken on lease for 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.

b) The lease rental expense recognized in the Statement of Profit and Loss for the year in respect of such leases is Rs 48.36 million (previous year Rs 85.37 million).

c) The future minimum lease rent payable (minimum lease payments) under non-cancellable operating leases are as follows:

	As at March 31, 2018	As at March 31, 2017
Within one year	4.69	45.61
Later than one year but not later than five years	11.84	77.71
Later than five years	-	-
Total	**16.53**	**123.32**

44.2 Operating leases (the Group as a lessor)

a) Assets given on lease

General description of lease:

-The Group has given land and building on non-cancellable operating lease to the educational institutions-Assets are given on lease/license for a period of 30 years on non-assignable, non-transferable and non-revocable basis to educational institutions.

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

-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.

-The leases are renewable after expiry of agreement period.

-There are no escalations as per the lease agreement.

b) The cost and accumulated depreciation of such assets is as follows:

Balance Sheet

Operating lease to educational institution	As At March 31, 2018	As At March 31, 2017
Cost of land	852.90	743.23
Cost of building	5,154.21	5,154.21
Accumulated depreciation	715.56	630.11

Statement of profit & loss

Operating lease to educational institution	For the year ended March 31, 2018	For the year ended March 31, 2017
Depreciation expenses	85.45	84.91 3
Lease rental income	207.80	344.67

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

c) The future minimum lease payment expected to be received as on March 31, 2018 are as follows:

	As at March 31, 2018	As at March 31, 2017
Not later than 1 year	206.60	280.21
Later than 1 year but not later than 5 years	826.40	1,120.45
Later than 5 years	3,483.81	4,910.84
Total	**4,516.81**	**6,311.50**

d) Assets given on sub lease - office space

General description of lease:

- The Company has given office space on sub lease
- Assets are given on lease over a period of one to three years.
- Lease rentals are charged on the basis of agreed terms.
- the lease are renewable after expiry of agreement period.
- There are no escalations as per the lease agreement.

e) Other income includes sub-lease rental of Rs. 10.76 million (previous year Rs. 4.84 million).

f) The future minimum sublease payment expected to be received are as follows:

Asset Given on Sub Lease - office space	As at March 31, 2018	As at March 31, 2017
Within one year	7.74	5.85
Later than one year but not later than five years	-	22.06
Later than five years	-	1.47
Total	**7.74**	**29.38**

g) Assets given on sub-lease - smart classes

General description of lease terms:

- The Company has sub leased various assets under BOOT smart class contracts.
- Assets are given on lease over a period of two to five years
- lease rentals are charged on the basis of agreed terms on straight line basis over the lease term.
- The lease are not renewable after expiry of agreement period.
- There are no escalations as per the lease agreement.

h) These contracts meet the criteria laid down under the appendix C of Ind AS 17, Total minimum lease receivables at the end of the reporting period are as follows :

	As at March 31, 2018	As at March 31, 2017
Total Minimum lease payments receivables (net investment)	1.82	15.80
Total	1.82	15.80
Disclosed as:		
- Non Current	0.04	3.50
- Current	1.78	12.30

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

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

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

	As at March 31, 2018	As at March 31, 2017
Gross investment	2.52	17.50
Net investment	1.82	15.80
Unearned finance income	**0.70**	**1.70**

Note 45 Amounts due to 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 are as under:

Particulars	**As at March 31, 2018**	**As at March 31, 2017**
Principal amount due to micro, small and medium enterprises	9.89	7.90
Interest due on above	5.62	-
Total	**15.51**	**7.90**
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond appointed day.	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	5.62	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid for the purpose of disallowance as a deductible under Section 23 of the MSMED Act 2006.	-	-

Note 46. Unhedged foreign currency exposures

(i) Unhedged foreign currency exposure relating to financial instruments - refer note 34

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

	Foreign currency	As at March 31, 2018	As at March 31, 2017
Advance to suppliers	US$	-	1.38
	SGD	-	0.38
Advance from customer	US$	-	0.58

