Knowledge is wealth

NEL/103/2022

Date: 16th July, 2022

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor, Plot No. C/1,
'G' Block, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400051

Corporate Relationship Department
Bombay Stock Exchange Ltd.
1st Floor, New Trading Ring,
Rotunda Building, P. J. Towers,
Dalal Street, Fort, Mumbai – 400001.

Dear Sir/Madam,

Ref: Scrip Code – NAVNETEDUL
Ref: Scrip Code – 508989

Sub. : Annual Report for the Financial Year 2021-22 which includes the Notice convening the 36th Annual General Meeting of the Company.

Pursuant to Regulation 30 and Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the Annual Report for the Financial Year 2021-22 which includes the Notice convening the 36th Annual General Meeting of the Company to be held on Monday, 08th August, 2022 at 11.00 a.m (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM").

You are requested to take note of the above.
Thanking you,

Yours faithfully,
FOR **NAVNEET EDUCATION LIMITED**

AMIT D. BUCH
COMPANY SECRETARY

Encl.: as above

NAVNEET®

Knowledge is wealth

TRANSFORMING WITH TIMES

36TH
ANNUAL REPORT
2021-22

INSIDE THE REPORT

02-60 CORPORATE OVERVIEW

Please find our online version at: https://www.navneet.com/download/#AR

Or simply scan to download:

INVESTOR INFORMATION

Market Capitalisation as on March 31, 2022	: ₹ 2,022 crores
CIN	: L22200MH1984PLC034055
BSE Code	: 508989
NSE Symbol	: NAVNETEDUL
Dividend Recommended	: ₹ 1.50 per share
AGM date	: August 8, 2022
AGM Mode/Venue	: Video Conference/Other Audio Visual Means

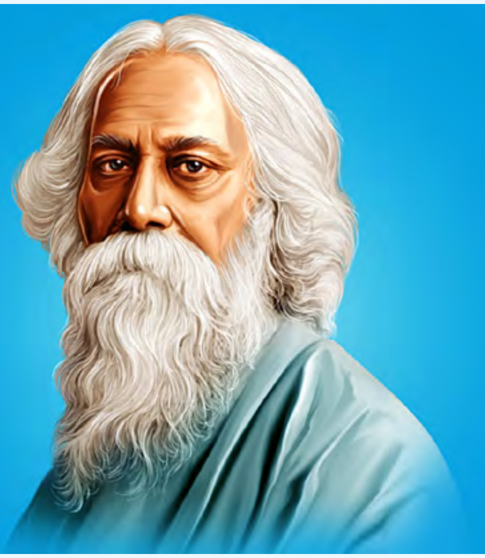
61-139 STATUTORY REPORTS

140-343 FINANCIAL STATEMENTS

Disclaimer

This document contains statements about expected future events and financials of Navneet Education Limited, which are forward-looking. By their nature, forward-looking statements require the Company to make assumptions and are subject to inherent risks and uncertainties. There is significant risk that the assumptions, predictions and other forward-looking statements may not prove to be accurate. Readers are cautioned not to place undue reliance on forward-looking statements as a number of factors could cause assumptions, actual future results and events to differ materially from those expressed in the forward-looking statements. Accordingly, this document is subject to the disclaimer and qualified in its entirety by the assumptions, qualifications and risk factors referred to in the Management Discussion and Analysis of this Annual Report.

> The highest education is that which does not merely give us information but makes our life in harmony with all existence.
>
> Rabindranath Tagore



In a world full of unprecedented scenarios, the only constant is the fast-paced evolution that we must keep up with.

From a time when parents decided whether to send kids to school, to the modern-day world engrossed in distance education, the space of learning has changed at a tremendous pace. With this, technology has brought about a shift in the way we consume and process information. Digitalisation is now an inseparable part of education, calling for a more holistic approach to learning.

At Navneet Education Limited (NEL), we identify these changing trends while proactively adapting ourselves through progressive measures. With over 60 credible years in this field as an educational publisher and stationery manufacturer, we are now expanding into the EdTech space and bracing up for the times to come.

We feel that education is as much about learning as it is about adapting. Our futuristic outlook and growth endeavours are underpinned by our capabilities, efficiencies and a strong balance sheet. Our offerings ensure an all-encompassing experience. Going ahead, with some strategic investments planned alongside our existing ones, we are tapping better opportunities while adjusting ourselves to the changes around us, and unlocking the next level of growth for NEL.

Backed by our proficiency, responsiveness and preparedness, we are embracing changes and 'Transforming with Times'.

OUR APPROACH TO REPORTING

BASIS OF REPORTING

This Report is prepared basis of the essential guidelines of the framework defined by the International Integrated Reporting Council (IIRC). It provides comprehensive information on our operational and financial performances, elaborating how these influence our strategic direction, resulting in our ability to create sustainable value.

OUR APPROACH TO REPORTING

Through this Report, we aspire to provide our stakeholders with an overall depiction of the organisation's value creation ability using both financial and non-financial resources. Besides, the Report provides insights into our key strategies, operating environment, material issues emanating from our stakeholder engagements and their respective mitigation strategies, operating risks and opportunities, governance structure and our approach toward long-term sustainability.

REPORTING SCOPE AND BOUNDARY

The reporting period for this Integrated Report is April 1, 2021 to March 31, 2022. It provides an overview of our operations and business development activities. The Report further covers information on our business segments in India and abroad and associated activities that enable short-, medium-, and long-term value creation. It also covers our Subsidiaries Navneet Futuretech Ltd. (formerly known as eSense Learning Private Limited), Navneet (HK) Limited, Navneet Learning LLP, Navneet Tech Venture Pvt. Limited and Indiannica Learning Private Limited.

REPORTING STANDARDS AND FRAMEWORK

In this Report, we have attempted to bring in more transparency and accountability through additional disclosures and information, following the guiding principles of the International Integrated Reporting Council (IIRC). The other statutory reports, including the Directors' Report, Management Discussion and Analysis (MD&A) section, the Corporate Governance Report and the Business Responsibility and Sustainability Report (BRSR), are in line with the Companies Act, 2013 (and the rules made thereunder), Securities Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, and the prescribed Secretarial Standards.

MANAGEMENT ASSURANCE

The Board of Directors believes that this Report presents the true and fair account of the Company's financial and non-financial matters, performance and business model. The Board acknowledges the Company's responsibilities to ensure the integrity of this Report.

LETTER TO SHAREHOLDERS

> Navneet Education Limited has always remained true to the business vision and mindset of helping people avail the highest quality educational products and services

Dear Shareholders,

Despite the pandemic-induced lockdowns and supply-chain stressed economy, Navneet Education Limited remained true to its vision and mindset of helping people receive the highest quality educational products and services in the language or medium of their choice.

Our core values have driven the wheels of our progress, because of which, we have seen significant growth and a consistent recovery in the financial year 2021-22, despite the setbacks, with a focus on strategic investments and digital integration.

When compared with last year's volatility, supply chain disruptions were still prevalent during lockdowns in the year under review. The same were further aggravated by the Russia-Ukraine fall-out which commenced in February 2022. However, at NEL, we handled these hurdles much better this year through effective management of our resources.

We witnessed our publishing business having clocked an improved performance when, compared with last year, with 45% of the demand driven by our Digest and Workbook categories. Now with the schools slowly opening up, With the continued challenges faced this year, I hope everyone is safe and careful. It is heartening to see the efforts put in by several people towards volunteering and serving society during the pandemic. With numerous changes happening around us, our united spirit and eagerness to grow during these trying times shows us our true potential as humans. Even though the ensuing lockdowns and inflation pose a threat to economic progress for India, I am happy to see the fire of curiosity is still burning bright in young minds and the need for better quality education has increased. This encourages Navneet to keep nurturing the future in the right direction with the knowledge of books and digital tools through innovative transition with time. We want to provide useful and relevant resources for students, parents, teachers, tutors, and schools to help impact the shift in educational methodology that has already started. This will help guide society towards a better future.

students who had missed out on so many experiences to learn and grow, seem excited. With this, we too are enthusiastic to see our publishing business catching up domestically. Even with the reduced school curriculum taught by teachers who are focussed on only core topics, we are looking at a modest growth of 26% in the publishing business on a standalone basis.

The stationery business has seen quite a significant growth in FY 2021-22. With domestic stationery growing by 63% and export stationery by 27% on a standalone basis, we are looking at an optimistic growth trajectory, especially in the export stationery, led by higher margins.

With the pandemic challenging the status quo of in-person education, we saw our digital learning solutions blossom into guiding a variety of institutions and students. By enabling several students to meet their learning objectives during lockdowns, we were able to track the impact we generated and thereon developed better content for our digital solutions. This helped us test the true potential of what our digital learning tools and solutions could offer in the EdTech landscape.

Factors influencing the EdTech market growth:

- Indian Government's impetus on digital learning initiatives
- Increased employability quotient for several students and professionals
- Increased smartphone user base in India
- With Technology, parents are getting specific feedback on their children with measurable outcomes
- Increased disposable income among the rising population
- Unavailability of quality education in several parts of India
- Growing internet penetration in several parts of India
- Increased younger population in India

Since then, numerous changes have swept through the domestic and international EdTech market. On the back of our well-established brand capital of 'Navneet' and our strong financial standing, Navneet Education Limited strategised an integrated educational transition in EdTech under the aegis of Navneet Futuretech Limited.

Navneet Futuretech Limited would act as a focussed entity that sets the transition of education in the EdTech space. Our objective is to build Navneet Futuretech Limited as a new brand and develop a strong reputation in the EdTech space.

To achieve a stronger reputation in the market, we expect to harness the potential of our skilled workforce and make prudent investments toward building a new talent pool.

With an intention to create true value through nurturing different and diversified business verticals, Navneet Futuretech Limited will be able to capture niche segments under the EdTech Industry that can help us shape the young minds of India. With products and solutions such as – TopSchool, TopScorer, TopClass, Leapbridge, and Genext, Navneet will capture a wide variety of demographics and through innovation maintain a brand loyalty.

While we have increased the focus towards EdTech industry in a big manner, the publication business is also expected to grow from hereon. Owing to lack of resources and infrastructure at the schools, along with the lack of teacher and staff training have hampered the speed of adoption of online education. We slowly and gradually plan to increase our collection of workbooks and e-courses in order to provide as much assistance to the young brains as feasible. With the formation of the National Education Policy 2020, as has happened in the past with other policy implementation measures, we could witness a substantial growth in volumes with regular curriculum changes. This shall lead to development of new content across the board and in turn benefit Navneet in the long-run as well.

The Government of India has set several policies in place to favour e-learning through - Skill India, SWAYAM, SANKALP, STRIVE, DIKSHA, National Education Policy (NEP), and National Digital Library. With the promise of transformative reforms at all levels of education through the National Education Policy (NEP), the Government has established regional and national institutions with over 15,000 schools, 100 new Sainik schools, and 750 Eklavya model schools in tribal areas. This will help us serve the Indian education system and drive our growth further through publication, e-learning, and LMS business.

With more flexible work alternatives, work-from-home support, additional technology supplies, training, and support resources on moving to remote team management, our staff stayed safe, healthy, and enthusiastic during the remote work environment. With the support through transportation, frequent cleaning services, personal protective equipment, and different work schedules for those required to go to the office or factories we abided to the relevant regulations and continued to ensure a safe environment, compliance, and added support to our employees.

Through the CSR initiatives under the Navneet Foundation, the Company continues to provide help to various medical facilities with vital resources across several regions. As an organisation, we are aware of our responsibilities towards the society we want to nurture and grow with.

For the overall health, safety and welfare of our employees we continue to provide - health check-ups, frequent safety and wellness trainings. Keeping in mind the impact we have on the environment; we have taken steps to reduce our carbon footprint through Solar and Wind energy generation at our facilities. We also utilise FSC paper from sugarcane bagasse for our stationery and publication business.

In terms of financial performance, Navneet Education Limited's net sales as on March 31, 2022 were ₹ 1,06,052 Lakhs, up 32.07% from ₹ 80,297 Lakhs as on March 31, 2021. Also, our EBITDA was ₹ 19,035 Lakhs on March 31, 2022 rising from ₹ 12,585 Lakhs as on March 31, 2021. With healthy cash reserves and investments in strategically beneficial business segments.

GROWTH OUTLOOK

We're looking forward to utilising our talented workforce to develop more valuable content in the coming times. Navneet will expand the Company's learning solutions to more students, improve our product offerings, analyse trends, and fulfil our mission of providing accessible education to all.

Everyone at Navneet values the relationships and the trust we've built with our customers, business partners, and employees since 1950. We are constantly working to improve the educational system and provide engaging products that can enlighten young minds to excel by integrating the business' transition from print to digital.

I am excited for our current and future financial standing. Navneet has a strong strategy, a strong board, a skilled executive team, and is in a financially good position to add value to the educational transition of India. Looking ahead, we plan to keep innovating and providing value through our investment in the educational transition.

Thank You,

Kamlesh S. Vikamsey
Chairman

BUSINESS OVERVIEW

Education is the most powerful weapon which you can use to change the world

Nelson Mandela

Navneet Education Limited, is an educational syllabus-based provider of quality content through the Print and Digital mediums. We also offer Scholastic Paper and Scholastic Non-Paper stationery, publish General & Children books. Over the past several decades, with our vision of building a strong brand in the educational content and scholastic stationery, we gained a strong leadership position in the industry. With a market share of 65% in western India, we have slowly made inroads into the CBSE and ICSE Boards pan-India, through our new range of supplementary books for students. With a long-term view of expanding beyond our traditional markets, we also made prudent organic and inorganic investments to offer education through our EdTech segment. All of this, while leveraging our content, brand, relationship and distribution capabilities built over the years.

VISION

To provide the highest quality of educational products and services to customers in the language/medium of their choice.

CORE VALUES

- Excellence
- Student-centric
- Proactive
- Transparency

MISSION

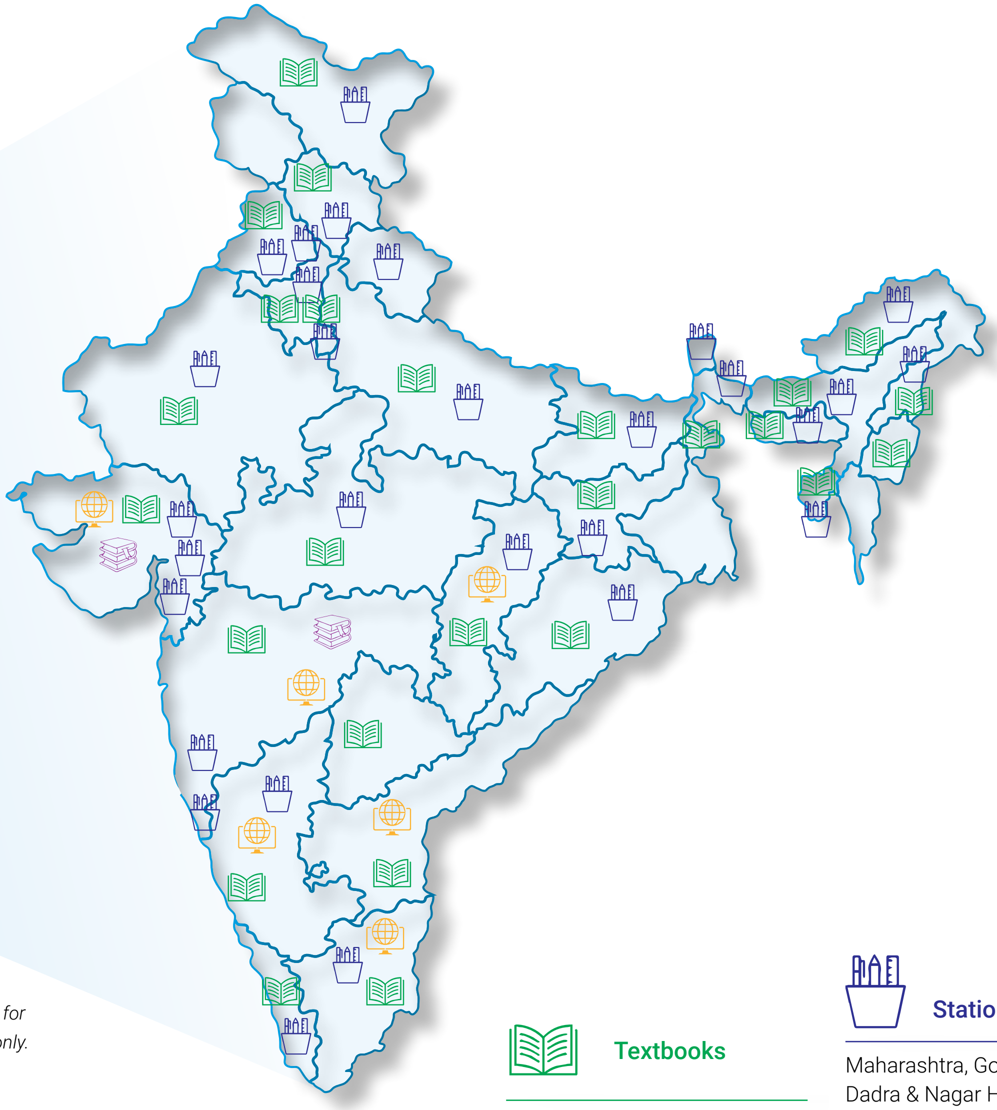
- To provide students with best quality supplementary study material and curriculum textbooks at affordable price.
- To harness the power of Information Technology and bring home its wonder to children through e-learning.
- To provide students with scholastic stationery products.

Knowledge is wealth

OUR GLOBAL PRESENCE

1	Canada	9	Ireland	17	Ethiopia	25	U.A.E.
2	U.S.	10	Norway	18	Kenya	26	Trinidad & Tobago
3	Mexico	11	Sweden	19	Rwanda	27	Mozambique
4	Honduras	12	Denmark	20	Tanzania	28	Congo
5	Jamaica	13	Germany	21	Zambia	29	Senegal
6	Puerto Rico	14	U.K.	22	Madagascar	30	Ivory Coast
7	Costa Rica	15	Spain	23	South Africa	31	Ghana
8	Panama	16	Turkey	24	New Zealand		

PRESENCE IN INDIA



Map not to scale. It is for illustrative purposes only.

Supplementary Books

Maharashtra & Gujarat

Digital Presence

Maharashtra, Gujarat, Andhra Pradesh, Telangana, Karnataka, Tamil Nadu and Chhattisgarh

Textbooks

Andaman & Nicobar, Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Delhi, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Nagaland, Odisha, Punjab, Rajasthan, Tamil Nadu, Telangana, Tripura, Uttar Pradesh, Uttarakhand, West Bengal and Sri Lanka

Stationery

Maharashtra, Goa, Gujarat, Dadra & Nagar Haveli, Diu & Daman, Madhya Pradesh, Chhattisgarh, West Bengal, Bihar, Jharkhand, Odisha, Rajasthan, Delhi, Haryana, Chandigarh, Punjab, Himachal Pradesh, Uttar Pradesh, Uttarakhand, Jammu & Kashmir, Karnataka, Kerala, Tamil Nadu, Andhra Pradesh, Telangana, Andaman & Nicobar, Assam, Meghalaya, Manipur, Tripura, Nagaland, Arunachal Pradesh, Sikkim, Nepal

Knowledge is wealth

OUR STRENGTHS

40 MN+	5	6
No. of Students	Mediums/Languages for State Board Publications	No. of Subsidiaries (including one step down subsidiary)
5,800+	300+	₹ 1,08,071 Lakhs
No. of Titles	Authors	Total Revenue
30,000+	350+	₹ 19,035 Lakhs
No. of Schools Visited Annually	Hours of Digital Library	EBITDA (before exceptional items)
2,700+	4,000+	₹ 14,662 Lakhs
No. of Employees	Digital Classrooms	PAT
25+	3	₹ 1,12,714 Lakhs
Presence in Countries for Paper Stationery	Printing/Manufacturing Locations	Net Capital Employed

Above data is as on March 31, 2022

EVOLUTION

2022	LMS Platform launched in Maharashtra, Gujarat, Andhra Pradesh, Telangana, Karnataka, Tamil Nadu, and Chhattisgarh
2021	HQ stationery brand joined hands with Terribly Tiny Tales (TTT) for the 'Carve Your Niche' campaign
2020	Launch of new EdTech products (Navneet DigiBook)
2017	Introduction of premium stationery products under brand 'HQ'
2016	New Stationery brand YOUVA launched, Acquired Indiannica Learning Pvt. Ltd. (Formerly known as Encyclopaedia Britannica (India) Pvt. Ltd.)
2014	Entered B2C Digital Learning Space (TopScorer)
2011	Ventured into School Management
2008	Entered B2B Digital Learning Space
1994	First Educational Publisher to be listed on the BSE and NSE
1993	Scholastic Stationery
1990	Children Books Introduced
1975	Published 21 Most Likely Question Sets
1970	Workbook Concept Introduced
1959	First Digest / Guide Published for Std. X

PRODUCT PORTFOLIO

SUPPLEMENTARY PRODUCTS

CHILDREN'S BOOKS

STATIONERY

PRE-SCHOOL

TEXT BOOKS

EDTECH PRODUCTS

NAVNEET
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VALUE CREATION MODEL

INPUTS	VALUE CREATION

FINANCIAL CAPITAL

Operating Working Capital: ₹ 54,069 Lakhs

Total Assets: ₹ 1,35,024 Lakhs

Net Capital Employed: ₹ 1,12,714 Lakhs

Shareholders' Equity/Net Worth: ₹ 1,12,714 Lakhs

MANUFACTURING CAPITAL

Manufacturing Sites: 3

Product Lines: Supplementary Books, Scholastic Paper & Non-paper Stationery

INTELLECTUAL CAPITAL

Investment in EdTech: ₹ 26,530 Lakhs

Investment in R&D: ₹ 137 Lakhs

HUMAN CAPITAL

Number of Employees: 2,720

Gender Composition: 94% Males; 6% Females

NATURAL CAPITAL

Tree Plantation: 10,000+

Solar Panels: 724 KWP

Water Usage: 47,471 kL

SOCIAL & RELATIONSHIP CAPITAL

Pan India Distributors and Dealers:

Publication: 1,200+ ; Stationery: 1,800+

CSR Spend: ₹ 457 Lakhs

Vision

To provide the highest quality of educational products and services to customers in the language / medium of their choice.

