

This is an abridged prospectus containing salient features of the RHP dated April 13, 2017 ("RHP").
You are encouraged to read greater details available in the RHP.

THE DOCUMENT CONSISTS OF FOUR PAGES OF APPLICATION FORM ALONG WITH INSTRUCTIONS AND SIX PAGES OF ABRIDGED PROSPECTUS. PLEASE ENSURE THAT YOU HAVE RECEIVED ALL THE PAGES.

Please ensure that you have read the RHP, this abridged prospectus and the General Information Document ("GID") for investing in public issues undertaken through the Book Building Process before applying in the Offer. You may obtain a physical copy of the Bid cum Application Form and the RHP from Stock Exchanges, Member of the Syndicate, Registered Brokers, Collecting Depository Participants, Registrar to the Offer and Share Transfer Agents, Underwriter, Bankers to the Offer, Investor's associations or Self Certified Syndicate Banks. You may also download the RHP from the websites of the Securities and Exchange Board of India ("SEBI"), Book Running Lead Managers ("BRLMs") and the stock exchanges where the Equity Shares are proposed to be listed i.e. www.sebi.gov.in; www.jmfl.com, www.axiscapital.co.in, www.credit-suisse.com, www.bseindia.com and www.nseindia.com, respectively. All capitalized terms used herein and not specifically defined shall have the same meaning as ascribed to them in the RHP. Investors are advised to retain a copy of the RHP/Abridged Prospectus for their future reference.



S CHAND AND COMPANY LIMITED

Corporate Identity Number: U22219DL1970PLC005400; **Registered Office:** Ravindra Mansion, Ramnagar, New Delhi 110055, India

Corporate Office: A-27, 2nd Floor, Mohan Cooperative Industrial Estate, New Delhi 110 044, India

Tel: +91 11 6667 2000; **Fax:** +91 11 2367 7446; **Website:** www.schandgroup.com

Contact Person: Mr. Jagdeep Singh, Company Secretary and Compliance Officer; **E-mail:** investors@schandgroup.com

PROMOTERS OF OUR COMPANY

Mr. Dinesh Kumar Jhunjhnuwala, Ms. Neerja Jhunjhnuwala and Mr. Himanshu Gupta

OFFER DETAILS, LISTING AND PROCEDURE

INITIAL PUBLIC OFFERING OF UP TO [●] EQUITY SHARES OF FACE VALUE OF ₹ 5 EACH ("EQUITY SHARES") OF S CHAND AND COMPANY LIMITED ("ISSUER" OR "COMPANY") FOR CASH AT A PRICE OF ₹ [●] PER EQUITY SHARE INCLUDING A SHARE PREMIUM OF ₹ [●] PER EQUITY SHARE ("OFFER PRICE"), AGGREGATING UP TO ₹ [●] MILLION CONSISTING OF A FRESH ISSUE OF [●] EQUITY SHARES AGGREGATING UP TO ₹ 3,250 MILLION ("FRESH ISSUE") AND AN OFFER FOR SALE OF UP TO 6,023,236 EQUITY SHARES AGGREGATING UP TO ₹ [●] MILLION ("OFFER FOR SALE") AND TOGETHER WITH THE FRESH ISSUE, THE "OFFER", COMPRISING UP TO 440,298 EQUITY SHARES BY MR. HIMANSHU GUPTA, UP TO 274,591 EQUITY SHARES BY MR. DINESH KUMAR JHUNJHNUWALA, UP TO 240,018 EQUITY SHARES BY MS. NEERJA JHUNJHNUWALA, (MR. HIMANSHU GUPTA, MR. DINESH KUMAR JHUNJHNUWALA AND MS. NEERJA JHUNJHNUWALA ARE COLLECTIVELY REFERRED TO AS THE "PROMOTER SELLING SHAREHOLDERS"), UP TO 74,841 EQUITY SHARES BY MS. NIRMALA GUPTA, UP TO 93,682 EQUITY SHARES BY MS. SAVITA GUPTA, UP TO 70,270 EQUITY SHARES BY MS. ANKITA GUPTA, UP TO 14,800 EQUITY SHARES BY MR. GAURAV KUMAR JHUNJHNUWALA (MS. NIRMALA GUPTA, MS. SAVITA GUPTA, MS. ANKITA GUPTA, AND MR. GAURAV KUMAR JHUNJHNUWALA ARE COLLECTIVELY REFERRED TO AS THE "OTHER SELLING SHAREHOLDERS"), UP TO 4,814,736 EQUITY SHARES BY EVERSTONE CAPITAL PARTNERS II LLC ("EVERSTONE" OR "INVESTOR SELLING SHAREHOLDER") (THE PROMOTER SELLING SHAREHOLDERS, THE OTHER SELLING SHAREHOLDERS AND THE INVESTOR SELLING SHAREHOLDER ARE COLLECTIVELY REFERRED TO AS, THE "SELLING SHAREHOLDERS") THE OFFER SHALL CONSTITUTE AT LEAST [●]% OF THE FULLY DILUTED POST-OFFER PAID UP EQUITY SHARE CAPITAL OF OUR COMPANY.