Note 47. Hitherto, EISML has been charging annual variable license fee based on applicable agreements for the land and/or building on mutual consent. During the year, some of the licensees who were paying variable license fee, apparently carried out fair valuations to substantiate the variable license fee, being charged by the EISML, to their respective regulatory authorities. Based on valuation reports, they disputed such fees charged by EISML. EISML has not agreed to the claims of the licensees where the variable license fee has been reduced as compared to the last year. However in some cases the variable license fee, based on these valuation reports, is higher than that charged in previous year. For the purpose of the financial statements being prepared on prudent accounting principles, EISML has recognized revenue only to the extent of fair valuation reports and has not recognised the revenue to the extent of Rs. 139.21 millions.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Note 48. The Holding Company has initiated proceedings for recovery of outstanding amount from certain trade receivables amounting to Rs. 5,332.38 million (March 31, 2017 Rs. 4,292.09 million), in respect of which the Company has created a provision of Rs. 3,919.40 million (March 31, 2017 Rs. 3,589.27 million), In the opinion of the management, the provision is adequate to mitigate the risk of any possible non recovery from such receivables.

Also, the Company has filed a legal case against one former employee for recovery of certain damages amounting to Rs. 15 million arising from stealing of Company's intellectual property right. The Management is hopeful of favourable outcome of such proceedings/case. However, the amount likely to be realized on settlement of such proceedings/case is currently not ascertainable realistically. The Company does not expect any adverse impact on the financial position as a consequence of these proceedings/case. The Company has recorded all expenses pertaining to legal & professional charges in respect of all such proceedings/case.

Note 49. Managerial Remuneration:

Holding Company

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

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

EISML

Due to inadequacy of the profits during the 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 section 198, 269, 309 read with schedule XIII of the Companies Act, 1956.

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

Note 50. In accordance with the provisions of the Insolvency and Bankruptcy Code (Insolvency Code), public announcement has been made for submission of proof of claims against the Holding Company from financial creditors, operational creditors and employees and workmen. As per the Insolvency Code, the Resolution Professional (RP) has to receive, collate and admit all the claims submitted against the Holding Company. 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). Till date of approving of standalone financial statements of the holding company on March 11, 2021, the following claims were filed against the Holding Company by its creditors (financial and operational), workmen and employees.

	Claimed Amount	Admitted Amount	Not Admitted
Creditors (financial)	31,080.89	30,242.66	838.23
Creditors (operational)	219.84	164.13	55.71
Workmen and employees	77.40	30.93	46.47
	31,378.13	**30,437.72**	**940.41**

In respect of 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). Subsequent to the signing of consolidated financial statements of EISML the National Company Law Tribunal (NCLT) has approved the resolution plan for EISML vide its order dated December 14, 2020.Till the date of approval of resolution plan by NCLT, following claims have been filed against EISML by its creditors (financial and operational), employees and workmen.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

	Claimed Amount	Admitted Amount	Not Admitted
Creditors (financial)	11,982.60	9,049.40	2,933.20
Creditors (operational)	68.10	49.60	18.50
Workmen and employees	1.30	1.10	0.20
	12,052.00	9,100.10	2,951.90

Note 51 The ability of EISML to service its debt was significantly impaired due to inability of its tenants to pay their dues due to significant changes in the regulatory framework applicable to tenants/school. However EISML has initiated legal action to recover its dues from these tenants. In the meantime EISML has filed application under section 10 of Insolvency and Bankruptcy code, 2016 on January 11, 2018 to resolve its debt position.

Note 52 Knowledge Vistas Limited (KVL), a subsidiary of EISML, has taken land from Lavasa Corporation Limited 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 sublease agreement with Gyan Kunj Educational Trust (GKET) to sublease 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 environmental matters, GKET has decided to suspend its operation and waiting for favourable business opportunities.

On the basis of the valuation report from an Independent valuer, the carrying cost of the EISML Group's asset is not less than it's realisable value. Hence, the management of EISML doesn't anticipate any asset impairment. Accordingly the consolidated financial statements of EISML 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.

Note 53 Loss per share (EPS)

Net loss attributable to equity shareholders of the parent	(25,410.54)	(3,353.33)
Nominal value of equity share (Rs.)	2	2
No of shares as at end of the year (No.'s)	122,467,168	122,467,168
No. of weighted average equity shares (No.'s)	122,467,168	122,467,168
Loss per share Basic/ diluted	(207.49)	(27.38)

*The Company is having potential equity shares as mentioned in note 16(g). These are however, not considered for calculation of dilutive EPS, being anti-dilutive. Consequently, the basic and diluted EPS of the Group remain the same.