Mission

To provide students with best quality supplementary study material and curriculum textbooks at affordable price.

To harness the power of Information Technology and bring home its wonder to children through e-learning.

To provide students with scholastic stationery products.

Core Values

- Excellence
- Proactive
- Student-centric
- Transparency

OUTCOMES	SDG MAPPING
FINANCIAL CAPITAL Revenue: ₹ 1,06,052 Lakhs Total Revenue: ₹ 1,08,071 Lakhs EBITDA: ₹ 19,035 Lakhs PAT: ₹ 14,662 Lakhs	8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE
MANUFACTURING CAPITAL Number of units sold: Publication: 55 Million+ ; Stationery: 258 Million+ SKUs: 7400+	9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 11 SUSTAINABLE CITIES AND COMMUNITIES 12 RESPONSIBLE CONSUMPTION AND PRODUCTION
INTELLECTUAL CAPITAL New Products / Solutions Developed (EdTech): TopSchool, VEMS	8 DECENT WORK AND ECONOMIC GROWTH 9 INDUSTRY, INNOVATION AND INFRASTRUCTURE 4 QUALITY EDUCATION
HUMAN CAPITAL Average Experience: 15 years Permanent Employees: 2,720	3 GOOD HEALTH AND WELL-BEING 5 GENDER EQUALITY 8 DECENT WORK AND ECONOMIC GROWTH 10 REDUCED INEQUALITIES
NATURAL CAPITAL Reduction in CO_2 Emission: 5,600 MT (in FY 2021-22 over FY 2020-21) Water Conservation: 47,471 kL Energy Efficient Projects undertaken: 3	2 ZERO HUNGER 7 AFFORDABLE AND CLEAN ENERGY 11 SUSTAINABLE CITIES AND COMMUNITIES 15 LIFE ON LAND
SOCIAL & RELATIONSHIP CAPITAL Customer Satisfaction Index: 100% People Benefitted: 33,869	2 ZERO HUNGER 4 QUALITY EDUCATION 11 SUSTAINABLE CITIES AND COMMUNITIES 15 LIFE ON LAND

FINANCIAL CAPITAL

Achieving financial growth by capitalising on the transitions in educational space

Financial capital for Navneet Education Limited is the revenue we generate through our various business segments that helps drive our integrated transition from a publishing and stationery business to online educational technology. Hence, driving our adaptability to the evolution in education for students, schools, teachers and parents.

CAPITALS IMPACTED

Manufactured Capital

Intellectual Capital

Human Capital

Social Capital

Natural Capital

STAKEHOLDERS IMPACTED

Employees

Customers

Vendors

Government

Shareholders

Communities

Post pandemic, Navneet Education Limited has seen a swift recovery in both the Company's Publishing and Stationery business segments. The strength of our brand recall and widespread distribution network has helped us navigate through the continued challenges of the FY 2021-22.

These challenges had impacted our textbook publishing for the first three quarters owing to school closures in India as a result of the Covid-19 spread. Despite the fact that some students' academic cycles were disturbed, our operational cash flow gradually improved as usage of second-hand books was decreased, aiding our growth of the updated book publication. This gave us time to explore new and better avenues of growth.

While keeping our borrowings to a minimum and using our cash reserves to drive our innovation-led endeavours, we decided to make strategic investments while maintaining a healthy balance sheet through strong internal accruals. Using cash reserves that we gradually built as we endeavoured to transition with the evolving times, Navneet Education Limited is further venturing in the EdTech market in India through Navneet Futuretech Limited.

With this financial capital to drive our EdTech, we plan to provide unique product offerings to schools, parents and students. Our EdTech initiatives under Navneet Futuretech Limited are driven by our integrated strategic investments. Besides, through K12 Techno, we have also invested in a sports-tech company, SFA and plan to further integrate it to our platforms.

COMMITTED TO GROW OUR INVESTMENT IN EDTECH

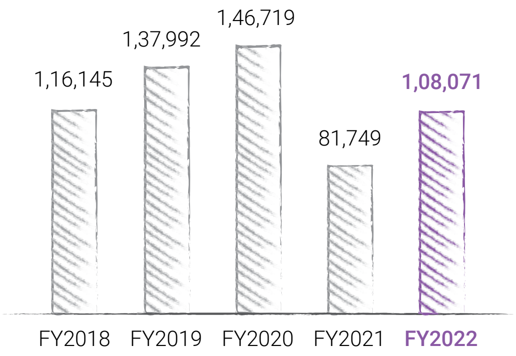
₹ 14,730 Lakhs

Invested in our existing EdTech portfolio

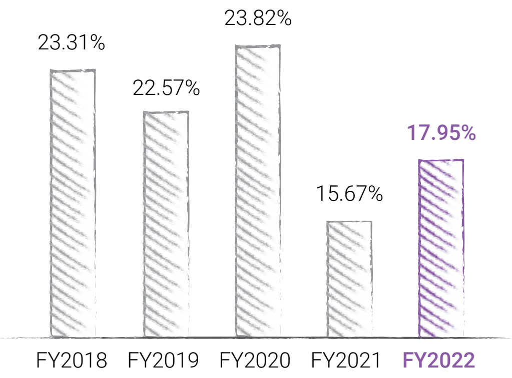
With healthy cash reserves and investments in strategically beneficial business segments, Navneet intends to enable the business' integrated transition from print to digital. On our way forward, we remain positive of our current and future financial standing.

ANNUAL PERFORMANCE OVER THE YEARS:

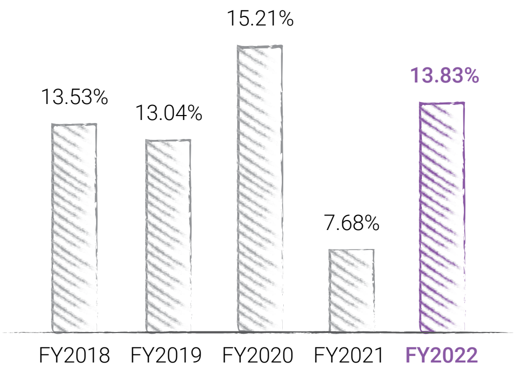
Income (₹ in Lakhs)



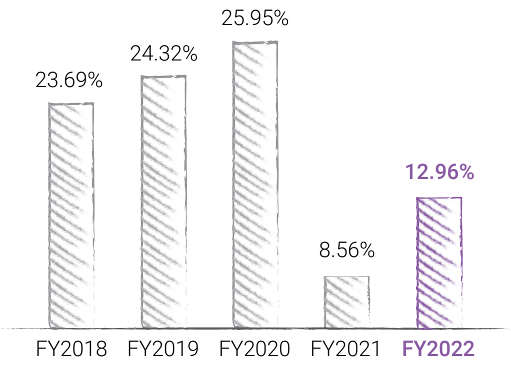
EBITDA Margin (%)



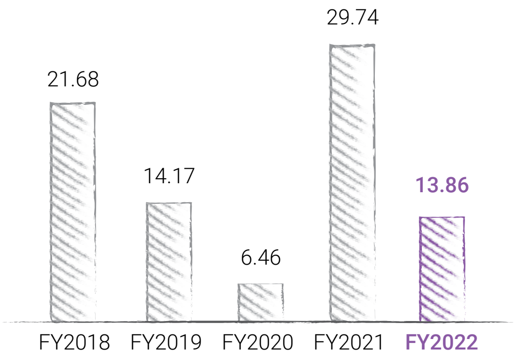
PAT Margin (%)



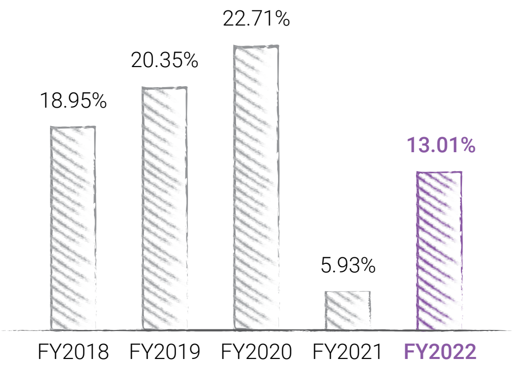
ROCE (%)



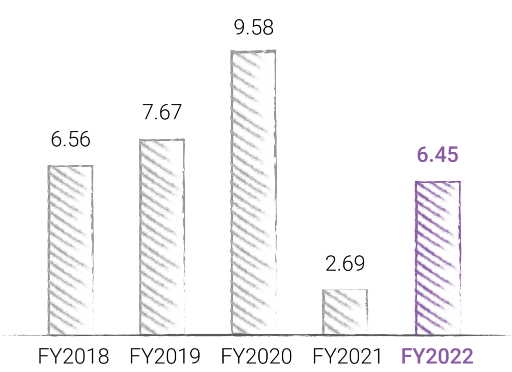
Price to Earnings (P/E) Ratio



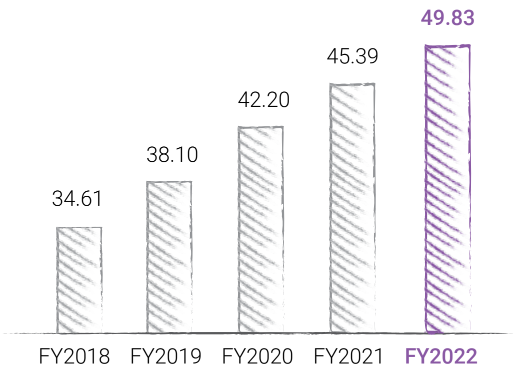
Return on Net worth (%)



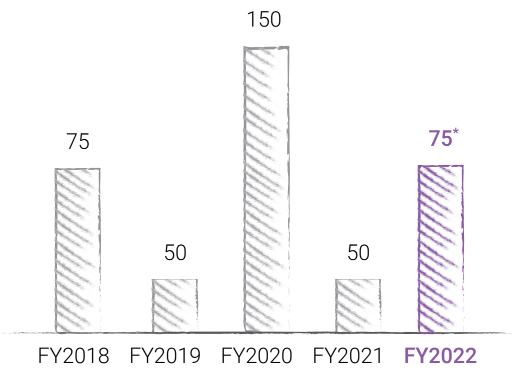
Earnings per share (₹)



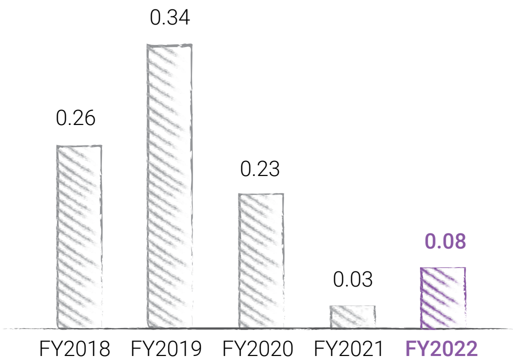
Book value per share (₹)



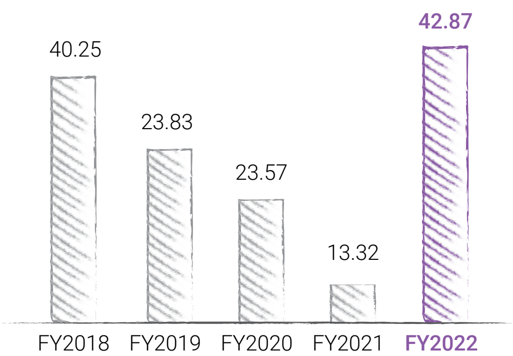
Dividend Payout (%)



Debt/Equity (D/E) Ratio



Interest Coverage Ratio



*Proposed

MANUFACTURED CAPITAL

Achieving lean and efficient manufacturing to drive our transition

Navneet Education Limited has always been ahead of the curve in our pursuit of operational excellence. Manufacturing capital for us is using our assets to effectively produce our products locally while serving constituencies locally and internationally. We believe that our manufacturing capabilities and solution-focussed approach will help us serve our customers with quality products at a reasonable price, at a consistent pace.

CAPITALSIMPACTED

Financial Capital

Intellectual Capital

Human Capital

Social Capital

Natural Capital

STAKEHOLDERS IMPACTED

Employees

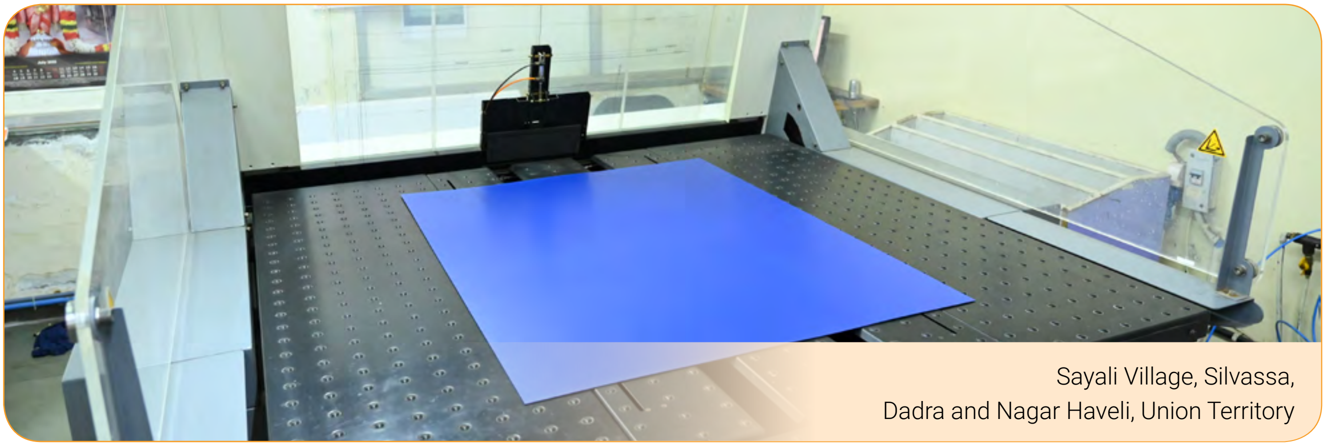
Customers

Vendors

MANUFACTURING LOCATIONS

Navneet Education Limited is registered in the states of Maharashtra and Gujarat, and our headquarters are located in Mumbai. Our manufacturing facilities span across the following locations:

Dantali Village, Kalol Taluka,
District Gandhinagar, Gujarat



Sayali Village, Silvassa,
Dadra and Nagar Haveli, Union Territory

Khaniwade Village, Taluka - Vasai,
Palghar District, Maharashtra

MANUFACTURED PRODUCTS

Navneet Education Limited is a publisher of Supplementary books, Textbooks and Scholastic Paper and Non-paper Stationery.

List of key products/services that Navneet Education Limited manufactures under the Company's Publication and Stationery business segments:

Publication

Workbooks

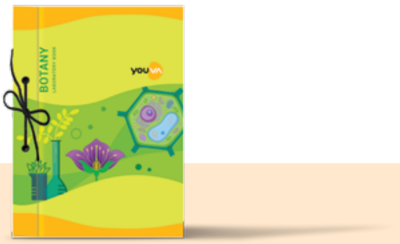
Children's Books

Stationery

Premium Stationery

Note Books

File Folders



INTELLECTUAL CAPITAL

Driving transition through innovative culture and proprietary educational technology

Navneet Education Limited builds Intellectual capital through growth-focussed investment in improving organisational knowledge and digital innovation. Through our consistent growth in educational technology and retention of employees with domain-specific expertise, we are able to retain market competitiveness. What differentiates us is our corporate culture of learning through research and our market reputation as a trusted brand in the education sector.

CAPITALS IMPACTED

Financial Capital

Manufactured Capital

Social Capital

STAKEHOLDERS IMPACTED

Employees

Customers

PIONEERING EDUCATIONAL EVOLUTION THROUGH DIGITISATION

Transition from Publication to EdTech

Navneet Education Limited established the Company as a respected and trusted brand since 1959. By leveraging a variety of achievements and financial capital that we accumulated through Navneet Education Limited, we intent to drive innovation in EdTech with our new venture - Navneet Futuretech Limited.

Through our products and services, we have developed a strong competitive advantage by consistently delivering quality educational materials. This allows students to learn and develop their skills in different subjects in a balanced manner, not just through books, but also our EdTech products.

Basis our offerings in the EdTech space – TopTech, Genext & Leapbridge, we are determined to actively incorporate new functionalities and consistent improvements to our user interfaces. We are also excited to leverage our data driven-product development efforts to analyze the learning status of individual course takers and update Navneet's curriculum with ease in order to help each Learner gain knowledge effectively.

Competition has intensified in the EdTech space with new digital technologies coming out in recent years led by more and more companies entering the market. At Navneet Future Tech Limited, we are led by our highly capable talent pool and easy-to-learn curriculum expertise on our digital platform helps us attain market distinction against competitors.

Growth Drivers of EdTech in India

- With technological advancement, parents are getting specific feedback on their children with measurable outcomes
- Government's Digital initiative
- Increasing employability quotient
- Increasing smartphone user base
- Increasing Disposable income
- Unavailability of quality education
- Rising demand among working professionals due to the flexibility of time
- Growing internet penetration
- Increasing young population
- Favourable e-learning government policies such as Skill India, SWAYAM, SANKALP, STRIVE, DIKSHA and National Digital Library

We intend to contribute even more toward improving the quality of educational products and services we provide.

PRODUCT & SOLUTION INNOVATIONS

Navneet Digibook

Navneet DigiBook is a smart & digital version of all the books published by Navneet that can be accessed through an access code printed inside the book. It is a hybrid digital book publishing format for digital readers.

NavneetTopTech (B2B Segment)

Navneet TopTech is a rapidly expanding EdTech SBU of Navneet Futuretech that specialises in offering eLearning solutions to schools. On a subscription basis, Navneet TopTech supplies schools with a package of content, software like LMS, Curriculum, ERPs, assessments solutions, communication tools and more.

In line with the National Education Policy, 2020, Navneet TopTech has developed a robust strategy to effectively deliver curated educational content that can help drive the educational landscape of India's future.

National Education Policy	Implementation at Navneet TopTech
More emphasis on experiential learning	Extensive learning exercises, experiments, and instructive examples are all available
Competency & outcome-focused learning	Lesson plans, exams, and homework assignments are all included
Pedagogical/ Methodological training for teachers	Using online resources and cooperation to enhance the teaching-learning process
Key stage student assessment – Grades 3, 5 & 8	Competency mapping on a multidimensional 360° report card

TopScorer
Fun. Learn. Score. More

Product/Service Solution: Homework & Assessment Solution (B2B2C)

Top Scorer is a homework assignment and performance monitoring solution for teachers. This product will help teach students online, assign homework, assign question paper, review students' work, and check class performance. With audio visual content, MCQs, learning notes, and AI-based assessments, we can help enhance the performance of students while simultaneously improving the platform. Our authorised curriculum is made interesting and fun to learn for students. Teachers find it easier with real-time reports and 24/7 support to drive productivity.

Usage

Online

Curriculum

Maharashtra + Gujarat State Board

Medium

Marathi, Gujarati, English & Semi English

Achievements

1.47 million students

USP

Assessment for better learning

Key Features

AI-based paper and assessment creation

TopClass
Smart teaching beyond chalk and talk

Product/Service Solution: Digital Classroom Solution (B2B)

A wholesome digital education solution, TopClass is set to redefine the teaching and learning experience of teachers and students alike. The innovative solution includes interesting and attractive animated content for every chapter – thus making all processes easier and faster. It is a complete teacher-driven and student-centric learning solution, powered by advanced digital content and hardware with the latest operating system.

Usage

Offline

Curriculum

Maharashtra + Gujarat State Board

Medium

Marathi, Gujarati, English & Semi English

Achievements

79,500+ teachers trained

USP

Innovative and high-quality syllabus-based videos

Key Features

Interactivity with hundreds of activities and experiments

TopTouch
Digital School Diary

Product/Service Solution: Digital School Diary

TopTouch is a web-based application for students, parents, management and teachers. It helps make announcements, manage times tables, assign homework, take quiz, and track progress.

Usage

150 schools

Curriculum

NA

Medium

NA

Achievements

White labelled for Indiannica

USP

Easy onboarding

Key Features

Social media like feed

TopSchool
Smart School. Smarter Curriculum

Product/Service Solution: Learning Management Solution (B2B)

TopSchool is an intuitive and interactive learning management software (LMS), for school owners, teachers, students and parents. It provides schools a smart CBSE curriculum in line with NEP 2020 alongside complete lesson plans, digital assets, assessments & extended learning assignments. Our customers will find it easy to navigate our exhaustive digital content library for simplified teaching to students. The self-updating syllabus system will help provide latest lesson plans and content. With integrated online-offline teaching tools rich with communication and student management features, we will be able to provide an effective way to educate students for the future.

Usage

Online + Offline

Curriculum

CBSE & CBSE Pattern

Medium

English

Achievements

Developed in 9 months

USP

One-stop solution for all the stakeholders

Key Features

Extended learning assignment and 360° report card

DATA SECURITY OF STUDENT/CUSTOMER DATA

Data security and safety of our clients and customers is extremely crucial for us. We understand its importance and are ensuring a vigilant approach to protect our platforms and products from harm.