THE PRICE BAND AND THE MINIMUM BID LOT WILL BE DECIDED BY OUR COMPANY AND THE SELLING SHAREHOLDERS IN CONSULTATION WITH THE BRLMs, AND ADVERTISED IN ALL EDITIONS OF FINANCIAL EXPRESS AND ALL EDITIONS OF JANSATTA (WHICH ARE WIDELY CIRCULATED ENGLISH AND HINDI NEWSPAPERS, HINDI ALSO BEING THE REGIONAL LANGUAGE OF DELHI, WHERE OUR REGISTERED OFFICE IS LOCATED) AT LEAST FIVE WORKING DAYS PRIOR TO THE BID/OFFER OPENING DATE IN ACCORDANCE WITH THE SECURITIES AND EXCHANGE BOARD OF INDIA (ISSUE OF CAPITAL AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2009, AS AMENDED ("SEBI ICDR REGULATIONS") AND SUCH ADVERTISEMENT SHALL BE MADE AVAILABLE TO THE BSE LIMITED ("BSE") AND THE NATIONAL STOCK EXCHANGE OF INDIA LIMITED ("NSE") (TOGETHER, THE "STOCK EXCHANGES") FOR THE PURPOSE OF UPLOADING ON THEIR RESPECTIVE WEBSITES.

THE FACE VALUE OF THE EQUITY SHARES IS ₹ 5 EACH AND THE OFFER PRICE IS [●] TIMES THE FACE VALUE OF THE EQUITY SHARES.

Procedure:

If you wish to know about processes and procedures applicable to public issues, you may request for a copy of the GID, from BRLMs or download it from their websites at www.jmfl.com, www.axiscapital.co.in, www.credit-suisse.com or from the websites of BSE and NSE at www.bseindia.com and www.nseindia.com, respectively.

ELIGIBILITY FOR THE OFFER – Regulation 26(1) of SEBI ICDR Regulations, 2009

Whether the company is compulsorily required to allot at least 75% of the Offer to public, to QIBs – No

INDICATIVE TIMELINE

| | | | |
|--------------------------------------------------------------------------|-------------------------------|------------------------------------------------------------------------------------------------|-------------------------|
| Bid/Offer Opening Date* | April 26, 2017 ⁽¹⁾ | Initiation of refunds (if any, for Anchor Investors)/ unblocking of funds from ASBA Account | On or about May 5, 2017 |
| Bid/Offer Closing Date | April 28, 2017 | Credit of Equity Shares to demat accounts of Allottees | On or about May 8, 2017 |
| Finalisation of Basis of Allotment with the Designated Stock Exchange | On or about May 4, 2017 | Commencement of trading of the Equity Shares on the Stock Exchanges | On or about May 9, 2017 |

⁽¹⁾ Our Company and the Selling Shareholders, may, in consultation with the BRLMs, consider participation by Anchor Investors. The Anchor Investor Bidding Date shall be one Working Day prior to the Bid/ Offer Opening Date in accordance with the SEBI ICDR Regulations.

GENERAL RISKS

Investments in equity and equity-related securities involve a degree of risk and investors should not invest any funds in this Offer unless they can afford to take the risk of losing their entire investment. Investors are advised to read the risk factors carefully before taking an investment decision in this Offer. For taking an investment decision, investors must rely on their own examination of our Company and the Offer, including the risks involved. The Equity Shares offered in the Offer have not been recommended or approved by SEBI, nor does SEBI guarantee the accuracy or adequacy of the contents of the RHP. Specific attention of the investors is invited to “**Risk Factors**” on page 16 of the RHP and “**Internal Risk Factors**” on page 7 of this Abridged Prospectus.