Note 54. As per the terms of MRA and approved CDR scheme of EISML, there are certain assets of the EISML & its subsidiaries (EISML 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 EISML 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 2017-18 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 management 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, the consolidated Ind As financial results of EISML Group 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 EISML is unable to continue as a going concern.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Note 55. Other Notes

55.1 Due to non maintenance of Escrow arrangements/water fall mechanism and breach of various other documents executed by customers/trust with the lenders of the EISML, the EISML had initiated legal proceedings against these customers/trusts. Due to uncertainty of the outcome of legal proceedings recovery from outstanding trade receivable is uncertain, Therefore, out of the amount receivable from various trusts/schools aggregating to Rs 2,241.97 million (including loan), comprising of:

Particulars	Balance as on March 31, 2018	Provision during the year	Balance
Fixed Rental	614.64	602.66	11.98
Variable Rental	423.61	421.38	2.23
Services and others	608.37	607.98	0.39
Total	**1,646.62**	**1,632.02**	**14.60**
Loan	483.50	117.87	365.63
Interest on loan	538.32	308.61	229.71
Total	**1,021.82**	**426.48**	**595.34**

EISML has provided the amount outstanding trade receivable for more than a year from these customers/trust as doubtful of recovery and recorded a provision of Rs 1,632.02 million (Previous year- Nil) against trade receivable and a provision against loan given to trust amounting of Rs 117.87 million (Previous year- Nil) and interest thereon of Rs 308.61 million (Previous year- Nil).

55.2 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 confirmation to auditors.

55.3 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 confirmation 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.

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

56. Statement of net assets and profit or loss attributable to owner and minority interest (contd...)

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)
For the financial year ended on March 31, 2018								
Educomp Solutions Limited	112.58%	(26,331.16)	93.20%	(23,682.78)	88.72%	6.75	93.20%	(23,676.03)
Indian Subsidiaries								
Educomp Infrastructure and School Management Limited	-13.89%	3,249.18	14.54%	(3,694.07)	9.31%	0.71	14.54%	(3,693.36)
Educomp Infrastructure Services Private Limited	0.00%	0.17	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Educomp Investment Management Limited	-0.04%	8.88	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Educomp Learning Hour Private Limited	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Educomp Learning Private Limited	-0.15%	34.55	0.03%	(8.43)	0.00%	-	0.03%	(8.43)
Educomp Online Supplemental Services	0.44%	(103.92)	1.37%	(346.98)	0.00%	-	1.37%	(346.98)
Educomp Professional Education Limited	-4.28%	1,002.13	0.01%	(2.64)	0.00%	-	0.01%	(2.64)
Educomp School Management Limited	-0.40%	92.76	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Educomp Software Limited	-0.06%	13.45	-0.11%	26.84	0.00%	-	-0.11%	26.84
Edusmart Services Private Limited (Refer note 40A.4)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Knowledge Vista Limited	-0.91%	213.84	0.08%	(20.49)	0.00%	-	0.08%	(20.49)
Wheitstone Productions Private Limited	0.01%	(1.75)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Boston Realtech Private Limited	-0.29%	67.78	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Crosshome Developers Private Limited	-0.32%	74.91	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Evergreen Realtech Private Limited	-0.28%	64.87	0.00%	(0.00)	0.00%	-	0.00%	(0.00)
Falcate Builders Private Limited	-0.80%	186.74	0.00%	(0.02)	0.00%	-	0.00%	(0.02)
Good Luck Structure Private Limited	-0.24%	56.23	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Grider Infratech Private Limited	-0.45%	105.67	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Growzone Infrastructure Private Limited	-0.46%	106.66	0.00%	(0.04)	0.00%	-	0.00%	(0.04)
Herold Infra Private Limited	-0.16%	37.79	0.00%	0.00	0.00%	-	0.00%	0.00
Hidream Constructions Private Limited	-1.17%	273.33	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Laservision Estates Private Limited	-0.25%	58.43	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Leading Edge Infratech Private Limited	-0.32%	75.74	0.00%	(0.03)	0.00%		0.00%	(0.03)
Markus Infrastructure Private Limited	-0.32%	74.27	0.00%	(0.02)	0.00%	-	0.00%	(0.02)