GENEXT

Product/Service Solution:

Tutoring Platform

Genext is a technology-enabled tutoring platform which combines digital content and supports Tutors & Coaching Institutes to leverage technology to build a bigger & more robust business focussed on measurable student outcomes.

HUMAN CAPITAL

Nurturing our employees to seek transformational excellence for organisational growth

Navneet Education Limited believes in consistently investing in Human Capital by empowering employees to strive for excellence. Proactively changing with time, our corporate culture encourages inclusion, diversity and wellness of our employees. With this, we improve engagement with our employees and strengthen their skillset further by helping them develop an ever-learning attitude to life.

CAPITALS IMPACTED

Financial Capital

Manufactured Capital

Intellectual Capital

Social & Relationship Capital

STAKEHOLDERS IMPACTED

Employees

NURTURING OUR TALENT

At Navneet Education Limited, we understand the importance of upskilling and personal development of our employees. We strive to encourage independence of thought and pursuit of excellence amongst them. Our focus on upgrading the skills of existing employees helps boost confidence and encourage growth amid the changing educational landscape.

With the dedication, enthusiasm, inventiveness, and loyalty of our employees, Navneet Education Limited has been able to accomplish so much success. Our people are our most valuable management resource and a source of value generation to us.

The understanding and focus on group leadership skills, employee training, upskilling, and coaching will help us be competitive as we drive our transition from published content to e-learning. Thus, making our employees more competitively valuable.

TRAINING & UPSKILLING OF EMPLOYEES

The training and hiring initiatives are aimed at nurturing the employees as we compete in a very competitive landscape. This will also help us build a stronger intellectual capital with continued focus on organisational development and systematic growth. The highly skilled talent pool that we nurture and invest in today will help shape our direction of growth.

220

Number of employees upskilled in FY 2021-22

CARING THROUGH WELLNESS & SAFETY

Navneet Education Limited's principles, ethics, safety, and wellness practises are upheld by policies. Throughout our activities, we strive for corporate justice, openness, professionalism and accountability. We help to build a safer working environment and company culture by putting rules in place to help enhance employee motivation.

SAFETY TRAININGS

876

Safety Trainings in FY 2021-22

In terms of workforce occupational safety, Navneet Education Limited updated and enhanced workplace regulations in line with the COVID-19-led changes. We've also increased productivity by automating our work processes. Our employees' loyalty and commitment to Navneet's goals represent our commitment to good business governance.

NATURAL CAPITAL

Minimising our carbon footprint through greener initiatives

Natural Capital for Navneet Education Limited is having the least impact on nature through the Company's business operations by effective use of environment-friendly resources. Our intention is to minimise wastage while maintaining a consistent positive impact on the planet and the minds of customers through our education-centric business.

CAPITALSIMPACTED

Financial Capital

Intellectual Capital

Manufactured Capital

Social &
Relationship Capital

STAKEHOLDERS IMPACTED

Employees

Communities

The environmental goals of Navneet Education Limited entail recognising ESG trends and fulfilling our mission of delivering accessible education for all in a sustainable manner.

In the execution and reporting of sustainability operations, Navneet Education Limited has taken a holistic approach. One of the primary objectives is to do things sustainably, with the goal of identifying environmental challenges.

The amount of Natural Capital investment through CSR & ESG initiatives by Navneet Education Limited will help address these environmental challenges and offer better services and solutions to all our stakeholders.

FOCUS AREAS UNDER NATURAL CAPITAL

- Generation of Renewable Energy
- Efficient Consumption of Energy and Water
- Use of Environment-friendly Packaging
- Use and Recycling of Raw Materials
- Occupational Health & Safety of Employees

Navneet Education Limited continues to operate sustainably through Solar and Wind energy generation across all manufacturing facilities.

1,25,048 kWH

Total Power Generated (Solar Energy - Solar Panels)

72,49,406 kWH/year

Total Power generated (Wind Energy – Windmill)

CLIMATE RISK AND SAFETY

Climate change and its consequences are already being felt all over the world. Its severity is only going to get worse unless humanity takes the intentional efforts required to reverse the negative effects already in place.

REDUCTION IN CO_2 EMISSIONS

Navneet Education Limited is aware of the hazards and opportunities posed by the environment, particularly climate change, and is taking proactive initiatives to address these challenges in the long run.

As a result, Navneet Education acts to impact the environment in a positive way and minimise potential hazards across the value chain. This encompasses our sourcing and operations, as well as the impact of our products and services before, during, and after use. We are also constantly imparting Environmental Health and Safety Trainings to our employees on a regular basis.

192.33 MT

Reduction of CO_2 Emissions in FY 2021-22

ENVIRONMENTAL PRECAUTIONS UNDERTAKEN

To mitigate forest depletion because of paper usage at Navneet's facilities, Navneet Education Limited continues to use bagasse and FSC paper in its production in place of regular paper.

Proper safety precautions are ensured while storing and consumption of solvent-based ink and PVC-based adhesive.

All hazardous wastes are disposed through the Government authorised vendor.

Our plants have following certifications which are renewed on regular basis showcasing our commitment to Environmental, Health and Safety and an emphasis on quality initiatives.

BSCI — Business Social Compliance Initiative — Member of BSCI

Sedex Member

ISO 14001:2015

ISO 45001:2018

ISO 9001:2015

With the increasing trend toward use of Environmental, Social and Governance (ESG) measures, we are committed to ensure that our environmental initiatives are clearly-defined and measurable to continue our conscious efforts toward saving our planet.

SOCIAL & RELATIONSHIP CAPITAL

Cultivating and building long-term relationships with our stakeholders through transparency

Navneet Education Limited considers it a moral responsibility to effectively communicate, engage, and act by investing in Social & Relationship capital. With a consistent effort towards transparency, training, and engagement, Navneet has built a trusted brand that continues to impart value by gaining and retaining good relationships with the business' supply partners, dealers, investors and customers.

CAPITALS IMPACTED

Financial Capital

Manufactured Capital

Intellectual Capital

STAKEHOLDERS IMPACTED

Employees

Communities

Shareholders

Government and Regulatory Bodies

Customers

EMPHASIS ON CREATING VALUE

Navneet Education Limited makes a continuous effort to be a responsible organisation by launching programmes that impart positive results to the society. Our commitment on creating true value through progressive relationships with all stakeholders helps us influence and drive our social & relationship capital. We continue to strengthen these bonds through improved communication, feedback and trainings.

Navneet Education Limited collaborates closely with vendors to improve operations of the manufacturing business and manage the changing demands. By encouraging our vendors in the surrounding areas, we are also able to make them accountable and reliable from a business continuity perspective. Besides, we are reaching out to communities through participation in Government welfare programmes such as Pradhan Mantri Suraksha Bima Yojana (PMSBY), Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJY), medical programmes, and more.

33,869 lives

Impacted through our Corporate Social Responsibility (CSR) Initiatives in FY 2021-22.

Furthermore, we have provided trainings in equipment maintenance and quality improvement to our local suppliers in order to help them comply to the industry standards we expect.

To be competitive with our products and services, we maintain a healthy interaction with our customers (teachers, tutors, parents, and students). This active interaction provides us the valuable data we need to further develop innovative products and services in the future.

INITIATIVES THROUGH CORPORATE SOCIAL RESPONSIBILITY

Navneet Foundation manages the Corporate Social Responsibility (CSR) initiatives under the CSR Policy of Navneet Education Limited.

We fulfil our social responsibility by delivering solutions in the fields of education, healthcare, rehabilitation, disaster assistance, and animal welfare through our CSR-focussed projects.

The Navneet Foundation also offers educational opportunities for students and teachers. These programmes are managed by collaborating closely with the education department to identify critical gaps, identify resources and people, and coordinate teacher training programmes across India.

CSR-FOCUSSED PROJECTS UNDER NAVNEET FOUNDATION

Navneet Foundation goes above and beyond to promote its project by providing educational materials that help every teacher, tutor and student. The Navneet Foundation distributes several free books to vendors' children, tribal and other Government schools in the vicinity of the Company's facilities.

Going forward, we will continue to march ahead on our path towards bringing about a transitional change in the way knowledge is imparted and utilised.

NAVNEET
Knowledge is wealth

STRATEGIC EXPANSION PLAN

STRATEGIES FOR THE COMPANY TO FORAY INTO THE EDTECH SEGMENT

The EdTech segment is quite diverse. To enhance our brand value, we are focussing on B2B with schools through LMS and ERP, pre-K B2C with products & services, and tutoring platform while developing partnerships.

FAST EDTECH ADOPTION

With increasing competition in the EdTech industry and low penetration of e-learning products and services, we want to work on integrating our publishing and e-learning business to encourage continued faster transition of education, towards EdTech adoption.

STRONG BALANCE SHEET AND GOOD LIQUIDITY

With a good financial standing through the Debt-to-Equity ratio, we have maintained cash positive internal accruals to back our investment initiative towards EdTech.

HEALTHY PARTNERSHIP

By building key partnerships with growth focussed Schools and Tutoring entities, we will be able to develop trust and maintain a healthy environment of long-term business relations.

INTEGRATING CONTENT, GOODS, AND INTELLECTUAL PROPERTY TO INCREASE THE VALUE OF THE COMPANY

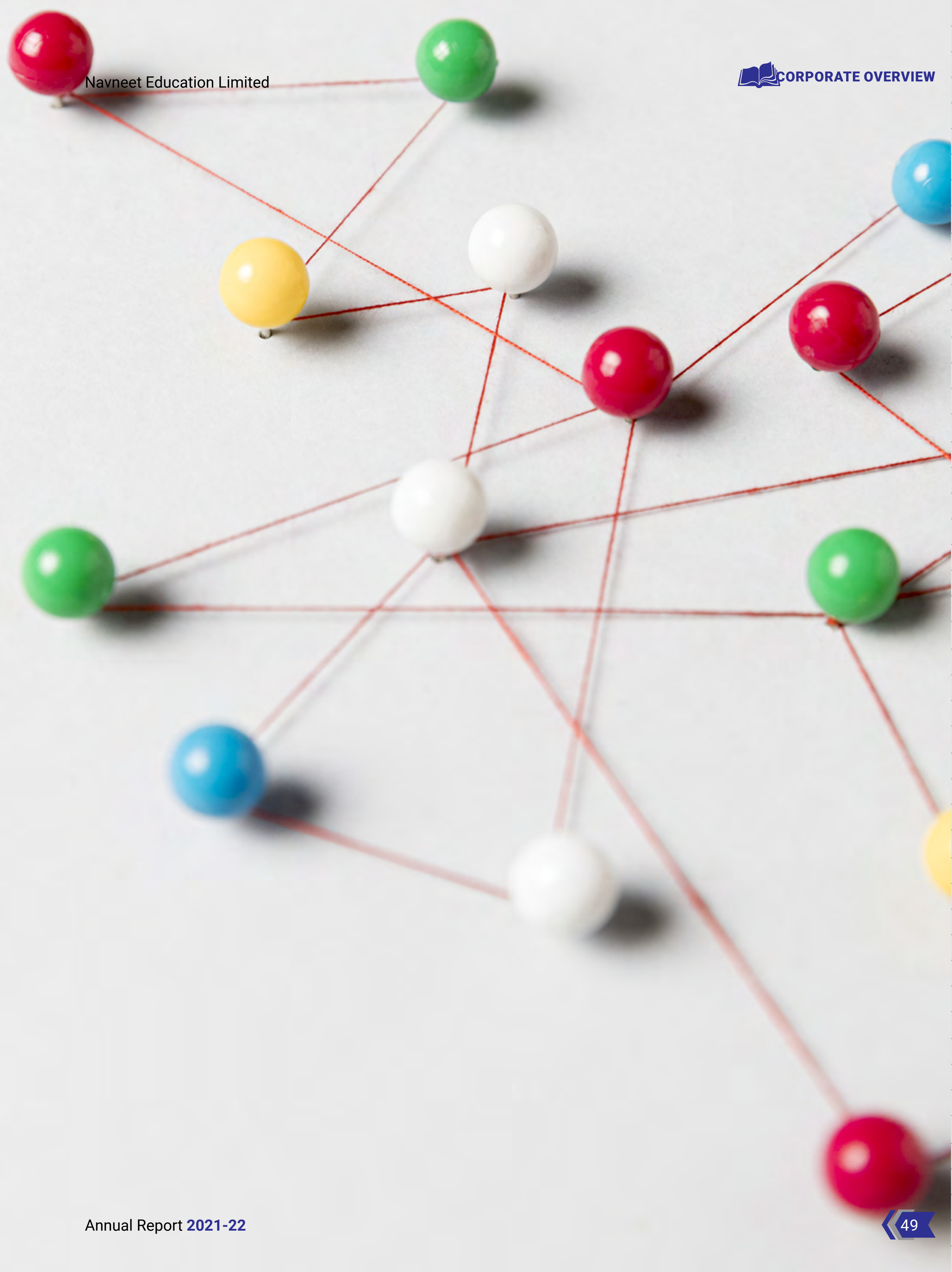
By integrating all physical and digital intellectual assets through the products and services we have developed with R&D; we intend to optimise the entire business of education and overall student experience.

HIGH-QUALITY, COST-EFFECTIVE GOODS THAT IMPROVE ACCESS AND OUTCOMES

With our high quality content at a reasonable price and the ease to access several options for schools, students, teachers and tutors, we will continue to encourage variety and help achieve improved outcomes for our customers.

CUSTOMER-CENTRIC PRODUCTS

We invest in a true educational experience for our customers, through products which are intuitively researched and curated to bring value.



GOVERNANCE

BOARD OF DIRECTORS

Shri Kamlesh S. Vikamsey,

Chairman

Director w.e.f.:
May 30, 1992

Age:
61 years

Shri Kamlesh S. Vikamsey is a fellow member of Institute of Chartered Accountants of India and holds bachelor's degree in commerce from University of Mumbai. He has vast experience of over three decades in the areas of Auditing, Taxation, Corporate, Business and Management Consulting Services, Due Diligence and Valuation. He holds Chairmanship of Independent Management Advisory Committee (IMAC) of the International Telecommunication Union (ITU), Geneva and Membership of the Audit Committee of the World Metrology Organisation. He is also the past President of Institute of Chartered Accountants of India.

Shri Gnanesh D. Gala,

Managing Director

Director w.e.f.:
June 1, 2013

Age:
59 years

Shri Gnanesh D. Gala heads key areas of Finance, Taxation and Legal of the Company and has over three decades of experience in the corporate world, during which he forged the strengths of Navneet.

Shri Raju H. Gala,

Jt. Managing Director

Director w.e.f.:
June 1, 2013

Age:
59 years

Shri Raju H .Gala has over three decades of experience in Purchase and Marketing and heads the Marketing department for the Company's Gujarat operations.

Shri Tushar K. Jani,
Independent Director

Director w.e.f.:
June 24, 2010

Age:
69 years

Shri Tushar K. Jani is an innovative entrepreneur with over three decades of experience in corporate world. Previously, he served as a Chairman of Maharashtra State Council of CII. He has envisioned, founded and mentored numerous companies. At present, he is a Founder Ex-Chairman of Blue Dart Express Ltd.

Smt. Usha Laxman,
Independent Director

Director w.e.f.:
August 11, 2014

Age:
64 years

Smt. Usha Laxman has over 25 years experience in the field of education. She was the educational head of a playschool & nursery of an NGO. Besides, she has experience of handling marketing in India & whole of Asia for software consulting solutions.

Shri Bipin A. Gala,
Whole-time Director

Director w.e.f.:
June 1, 2013

Age:
71 years

Shri Bipin A. Gala oversees all matters pertaining to maintenance of old and setting up of new estates and plants of the Company.

Shri Anil D. Gala,
Whole-time Director

Director w.e.f.:
June 1, 2013

Age:
65 years

Shri Anil D. Gala has over three decades of experience and has mastered the fine art of Publishing, its myriad from Content Creation to Printing, Marketing, Sales and Distribution. He has been instrumental in creating over 500 titles published by the Company.

Dr Vijay B. Joshi,

Independent Director

Director w.e.f.:
October 31, 2013

Age:
65 years

Dr Vijay B Joshi is an eminent Academician with vast experience in academic and administrative functions in higher education space and been nominated on various Governing Bodies of Universities and higher education institutes. He has served as Dean faculty of Science and Technology at University of Mumbai and has implemented innovative need-based changes in curriculum and evaluation across science and technology subjects. Dr Joshi was nominated by Hon. Chancellor on the Academic Council of University of Mumbai and has served on many committees. He has served as Chief Consultant and Joint Director (In Charge) at Rashtriya Uchchatar Shiksha Abhiyan (Maharashtra). Dr Joshi is a pioneer in establishing academic autonomy in higher education. He was instrumental in transforming K.J. Somaiya College of Science and Commerce (Autonomous) during his tenure as a Principal. As a researcher, he has published research papers and delivered sessions at national and International conference.

Shri Shailendra J. Gala,

Whole-time Director

Director w.e.f.:
June 1, 2013

Age:
53 years

Shri Shailendra J. Gala has over two decades of experience in Marketing of stationery products of the Company. His key role is Product Development, Designing, Manufacturing, Sales and Marketing of stationery products.

Shri Anil Swarup,

Non-Independent & Non-Executive Director

Director w.e.f.:
August 8, 2019

Age:
64 years

Shri Anil Swarup, before joining the Indian Administrative Service (IAS) in 1981, had served the Indian Police Service for a year. As a civil servant, he held various assignments within both - the State (Uttar Pradesh) and Central Government. Shri Swarup also served as Secretary to the Government of India in the Ministry of Coal where he handled the aftermath of the coal scam. Thereafter, he served as Secretary, School Education and Literacy where he attempted to foster publicprivate partnership to improve the quality of school education. As a strategic thinker and an innovative leader, he won several other awards and nominations, including nominations for the Policy Change Agent by the Economic Times multiple times. Furthermore, Shri Swarup was selected as one of the 35 Action Heroes in India Today's 35th Annual Edition.

Shri Nilesh S. Vikamsey,

Non-Independent & Non-Executive Director

Director w.e.f.:
June 1, 2013

Age:
57 years

Shri Nilesh S. Vikamsey is a Senior Partner in one of the reputed Chartered Accountancy firm. He is the past President and elected member of the Central Council - the Apex decision making body of the Institute of Chartered Accountants of India(ICAI). At present, he is a Chairman & a Member of various committees of ICAI and also member of various other committee constituted by Government bodies. He has over two decades of experience and expertise in the field of Audit, Management Consultancy, Special Audits, Due Diligence, Corporate Restructuring Valuation, Strategic Planning, Mergers and Amalgamation.

Shri K.I.Viswanathan,

Director

Director w.e.f.:
May 18, 2022

Age:
61 years

Shri K.I.Viswanathan is a veteran of Indian paper and paperboard business, with nearly four decades of experience. He has handled many operational, managerial and strategic roles during his career. He retired as Executive Vice President of ITC Ltd. - Paperboards and Specialty Papers Division, India's largest paper and paperboards business, responsible for Sales & Marketing, Plantation and Procurement functions.

Customer-centric approach, strategy formulation and execution, building innovative business models and long-term Planning have been his areas of deep involvement and expertise. He has been a long-serving member of the Divisional Management Committee of ITC'S paper & paperboard Business, contributing significantly to responsible and profitable growth.

Shri Viswanathan has a post graduate degree in Management and has attended the Global Advanced Management programme conducted by the Indian School of Business and Kellogg School of Management.

Shri Mohinder Pal Bansal,*

Independent Director

Director w.e.f.:
June 1, 2013

Age:
65 years

Shri Mohinder Pal Bansal is a Chartered Accountant, with an illustrious career spanning over three decades of experience in M&A, Strategic Advisory, Capital Markets, Portfolio Company Integration in addition to Post Acquisition Performance Management in India, Asia and Europe. He has significant operational experience in managing corporate entities as well as advising private equity firms in India on improving the performance of their portfolio companies in multiple sectors including logistics, auto components, manufacturing, realty, banking, education and IT.

**Resigned w.e.f. March 31, 2022.*

NAVNEET
Knowledge is wealth

VALUE FOCUSED ENGAGEMENT WITH STAKEHOLDERS

We understand the needs and wants of all our stakeholders this helps us build a trust-worthy brand name. This relationship and interaction Navneet has had for several years with the stakeholders has helped generate true value through its products and services. With this, Navneet has built a solid reputation and continues to grow through improved interactions and unparallelled devotion to its mission and vision.

Stakeholders	Key Expectations	Mode of Engagement	Frequency
Customers	• Cost effective products and services • Easy accessibility and user interaction • Digital innovation • Quality customer service • Data security and privacy • Transparency	• Customer care channels – Toll free number, Email, Website • Customer relationship managers • Educational literacy programs • Engagement through business correspondent network • Customer satisfaction surveys	• Annual • Ongoing • Need-based
Shareholders and Investors	• Value focused business • Progressive returns on business strategy • Risk assessment & mitigation • Open and informative reporting	• Investor meetings and calls • Investor grievance channels • Financial information • Investor presentations • Annual Reports • Annual General Meeting • Press releases • Quarterly transcripts	• Annual • Quarterly • Need-based • Ongoing
Government and Regulatory Bodies	• Compliance with all legal and regulatory requirements • Active governance • Inclusivity in education • Responsible tax payment	• Engagement at industry platforms and meetings • Presentations • Regulatory reporting practices • E-mail and postal communications	• Periodic • Need-based
Community and the Environment	• Impacting education • Community investment • Environment conservation	• Educational workshops • Health and safety initiatives • Medical insurance & health camps • Employee volunteering	• Need-based • Ongoing

Stakeholders	Key Expectations	Mode of Engagement	Frequency
Employees	• Career advancement opportunities • Job security • Training and re-skilling • Employee discounts • Ethical remuneration and benefits • Awards and employee recognition	• Leadership workshops • Performance reviews • Group meetings • Training and development programmes • E-learning modules • Employee grievance redressal platform • Employee engagement initiatives	• Need-based • Ongoing

MATERIALITY AT NAVNEET

Navneet considers quality, innovation, and customer service essential for successful growth as a company. To work towards a focussed transition, Navneet analysed certain material issues by considering all the stakeholders impacted directly or indirectly by the Company's actions. We believe that healthy stakeholder relationships are the key to driving a sustainable value creation process. Through our engagements, we identify the material issues that can significantly affect the business sustainability. These issues will help Navneet map the stakeholders' perspectives and compare it with the business growth strategy. Thus, helping Navneet recognise potential impact and understand the risks to all stakeholders from a short-term, medium-term and long-term perspective.