PRICE INFORMATION OF BRLMs

| Issue Name | Name of Merchant Banker | +/- % change in closing price, [+/- % change in closing benchmark] | | |
|-------------------------------------------------|-------------------------|--------------------------------------------------------------------|----------------------------------------------------------|-----------------------------------------------------------|
| | | 30 th calendar days from listing | 90 th calendar days from listing [#] | 180 th calendar days from listing [#] |
| Avenue Supermarts Limited | JM Financial, Axis | NA | NA | NA |
| PNB Housing Finance Limited | JM Financial | +11.70% [-4.16%] | +21.28% [+2.87%] | NA |
| ICICI Prudential Life Insurance Company Limited | JM Financial | -7.60% [+0.54%] | -11.54% [-6.50%] | +12.31% [+5.28%] |
| L&T Technology Services Limited | JM Financial | -0.85% [-1.57%] | -8.54% [-8.72%] | -9.55% [+3.28%] |
| Dilip Buildcon Limited | JM Financial, Axis | +5.11% [+3.20%] | +1.53% [-0.57%] | +22.12% [+2.43%] |
| Parag Milk Foods Limited | JM Financial | +17.07% [+4.97%] | +48.67% [+11.04%] | +38.93% [+6.59%] |
| Thyrocare Technologies Limited | JM Financial | +36.85% [+5.09%] | +23.48% [+10.39%] | +39.09% [+7.22%] |
| BSE Limited | Axis | +17.52%, [+2.55%] | NA | NA |
| Varun Beverages Limited | Axis | -7.72%, [-5.17%] | -9.36%, [+3.01%] | NA |
| Endurance Technologies Limited | Axis | +16.06%, [-6.69%] | + 23.78%, [-2.84%] | NA |
| RBL Bank Limited | Axis | +27.07%, [-2.22%] | +56.98%, [-7.50%] | +107.91%, [+1.26%] |
| Advanced Enzyme Technologies Limited | Axis | +56.24%, [+1.23%] | +145.97%, [-0.12%] | +101.14%, [0.05%] |
| Syngene International Limited | Axis, Credit Suisse | +36.00%, [-7.61%] | +44.90%, [-6.47%] | +57.20%, [-12.70%] |
| TeamLease Services Limited | Credit Suisse | +15.34%, [+7.99%] | +5.38%, [+12.43%] | +35.35%, [+24.31%] |

Notes: 1. Disclosure subject to recent 7 issues (Initial Public Offering) in current financial year and two preceding financial years.

2. In the event any day falls on a holiday, the price/index of the immediately preceding working day has been considered.

For further details, please refer to “**Price information of past issues handled by the BRLMs**” on page 489 of the RHP.

| | |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Names of BRLMs and contact details (telephone and email id) of BRLMs | JM Financial Institutional Securities Limited 7th Floor, Cnergy Building, Appasaheb Marathe Marg, Prabhadevi, Mumbai 400 025, Maharashtra, India Tel: +91 22 6630 3030; E-mail: schand.ipo@jmfli.com |
| | Axis Capital Limited* Axis House, 1st Floor, C-2, Wadia International Center, P. B. Marg, Worli, Mumbai 400 025, Maharashtra, India Tel: + 91 22 4325 2183; E-mail: schand.ipo@axiscap.in |
| | Credit Suisse Securities (India) Private Limited* 9th Floor, Ceejay House, Plot F, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai 400 018, Maharashtra, India Tel: +91 22 6777 3777; E-mail: list.projectkiado@credit-suisse.com |
| | *Axis Capital Limited and Credit Suisse Securities (India) Private Limited will also act as the Syndicate Member in the Issue |
| Names of Syndicate Member | JM Financial Services Limited |
| Name of Registrar to the Offer and contact details (telephone and email id) | Link Intime India Private Limited C-101, 1st Floor, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai – 400 083, Maharashtra, India Tel: +91 22 4918 6200; E-mail: schand.ipo@linkintime.co.in |
| Name of Statutory Auditor | S.R. Batliboi & Associates LLP |
| Self-Certified Syndicate Banks | The list of banks is available on http://www.sebi.gov.in/sebiweb/home/list/5/33/0/0/Recognised-Intermediaries which is updated from time to time. |
| Non Syndicate Registered Brokers | You can submit Bid cum Application Forms to Non Syndicate Registered Brokers at the Non Syndicate Broker Centres. For further details, see section titled “ Offer Procedure ” beginning on page 508 of the RHP. |
| Details regarding website address(es)/link(s) from which the investor can obtain list of registrar to issue and share transfer agents, depository participants and stock brokers who can accept application from investor (as applicable) | The list of RTAs eligible to accept ASBA Forms at the Designated RTA Locations, the list of the CDPs eligible as applicable to accept ASBA Forms at the Designated CDP Locations and Registered Brokers including details such as name and contact details, are provided on the websites of Stock Exchanges at http://www.bseindia.com/Static/Markets/PublicIssues/RtaDp.aspx?expandable=6 and http://www.nseindia.com/products/content/equities/ipos/asba_procedures.htm , http://www.bseindia.com/Markets/PublicIssues/brokercentres_new.aspx?expandable=7 as updated from time to time. For further details, see section titled “ Offer Procedure ” beginning on page 508 of the RHP. |