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Modzex Infrastructure Private Limited	-0.28%	64.59	0.00%	0.65	0.00%	-	0.00%	0.65
Newzone Infrastructure Private Limited	-0.32%	74.65	0.00%	0.69	0.00%	-	0.00%	0.69
Onega Infrastructure Private Limited	0.05%	(11.45)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Orlando Builders Private Limited	-0.25%	59.64	0.44%	(110.93)	0.00%	-	0.44%	(110.93)
Reverie Infratech Private Limited	-0.14%	32.79	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Rockstrong Infratech Private Limited	-0.37%	87.04	0.00%	(0.14)	0.00%	-	0.00%	(0.14)
Strotech Infrastructure Private Limited	-0.59%	138.12	0.00%	0.71	0.00%	-	0.00%	0.71
Virtual Buildtech Private Limited	-0.22%	51.31	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Zeta Buildcon Private Limited	-0.13%	29.70	0.00%	(0.03)	0.00%	-	0.00%	(0.03)
Foreign Subsidiaries	0.00%		0.00%		0.00%		0.00%	
Edumatics Corporation Inc. USA (Refer note 56.1 below)	-0.05%	11.56	0.00%	-	0.00%	-	0.00%	-
Educomp APAC Services Limited	-2.10%	491.56	0.19%	(47.55)	0.00%		0.19%	(47.55)
Educomp Asia Pacific Pte. Limited (Refer note 40A.4)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Savvica Inc., Canada (Refer note 56.1 below)	0.01%	(2.89)	0.00%	-	0.00%	-	0.00%	-
Learning Internet Inc. USA (Refer note 40A.4)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Educomp IntelProp Ventures Pte Limited (Refer note 56.1 below)	0.92%	(215.84)	0.00%	-	0.00%	-	0.00%	-
Educomp Global Holding (Refer note 56.1 below)	-0.18%	43.18	0.00%	-	0.00%	-	0.00%	-
Educomp Global FZE (Refer note 56.1 below)	0.05%	(11.85)	0.00%	-	0.00%	-	0.00%	-
			0.00%		0.00%		0.00%	
Investment as per equity method								
Joint Ventures - Indian								
Educomp Raffles Higher Education Limited (refer note 7.4)	NA	NA	NA	NA	NA	NA	NA	NA
Associates - Indian								
Greycells18 Media Private Limited	NA	NA	0.05%	(12.28)	0.92%	0.07	0.05%	(12.21)
Little Millennium Education Pvt Ltd.	NA	NA	-0.01%	2.50	2.63%	0.20	-0.01%	2.70
Non Controlling Interest								
Indian Subsidiaries								
Educomp Infrastructure and School Management Limited	-3.38%	791.07	2.47%	(626.87)	4.20%	0.32	2.47%	(626.55)
Educomp Learning Private Limited	-0.07%	16.93	0.02%	(4.13)	0.00%	-	0.02%	(4.13)
Educomp School Management Limited	-0.13%	29.36	0.00%	(0.00)	0.00%	-	0.00%	(0.00)

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

Educomp Online Supplemental Services	0.17%	(39.69)	0.03%	(8.39)	0.00%	-	0.03%	(8.39)
Wheitstone Productions Private Limited	0.00%	(0.02)	0.00%	(0.01)	0.00%	-	0.00%	(0.01)
Edusmart Services Private Limited (Refer note 40A.4)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Foreign Subsidiaries								-
Learning Internet Inc. USA (Refer note 40A.4)	0.00%	-	0.00%	-	0.00%	-	0.00%	-
Savvica Inc., Canada (Refer note 56.1 below)	0.00%	(0.02)	0.00%	-	-0.26%	(0.02)	0.00%	(0.02)
Total Eliminations	18.77%	(4,390.16)	-12.29%	3,124.19	-5.52%	(0.42)	-12.30%	3,123.76
Consolidated net Assets / Loss after tax	**100.00%**	**(23,389.87)**	**100.00%**	**(25,410.54)**	**100.00%**	**7.61**	**100.00%**	**(25,402.93)**

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

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

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)
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	-0.13%	(2.78)	0.00%	-	0.00%	-	0.00%	-
Learning Internet Inc. USA	-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
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	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	-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	-0.97%	(21.15)	-	-	2.67%	1.15	(0.00)	1.15
Savvica Inc., Canada	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)**

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

Notes:

56.1 The financial statement as at March 31, 2018, of Edumatics Corporation Inc. USA, Educomp IntelProp Ventures Pte Limited, Educomp Global Holding, Educomp Global FZE and Savvica Inc., Canada (Savvica), are not available with the Group Management/RP. These consolidated financial statements are prepared based on last available audited financial statements for the year ended March 31, 2017 in respect of Edumatics Corporation Inc. USA, Educomp IntelProp Ventures Pte Limited, Educomp Global Holding, Educomp Global FZE and unaudited financials for the year ended March 31, 2016 in respect of Savvica Inc., Canada (Savvica). The below table represents the Group share of balance sheet and statement of profit and loss of above mentioned companies as at March 31, 2018 and March 31, 2017 are as under:

Particulars	**Edumatics Corporation Inc. USA**		**Savvica Inc., Canada**		**Educomp IntelProp Ventures Pte Limited**		**Educomp Global Holding**	
	As at March 31, 2018	**As at March 31, 2017**	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2018**	**As at March 31, 2017**	**As at March 31, 2018**	**As at March 31, 2017**
Balance Sheet (refer note 56.2 below)								
Total assets	23.93	23.82	9.00	8.65	28.77	24.81	43.18	42.49
Total liabilities	12.37	12.31	11.89	11.43	244.60	226.53	-	-
Net assets	11.56	11.51	(2.89)	(2.78)	(215.83)	(201.72)	43.18	42.49

Notes to Consolidated Ind AS Financial Statements for the year ended March 31, 2018 (Rs. In millions unless otherwise stated)

56.1 (contd...)

Particulars	Educomp Global FZE	
	As at March 31, 2018	As at March 31, 2017
Balance Sheet (refer note 56.2 below)		
Total assets	2.63	2.62
Total liabilities	14.49	14.39
Net assets	(11.86)	(11.77)

Particulars	Edumatics Corporation Inc. USA		Savvica Inc., Canada		Educomp IntelProp Ventures Pte Limited		Educomp Global Holding	
	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017	As at March 31, 2018	As at March 31, 2017
Statement of profit and loss							-	-
Revenue from operations	-	-	-	-	-	30.19	-	-
Other income	-	0.00	-	-	-	135.55	-	-
Purchase of Stock-in-Trade	-	-	-	-	-	29.28	-	-
Employee benefit expense	-	-	-	-	-	-	-	-
Finance cost	-	-	-	-	-	-	-	-
Other expense	-	7.72	-	-	-	0.49	-	-
Total comprehensive Profit/(loss) for the year	-	(7.73)	-	-	-	135.97	-	-
Net cash flow	-	-	-	-	-	-	-	-

Particulars	Educomp Global FZE	
	As at March 31, 2018	As at March 31, 2017
Statement of profit and loss		
Revenue from operations	-	-
Other income	-	-
Purchase of Stock-in-Trade	-	-
Employee benefit expense	-	-
Finance cost	-	-
Depreciation and amortisation expense	-	0.02
Other expense	-	-
Total comprehensive Profit/(loss) for the year	-	(0.02)
Net cash flow	-	-

56.2 The Movement in 2017-18 represents changes in foreign exchange rate from March 31, 2017 to March 31, 2018.

Note 57. The Holding Company and Educomp Infrastructure & School Management Limited (EISML) are currently subjected to the investigations by Serious Fraud Investigation Office (SFIO) and the Central Bureau of Investigation (CBI). Certain information have been requested by them from the Holding Company and EISML and the investigations are currently underway. The Holding Company is yet to get any orders or directions in this respect from the said Authorities till the date of signing these consolidated financial statements.

Note 58. The Holding Company has not carried out any internal audit during the year as required under sections 138 of the Act.

Note 59. The Group did not have a full time company secretary during the financial year 2017-18. Consequently, these consolidated Ind AS Financial Statements could not be authenticated by a company secretary ensuring compliance with all applicable provisions of the Companies Act, 2013.

Note 60. The Holding Company did not have a Chief Financial Officer (CFO) during the financial year 2017-18 as required under section 203 of the Act. Consequently, these Consolidated Ind AS Financial Statements could not be authenticated by a CFO.

Note 61. The Holding Company has not been in compliance with various other provisions of the Companies Act 2013, SEBI LODR Regulations, 2015 and Foreign Exchange Management Act, 1999.

Note 62. The previous year figures have been regrouped 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

Sd/-
Kunj B. Agrawal
Partner
Membership No.: 095829

Place: New Delhi
Date : September 15, 2021

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

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

Place: New Delhi
Date : September 15, 2021

Notes

Educomp

What Learning Can Be

Educomp Solutions Limited