To better understand the impact of materiality on Navneet's progress, we have listed down the following material issues:

01 Optimised Manufacturing

02 Quality Products & Services

03 Corporate Governance

04 Community Engagement

05 Employee Progress & Growth

06 Technological Enhancement

07 Training & Development

08 Customer Satisfaction

09 Research & Development

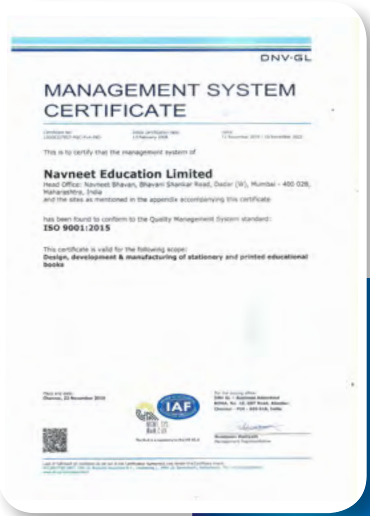
10 Risk Management

11 Customer Data Security

12 Environment Conservation

Knowledge is wealth

AWARDS AND ACCOLADES



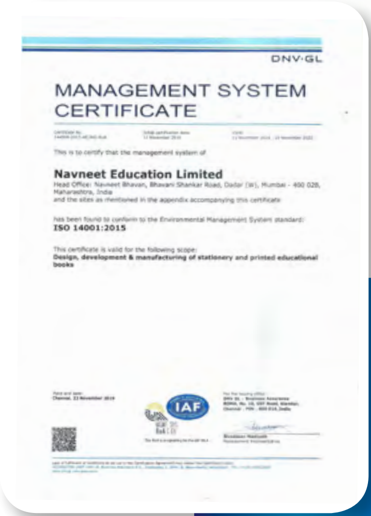
DNV·GL

MANAGEMENT SYSTEM CERTIFICATE

Navneet Education Limited

ISO 9001:2015

ISO 9001: 2015
(for Quality
Management System)



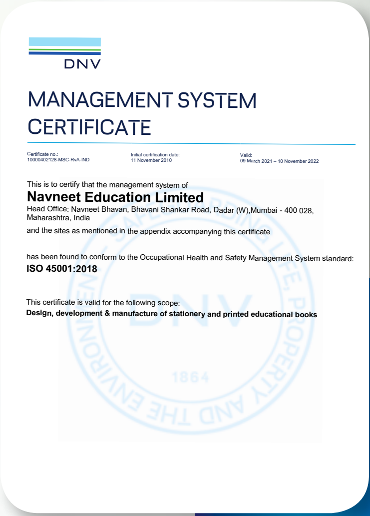
DNV·GL

MANAGEMENT SYSTEM CERTIFICATE

Navneet Education Limited

ISO 14001:2015

ISO 14001:2015
(for Environment
Management Systems)



DNV

MANAGEMENT SYSTEM CERTIFICATE

This is to certify that the management system of

Navneet Education Limited

Head Office: Navneet Bhavan, Bhavani Shankar Road, Dadar (W),Mumbai - 400 028, Maharashtra, India

and the sites as mentioned in the appendix accompanying this certificate

has been found to conform to the Occupational Health and Safety Management System standard:

ISO 45001:2018

This certificate is valid for the following scope:

Design, development & manufacture of stationery and printed educational books

ISO 45001:2018
(for Health And Safety
Management Systems)

CERTIFICATE

Navneet Education Limited

FSC Certification

CII

WAREX

Warehouse Certification Model

CII Institute of Logistics

Certifies

Navneet Education Limited

at PLATINUM level of

WAREX model

WAREX
(Warehouse Certification
Model-Khaniwade)

BUREAU VERITAS Certification

BV DDS VERIFICATION

NAVNEET EDUCATION LIMITED

DDS Verification
Certificate- Khaniwade

FIVE YEARS AT A GLANCE

(₹ in Lakhs except EPS)

Year Ended March 31	2022	2021	2020	2019	2018
INCOME STATEMENT DATA					
Operating Revenue	1,06,052	80,297	1,44,180	1,36,054	1,13,224
Cost of Goods Sold	73,992	56,684	92,659	88,540	74,482
Gross Profit	**32,060**	**23,613**	**51,521**	**47,514**	**38,742**
as a % of Revenues	30.2%	29.4%	35.7%	34.9%	34.2%
OPERATING EXPENSES:					
Selling, general and administrative expenses	11,770	9,062	15,229	14,905	11,822
Other Operating expenses	3,275	3,029	2,787	3,844	3,450
Impairment & Non Recurring Charge #	-	390	1,693		
Total Operating Expenses	**15,045**	**12,481**	**19,710**	**18,749**	**15,272**
Operating Income	17,016	11,132	31,812	28,765	23,470
as a % of Revenues	16.0%	13.9%	22.1%	21.1%	20.7%
Other Income	2,019	1,452	2,539	1,938	2,921
Depreciation	3,270	3,473	3,529	2,446	2,349
Finance Cost	368	684	1,307	1,186	597
Profit before Income Tax	**15,397**	**8,428**	**29,514**	**27,071**	**23,445**
Exceptional Items	4,580	-	-	-	-
Income tax benefit / (expense)	(5,315)	(2,265)	(7,579)	(9,324)	(8,124)
Profit for the year	**14,662**	**6,163**	**21,935**	**17,747**	**15,321**
as a % of Revenues	13.8%	7.7%	15.2%	13.0%	13.5%
EARNINGS PER SHARE (₹)					
Basic	6.45	2.69	9.58	7.67	6.56
Diluted	6.45	2.69	9.58	7.67	6.56
Dividend declared per Share (₹)	1.50	1.00	3.00	1.00	1.50
BALANCE SHEET DATA					
Cash and Cash equivalents, net of bank overdraft	1,891	1,712	216	(1,530)	(7,414)
Operating working capital**	59,003	47,461	62,342	68,879	61,308
Total Assets	**1,35,024**	**1,21,052**	**1,30,689**	**1,29,613**	**1,13,519**
Long Term Debt, excluding current portion	-	-	-	-	-
Non Current Lease Liabilities	1,079	2,037	2,883	-	-
Current Debt	7,000	-	19,001	29,501	21,197
Current Lease Liabilities	958	846	744		
Total Stockholders' equity	**1,12,714**	**1,03,886**	**96,572**	**87,196**	**80,841**
ADDITIONAL DATA					
Net Cash provided by / (used in):					
- Operating activities (pre tax)	6,360	30,146	36,924	18,650	17,358
- Investing activities	(4,235)	(5,493)	(7,352)	(3,253)	(4,731)
- Financing activities	2,573	(20,430)	(20,495)	127	(7,722)
Expenditure on Property, Plant and Equipment & Intangibles	4,234	1,512	3,642	2,384	3,069

 # Includes amount paid towards Dispute Resolution of MVAT Liability and Impairment of Investments

*** Operating Working Capital = Trade Receivables + Inventories - Trade Payables.*

KEY FINANCIAL RATIOS

Year Ended March 31	2022	2021	2020	2019	2018	2017
PROFITABILITY RATIOS						
Gross Margin (%)	30.23%	29.41%	35.73%	34.92%	34.22%	37.33%
Adjusted EBITDA margin (%) #	17.95%	16.16%	25.01%	22.57%	23.31%	0.25
Adjusted PAT Margin (%) #	9.51%	8.16%	16.40%	13.04%	13.53%	14.84%
Return on Net Worth (%)	13.01%	5.93%	22.71%	20.35%	18.95%	22.28%
Return on Capital Employed (%)	12.96%	8.56%	25.95%	24.32%	23.69%	28.81%
ASSET PRODUCTIVITY RATIOS						
Fixed Asset Turnover	6.63	5.13	9.23	9.04	7.75	7.41
Total Assets Turnover	0.83	0.64	1.11	1.12	1.06	1.21
WORKING CAPITAL RATIOS						
Working Capital Days	274	390	256	262	261	243
FG Inventory Days*	116	158	107	104	103	101
RM Inventory Days	131	186	111	104	108	98
Receivable Days*	57	79	57	76	72	63
Payable days	31	34	19	22	23	20
GEARING RATIOS						
Debt/ Equity	0.08	0.03	0.23	0.34	0.26	0.20
Interest Coverage Ratio	42.87	13.32	23.57	23.83	40.25	71.95
Current Ratios	3.58	4.39	2.52	1.96	2.37	2.51
VALUATION RATIOS						
Earning Per Share {Post Tax} (₹)	6.45	2.69	9.58	7.67	6.56	6.81
Book Value Per Share (₹)	49.83	45.39	42.20	38.10	34.61	31.07
Dividend Payout (%)	-	50.00	150.00	50.00	75.00	125.00
Trailing Price/ Earning Ratio	13.86	29.74	6.46	14.17	21.68	23.85
EV-EBITDA Multiple Ratio	10.90	14.43	4.67	9.01	13.38	14.35

(1) Fixed Asset Turnover: Revenue from operations / Average Net Fixed Assets (Property, Plant and Equipment)
(2) Total Asset Turnover: Revenue from operations / Average Total Assets
(3) Working Capital Days: Inventory Days + Debtor Days - Creditor Days
(4) FG Inventory Days: (Average of Closing FG Inventory as on March) / (Cost of Goods Sold for the year) * 360
(5) RM Inventory Days: (Average of Closing RM Inventory as on March) / (Cost of Goods Sold for the year) * 360
(6) Receivable Days: (Average of Receivables as on March) / (Net Sales for the year) * 360
(7) Payable Days: (Average of Payables as on March) / (Cost of Goods Sold for the year) * 360
(8) Book Value per Share: Total Equity / Outstanding Equity Shares
(9) Dividend Payout: % of Payout
(10) Trailing Price: Closing Share Price on the last working day of March

 # EBITDA and PAT adjusted for non cash impairment charge and other non-recurring costs.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Shri Kamlesh S. Vikamsey (Chairman)
Shri Gnanesh D. Gala (Managing Director)
Shri Raju H. Gala (Joint Managing Director)
Shri Tushar K. Jani (Director)
Smt. Usha Laxman (Director)
Shri Bipin A. Gala (Whole-time Director)
Shri Anil D. Gala (Whole-time Director)
Dr. Vijay B. Joshi (Director)
Shri Shailendra J. Gala (Whole-time Director)
Shri Anil Swarup (Director)
Shri Nilesh S. Vikamsey (Director)
Shri K.I. Viswanathan (Director) (w.e.f. 18th May, 2022)

COMPANY SECRETARY

Shri Amit D. Buch

CHIEF FINANCIAL OFFICER

Shri Kalpesh D. Dedhia

STATUTORY AUDITOR

N.A. Shah Associates LLP
Chartered Accountants

INTERNAL AUDITOR

Mahajan & Aibara
Chartered Accountants

REGISTERED OFFICE

Navneet Bhavan, Bhavani Shankar Road,
Dadar (West), Mumbai – 400 028.
Tel: + 91 22 6662 6565 | **Fax:** +91 22 6662 6470

BANKERS

Kotak Mahindra Bank Limited
ICICI Bank Limited
The Hongkong and Shanghai Banking Corporation Limited
HDFC Bank Limited
Qatar National Bank
Standard Chartered Bank
Citi Bank N.A.
Axis Bank Limited

CORPORATE IDENTITY NUMBER

L22200MH1984PLC034055

AHMEDABAD OFFICE

Navneet House, Gurukul Road,
Memnagar, Ahmedabad – 380 052.

MANUFACTURING PLANTS

Survey No. 62/1, 62/2, 68/2, Near Royalty Naka,
Village Khaniwade, Tal. Vasai, Dist. Palghar, Maharashtra.

Survey No. 100/1/4, 414/1, 100/2 & 100/1/5/1,
Village Sayli, Silvassa, U.T. of Dadra & Nagar Haveli.

Village Dantali, Behind Kasturinagar,
Dist. & Tal. Gandhinagar, Gujarat.

EMAIL

investors@navneet.com

WEBSITE

www.navneet.com

REGISTRAR AND SHARE TRANSFER AGENTS

Link Intime India Pvt. Ltd. C – 101, 247 Park,
L.B.S. Marg, Vikhroli (West), Mumbai – 400 083,
Tel: +91 22 49186000, Fax: +91 22 49186060,
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

Management Discussion and Analysis

GLOBAL ECONOMY

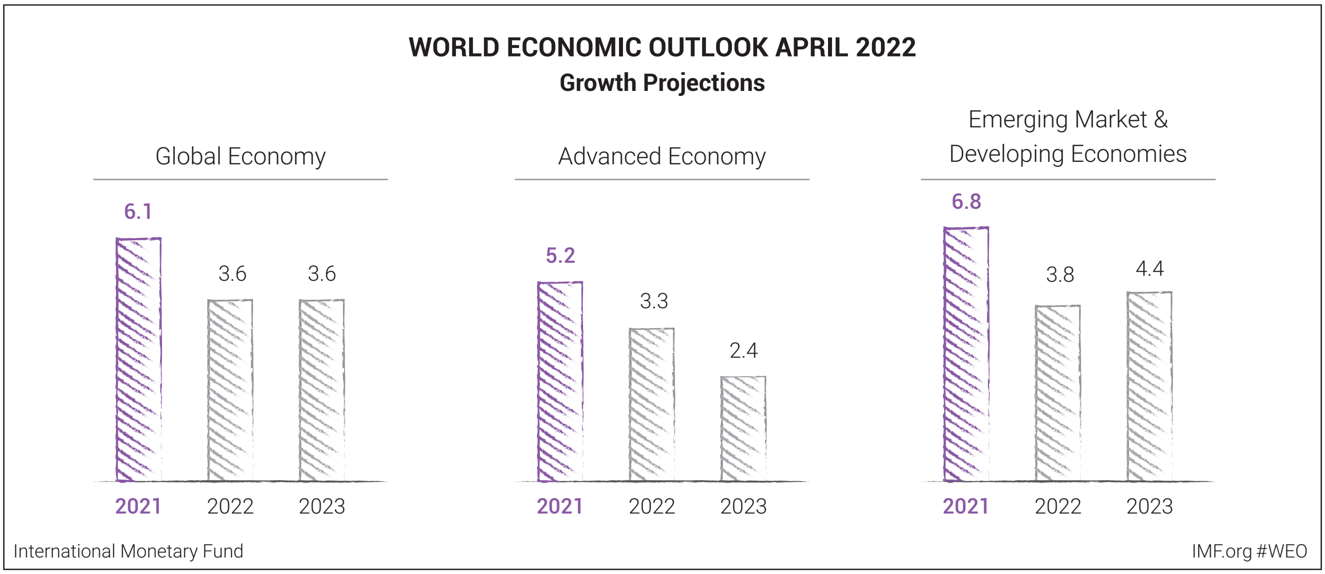
Since the crisis of the Covid-19 pandemic, the global economy has been a mixed bag of risks and opportunities. We saw economies seemingly on the path of recovery, recuperating from the ramifications of what seems like the biggest humanitarian crisis. Prompt and appropriate actions like massive inoculation drives and constant fiscal and monetary support measures adopted by governments worldwide helped bring a ray of hope amid a clouded outlook.

Just when the economic stance started looking up somewhat, we were struck by the tragic Russia-Ukraine geopolitical conflict. The war weighs on the growth prospects while also posing a higher threat to emerging and developing economies than advanced ones. The world was already facing increasing inflationary pressures. The war only further intensified these with energy price rise, food and commodity price inflation, supply shortages and pandemic several other impacts of the war. These pressures, along with widespread lockdowns in China, including some manufacturing hubs, have clogged up and resulted in another supply chain shock. The disadvantaged populations in low-income countries have been worst affected and in a disproportionate manner.

In line with the above, the International Monetary Fund (IMF)'s World Economic Outlook (WEO) lowered the GDP growth projections for global economies in its April 2022 Outlook, over its January 2022 projections. The global growth is now anticipated to slow down from an estimation of 6.1% in CY 2021 to 3.6% for both CY 2022 and CY 2023, which is 0.8% and 0.2%, respectively, lower than the earlier projections made in January. Together, these reflect the overall risks to the economic prospects of nations having heightened, throwing the post-Covid growth recovery expectation into doubt, with the policy trade-offs becoming even more challenging.

Outlook

The global economy can be categorised as being under the state of 'stagflation' with the central banks worldwide exploring tightening monetary policies to remove excess liquidity from the systems and reduce inflation and its effects. Even before the war, many economies were flurrying under a cloud of inflation due to rising commodity prices and supply-demand imbalances. However, the war has aggravated the need for trading-off between two difficult policy propositions for all economies – first: tackling inflation and safeguarding recovery; second: supporting the vulnerable and rebuilding fiscal buffers. The global economy's growth and the course of direction depend on the prioritisation of either of these propositions by the governments world over.



(Source: https://www.imf.org/en/Publications/WEO/Issues/2022/04/19/world-economic-outlook-april-2022)

In line with the WEO's projection, the advanced countries are expected to grow by 3.3% in CY 2022 and 2.4% in CY 2023. On the other hand, the Emerging Markets and Developing Economies (EMDE) are anticipated to grow by 3.8 % in CY 2022 and 4.4% in CY 2023. Much of this growth projection depends on how the economies face the headwinds, including further pandemic-related disruptions, additional supply bottlenecks, and de-anchoring the inflationary pressures and financial stress, amongst others.

INDIAN ECONOMY

For the Indian economy, 2021-22 can easily be coined as the year of recovery. The gradual resumption of economic activities, waning out of the after-effects of the pandemic, and reverting demand and consumption patterns to some normalcy collectively marked the economy's improvement across the board. Further, increasing Government and private consumption are driving the demand to touch pre-pandemic levels.

A favourable business environment, high industrial production, and widespread inoculation have contributed to India's economic growth – anticipated to reach 8.2% in 2022-23.

(Source: IMF's WEO Report, April 2022)

Outlook

The war in one part of the world has sure had a domino effect on the rest of the economies. Despite the looming scenario, India is expected to remain one of the world's fastest-growing economies over the next decade or so. Broad vaccination coverage, gains from supply-side reforms and regulatory ease, healthy export growth, and the availability of fiscal headroom to increase capital investment are all likely to propel the economy going forward.

INDUSTRY OVERVIEW

Education Sector

Education is a human right and a major instrument of growth. It is one of the most effective keys for alleviating poverty, increasing economic efficiency and improving social inconsistencies like gender inequality. It is also a critical component in ensuring equitable opportunities for the people of a nation. With 26.31% of India's population between the ages 0-14, and about 15 Crores children and youth lacking access to formal education, the education sector holds significant potential for development.

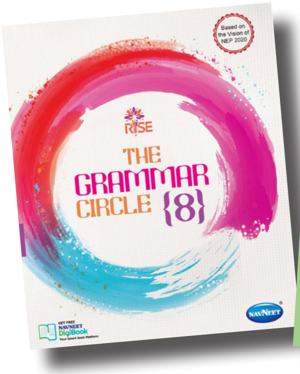
Initiatives of the Indian Government in the Field of Education:

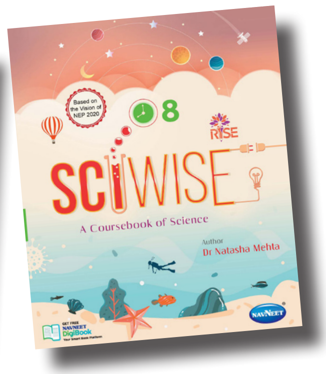
- **National Education Policy (NEP) 2020**

  The Government of India (GOI), through NEP 2020 has undertaken the goal of preparing the ground for revolutionary reforms in the country's school and higher education institutions. NEP aims to uplift vulnerable, underprivileged, and underrepresented populations through education. The intent is to provide world-class education to all children, regardless of where they live or the economic background they come from.

- **Samagra Shiksha Scheme**

  This Scheme seeks to integrate and treat school education holistically without any segmentation. The GoI has extended the Scheme for another five years, from 2021-22 to 2025-26. With a total budget of ₹ 2,94,283 Crores, the Scheme's broader goal is to improve schools' effectiveness in terms of equal opportunities for schooling and equitable learning outcomes. It includes school education from pre-school to class 12th as an integrated programme. *(Source: https://samagra.education.gov.in/" https://samagra.education.gov.in/)*





- **National Initiative for Proficiency in Reading with Understanding and Numeracy (NIPUN) Bharat Mission**

  The Scheme aims to ensure that every child in India gains foundational numeracy and literacy by the end of Grade 3 and thereby establishes priorities and a plan of action for States/UTs to attain the same objective.