PROMOTERS OF OUR COMPANY

Mr. Dinesh Kumar Jhunjhnuwala: Mr. Dinesh Kumar Jhunjhnuwala, aged 56 years, is an Executive Director of our Company. He has received basic education. He has been associated with our Company since 2004 and accordingly, has over 11 years of experience in the knowledge products and services industry. He was appointed as an Executive Director on July 1, 2011.

Ms. Neerja Jhunjhnuwala: Ms. Neerja Jhunjhnuwala, aged 52 years, is a Promoter of our Company. She is a resident of India. She has received basic education. She has been associated with our Company since 2004 and accordingly, has over 11 years of experience in the knowledge products and services industry. She was appointed as an Executive Director on July 1, 2011.

Mr. Himanshu Gupta: Mr. Himanshu Gupta, aged 38 years, is the Managing Director of our Company. He holds a bachelor's degree in commerce from the University of Delhi. He has been associated with our Company since 2000 and accordingly, has over 15 years of experience in the knowledge products and services industry. He was appointed as the Managing Director on July 1, 2007. He was the vice president (south) of the Federation of Indian Publishers for the year 2012-2013. He is a recipient of 'Young Publisher Award' by the Federation of Educational Publishers in India for the year 2011.

None of our Group Companies are listed on any of the Stock Exchanges.

BUSINESS OVERVIEW AND STRATEGY

We are a leading Indian education content company in terms of revenue from operations in Fiscal 2016. (Source: Nielsen Research Report). We deliver content, solutions and services across the education lifecycle through our K-12, higher education and early learning segments. We are the leading K-12 education content company in terms of revenue from operations in Fiscal 2016, according to Nielsen, with a strong presence in the CBSE/ICSE affiliated schools and increasing presence in the state board affiliated schools across India. As of December 31, 2016, we offered 55 consumer brands across knowledge products and services including S. Chand, Vikas, Madhubun, Saraswati, Destination Success and Ignitor. We believe that these brands have benefited by our strong brand management philosophy which embraces consistent efforts to upgrade content quality and to update content regularly. Further, in December 2016, we acquired 74% of the outstanding share capital of Chhaya Prakashani Private Limited, and we now offer four Chhaya brands including Chhaya and IPP. Our textbooks and instructional materials are supported by our offering of technology driven methods of education and digital learning. We sell our knowledge products and services to schools and to students across their lifecycle through our extensive pan-India network of sales offices, distributors and dealers.

Our Competitive Strengths: • Comprehensive consumer focused education content player with touch points across education lifecycle • Strong brand equity with high consumer recall • Leading position in the K-12 market • Strong integrated in-house printing and logistic capabilities • Pan-India sales and distribution network driving deep market reach • Focused digital and technology platform • Experienced management and leadership team

Our Strategies: • Expand our leadership in the K-12 market • Expand our presence in the test preparation market of our higher education business • Focus on being comprehensive education content provider for our customers through all media including digital • Enhance our existing engagement for K-12 business by providing additional services to students, educators and institutions.