- **Announcements on Education in the Union Budget for 2022-2023**

  - Allocation of ₹ 1,04,278 Crores for the education sector – an increase of 11.86% above the estimated gross allocation of ₹ 93,223 Crores for 2021-22
  - Expansion of the PM eVIDYA's 'one class-one TV channel' initiative from 12 to 200 TV channels – acknowledging learning losses due to school closures – will assist state governments provide regional language supplemental education for grades 1 to 12.
  - Increase in the funding for Samagra Shiksha from ₹ 29,999 Crores in 2021-22 to ₹ 37,383 Crores in 2022-23 and in the budget for STARS (Strengthening Teaching-Learning and Results for States) from ₹ 340 Crores to ₹ 550 Crores.
  - Emphasising programmes such as Accelerating State Education Program to Improve Results (ASPIRE) and Exemplar Schools through the allocation of ₹ 600 Crores and ₹ 1,800 Crores, respectively, for 2022-23.
  - Adaptation of online teaching techniques to help assure academic session continuation through programs like SWAYAM (study webs of active learning for young ambitious minds), Diksha, e-pathshala, and others that encourage educational establishments, even in remote areas.

(Source: https://digitallearning.eletsonline.com/2021/10/india-poised-to-become-usd-313-billion-education-skills-market-by-2030/)

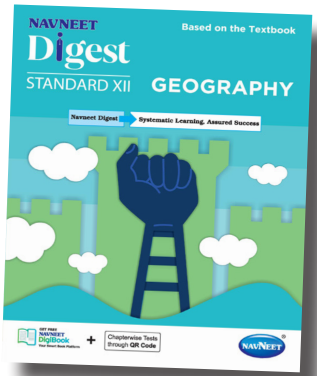
Outlook

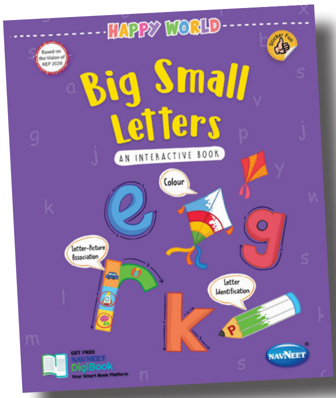
Further, the increase in India's education and skills sector backed by Supplemental & Extra-curricular Education, Teacher Training & Development, Affordable Education Loan Platforms, Technology-enabled K-12 Education, Online Test Preparation Platforms-led Inclusion & Development is expected to grow over the next decade from USD 180 billion in 2020 to an impressive USD 313 billion in 2030. Thereby adding 5 million new jobs and covering 429 million students. The Indian education system has improved greatly in recent years, especially in terms of access, which is universally acknowledged. There is a significant need for value education to contribute to national development. A continuing focus on making further improvements is pivotal, with a clear emphasis on enhancing quality and enabling equal access to educational opportunities for all parts of society. The Indian Government acknowledges the significance of reforming our education system and has even undertaken several initiatives in this direction.

Further, as the Covid-19 infections and consequent waves flared up, the schools and universities closed down and moved online. As a result, the demand for online education soared in India in 2020. This led to a rise in the popularity of online learning, spurring the number of businesses offering educational technology as well. The adaptation of technology in this sector is only expected to transform the sector for good going forward.

EdTech

EdTech is the practice of integrating IT tools into the process of learning to make it more engaging, inclusive and





personalised at the same time. For the past few years, EdTech has been gaining high prominence in India. Here again, the Covid-19 pandemic brought about an unprecedented surge in online education and the adoption of virtual job upskilling. This transition spiked at a sudden rate for good and it is likely to stay here for much longer. As per a report, the EdTech market in India is predicted to grow from ₹ 22,000 Crores in 2020 to ₹ 80,000 Crores by 2025 *(Statista)*– indicating the massive growth potential EdTech sector is yet to tap in.

Over the years, higher and easier availability of internet and smartphone accessibility at affordable rates has paved the way for deeper penetration. This led to the EdTech sector's rapid growth, which was already on an upward trajectory even before the advent of the Covid-19 pandemic. However, there is no denying that the sector received a huge impetus amid the pandemic – leading to the almost overnight adoption of technological tools in the education sector. As a fruitful outcome of these disruptions, the e-learning initiatives further led to the adoption of the digital mode of learning in a big way. A huge part of this adoption can be accredited to the collaborative effort of all the stakeholders – the Government, private and public schools, tutors, coaching institutes, students, and teachers, who collectively facilitated this growth.

India's current EdTech landscape mainly entails Pre-K-12/ college learning, test preparation, tutoring, upskilling and technology providers. Technology-enabled learning and understanding can surely help cover other remaining segments too. It can help plug the shortcomings in our country's education system by alleviating concerns to make learning accessible, affordable and flexible for everyone. Additionally, and more importantly, it can also help address the eminent gaps arising from lack of proper school infrastructure, teacher absenteeism or unavailability, inadequate training of in-service teachers, lack of accessibility to learning, especially in remote areas, amongst many other challenges.

The Government's measures and private participation have paved the way for new-age approaches. As per 'the-ken.com', Indian Edtech companies raised USD 285 million between CY 2020 and CY 2021. The K-12 sector, higher education, and upskilling sectors are driving this industry's expansion. India's EdTech business is expected to grow at a brisk pace in the next ten years, thanks to the rising popularity of Massive Open Online Courses (MOOCs) and distance learning. Moreover, the supportive efforts from the Government to make education available to anybody, everywhere, have also contributed to providing momentum to EdTech enterprises. India's burgeoning internet economy – with a very high subscriber base and an increasing number of smartphone users – has helped augment the sector's growth in multifolds.

Outlook

Internet education will be as important as traditional education in India in the next few years. The EdTech sector is extremely promising. However, its success will largely depend on the sector's capacity to adapt to the changing circumstances and provide personalised solutions, catering to various student needs. India has a vast untapped market for EdTech firms to address the challenges of quality and accessibility for education. The market is estimated to grow from ₹ 21,560 Crores to ₹ 80,080 Crores by CY 2025 *(Source: NDTV, India Today, IBEF, Inc42, The Economic Times, Internal estimate)*. And considering the current scenario, with newer Covid-19 strains emerging at a greater frequency and uncertainty around the pandemic fading off completely, the e-learning initiatives are set to become the default option for convenience – bringing cost efficiencies for the educators.

(Source:https://www.indiatoday.in/education-today/featurephilia/story/edtech-the-new-growth-catalyst-of-indian-education-industry-1912116-2022-02-12)

Changing and Upcoming Trends in the EdTech

With the introduction of digital education and educational applications, the traditional art of teaching and learning has undergone a significant transformation in recent years. Long regarded to be a redundant technique of learning information and sagacity, the general public's perspective is slowly changing.

1. **Distance Learning**

   As the name suggests, distance learning is a model that allows students to attend a school or any institute of learning virtually. Students can attend classes from the comfort of their homes through video and access subject matter and content online. Distance learning, also known as 'remote learning', usually employs various technologies such as class forums, discussion sites and threads, video conferencing classes, pre-recorded videos, and solution sites.

   Examples: Open online courses and YouTube Edu, among others.

2. **Personalised Learning**

Nowadays, the sole and most favourite feature of the learning process from a student's perspective is one which can be tailored to each student's specific needs. As a result, learning has become more personalised to meet the requirements of students than ever before. Students can progress through the study material at their own pace via blended learning. It provides a sense of control and increases self-assurance in students' approach. Another advantage of adaptive learning is gathering data on students' learning patterns. It collects data on how students respond to questions and uses the same data to deliver rapid feedback and change/improve the experience accordingly.

One of the key emerging trends in the EdTech space involves the development of educational applications. These are changing traditional learning methods while allowing students and teachers to communicate more effectively. A few digital education trends that support the apparent influence of online learning and the necessity of applications like these in the ever-changing educational scene entail the following:

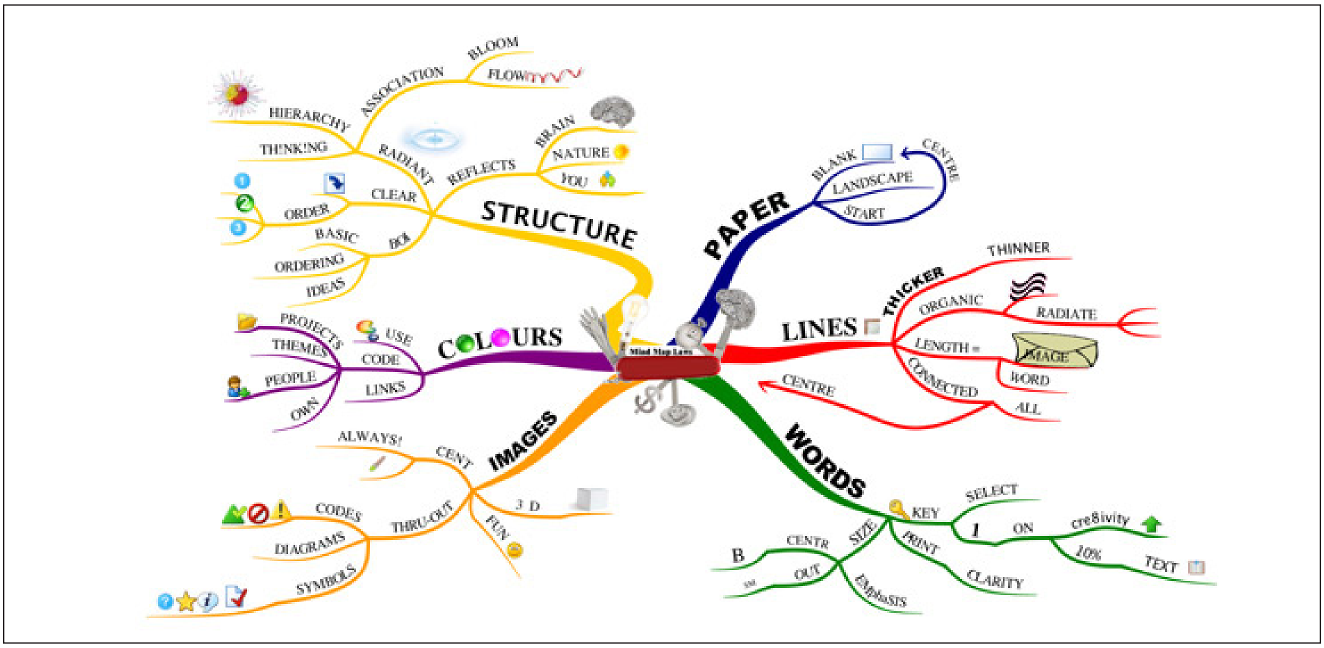
- An increasing number of students use handheld and mobile devices to study
- A large percentage of students believe that technology helps them understand the subject matter better and saves time
- A good proportion of students say that progress in technology has helped them improve their grades
- A rising number of students feel EdTech is helping them better prepare for classes and exams

3. **Gamification**

Gamification was created to make studying more entertaining and interesting for students of all ages. It uses game design for various aptitude activities. Although such exercises frequently feature activities that mimic real-life situations, students must employ technical skills to face them. This, in turn, aids students in developing many areas of their character.

4. **Mind Mapping**

Mind mapping is a learning method in which highlighted thoughts are connected along lines. It is said to help students grasp the material better and remember what they've learned. To make learning easy, mind mapping makes students' learning simpler by making it easier for the human mind to absorb and retain the material because of the pictorial elements.

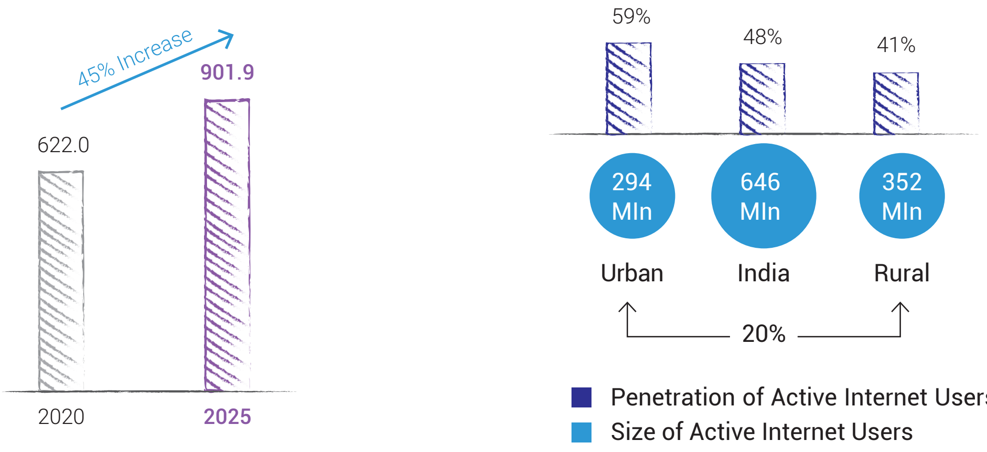


(Source: https://www.indiaeducation.net/students-corner/how-certain-educational-trends-are-changing-the-face-of-education.html)

INDUSTRY GROWTH DRIVERS

Internet Spread in India

India had about 622 million active internet users in 2020, according to the IAMAI-Kantar ICUBE 2020 study. Due to rising widespread adoption in rural India, this figure is further predicted to increase by 45% to 900 million by 2025. India's urban population accounts for 67% of internet customers, and the smaller cities account for two out of every five active internet users.



(Source: IAMAI-Kantar ICUBE 2020)

Base: Among those who are aged 12 years+

- **Government Initiatives**

  The National Education Policy emphasised the necessity of using technology in educational solutions and the importance of creating learning content in regional languages. Due to increased Government attention, the Indian EdTech industry is projected to become more policy friendly in the future years. NEP, PMeVidya, National Curriculum and Pedagogical Framework are some of the major initiatives initiated by the Government to boost the sector.

- **K-12 Segment has a Bright Future**

  K-12 segment poses a high potential for growth in the future. According to Tracxn, a data analytics company, the K-12 segment raised a very high quantum of investments in CY 2021 – clearly indicating the market potential segment.

- **Early Learning**

  The first eight years of a child's life are the most remarkable and vital for growth and development. These years lay the fundamentals and foundation of all learning. Getting the fundamentals right has enormous long-term benefits like greater understanding in school and higher educational achievements. The Integrated Child Development Services (ICDS), a centrally-funded and state-managed early childhood development programme, offers activities that promote education as one of six basic/essential services (along with immunisation, health check-ups, referrals, dietary supplements, growth monitoring) through 1.37 million anganwadi centres across India.

PUBLICATION SECTOR

The publishing sector is experiencing transformation in this digital era. Subscriptions to print newspapers and magazines are declining, but print books are thriving. As per an EY Report, in 2019, the Indian publishing sector was worth ₹ 500 Billion, with a potential to increase to ₹ 800 Billion by 2024. The sector contributes to India's economic growth by fostering learning and education and also employs over 1.2 million people. The Indian publishing industry's primary growth drivers have been highlighted due to Government's education campaigns and a rise in the total educational spending. With over 9,000 publishers and 21,000 shops, the Indian publishing sector is mainly undefined and competitive, dominated by educational/academic book publishing with a tiny proportion of commerce publications. The Government's key education aims and efforts, the rise of a knowledge-based society, and the international dissemination of Indian culture and history are all critical areas where the publishing business and the Government may collaborate to meet these goals in the coming future.

(Source:https://www.ey.com/en_in/strategy-transactions/the-now-next-and-beyond-of-the-indian-publishing-industry)

Outlook

The Government's most recent plan, aimed at converting India into a thriving knowledge-based society, is founded on the principles of accessibility, fairness, economy, accountability, and learning quality. Many programmes aimed at achieving these goals, such as the New Education Policy, place a strong emphasis on competency-based education and learning – in line with 21st-century demands. The publishing business will play a critical role in meeting these goals. Some of the essential Government initiatives such as making a huge number of books and materials available in regional languages and providing instructional content are already being aggressively promoted by the publishing business. To properly service a population as huge as India's, the publishing sector is developing new relationships with the Government and commercial institutions. The publishing business will play a more prominent role in directly contributing to economic production and employment. This, while supporting more than 300 million individuals by 2024 – thanks to the Government's approval of a proposal to expand public expenditure on education.

(Source: https://www.prnewswire.com/news-releases/worldwide-book-publishers-industry-to-2030---players-include-pearson-bertelsmann-and-hachette-livre-among-others-301270535.html)

K-12 SEGMENT

Globally, the K-12 market is gaining traction. As per GII Research, the market is expected to record a CAGR of 31.6% between CY 2021 and CY 2026. The market, driven mainly by schools that are constantly upgrading their technology infrastructure to transform the way learning happens traditionally, is gradually moving away from the blackboard-based conventional approach. The acceptance of technology in imparting education is becoming imperative due to the visible improvement in the educational outcomes of students.

The sector's growth is likely to be driven by various factors – increased focus on the use of technological tools to aid learning, the rising popularity of Big Data to propel the use of analytics for fuelling personalised learning experiences, government support across various countries for improving education quality, higher acceptance amongst parents, and many other factors.

Likewise, in India, the Central Government's impetus on the segment – an increasing number of private schools pursuing high demand for quality education, FDI in the education sector, technological advancements in the teaching methodologies, and digital learning modules – has boosted its growth prospectus in the last few years. A technologically advanced education system can immensely help augment the interaction between the students and teachers for effective learning. It can go miles in helping the students make learning more interactive, develop skills, gain knowledge, and get support to keep up with the needs and expectations of modern-day living.

With more content being consumed online because of the pandemic, schools have been compelled to fast-track the adoption of e-learning technologies. In order to take the quality of education to the next level, some private Indian players are collaborating with international brands to impart high-quality international standard education. In addition, schools are also heavily investing in information and multimedia education technologies to provide high-quality education. Besides, even EdTech companies have been using Augmented Reality and Virtual Reality measures to deliver learning-heavy content for K-12 students. This is likely to drive the growth of the segment going forward.

COMPANY OVERVIEW

At Navneet Education Limited ('NEL', 'we', 'the Company'), we are known for our quality in terms of value and content we provide. As a human right, we believe education must be provided to every child at an affordable price to not deprive any child of the opportunity to make his/her life bright. In line with this vision, we have always striven to provide quality products at an affordable price to people. Today, we have established ourselves among the leading companies in education products. Our Company's first product, 'the Digest', was initially available only in Gujarat, which we later expanded to Maharashtra as well. Realising the importance of regional languages, we also started publishing these books in other languages for each grade. The fact that 'Navneet Guides'/ 'Digests' are now widely used by the fourth generation speaks volumes of the reliability and popularity of our product. It indicates how we have retained our market position backed by our trustworthy and quality content.

Organisation Structure

Navneet Education Limited

- **CONTENT**
  - Print
    - Supplementary Books
      - Curriculum (Maharashtra & Gujarat)
      - Non-Curriculum (PAN India & Exports)
  - Digital
    - Digi Books
- **STATIONERY**
  - Paper Stationery
    - Export (USA, Europe, Africa)
    - PAN India

Navneet Futuretech Limited

- **TopTech**
  - TopScorer
  - TopClass
  - TopTouch
  - TopSchool
- **Leapbridge**
  - Early Childhood Learning
- **Genext**
  - Tutoring Saas & Content
- **Investments**
  - Be Galileo
  - Tinkerly
  - Sports For All

Business Growth Strategies

- **Introduction of NEP**

  With the advent of the new National Education Policy, any changes in the curriculum of the school syllabus are likely to directly impact our business positively, acting as a strong growth driver. Students discarding the old and second-hand books to buy new supplementary books basis the revised syllabus or a revised curriculum is likely to propel the growth of our business going forward.

- **Conversion of Schools**

  With an increasing number of schools converting from State boards to CBSE, there lies an opportunity in CBSE Board schools since the market for these books is expected to grow rapidly. Besides, as more and more English Medium Private State Boards start repositioning as CBSE pattern schools, there will be an increased need to utilise private publishers' textbooks up to grade 8, aiding our publication business' growth.

- **Investments in EdTech**

  With an aim to accelerate our growth prospects, we have strategically undertaken various measures that entail investments or acquisitions to strengthen our aggressive foray into the EdTech space. Through due diligence and committed investments that bring in the multiple facets of technology in education, we are aiming to make learning more effective, efficient and fun for the end-users i.e. the students. Besides, we are also exploring investments that are extended to but not limited to counselling, teacher training and sports management – supplementary to education. These measures will enable us to build a parallel business in EdTech in addition to being a respected publication player.

- **Phygital**

  With our innovative products and services to different markets via phygital platforms, we push new offerings through our EdTech platform.

- **Stationery Exports**

  With our continued focus on growing our export markets through vertical and lateral expansion strategies, NEL will continue to launch newer products in the business. Thus, achieving further market penetration as we aim to expand into newer markets. With Indian stationery being preferred in terms of quality and timely delivery, we enjoy being the partner of choice over other countries – giving us a competitive edge. Having been in this space for over two decades now, NEL is the highest exporter in the stationery category at present. A significant portion of our business comes from the USA – a strong platform for us to leverage other markets' opportunities and further export our stationery.

NEL SEGMENTS – OPERATIONAL & FINANCIAL HIGHLIGHTS

Educational Content Publication Segment

At NEL, the educational textbooks and related supplementary material (including Guides, Workbooks, and 21-Most Likely Question Set) – created using the syllabus published in the textbooks – form the core of our offerings. Our business is seasonal in nature, and the majority of our business sales occur at the commencement of an academic year. However, sometimes, as per the state's direction, revisions/updates/subsequent changes in syllabus/curriculum are required to be implemented in the textbooks. And so, these updates/changes offer twofold benefits for our business. They help the students receive the correct information periodically while also motivating them to buy the latest books to keep themselves updated. However, speaking of 2021-22, it continued to be marred by the after-effects of the pandemic. Online dissemination of education was a norm for most of the year, with minimal or no change in syllabus for the state-run schools in Maharashtra and Gujarat. With schools not being open for most of the year, our business was impacted.

Looking at our performance for the year, we have experienced a recent uptick with the reopening of schools in a staggered manner. On a standalone basis, the revenue from the publication segment witnessed a growth of 26.1% from ₹ 29,464 Lakhs in 2020-21 to ₹ 37,151 Lakhs in 2021-22.

Stationery Segment – Domestic & Exports

We have traversed a long way as far as the stationery business is concerned. We commenced the business in this segment in the early 1990s with exports to the Middle East and some African countries. Subsequently, we expanded into other regions and became India's biggest exporter in the stationery category. While India continues to be a priority market today, the US contributes the largest to our export market. We have created a brand that offers an all-encompassing range of stationery products – both paper and non-paper. Our proposition is simple – offering premium products at a price which the buyer would consider 'value for money'.

The revenue from Domestic Stationery segment for 2021-22 stood at ₹ 19,220 Lakhs witnessing a growth of 63.4% compared to previous year. The corresponding revenue figure for the Exports segment stood at ₹ 49,239 Lakhs, showcasing a 26.5% growth compared to the previous year. Better traction was witnessed during the previous financial year, owing to resumption of economies, which further led to the gradual reopening of offices and schools. Likewise, the revenue from the export market was also propelled by this uptick. Furthermore, we shall continue to grow in this space, backed by a healthy order book, improved quality, and an expanding product line.

Indiannica Learning Pvt. Ltd.

Indiannica Learning Pvt. Ltd., a subsidiary of NEL, is part of our educational content and product portfolio. The subsidiary is a pioneer in creating products that encourage exploratory learning and guide learners to attain the right attitude toward seeking knowledge. The innovative products offered through this company comprise curriculum-based learning solutions and need-based technology solutions for institutional and individual use. We strive to continue pursuing new geographies through this business alongside the accelerated CBSE-based curriculum publishing.

The Subsidiary recorded total sales of ₹ 5,457 Lakhs during 2021-22, compared to ₹ 3,106 Lakhs recorded in the previous year – showcasing a growth of 75.7%. With the increased adoption of products that resolve the ultimate learning quest of students, the subsidiary witnessed growth with its revenues reaching around the pre-pandemic levels.

We will continue to work with schools, parents and educators to develop products that meet the needs of evolving learning environments.. We will also continue to expand our product range and further accelerate in the curriculum business through organic and inorganic routes.

Navneet TopTech

Under the aegis of Navneet Futuretech Ltd, our Company has enjoyed being a pioneer in offering innovative solutions in the e-learning segment. We aim to build a platform that contributes to making the learning process more engaging by introducing interesting and novel methods to provide interactive and tailor-made solutions. Under eSense, we have the following products:

- *Top-Class:* A first-of-a-kind digital classroom approach that has improved students' entire educational experience by providing a digital room that clarifies and logicalises subjects.
- *Top-Scorer:* An audio-visual learning method aimed at simplifying difficult topics for learners. Top Scorer also has a teaching function that offers practice tests and analytics to help students prepare for examinations.
- *Touch:* An Easy-to-use app interface for students and parents and a web-based interface for management and teachers.
- *TopSchool:* A smart and simple LMS system built with ultimate sophistication to simpliy studies with an intuitive and interactive learning platform.

Leapbridge

Unlike other big cities and towns, Tier 2 and 3 cities lack sufficient infrastructure for early childhood education. Recognising the need to fill this gap, through Leapbridge – an early learning platform to enable children to learn and prosper at an early age.

Partnerships and Tutoring

Genext

We bought a 51.8% stake in Genext Students Pvt Ltd. – a Mumbai-based Edtech company – in September 2021. The company is rightly positioned to provide tech-based products for the tutor community. It aims at strengthening and expanding its tech ecosystem further with the help of its innovative solutions.

Investments

We acquired a 14.29% stake in SFA Sporting Services (SFA) in December 2021 through our wholly-owned subsidiary, Navneet Futuretech Limited (formerly known as eSense Learning Private Limited) SFA is engaged in sports tech & sports management. Through this partnership, we are expecting to improve our Company's offering of EdTech products to schools and educational institutes. The idea is to help make it easier for children to connect with sports.

Others

School Management through K12 Techno Services Private Limited (K12 Techno)

K12 education model offers elementary education to students from kindergarten to 12th grade. When combined with technology, it becomes a powerhouse of efficient offerings. This model aims to provide education for students of all ages before moving to higher education using unconventional means.

Keeping in line with our objective of offering tech-enabled K12 education, we invested in K12 Techno through our subsidiary – Navneet Learning LLP, with a 27% stake in the company. K12 Techno operates 'Orchids, the International School' group of schools. This group is fast emerging as a dominant player in providing management services in the field of direct education. As on 31st March, 2022, 42 schools across 7 locations were under the purview of our services via K12 Techno, catering to 29,200+ students.

NEP Guidelines mapped against Our Products

NEP GUIDELINES & OUR PRODUCTS

Sr. No.	Areas	NEP Guidelines	Navneet TopTech Products
1	**Curriculum Syllabus/ Textbooks**	Circular and pedagogical, designed to optimise learning for students, based on the cognitive development of children & teaching-learning strategies.	Rise Series Rise series teacher's manual
2	**Methodology**	Teaching-learning process will be more holistic, inquiry-based, discovery-based, discussion-based, and analysis-based learning.	Recommended lesson plans, curriculum plans
3	**Content Delivery**	Integrated Education	Concept-based 2D, 3D digital content (all major subjects)
4	**Competency-based education**	Classroom transactions will shift, towards competency-based learning and education will also be aligned with the learning outcomes.	Extended learning assignments
5	**Multidimensional-report card (Technology-based)**	360-degree multi-dimensional reports that reflect in great detail the progress as well as the uniqueness of each learner in the cognitive, affective, and psychomotor domains.	360^0 report card with competency mapping of each child
6	**Art**	Art-Integration is a cross-circular pedagogical approach that utilises various aspects and forms of art and culture as the basis for learning concepts across subjects.	We are currently exploring ways of offer-ing this service to Schools & Tutors
7	**Sports**	Sports-Integration is another cross-circular pedagogical approach. It serves to foster holistic development by promoting physical and psychological well-being while also enhancing cognitive abilities.	Through Sports For All, we will offer Sports Management & SportTech to Schools
8	**Contemporary Subjects**	Introduction of Contemporary, Subjects such as Artificial Intelligence, Design Thinking, Holistic Health, Organic Living Environmental Education.	Through Leapbridge, we will develop products in some of these areas for our customers
9	**Teachers Training**	Each teacher will be expected to participate in at least 50 hours of CPD opportunities every year for their own professional development.	TopTech is focused on Teacher Training for ensuring that Teachers are not left behind implementation of technology platforms from NFL

Financial Review

(₹ in Lakhs)

Particulars	2021-22	2020-21	2019-20
Total Income	1,08,071	81,749	1,46,719
Operating Expenses	(89,036)	(69,164)	(1,12,368)
EBITDA	19,035	12,585	34,351
Depreciation	(3,270)	(3,473)	(3,529)
EBIT	15,765	9,112	30,822
Financial Cost	(368)	(684)	(1,307)
Exceptional Item	4,580	0	0
EBT	19,977	8,428	29,514
Tax	(5,315)	(2,265)	(7,579)
PAT	14,662	6,163	21,935
Tangible Capital Employed	1,21,682	1,06,491	1,18,778
Net Capital Employed	1,12,714	1,03,886	96,572
Return on Capital Employed (%)	12.96	8.56	25.95
Return on Net Worth (%)	13.01	5.93	22.71

Revenue:

Our Company's overall total income increased to ₹ 1,08,071 Lakhs for 2021-22 from ₹ 81,749 Lakhs for 2020-21. This increase in revenue mainly attributed to opening up of schools and increase in exports of stationery.

Operating Expenses:

Our Company's overall operating expenses increased to ₹ 89,036 Lakhs for 2021-22 from ₹ 69,164 Lakhs for 2020-21. This increase in operating expenses can be attributed mainly to the increase in business volume as seen from increase in revenue.

EBITDA:

Our Company's EBITDA increased to ₹ 19,035 Lakhs for FY 2021-22 from ₹ 12,585 Lakhs for FY 2020-21.

Depreciation:

Our Company's depreciation decreased to ₹ 3,270 Lakhs for FY 2021-22 from ₹ 3,473 Lakhs for FY 2020-21.

EBIT:

Our Company's EBIT increased to ₹ 15,765 Lakhs for FY 2021-22 from ₹ 9,112 Lakhs recorded in FY 2020-21.

Finance Cost:

Our Company's finance cost decreased to ₹ 368 Lakhs for FY 2021-22 from ₹ 684 for FY 2020-21. This decrease in financial cost can be attributed mainly to efficient fund management.

Exceptional Item:

During the FY 2022-22, Exceptional Items includes Capital Gain of ₹ 6,813 Lacs on Sale of Property reduced by Impairment of Indiannica Learning Private Limited Investment of ₹ 2,233 Lakhs.

EBT:

Our Company's EBT increased to ₹ 19,977 Lakhs for FY 2021-22 from ₹ 8,428 Lakhs for FY 2020-21.

PAT:

Our Company's PAT increased to ₹ 14,662 Lakhs for FY 2021-22 from ₹ 6,163 Lakhs for FY 2020-21.

Capital Employed:

Our Company's capital employed increased to ₹ 1,21,682 Lakhs for FY 2021-22 from ₹ 1,06,491 Lakhs for FY 2020-21.

Net Worth:

Our Company's net worth increased to ₹ 1,12,714 Lakhs for 2021-22 from ₹ 1,03,886 Lakhs for 2020-21.

Financial Ratios

Ratios	2021-22	2020-21
Current Ratio (Current Assets/ Current Liabilities)	3.58	4.39
Debt-to-Equity Ratio (Net Debt/ Net Worth) * net cash position	0.08	0.03
Debtors Turnover (Net Sales/ Average Accounts Receivables)	6.28	4.53
Operating Profit Margin (Profit Before Interest and Taxes/Net Sales)	12.96%	9.54%
Net Profit Margin (Net Profit After Tax/Net Sales)	13.83%	7.68%
Return on Net Worth (Net Profit After Tax/Net Worth)	13.01%	5.93%
EPS	6.45	2.69
Fixed Asset Turnover Ratio	6.63	5.13

Return on Capital Employed: Our Company's return on capital employed ratio increased from 8.56% for FY 2020-21 to 12.96% for FY 2021-22.

Return on Net Worth: Our Company's return on net worth increased from 5.93% for FY 2020-21 to 13.01% for FY 2021-22.

Dividend Policy

Considering several internal and external factors, we may continue to pay a minimum of 25% of profit after tax as a dividend to the shareholders. For FY 2021-22, ₹ 1.50 (75%) per share has been recommended, subject to the shareholders' approval. Once approved, the same would amount to ₹ 3,393 Lakhs constituting to 23.14% of the net profit.

Below is the dividend history for the last five financial years:

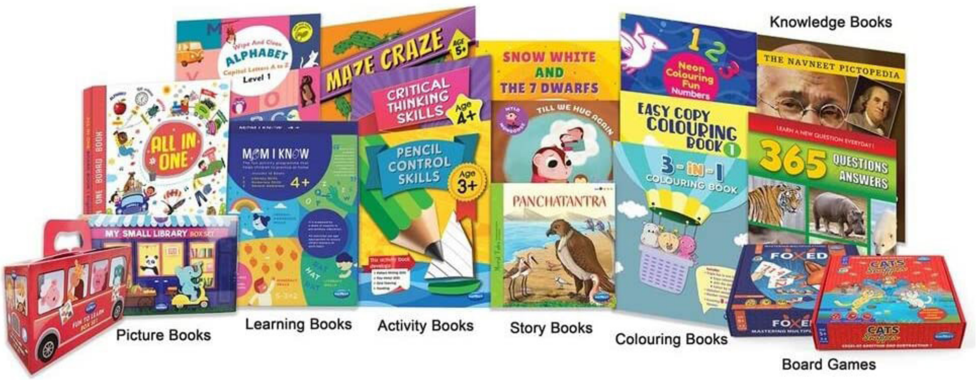
Year	Dividend Type	% Dividend Declared
FY 2021-22	Final*	75
FY 2020-21	Final	50
FY 2019-20	Second Interim	25
	First Interim	125
FY 2018-19	Final	50
FY 2017-18	Final	75

* recommended.

Credit Rating

During the year, CRISIL Ratings reaffirmed its 'CRISIL A1+' *(pronounced as CRISIL A One Plus)* rating on the short-term bank facilities and commercial paper programmes. The rating, considered to have a very strong degree of safety with regards to honouring financial obligations in time, also establishes the comfortable financial risk profile of the Company, backed by a strong gearing and debt protection metrics. It continues to reflect the established market position of NEL in educational books segment and a healthy global presence in the stationery segment.

Besides, during the year, CARE Ratings revised its ratings from CARE AA+ *(pronounced as CARE Double A Plus)*; Negative / CARE A1+ *(pronounced as Negative / CARE A One Plus)* to CARE AA; Stable / CARE A1+ *(pronounced as CARE Double A; Stable / CARE A One Plus)* for its Long Term / Short Term Bank facilities. The rating favourably factors in the healthy financial risk profile of NEL, aided by strong liquidity position and absence of any long-term debt. This, on the back of the long-standing experience of the Promoters, well-established market presence and strong brand recognition.



RISK MANAGEMENT

Our Company has established a well-structured risk management system. Every year, the risk framework is assessed, and the required amendments, if any, are duly carried out.

Risk	Impact	Mitigation
Enterprise Risk	These are the risks that a company faces at the enterprise level.	Our Company uses Enterprise Risk Management system (ERM) – a leading method for identifying, assessing, and preparing for possible losses, risks, threats, and other forms of damage that might disrupt our organisational framework and goals, leading to losses. It helps us identify and assess possible threats and, therefore, help mitigate them.
Process Risks	A revenue loss resulting from inadequate and/or unproductive procedures is known as process risk. Different types of process risks include infrastructure, IT, human error, process quality and machine failure, amongst others.	Our Company's internal audit department ensures the efficacy of commercial and investment controls and procedures in all critical operations across our business through process risk management.
Compliance Risk/ Integrity Risk	An organisation's potential exposure to legal fines, monetary forfeiture, and material loss due to failure to comply with the business rules and regulations, domestic laws, or recommended best practices are the compliance or integrity risks associated with a company.	Our Company manages the compliance risk by entailing a complete verification method for conformity to all laws and regulations. A powerful reporting procedure overflows upwards from accountable business line executives to our Company's Audit Committee and the Board of Directors. The annual internal audit examines key aspects of corporate operations recognised by a team of specialists. Internal auditors, the Audit Committee, and the Board of Directors examine each area. The Audit Committee reviews the internal auditors' recommendations and advices methods to improve internal controls on a regular basis.
Digital Risk	EdTech security hazards with virtual learnings include malware, user account takeovers, and information safety concerns.	Our Company has undertaken a cloud application security which is a tool used to identify and fix cloud security vulnerabilities. Along with this, we also conduct a 24/7 security review to keep our data safe.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

We live up to our social responsibility by participating in various CSR initiatives in the field of education, healthcare, rehabilitation, disaster assistance and animal welfare. The company keeps an eye on the use and channelisation on the ground level activities, by making use of resources in the most efficient way possible and an aim to guarantee that the benefits of these programmes are distributed to the appropriate persons. We continue to employ environment-friendly materials for the majority of our key projects. This year, we donated ₹ 457 Lakhs towards CSR initiatives.

INTERNAL CONTROL SYSTEMS AND IT'S ADEQUACY

Our internal control system is reliable, efficient and crucial to the success of our Company. We review our numerous segments and sales operations with the help of the internal control system. We have deployed an effective internal control system, through which we review our sales operations and numerous sectors. This system assures proper maintenance of internal audit controls, like observing various operations, protecting assets and complying with regulations. The yearly internal audit covers important areas of business operations identified by a team of experts. Each area is reviewed by internal auditors, the Audit Committee and the Board. The Audit Committee considers the inputs from the internal auditors and advices ways to enhance the internal controls, time and again.

CAUTIONARY STATEMENTS

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be forward-looking statements within the meaning of applicable laws and regulations. The Management has based these forward-looking statements on its current expectations and projections about future events.

The Management of NEL has prepared and is responsible for the financial statements that appear in this Report. These are in conformity with the accounting principles generally accepted in India and, therefore, may include amounts based on informed judgements and estimates. The Management also accepts responsibility for the preparation of other financial information that is included in this Report. Such statements involve known and unknown risks, significant changes in political and economic environment in India or key markets abroad, tax laws, litigation, labour relations, exchange rate fluctuations, interest and other costs and may cause actual results to differ materially.

Notice

NOTICE is hereby given that the thirty-sixth Annual General Meeting of the Members of Navneet Education Limited will be held on Monday, 8th August, 2022 at 11.00 a.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")to transact the following business:

ORDINARY BUSINESS:

1) To receive, consider and adopt the

   (a) Audited Standalone Financial Statements of the Company for the Financial Year ended 31st March, 2022 including the Audited Balance Sheet as at 31st March, 2022 and the Statement of Profit and Loss for the year ended on that date together with the Reports of Board of Directors and Independent Auditor thereon; and

   (b) Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2022 including the Audited Consolidated Balance Sheet as at 31st March, 2022 and the Consolidated Statement of Profit and Loss for the year ended on that date together with the Report of Independent Auditor thereon.

2) To declare final dividend on equity shares for the financial year ended 31st March, 2022.

3) To appoint a Director in place of Shri Kamlesh S. Vikamsey (DIN: 00059620), who retires by rotation, and being eligible, offers himself for re-appointment.

4) To appoint a Director in place of Shri Raju H. Gala (DIN: 02096613), who retires by rotation, and being eligible, offers himself for re-appointment.

5) To appoint a Director in place of Shri Anil D. Gala (DIN:00092952), who retires by rotation, and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS :

6) To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** Shri K. I. Viswanathan (DIN: 09572232), who was appointed as an Additional Director of the Company by the Board of Directors pursuant to the recommendation of Nomination and Remuneration Committee with effect from 18th May, 2022 and who holds office up to the date of this Annual General Meeting of the Company in terms of Section 161(1) of the Companies Act, 2013 ('the Act') and Articles of Association of the Company and who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160(1) of the Act proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company.

   RESOLVED FURTHER THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions of the Act [including any statutory modification(s) or re-enactments thereof for the time being in force] read with Schedule IV to the Act, and the Companies (Appointment and Qualification of Directors) Rules, 2014, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), the appointment of Shri K. I. Viswanathan (DIN: 09572232) made by the Board of Directors upon recommendation of Nomination and Remuneration Committee, as an Independent Director, not liable to retire by rotation, to hold office for a period of 5(five) years, be and is hereby approved."

7) To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

   "**RESOLVED THAT** pursuant to the provisions of Sections 139,142 and all other applicable provisions, if any, of the Companies Act, 2013 [including any statutory modification(s) or re-enactment(s) thereof for the time being inforce] read with Companies (Audit and Auditors) Rules, 2014, as amended from time to time, M/s. N.A. Shah Associates LLP, Chartered Accountants (Firm Registration No. 116560W/W100149) be and are hereby re-appointed as the Statutory Auditor of the Company for a second term of five years commencing from the conclusion of this (36th) Annual General Meeting (AGM) till the conclusion of the 41st AGM of the Company to be held in the year 2027, on such audit fees plus applicable taxes and out -of -pocket expenses, if any, that may be incurred in connection with the Audit as may be mutually agreed upon between the Board of Directors of the Company and M/s. N. A. Shah Associates LLP from time to time."

By Order of the Board of Directors

Sd/-
Amit D. Buch
Company Secretary
Membership No. A15239

Place: Mumbai
Date: 18th May, 2022

NOTES:

1. In view of the ongoing COVID-19 pandemic, the Ministry of Corporate Affairs ('MCA') has vide its General Circulars dated 8th April, 2020, 13th April, 2020, 5th May, 2020, 13th January 2021, 14th December 2021 and 5th May, 2022 (collectively referred to as 'the MCA Circulars') permitted the holding of the Annual General Meeting ('AGM') through Video Conferencing ('VC') facility / Other Audio Visual Means ('OAVM'), without the physical presence of the Members at a common venue. In compliance with the applicable provisions of the Companies Act, 2013 ('the Act'), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations') and the MCA Circulars, the thirty sixth AGM of the Company is being held through VC/ OAVM on Monday, 8th August, 2022 at 11.00 a.m. (IST). The deemed venue of the proceedings of the thirty-sixth AGM shall be the Registered Office of the Company at Navneet Bhavan, Bhavani Shankar Road, Dadar (West), Mumbai-400 028.

2. Pursuant to the provisions of the Act, a Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his/her behalf and the proxy need not be a Member of the Company. Since this AGM is being held pursuant to the MCA Circulars through VC / OAVM, 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 to this Notice.

3. Institutional / Corporate Shareholders (i.e. other than individuals / HUF, NRI, etc.) are required to send a scanned copy (PDF/JPG Format) of its Board or governing body Resolution/Authorisation etc., authorising its representative to attend the AGM through VC / OAVM on its behalf and to vote through remote e-voting. The said Resolution/Authorisation shall be sent to the Scrutiniser by email through its registered email address to sunil@sunildedhia.com with a copy marked to secretarial@navneet.com.

4. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 and Regulation 36(5) of the SEBI Listing Regulations, given hereunder sets out material facts relating to the resolutions mentioned at Item Nos. 6 & 7 of the accompanying Notice. The relevant details, pursuant to Regulation 36(3) of the SEBI Listing Regulations and Secretarial Standard–2 on General Meetings ('SS-2') issued by the Institute of Company Secretaries of India, in respect of the Directors seeking appointment/re-appointment at this AGM are also annexed.