BOARD OF DIRECTORS

| Sr. No. | Name | Designation | Experience including current/past position held in other firms |
|---------|--------------------------------------|------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 | Mr. Desh Raj Dogra | Chairman and Independent Director | Mr. Desh Raj Dogra, aged 62 years, is an Independent Director of our Company. He has over 38 years of experience in financial sector and credit administration. He has been associated with our Company since 2016. |
| 2 | Mr. Himanshu Gupta | Managing Director | For further details, see " <i>Promoters of our Company</i> " on page 5 of this Abridged Prospectus. |
| 3 | Mr. Dinesh Kumar Jhunjhnuwala | Executive Director | For further details, see " <i>Promoters of our Company</i> " on page 5 of this Abridged Prospectus. |
| 4 | Mr. Gaurav Kumar Jhunjhnuwala | Non-Executive Director | Mr. Gaurav Kumar Jhunjhnuwala, aged 30 years, is a Non-Executive Director of our Company. He has received basic education and has over 5 years of experience in the knowledge products and services industry. He has been associated with our Company since 2011. |
| 5 | Ms. Savita Gupta | Non-Executive Director | Ms. Savita Gupta, aged 67 years, is a Non-Executive Director of our Company. She has been associated with our Company since 1989 and accordingly, has over 25 years of experience in the knowledge products and services industry. |
| 6 | Mr. Deep Mishra | Non-Executive and nominee Director | Mr. Deep Mishra, aged 44 years, is a Non-Executive and nominee Director of our Company. He has 20 years of experience in the financial sector. He was appointed as a nominee of Everstone on the Board on September 27, 2012. |
| 7 | Ms. Archana Capoor | Independent Director | Ms. Archana Capoor, aged 58 years, is an Independent Director of our Company. She has 34 years of experience across various sectors including tourism and housing sector. She was appointed as an Independent Director of our Company on November 10, 2016. |
| 8 | Mr. Sanjay Bhandarkar | Independent Director | Mr. Sanjay Bhandarkar, aged 49 years, is an Independent Director of our Company. He has 26 years of experience in the financial sector. He was appointed as an Independent Director of our Company on November 10, 2016. |

For further information about our Directors, see "*Our Management*" on page 179 of the RHP.

OBJECTS OF THE OFFER

Proposed Schedule of Implementation, Deployment of Funds and Means of Finance

We propose to deploy the Net Proceeds in accordance with the estimated schedule of implementation and deployment of funds set forth in the table below. As on the date of this Abridged Prospectus, our Company has not deployed any funds towards the objects of the Offer.

(₹ in million)

| S. No. | Particulars | Total Estimated Cost | Amount proposed to be funded from Net Proceeds | Estimated Deployment Financial Year 2018 |
|--------------|---------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|------------------------------------------------|------------------------------------------|
| 1. | Repayment of loans availed by our Company and one of our Subsidiaries, EPHL, which were utilized towards funding the acquisition of Chhaya | 1,504 | 1,504 | 1,504 |
| (a) | Repayment of loans availed by our Company which was utilized towards funding the acquisition of Chhaya | 1,000 | 1,000 | 1,000 |
| (b) | Repayment of loans availed by Eurasia Publishing House Private Limited, one of our Subsidiaries, which was utilized towards funding the acquisition of Chhaya | 504 | 504 | 504 |
| 2. | Repayment/prepayment, in full or in part, of certain loans availed of by our Company and certain of our Subsidiaries, VPHPL and NSHPL | 1,046 | 1,046 | 1,046 |
| (a) | Repayment/ prepayment, in full or in part, of certain loans availed of by our Company | 550 | 550 | 550 |
| (b) | Repayment/ prepayment, in full or in part, of certain loans availed of by certain of our Subsidiaries, VPHPL and NSHPL | 496 | 496 | 496 |
| 3. | General corporate purposes ⁽¹⁾ | ● | ● | ● |
| Total | | ● | ● | ● |

⁽¹⁾To be determined on finalisation of the Offer Price and updated in the Prospectus prior to the filing with the RoC.

For further details, see “*Objects of the Offer*” on page 100 of the RHP.

Details and reasons for non-deployment or delay in deployment of proceeds or changes in utilization of issue proceeds of past public issue/rights issues, if any, of the Company in the preceeding 10 years : N.A.

Terms of Issuance of Convertible Security, if any : N.A.

Name of Monitoring Agency: N.A.