5. The Register of Members and the Share Transfer Books of the Company will remain closed from Tuesday, 2nd August, 2022 to Monday, 8th August, 2022 (both days inclusive) for the purpose of Annual General Meeting and payment of final dividend, if declared at the AGM.

6. Pursuant to provisions of Section 205A and 205C of the Companies Act, 2013, the amount of dividend remaining unclaimed as unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to "Investor Education and Protection Fund" (IEPF) of the Central Government. Accordingly, the Company has transferred unclaimed or unpaid amounts of final dividend for the financial year 2013-14 to the IEPF. Dividend declared by the Company thereafter, is still lying in the respective unpaid dividend

accounts of the Company. Members who have not yet encashed these dividend(s) are requested to contact Company's Registrar and Share Transfer Agents M/s. Link Intime India Private Limited.

Unclaimed final dividend for financial year 2014-15 is due for transfer to IEPF in November, 2022. Kindly note that no claim shall lie against the Company after the transfer of the said dividend amount to IEPF.

7. As per Section 125 of the Act, IEPF Rules, all shares on which dividend has not been paid or claimed for seven consecutive years or more shall be transferred to IEPF Authority as notified by the MCA.

   The Members/ claimants whose shares and unclaimed dividend have been transferred to IEPF may claim the same by making an application to IEPF Authority in form IEPF 5 (available on www.iepf.gov.in) along with requisite fees.

8. SEBI vide its Circular dated 3rd November, 2021, has reiterated that it is mandatory for all holders of physical securities to furnish their PAN as well as KYC to RTA (Registrar and Share Transfer Agent) of the Company in respect of all concerned Folios and the Folios wherein even any one of the PAN, Address with PIN Code, Email address, Mobile Number, Bank Account details, Specimen Signature and Nomination by holders of physical securities are not available on or after April 01, 2023, shall be frozen by RTA. SEBI has introduced Form ISR - 1 alongwith other relevant forms to lodge any request for registering PAN, KYC details or any change/ updation thereof.

   In terms of the aforesaid SEBI Circular, effective from 1st January 2022, any service requests or complaints received from the Member, are not processed by RTA till the aforesaid details/ documents are provided to RTA.

   Members may also note that SEBI vide its Circular dated January 25, 2022 has mandated listed companies to issue securities in dematerialized form only while processing service requests viz. Issue of duplicate securities certificate; claim from unclaimed suspense account; renewal/ exchange of securities certificate; endorsement; sub-division/ splitting of securities certificate; consolidation of securities certificates/ folios; transmission and transposition. In view of the same and to eliminate all risks associated with physical shares and avail various benefits of dematerialisation, Members are advised to dematerialise the shares held by them in physical form. Accordingly, Members are requested to make service requests by submitting a duly filled and signed Form ISR – 4.

9. Change of Address/ Bank details: Members holding shares in physical form are requested to inform the Company's Registrar and Share Transfer Agents M/s. Link Intime India Private Limited immediately of any change in their address and bank details. Members holding shares in dematerialised forms are requested to intimate all changes with respect to their address, bank details, bank mandate etc. to their respective Depository Participants. These changes will then be automatically reflected in the Company's records which would help the Company to provide efficient and better service to the Members.

10. Members holding shares in dematerialised form are requested to provide their latest Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR and 11 digit IFS code) with their Depository Participants. Members holding shares in physical form are requested to provide their latest Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR and 11 digit IFS code) along with their Folio Number to Company's Registrar and Share Transfer Agents M/s. Link Intime India Private Limited.

11. The Securities and Exchange Board of India (SEBI) vide its earlier circulars have made the Permanent Account Number (PAN) as the sole identification number for all participants transacting in the securities market, irrespective of the amount of the transaction. Members are requested to submit the PAN details to their respective DP in case of holdings in dematerialisation form or the Company's Registrar and Share Transfer Agent in case of holdings in physical form, mentioning the correct folio number.

12. All documents referred in the accompanying Notice and statement setting out material facts are open for inspection at the Registered office of the Company on all working days (except Saturdays) between 11.00 am and 1.00 pm up to the date of AGM.

13 Members desiring any information, as regards the Annual Accounts are requested to write to the Company at least seven days before the date of AGM to enable the Management to keep the information ready.

14. In terms of Section 107 and 108 of the Companies Act, 2013 read with the Rules made thereunder, the Company is pleased to provide the facility to its Members holding shares in physical or dematerialised form as on the **cut-off date, being Monday, 1st August, 2022** to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice and the business may be transacted through e-Voting Services provided by the Company.

15. Details of the process and manner of the e-voting is being sent to all the Members along with the AGM Notice.

16. The Results declared along with Scrutiniser's Report(s) will be available on the website of the Company www.navneet.com, within two (2) working days of passing of the resolutions and communication of the same to Bombay Stock Exchange Limited and National Stock Exchange of India Limited.

17. Members attending the AGM through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.

18. Since the AGM will be held through VC / OAVM, the Route Map is not annexed in this Notice.

19. **Voting through electronic means:**

    (A) In compliance with the provisions of Section 108 of the Companies Act,2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide to its members facility to exercise their right to vote at the 36th AGM by electronic means and the business may be transacted through e-voting Services provided by Central Depository Services Limited(CDSL).

    The Instructions for e-voting are as under:

    (I) In case of members receiving an e-mail:

    (i) Log on to the e-voting website www.evotingindia.com.

    (ii) Click on Shareholders / Members tab

    (iii) Now Enter your User ID

    a. For CDSL: 16 digits beneficiary ID,

    b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

    c. Members holding shares in Physical mode should enter Folio Number registered with the Company.

    (iv) Next enter the Image Verification as displayed and Click on Login.

    (v) If you are holding shares in demat mode and had logged on to https://www.evotingindia.com/ and voted on an earlier voting of any company, then your existing password is to be used.

    (vi) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders holding shares in demat mode as well as in physical mode). • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by the Company/RTA.
Dividend Bank Details **OR** Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company's records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(vii) After entering these details appropriately, click on “SUBMIT” tab.

(viii) Members holding shares in physical mode will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(x) Click on the EVSN for “NAVNEET EDUCATION LIMITED”.

(xi) On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

(xiii) After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.

(xiv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

(xv) You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

(xvi) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xvii) **Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.**

(xviii) **Additional facility for Non – Individual Shareholders and Custodians for remote voting only**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to www.evotingindia.com and register themselves “Corporate Module”

- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com

- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.

- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.

(II) In case the shareholders receiving physical copy:

i. Please follow all steps from (i) to (xvi) above.

ii. The e-voting period begins on Thursday, 4th August, 2022 (9.00am) and ends on Sunday, 7th August, 2022 (5.00pm). During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) of Monday, 1st August, 2022 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com

20. During the voting period, shareholders can login any number of time till they have voted on the resolution(s) for a particular "Event".

21. Shareholders holding multiple folios/demat account shall choose the voting process separately for each of the folios/demat account.

22. CS. Sunil M. Dedhia (COP No.2031)Proprietor of Sunil M. Dedhia & Co. Company Secretary in Practice has been appointed as the Scrutiniser to scrutinise the e-Voting process in a fair and transparent manner.

23. The Scrutiniser shall within a period not exceeding three (3) working days from the conclusion of the e- Voting period unblock the votes in the presence of at least two(2) witnesses not in the employment of the Company and make a Scrutiniser's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

24. The Results shall be declared on or after the AGM of the Company. The Results declared along with the Scrutiniser's report shall be placed on the Company's website www.navneet.com and on the website of CDSL within two (2) working days of passing of the resolutions at the AGM of the Company and communicated to the BSE and NSE.

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

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.**

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 atleast 7 days before the date of AGM with the company on the nelagm@navneet.com.
2. Shareholders will get confirmation on first cum first basis.
3. Shareholders will receive “speaking serial number” once they mark attendance for the meeting.
4. Other shareholder may ask questions to the panellist, via active chat-board during the meeting.
5. Please remember speaking serial number and start your conversation with panellist by switching on video mode and audio of your device.

Shareholders are requested to speak only when moderator of the meeting/ management will announce the name and serial number for speaking.

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 your 16 digit 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 shareholders/ members have any queries regarding login/ e-voting, they may send an email to instameet@ linkintime.co.in or contact on: - Tel: 022-49186175, InstaMeet Support Desk,Link Intime India Private Limited.

Guidelines to attend the AGM proceedings of Link Intime India Pvt. Ltd.: InstaMEET

For a smooth experience of viewing the AGM proceedings of Link Intime India Pvt. Ltd. InstaMEET, shareholders/ members who are registered as speakers for the event are requested to download and install the Webex application in advance by following the instructions as under:

a) Please download and install the Webex application by clicking on the link https://www.webex.com/ downloads.html/

OR

b) If you do not want to download and install the Webex application, you may join the meeting mentioned as under :

Step 1	Enter your First Name, Last Name and Email ID and click on Join Now.
1(A)	If you have already installed the Webex application on your device, join the meeting by clicking on Join Now
1(B)	If Webex application is not installed, a new page will appear giving you an option to either Add Webex to chrome or Run a temporary application.
	Click on Run a temporary application, an exe file will be downloaded. Click on this exe file to run the application and join the meeting by clicking on Join Now

By Order of the Board of Directors

Sd/-

Amit D. Buch

Company Secretary

Membership No. A15239

Place: Mumbai

Date: 18th May, 2022

EXPLANATORY STATEMENT

The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 ('the Act') and Regulation 36(3) and (5) of the Securities And Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), given hereunder sets out all material facts relating to the resolutions mentioned at Item Nos. 6 & 7 of the accompanying Notice dated 18th May, 2022.

ITEM NO. 6

Based on the recommendation of Nomination and Remuneration Committee, the Board of Directors of the Company ('Board') appointed Shri K.I.Viswanathan (DIN: 09572232), as an Additional Director of the Company and also as an Independent Director, not liable to retire by rotation, for a term of five consecutive years, subject to approval of the Members.

Pursuant to Section 161(1) of the Companies Act, 2013 ('Act') and Articles of Association of the Company, Shri K.I.Viswanathan shall hold office only up to the date of this Annual General Meeting ('AGM') and is eligible to be appointed as Director. The Company has, in terms of Section 160(1) of the Act received in writing a notice from a Member, proposing his candidature for the office of Director. The Company has received a declaration from Shri K. I. Viswanathan to the effect that he meets the criteria of independence as provided in Section 149(6) of the Act and Rules framed thereunder and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'). In terms of Regulation 25(8) of the SEBI Listing Regulations, Shri K. I. Viswanathan has confirmed that he is not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact his ability to discharge his duties. Shri K. I. Viswanathan has also confirmed that he is not debarred from holding the office of a Director by virtue of any Order passed by the Securities and Exchange Board of India or any other such authority. Shri K. I. Viswanathan has also confirmed that he is in compliance with Rules 6(1) and 6(2) of the Companies (Appointment and Qualification of Directors) Rules, 2014, as amended, with respect to the registration with the databank of Independent Directors maintained by the Indian Institute of Corporate Affairs. In the opinion of the Board, Shri K. I. Viswanathan is a person of integrity and fulfills the criteria specified in the Act, Rules and SEBI Listing Regulations for appointment as Independent Director and he is independent of the management of the Company. Shri K.I. Viswanathan is a veteran of Indian paper and paper board business, with nearly four decades of experience. He has handled many operational, managerial and strategic roles during his career. He retired as Executive Vice President of ITC Limited- Paperboards and Specialty Papers Division, India's largest paper and paperboards business, responsible for Sales & Marketing, Plantation and Procurement functions. Customer centric approach, Strategy formulation and execution, building innovative business models and long term Planning have been his areas of deep involvement and expertise. He has been a long-serving member of the Divisional Management Committee of ITC'S paper & paperboard Business, contributing significantly to responsible and profitable growth.

Shri K. I. Viswanathan has a post graduate degree in Management and has attended the Global Advanced Management programme conducted by the Indian School of Business and Kellogg School of Management.

Having regard to his qualification, vast experience, skill set and knowledge, the Board considered that his association as a Director would be of immense benefit and in the interest of the Company and it is therefore desirable to appoint him as a Director in the category of Independent Director. The terms and conditions of his appointment shall be open for inspection by the Members at the registered of the Company on all working days (except Saturdays) between 11.00 am and 1.00 pm upto the date of AGM.

The other details and current directorships of Shri K.I. Viswanathan are provided in the Annexure to the Notice convening this AGM. In compliance with the provisions of Section 149 read with Schedule IV to the Act, Regulation 17 of the SEBI Listing Regulations and other applicable regulations, the appointment of Shri K.I.Viswanathan as an Independent Director is being placed for approval by the Members of the Company.

The Board recommends the resolution set out at Item No. 6 of the accompanying Notice for approval by the Members of the Company to be passed as an Ordinary Resolution.

Shri K. I. Viswanathan is interested in the resolution set out at Item No. 6 of the accompanying Notice as it pertains to confirmation of his own appointment as a Director and appointment as an Independent Director of the Company.

The relatives of Shri K. I. Viswanathan may be interested in the said resolution, to the extent of their respective shareholding, if any, in the Company.

None of the other Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested , financially or otherwise in the said resolution set out at Item No. 6 of the accompanying Notice.

ITEM NO.7

As the members may be aware that the five year term of M/s N. A. Shah Associates LLP, Statutory Auditor of the Company is getting over upon the conclusion of the ensuing Annual General Meeting of the Company. It is proposed to re-appoint M/s N. A. Shah Associates LLP, Chartered Accountants as Statutory Auditor for second term of 5 (five) years in accordance with provision of Section 139 of Companies Act, 2013. The Board of Directors, upon recommendation of Audit Committee re-appointed M/s N. A. Shah Associates LLP, Chartered Accountants as Statutory Auditor of the Company for another term of five years. The said appointment is subject to approval of Members at the ensuing AGM.

M/s N. A. Shah Associates LLP has informed the Company that they are eligible and willing to be re-appointed as Statutory Auditor of the Company.

Your Directors recommend the passing of the resolution mentioned at Item No. 7 of the accompanying Notice as an Ordinary Resolution.

None of the Directors and Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested , financially or otherwise in the said resolution set out at Item No. 7 of the accompanying Notice.

By Order of the Board of Directors

Sd/-

Amit D. Buch

Company Secretary

Membership No. A15239

Place: Mumbai

Date: 18th May, 2022

Brief details of Directors seeking appointment/ re-appointment at the ensuing Annual General Meeting as required under Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Name of Director	**Shri Kamlesh S.Vikamsey**	**Shri Raju H. Gala**
Age	61 years	59 years
Date of first Appointment on Board	30th May, 1992	1st June, 2013
Qualifications	Chartered Accountant	Diploma in Printing Technology
Experience and expertise in specific functional areas	He is a fellow member of Institute of Chartered Accountants of India (ICAI) and holds bachelor's degree in commerce from University of Mumbai. He has vast experience of over three decades in the areas of Auditing, Taxation, Corporate, Business and Management Consulting Services, Due Diligence and Valuation. He also holds Chairmanship of Independent Management Advisory Committee (IMAC) of the International Telecommunication Union (ITU), Geneva and Membership of the Audit Committee of the World Metrology Organisation. He has also served in the capacity of President of ICAI and the Confederation of Asian and Pacific Accountants and as a member of the Board of the International Federation of Accountants. He is holding directorship as an Independent Director at various listed companies.	He has over three decades of experience in purchase and marketing and heads the marketing department for the Company's Gujarat Operaions.
Directorships held in other (excluding foreign) Companies	Listed Companies (i) Man Infraconstruction Limited (ii) Tribhovandas Bhimji Zaveri Limited (iii) Apcotex Industries Limited (iv) A U Small Finance Bank Limited (wef 25th April, 2022) Resigned in below listed companies in the past three years (i) Container Corporation Of India Limited (ii) GIC Housing Finance Limited (iii) PTC India Financial Services Limited	Nil
Memberships/ Chairmanships of Committees across public companies	Chairman-Audit Committee (i) Man Infraconstruction Limited (ii) Tribhovandas Bhimji Zaveri Limited (iii) Apcotex Industries Limited	Nil

Name of Director	Shri Kamlesh S.Vikamsey	Shri Raju H. Gala
	Member -Audit Committee (i) A U Small Finance Bank Limited (wef 26th April, 2022) Member-Stakeholders Relationship Committee (i) A U Small Finance Bank Limited (wef 26th April, 2022)	
Number of shares held in the Company	Nil	2008149
Remuneration last drawn (including sitting fees, if any)	₹ 2,70,000/-(sitting fees)	₹ 1,39,12,356/- (Remuneration)
Relationship with other Directors/ KMPs/ Manager	He is related to Shri Nilesh S. Vikamsey, Non-Executive & Non-Independent Director	Nil
Number of Board meetings attended during the year	5	5

Name of Director	Shri Anil D. Gala	Shri K.I.Viswanathan
Age	65 years	61 years
Date of first appointment on Board	1st June, 2013	18th May, 2022
Qualifications	B.Com.	M.B.A.
Experience and expertise in specific functional areas	He has over three decades of experience and has mastered the fine art of publishing, its myriad from content creation to printing, marketing, sales and distribution. He has been instrumental in creating over 500 titles published by the Company.	He is a veteran of Indian paper and paperboard business, with nearly four decades of experience. He has handled many operational, managerial and strategic roles during his career. He retired as Executive Vice President of ITC Limited-Paperboards and Specialty Papers Division, India's largest paper and paperboards business, responsible for Sales & Marketing, Plantation and Procurement functions. Customer centric approach, Strategy formulation and execution, building innovative business models and long term Planning have been his areas of deep involvement and expertise.

Name of Director	Shri Anil D. Gala	Shri K.I.Viswanathan
Directorships held in other (excluding foreign) Companies	Nil	Nil
Memberships/ Chairmanships of Committees across public companies	Nil	Nil
Number of shares held in the Company	3309046	Nil
Remuneration last drawn(including sitting fees, if any)	₹ 1,39,12,356/- (Remuneration)	Nil
Relationship with other Directors/ KMPs/ Manager	He is related to Shri Gnanesh D. Gala, Managing Director	Nil
Number of Board meetings attended during the year	4	Not Applicable as he was appointed wef 18th May, 2022

Directors' Report

Dear Shareowners,

Your Directors present their thirty-sixth Annual Report along with the Audited Statement of Accounts of the Company for the financial year ended 31st March, 2022.

(1) FINANCIAL RESULTS :

(₹ in Lakhs)

Particulars	STANDALONE		CONSOLIDATED	
	2021-22	2020-21	2021-22	2020-21
Revenue from Operations	1,06,052	80,297	1,11,430	83,457
Other Income	2,019	1,452	1,881	1,365
Total Revenue	1,08,071	81,749	1,13,311	84,822
Expenses	92,674	73,321	1,00,759	80,481
Profit Before Share of Associate, Exceptional Item & Tax	15,397	8,428	12,552	4,342
Share of Profit/(Loss) of Associate	0	0	(1,090)	281
Exceptional Item	4,580	0	7,523	4,252
Profit Before Tax	19,977	8,428	18,985	8,875
Tax Expenses	5,315	2,265	5,986	3,284
Profit After Tax	14,662	6,163	12,999	5,591
Other Comprehensive Income/(Expense)(net of tax)	(352)	1,151	(333)	1,177
Total Comprehensive Income for the year	14,310	7,314	12,666	6,768

(2) DIVIDEND :

Your Directors have recommended a final dividend of ₹ 1.50 (75 %) per share for the financial year ended 31st March, 2022.The dividend so recommended, if declared works out to 23.14% of Net Profit of the Company. The dividend on equity shares is subject to the Shareholders' approval at the 36th Annual General Meeting.

In accordance with Regulation 43A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of Directors of the Company has adopted Dividend Distribution Policy('Policy').The Policy is attached to this Report as Annexure 'A' and the same is also available on the Link of the Company's website at https://www.navneet.com/pdfs/Corporate_Governance_Policies/Dividend-Distribution-Policy.pdf

(3) OPERATIONS :

The Company achieved a total revenue (including other income) of ₹ 1,08,071 Lakhs during the year under review against ₹ 81,749 Lakhs achieved in the previous financial year 2020-21. The EBITDA for the year under review stood at ₹ 19,035 Lakhs as against ₹ 12,585 Lakhs in the previous financial year. After providing ₹ 3,270 Lakhs towards depreciation, ₹ 4,424 Lakhs for Income Tax, ₹ 863 Lakhs deferred tax charge and ₹ 28 Lakhs as short provision of tax of earlier years, the Company achieved Net Profit before OCI and after exceptional item of ₹ 14,662 Lakhs for the financial year ended 31st March, 2022 as against ₹ 6,163 Lakhs achieved in the previous financial year on standalone basis.

(4) PERFORMANCE OF DIVISIONS :

Content Publishing Division:

The Company's content publishing division clocked a turnover of ₹ 37,151 Lakhs during the year under review as compared to ₹ 29,464 Lakhs achieved in the previous financial year. There was a growth of about 26% over the last year.

Stationery Division:

The Company's stationery division achieved a turnover of ₹ 68,459 Lakhs during the year under review as against turnover of ₹ 50,674 Lakhs of the previous financial year 2020-21. There was a growth of about 35% over the last year.

(5) FINANCING :

During the year under review, the Company has issued Commercial Papers (CPs) to meet working capital requirements. As on 31st March 2022, the outstanding amount of CPs was ₹ 6,000 Lakhs. The other financing requirements of the Company has been met through working capital loans from multiple banks.

(6) BUY BACK OF SHARES :

The Company bought back 26,57,319 equity shares at a price not exceeding ₹ 100/- per share from the shareholders of the Company from the open market through the stock exchange mechanism. The paid up share capital accordingly stood reduced to ₹45,24,26,362/- divided into 22,62,13,181 equity shares of ₹ 2/- each.