Shareholding Pattern

| S. No. | Particulars | Pre-Offer number of Equity Shares | % holding of pre-Offer |
|--------------|---------------------------|-----------------------------------|------------------------|
| 1 | Promoter & Promoter Group | 17,409,240 | 58.33 |
| 2 | Public | 12,435,256 | 41.67 |
| Total | | 29,844,496 | 100.00 |

Number of Equity Shares proposed to be sold by Selling Shareholders

| S. No. | Name of the Selling Shareholders | Number of Equity Shares offered for the Offer for Sale |
|--------------|-----------------------------------|--------------------------------------------------------|
| 1 | Mr. Himanshu Gupta | 440,298 |
| 2 | Mr. Dinesh Kumar Jhunjhnuwala | 274,591 |
| 3 | Ms. Neerja Jhunjhnuwala | 240,018 |
| 4 | Ms. Nirmala Gupta | 74,841 |
| 5 | Ms. Savita Gupta | 93,682 |
| 6 | Ms. Ankita Gupta | 70,270 |
| 7 | Mr. Gaurav Kumar Jhunjhnuwala | 14,800 |
| 8 | Everstone Capital Partners II LLC | 4,814,736 |
| Total | | 6,023,236 |

RESTATED AUDITED FINANCIALS

Restated Unconsolidated Financial Statements

(Amount in ₹ millions except per share data)

| Particulars | For nine months period ended December 31, 2016 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 | For the year ended March 31, 2012 |
|----------------------------------------------------|------------------------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|-----------------------------------|
| Total revenue | 922.12 | 2,822.53 | 2,357.88 | 2,300.32 | 1,921.72 | 1,713.21 |
| Restated profit/(loss) before tax | (455.36) | 258.51 | 115.53 | 173.03 | 112.46 | 127.39 |
| Restated profit/(loss) after tax | (300.39) | 164.80 | 76.85 | 108.62 | 71.65 | 88.53 |
| Share capital | 149.22 | 2.02 | 2.17 | 2.17 | 2.08 | 1.45 |
| Reserves and surplus | 4,387.58 | 4,837.98 | 2,976.64 | 2,901.74 | 2,447.95 | 781.16 |
| Net worth ⁽¹⁾ | 4,536.29 | 4,839.48 | 2,978.75 | 2,903.85 | 2,449.96 | 782.54 |
| Basic earnings per share (Rs.) ⁽²⁾⁽³⁾ | (10.07) | 6.04 | 3.01 | 4.51 | 3.69 | 5.98 |
| Diluted earnings per share (Rs.) ⁽²⁾⁽³⁾ | (10.07) | 6.04 | 3.01 | 4.26 | 3.56 | 5.98 |
| Return on net worth (%) ⁽²⁾⁽³⁾ | (6.62)% | 3.41% | 2.58% | 3.74% | 2.92% | 11.31% |
| Net asset value per share (Rs.) ⁽²⁾⁽³⁾ | 152.00 | 162.16 | 116.78 | 113.84 | 101.70 | 52.82 |

IN THE NATURE OF ABRIDGED PROSPECTUS - MEMORANDUM CONTAINING SALIENT FEATURES OF THE RHP

Notes:

- 1) Net worth is defined as the aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve and capital reserves) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account.
- 2) After considering the impact of changes in the face value of equity shares from ₹ 1,000 to ₹ 10 per share during the year ended March 31, 2013 and from ₹ 10 to ₹ 5 per share and bonus issue during the nine months period ended December 31, 2016.
- 3) Not Annualized for nine months period ended December 31, 2016.

Restated Consolidated Financial Statements

(Amount in ₹ millions except per share data)

| Particulars | For nine months period ended December 31, 2016 | For the year ended March 31, 2016 | For the year ended March 31, 2015 | For the year ended March 31, 2014 | For the year ended March 31, 2013 | For the year ended March 31, 2012 |
|----------------------------------------------------|------------------------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|-----------------------------------------|
| Total revenue | 1,508.01 | 5,406.27 | 4,785.00 | 3,709.54 | 2,815.48 | 1,746.44 |
| Restated profit/(loss) before tax | (1,263.05) | 726.55 | 536.59 | 585.85 | 438.65 | 174.47 |
| Restated profit/(loss) after tax | (884.88) | 466.42 | 327.61 | 425.71 | 319.99 | 146.91 |
| Share capital | 149.22 | 2.02 | 2.17 | 2.17 | 2.08 | 1.45 |
| Reserves and surplus | 4,942.29 | 5,989.50 | 3,941.38 | 3,675.06 | 2,906.47 | 906.90 |
| Net worth ⁽¹⁾ | 5,064.60 | 5,964.61 | 3,835.10 | 3,568.78 | 2,800.10 | 881.89 |
| Basic earnings per share (Rs.) ⁽²⁾⁽³⁾ | (30.06) | 17.10 | 10.52 | 17.56 | 16.66 | 9.92 |
| Diluted earnings per share (Rs.) ⁽²⁾⁽³⁾ | (30.06) | 17.09 | 10.52 | 16.60 | 16.06 | 9.92 |
| Return on net worth (%) ⁽²⁾⁽³⁾ | (17.72)% | 7.82% | 7.00% | 11.86% | 11.55% | 16.66% |
| Net asset value per share (Rs.) ⁽²⁾⁽³⁾ | 169.70 | 199.86 | 150.35 | 139.91 | 116.23 | 59.53 |

Notes:

- 1) Net worth is defined as the aggregate of the paid up share capital, share premium account, and reserves and surplus (excluding revaluation reserve and capital reserves) as reduced by the aggregate of miscellaneous expenditure (to the extent not adjusted or written off) and the debit balance of the profit and loss account.
- 2) After considering the impact of changes in the face value of equity shares from ₹ 1,000 to ₹ 10 per share during the year ended March 31, 2013 and from ₹ 10 to ₹ 5 per share and bonus issue during the nine months period ended December 31, 2016.
- 3) Not Annualized for nine months period ended December 31, 2016.

INTERNAL RISK FACTORS

Below are the top 10 Risk Factors as per the RHP:-

1. The high degree of seasonality of our K-12 business materially affects operating revenue, margins and cash flow from quarter to quarter.
2. We operate in a highly-competitive and fragmented industry, and our business, results of operations and financial condition may be adversely affected if we are not able to compete effectively..
3. For the past two years, CBSE has issued an advisory circular advising CBSE schools to use only NCERT print content for all classes and may issue similar advisory circulars in the future. These circulars may reduce demand for our educational content amongst the CBSE affiliated schools and, accordingly, may adversely affect our business, results of operations, cash flows and financial condition.
4. A significant portion of our revenues are derived from titles of our top authors. The loss of all or any of our top authors could adversely affect our business, results of operation, cash flows and financial condition.
5. We may not be able to complete, or achieve the expected benefits from, current or future investments or acquisitions which could materially adversely affect our business, results of operation, cash flows and financial condition.
6. We have recently acquired Chhaya, and do not yet know whether we will achieve the expected benefits from such acquisition, which could materially adversely affect our business, results of operation, cash flows and financial condition.
7. Due to a number of acquisitions of businesses that we have made, our historical restated consolidated financial statements may not be comparable on a period to period basis and provide a meaningful basis of evaluating our results of operations and financial condition.
8. Due to our acquisition of Chhaya our Restated Consolidated Financial Statements for the nine months ended December 31, 2016 and for Fiscal 2017 may not be comparable on a period to period basis and provide a meaningful basis of evaluating our results of operations and financial condition.
9. We have an obligation to acquire the remaining 26% of the outstanding share capital of Chhaya Prakashani Private Limited which may need to be financed with additional debt.
10. Our interest expenses could materially impact our cash flows in certain quarters

SUMMARY OF OUTSTANDING LITIGATIONS, CLAIMS AND REGULATORY ACTION

A. Total number of outstanding litigations against the Company and amount involved

| S. No. | Nature of Case | Number of Outstanding Cases | Amount involved (In ₹ Million) |
|---------------------------------------|-----------------------------------|-----------------------------|--------------------------------|
| Litigation against our Company | | | |
| 1. | Criminal Proceedings | 1 | - |
| 2. | Civil Proceedings ⁽¹⁾ | 1 | 20.00 |
| 3. | Statutory/ Regulatory Proceedings | 7 | 104.17* |
| 4. | Tax Proceedings | 12 | 95.58 |

- (1) Based on policy adopted by the Board on September 19, 2016, the Board has considered as material, each legal proceeding where aggregate amount involved exceeds ₹ 5.00 million or more, and any outstanding litigation wherein monetary liability is not quantifiable and whose outcome would have a bearing on the operations or performance of our Company.

* This involves a notice against our Company, SC Hotel Tourist Deluxe Private Limited, S Chand Properties Private Limited, Shaara Hospitalities Private Limited and S. Chand Hotels Private Limited for an aggregate amount of ₹ 104.16 million.

B. Brief Details of top 5 material outstanding litigations against the company and the amount involved:

| S.No. | Particulars | Litigation filed by | Current status | Amount Involved (In ₹ Million) |
|-------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|---------------------------------------------------------------------------------------------|----------------|-----------------------------------|
| 1. | Our Company, S. Chand Hotels Private Limited, SC Hotel Tourist Deluxe Private Limited, Shaara Hospitalities Private Limited and S Chand Properties Private Limited received two (2) notices, each dated March 23, 2016 under section 33A of Indian Stamp Act and section 80A of the Registration Act in respect of its alleged non-payment of a stamp duty of ₹ 95.01 million and registration fees of ₹ 9.15 million on account of the Scheme. For further details, please refer to page 470 of the RHP. | Notice issued by Sub-Registrar, Pariamet, Chennai | Pending | 104.16 |
| 2. | The Assistant Commissioner of Income Tax, Circle 7(1), New Delhi passed an assessment order dated December 29, 2006 in respect of the assessment year 2004-2005 imposing a penalty of ₹ 30.30 million against which an appeal dated January 10, 2007 was filed. For further details, please refer to page 471 of the RHP. | Assessment order issued by the Assistant Commissioner of Income Tax, Circle 7(1), New Delhi | Pending | 30.30 |
| 3. | Dr. R.S Aggarwal, Mr. Deepak Aggarwal and Mr. Vikas Aggarwal filed a suit for permanent injunction dated May 22, 2014 against our Company for, inter alia, the alleged infringement of copyright, author's special rights, rights to publicity, invasion of privacy, violation of moral rights and breach of contract with respect to books published by our Company relating to quantitative aptitude and verbal and non-verbal reasoning seeking damages in the amount of ₹ 20 million in this regard. For further details, please refer to page 470 of the RHP. | Dr. R.S Aggarwal, Mr. Deepak Aggarwal and Mr. Vikas Aggarwal | Pending | 20 |
| 4. | The Deputy Commissioner of Income Tax, Circle 7(1), New Delhi passed an assessment order dated February 28, 2013 in respect of assessment year 2007-2008 imposing a penalty of ₹ 15.20 million against which an appeal dated March 31, 2013 was filed. For further details, please refer to page 471 of the RHP. | Assessment order issued by the Deputy Commissioner of Income Tax, Circle 7(1), New Delhi | Pending | 15.20 |
| 5. | The Assistant Commissioner of Income Tax, Circle 22(2) passed an assessment order dated March 20, 2015 in respect of the assessment year 2012-2013 imposing a penalty of ₹ 10 million against which an appeal was filed. For further details, please refer to page 471 of the RHP. | Assessment order issued by the Assistant Commissioner of Income Tax, Circle 22(2) | Pending | 10 |

- C. Regulatory action, if any – disciplinary action taken by SEBI or stock exchanges against the Promoters/Group Companies in last 5 financial years including outstanding action, if any** - There are no actions taken by a statutory/regulatory authority against the Promoters of the Company and the Group Companies that are currently outstanding. However, Mr. Dinesh Kumar Jhunjhuwala and Mr. Himanshu Gupta, in the capacity of directors were liable to pay fine in respect of a compounding application dated December 10, 2014 filed by DSDPL before the Company Law Board, Northern Region Branch, New Delhi on account of the annual general meeting not being held within the prescribed time period. Such compounding application was duly approved upon the payment of penalty. For details, see - *Outstanding Litigations and Material Developments - Inquiries, inspections or investigations under Companies Act*, on page 477 of the RHP.

D. Brief Details of outstanding criminal proceedings against Promoters - Nil

ANY OTHER IMPORTANT INFORMATION AS PER BRLMs / ISSUER COMPANY - NIL

DECLARATION BY THE COMPANY

We, the Directors of the Company, hereby certify and declare that all relevant provisions of the Companies Act, and guidelines, rules, regulations issued by the Government of India and SEBI, as the case may be, have been complied with and no statement made in this RHP is contrary to the provisions of the Companies Act, the SCRA or the SEBI Act, or rules made thereunder or guidelines and regulations issued, as the case may be. We further certify that all statements in this RHP are true and correct.

DECLARATION BY THE SELLING SHAREHOLDERS

Each of the Selling Shareholder, hereby certify that all statements and undertakings made by it in the RHP about or in relation to it or its holding of Equity Shares which are being offered through the Offer for Sale, are true and correct. Each of the Selling Shareholder further certify that other than as stated in the RHP, all approvals and permissions, if any, required by it towards the Offer for Sale have been obtained, are currently valid and have been complied with. Each of the undersigned Selling Shareholder assumes no responsibility for any other statement including the statements made by the Company or any expert or any other person(s) in the RHP.

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