(7) DIRECTORS' RESPONSIBILITY STATEMENT :

As required under Section 134(3) (c) of the Companies Act, 2013 your Directors hereby state:

- that in the preparation of annual financial statements for the year ended 31st March, 2022, the applicable Indian Accounting Standards had been followed along with proper explanation relating to material departures, if any;
- that the Directors had 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 and loss of the Company for that period;
- that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- that the Directors had prepared the annual accounts on a going concern basis;
- the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

(8) DIRECTORS AND KEY MANAGERIAL PERSONNELS :

Shri Kamlesh S. Vikamsey (DIN: 00059620), Shri Raju H. Gala (DIN: 02096613) and Shri Anil D. Gala (DIN: 00092952), Directors of the Company, retire by rotation and, being eligible offer themselves for re-appointment. Shri Mohinder Pal Bansal, had tendered his resignation as a Director of the Company with effect from 31st March, 2022. The Board of Directors placed on record its appreciation for valuable contributions made by him during his association with the Company. Further, the Board of Directors upon recommendation of Nomination and Remuneration Committee appointed Shri K. I. Viswanathan (DIN: 09572232) as an Additional Director in the category of Independent Director with effect from 18th May, 2022.

Shri Deepak L. Kaku resigned as the Chief Financial Officer of the Company and Key Managerial Personnel with effect from 31st January, 2022. The Board of Directors placed on record its appreciation for the services rendered by him during his tenure with the Company. Consequently, pursuant to the recommendations of Nomination and Remuneration Committee and the Audit Committee, the Board of Directors appointed Shri Kalpesh D. Dedhia as the Chief Financial Officer and Key Managerial Personnel of the Company with effect from 1st February, 2022.

(9) RISK MANAGEMENT POLICY :

As required under Section 134(3)(n) of the Companies Act,2013 and Regulation 21 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Risk Management Committee was in place.The Company has formulated a Risk Management Policy to identify, evaluate and mitigate the various business risks that the Company may face during its functioning. The Board of Directors and senior management team currently assess the operations and operating environment to identify potential risks and take necessary action to mitigate the same.

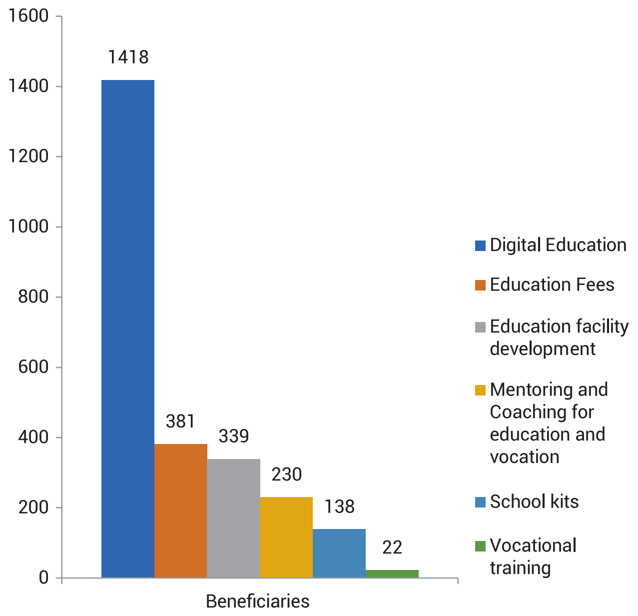
(10) CORPORATE SOCIAL RESPONSIBILITY :

The year 2021-22, brought in hope while still fighting through the pandemic. The focus of company's CSR was to support individuals and groups to restart normalising work and life. Community work in various sectors of intervention started reshaping, forming new strategies to sail through COVID – 19 and come out as winners.

Education

The schooling and learning was affected by lockdown situations from COVID-19 Pandemic. Methods of education changed as students accessed online studies and support was extended to institutes, teachers and students to adopt the new normal. During this year, in many regions other than metro cities, regular schools had started operating. However, the income source of parents was on slower track than the usual. The company supported students with education fees, school kits and bags.

Education Support



Children under treatment for cancer were supported with coaching and education fees. Their health challenges make it difficult for these children to attend schools. It is during these times, counselling and support to 23 children and parents help students to continue their education. Support for higher studies to ensure girls and boys complete their graduation to secure their future is most vital. Youth pursuing graduation degrees were helped with their institutional fees. Such 31 youths were supported. Education of girls and mentoring to support them to continue their education and build their personality and life skills, 50 girls were supported with their education fees and mentoring and coaching. 271 Children belonging to under privileged families were supported with educational fees.

Digital education was key to reaching out to children during lockdown imposed during pandemic. It was a challenge in rural remote villages to involve children in study classes. The digital platform made education accessible to the marginalised 1,418 children.

An initiative for coaching underprivileged youth for entrance exams was supported at Dahanu. More than 1,126 books were provided to set up library for this centre. The tribal students in the region have access to coaching and free books for preparation of UPSC and MPSC exams. A Book is a best friend, offering this opportunity to children in villages through library. Support was provided to set up 10 libraries for children in 10 villages in Gujarat. Practical physical education involved 350 students participating in learning theory and practice of physical health in relation to sports.

Girls and young women living in slums of South Mumbai have been trained in Tailoring skills. These 22 youngsters aspire to start their own business or joining garment making companies.

In 3 villages, a box library was started for children between age 5 to 15 years. Children manage the library and about 90 children access this to enhance their reading and language skills.

Experiential learning is the best method of education. A Vijaynagar zilla parishad school in district Satara was supported for developing kitchen garden. This 400 sq ft space in the school premises is now turned in learning and growth opportunity for children. Healthy eating starts with an understanding of fruits and vegetables.

More than 10 varieties of fruits, vegetables and shrubs, that provide not only learning but nutrition to children in their meals is available to students. More than 50 children and their parents participated in development of this kitchen garden. Parents helped in levelling the land, extending water support and upkeep of the garden.

Another school was supported with supply of green boards, an important tool for teaching. Enhancing school facilities helps teachers to reach out to children and make learning interesting.

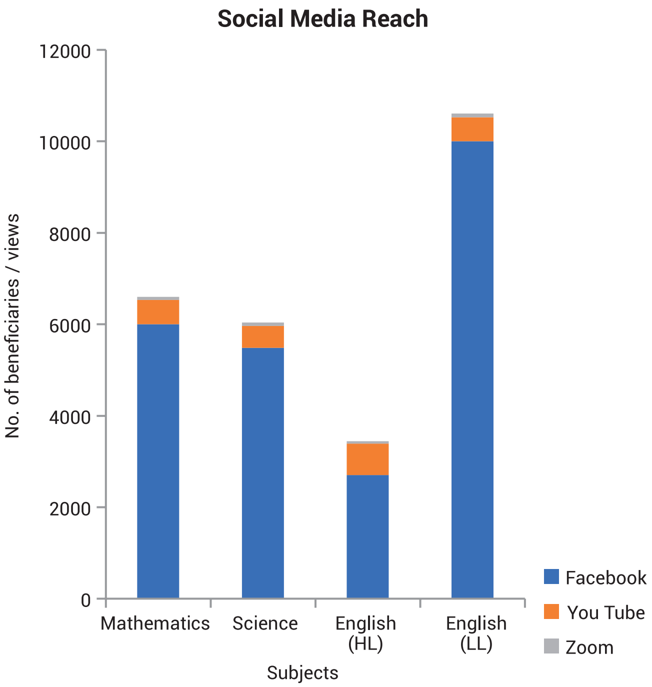
Special needs children who take shelter at a special needs school with boarding were happy to come back to school after lockdown was called off. About 34 girls with special needs were supported for all their meals through the year. They have also started kitchen garden which helps them not only learn about science of plants and nutrition but also give them hands-on experience on the subject. Also, 5 during early detection camps for special needs children, 350 individuals were given food. These day long camps help early detection of mental growth of children thus providing platform for families to start intervention at early stage. It helps enhance development in children.

Hostel facility is now accessible with support for development for 135 underprivileged aspiring youth pursuing higher education during the year. This facility is available in Ahmedabad, Gujarat at a minimum annual fee for accommodation.

During pandemic, teachers have played an important role in continuing the education for children. They have overcome the challenges brought in by technology and connected with children keeping them motivated. Due to loss of income source, many parents were unable to pay the fees, thus creating a lack of resource to pay teachers' salary. Support was provided by payment of salary of 86 teachers who reached out to 2200 students in Gujarat.

Teachers' Training Program

During the first phase of pandemic, 'NavDisha', was launched to facilitate the teachers meet the challenges of the new learning and teaching situations. Webinars and online training empowered teachers with changing government resolutions impacting schools, important updates, information and developments brought in by the pandemic situations and education policies.



'Bridging the Gap', an online guidance program for students of Grade VIII to X was accessed by 27,263 facilitate revision of lessons in the curriculum. Webinars were relaunched and used by 10,165 Class X students on language and social studies and science and maths subjects.

NavDisha has reached out through social media to teachers and students.

Health and Medical Care

The Company has supported development of a medical centre that provides service in over 15 faculties. Every day more than 180 patients avail the services. All through he year, 2,400 people from marginalised communities availed the services..

Weekly 2,933 patients in 10 tribal villages provided medical treatment through mobile medical care services. The tribal villages do not have easy access to medical care. An initiative that ensured accessibility of first aid medical care in 10 villages of Vasai –Virar Taluka.

Dental health camp was supported where more than 200 patients received treatment and underwent surgeries.

During COVID 19 Pandemic, the villagers were finding it difficult to procure health care facilities due to loss of job and inaccessibility of transport. It was during this time, first aid boxes were made available to 20 villages reaching out to a population of 4000. This program was accessible to the villagers through Arogya Mitra – Village level volunteer who volunteered during crisis.

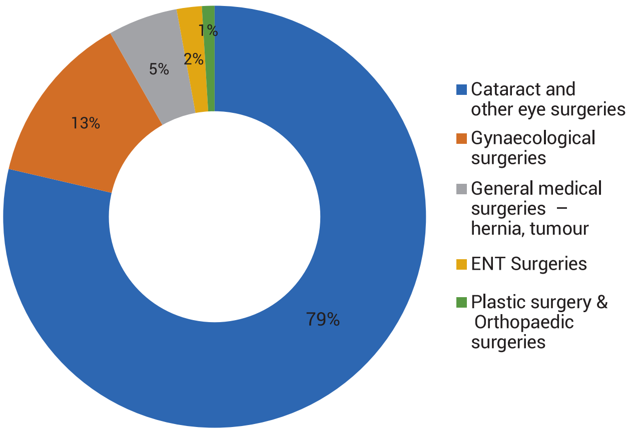
With most of the health service providing organisations coming back to normal working post COVID pandemic, the load of surgeries and treatment increased. This created need for enhancement of infrastructure facilities. Sion Hospital was supported with two automatic operation tables.

Marginalised communities avail medical services and such 47 patients benefited by support extended to them for bearing their treatment expenses. Another 53 patients suffering from tuberculosis were supported with nutritious food kits through the year. Nutritious food is key to the treatment process for TB recovery. Over 1,000 dialyses were supported for kidney patients.

Every year, Navneet Mega Medical Camp is organised in Gujarat where about 4,000 patients accessed medical services that included treatment of ailments and surgeries.

Another medical camp service was made accessible for patients living in remote villages. More than 280 surgeries were conducted where patients were brought in from these isolated villages to health and medical care centre. This was supported by providing comfortable transport facilities for each patient to and fro home to hospital.

Navneet Medical Camp



Enhancing infrastructure facility helps reach out to wider communities making quality health services accessible to underprivileged sections of the society. One such health care service provider facility was supported with CT Scan machine. This facility helped 2,224 patients to access diagnostic service at lower costs. Health care facilities were enhanced by donation of ventilators to 3 hospitals to provide quality services that was accessed by 1,173 beneficiaries admitted in ICU centres.

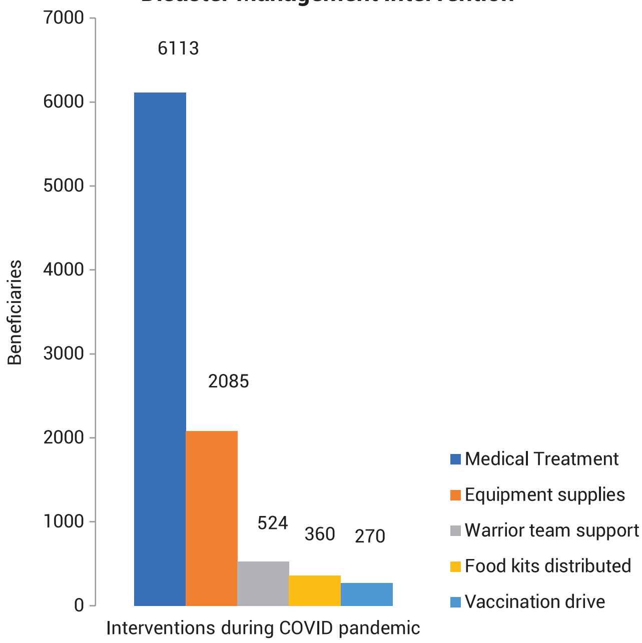
Others

Animal Welfare

The Company supported 21 Gaushalas to secure food, shelter and medical care for the Abandoned, rescued, special needs large and small animals that were homed in these Gaushalas. These shelters reach out to over 3,700 animals, feeding and caring for them every day. Medical care given includes majour and minor surgeries, treatment and rehabilitation of large and small animals.

Disaster Management

Disaster Management Intervention



Environment Conservation

Kutch, Gujarat, has been facing water crises since decades. Efforts to conserve rain water to help improve water levels of the ground, decrease salinity and improve soil quality for effective farming were made this year in a village. Work of desilting was done in 9 structures in the basin area of river Rukmavati. Farmers participated with providing their trucks to carry the excavation soil with around 1200 trips. Till end of year, around 18,269 CuM capacity was enahnced for water conservation for the coming monsoon. Work on 17 ponds deepening was carried out with participation of villagers in a village. 50 farmers offered their tractors for distribution of desilting work and the rich soil excavated was used by 400 farmers in the village. The benefits of this initiative would benefit 5594 families in Moti Rayan village.

Tribal villages in Vasai Virar taluka have terrain and soil that bring challenges to access water for drinking and agriculture. As these villages are closer to sea and creeks, the high salinity in soil is not conducive for crop cultivation. Rain water harvesting was the first step towards water conservation in the region. Roof water harvesting systems were installed in 7 villages. This has resulted in conservation of 7 lakhs litres of water at bore wells and hand pumps during the monsoon season in the villages. This initiative has helped 350 families get respite from water crisis during summers.

During the pandemic, we learnt the importance of oxygen as life saver. Hence, it was important to enhance the capacity of nature by planting more trees. In tribal villages, as civilisation and development increases, depletion of trees and forest happens. The task of restoring the environment with plantation of 100 trees in 4 villages was taken up with participation of villagers. Villagers have taken up the ownership of caring for the saplings to see it grow into a tree.

Community Development

Work with farmer communities in the tribal villages in Vasai Virar taluka emphasised the need for better working tools for better yield. Most of the farmers had broken agricultural tools. The pandemic and flood effects in the region lead to low income which did not facilitate purchase of new tools. More than 300 farmers from 20 villages were provided 'Agriculture Tool Kit' consisting of Kudal, Favda, Ghamela, Vila and others.

Sports

Sports play an important part in chiselling the character of individuals. This opportunity is accessible to underprivileged children in suburban Mumbai. Cricket coaching is provided to over 320 girls and boys. Coaching is incomplete without quality equipment for practice. To encourage children to follow their aspirations and sport of their passion, each child is provided with cricket training kit with support of the Company. CSR annual report is annexed as Annexure 'B'.

(11) NOMINATION AND REMUNERATION POLICY :

In compliance with the requirements of Section 178 of the Companies Act, 2013 and Regulation 19 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has laid down a Nomination and Remuneration Policy (NRC Policy) which has been uploaded on the Company's website.

The salient features of the NRC Policy are as under:

i) Setting out the objectives of the Policy;

ii) Definitions for the purposes of the Policy;

iii) Policy for appointment and removal of Director, KMP and Senior Management ;

iv) Policy relating to the Remuneration for the Managerial Personnel, KMP, Senior Management Personnel;

v) criteria for selection and appointment of Board members.

(12) BOARD MEETINGS :

Five (5) Board Meetings were held during the Financial Year ended 31st March, 2022. The details of the Board Meetings with regard to their dates and attendance of each of the Directors thereat have been provided in the Corporate Governance Report.

(13) INTERNAL CONTROL SYSTEM AND ITS ADEQUACY :

The Company has maintained a proper and adequate system of internal controls. The Company's internal control procedures which includes internal Financial Controls, ensure compliance with various policies, practices and statutes and keeping in view the organisation's pace of growth and increasing complexity of operations. This ensures the safeguarding of assets and properties of the Company and protects against unauthorised use and disposal of the assets. The

Company's internal control system commensurate with the nature and size of its business operations. The internal auditor's team carries out extensive audits throughout the year across all locations and across all functional areas and submits its reports to the Audit Committee of the Board of Directors.

(14) INDEPENDENT DIRECTORS :

The Company has received declarations / confirmations from all the Independent Directors of the Company as required under Section 149(7) of the Companies Act, 2013 read with Rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 and Regulation 25(8) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (SEBI Listing Regulations) that they meet and are in compliance with the criteria of independence as laid down in Section 149(6) of the Companies Act,2013. In terms of Regulation 25(8) of the SEBI Listing Regulations, the Independent Directors have confirmed that they are not aware of any circumstance or situation which exists or may be reasonably anticipated that could impair or impact their ability to discharge their duties.

(15) RELATED PARTY TRANSACTIONS :

The Company has adopted a policy on Related Party Transactions and dealing with Related Party Transactions which is uploaded on the website of the Company.

All related party transactions that were entered into during the financial year 2021-22 were at arm's length basis and in ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Key Managerial Personnel or other designated persons which may have potential conflict with interest of the Company at large. All related party transactions were entered into only with prior approval of the Audit Committee. A statement of all related party transactions is presented before the Audit Committee on quarterly basis, specifying the nature, value and terms and conditions of the transactions.

Disclosure of transactions with Related Parties are provided in the notes to accounts accompanying to the financial statements. Since all related party transactions entered into by the Company were in the ordinary course of business and at arm's length basis, Form AOC- 2 is not applicable to the Company.

(16) PERFORMANCE OF SUBSIDIARIES AND ASSOCIATES :

a) Navneet Futuretech Limited (formerly known as eSense Learning Limited)

The name of subsidiary was changed to Navneet Futuretech Limited. The total income of FY 2021-22 was ₹ 1,061 Lakhs as against ₹ 1,046 Lakhs for FY 2020-21. The total comprehensive loss incurred for FY 2021-22 was ₹ 1,912 Lakhs as against total comprehensive loss of ₹ 1,419 Lakhs for FY 2020-21.

b) Indiannica Learning Private Limited

Indiannica Learning Private Limited achieved higher total income of ₹ 5,467 Lakhs for FY 2021-22 as against ₹ 3,116 Lakhs for FY 2020-21. The total comprehensive loss for FY 2021-22 stood reduced to ₹ 591 Lakhs as against total comprehensive loss of ₹ 2,571 Lakhs in FY 2020-21.

c) Navneet (HK) Limited

This subsidiary was incorporated in January, 2017. The Company holds 70% of its paid up equity share capital. This subsidiary's total income was ₹ 523 Lakhs in FY 2021-22.

d) Navneet Tech Ventures Private Limited

Navneet Tech Ventures Private Limited ('NTVPL') was incorporated in March, 2021 to setup, own and operate Technology based and driven education in India. NTVPL became wholly owned subsidiary of the Company in June, 2021. NTVPL has incurred a loss of ₹ 45 Lakhs for the financial year ended 31st March, 2022.

e) Navneet Learning LLP

The Company holds 93% of voting rights and equivalent share in profit / loss in Navneet Learning LLP ('the LLP'). After considering administrative expenses, the LLP incurred a loss of ₹ 39,120 for the financial year ended 31st March, 2022.

f) Genext Students Private Limited

Genext Students Private Limited is engaged in the business of giving tutoring services to students through web/ mobile. The total income for FY 2021-22 was ₹ 53 Lakhs as against ₹ 39 Lakhs for FY 2020-21. The total comprehensive deficit for FY 2021-22 was ₹ 321 Lakhs as against ₹ 309 Lakhs for FY 2020-21.

g) Carveniche Technologies Private Limited

Carveniche Technologies Private Limited is an education technology company engaged in the business of AI based learning platform, interactive content and physical Math & logic boxes for children in the age group of 3-14 years. The total income generated for FY 2021-22 was ₹ 216 Lakhs as against ₹ 194 Lakhs for FY 2020-21. The total comprehensive loss of ₹ 220 Lakhs for FY 2021-22 as against the total comprehensive income of ₹ 17 Lakhs for FY 2020-21. The numbers for FY 2021-22 are unaudited and as certified by the management of this associate company.

h) K12 Technologies Private Limited

The total income generated for FY 2021-22 was ₹ 16,568 Lakhs as against ₹ 10,915 Lakhs for FY 2020-21. The total comprehensive loss for FY 2021-22 was ₹ 3,257 Lakhs as against total comprehensive income of ₹ 311 Lakhs. The numbers for FY 2021-22 are unaudited and as certified by the management of this associate company.

(17) CONSOLIDATED FINANCIAL STATEMENT :

In accordance with the provisions of Companies Act, 2013, Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and applicable Accountig Standards, the Audited Consolidated Financial Statements for FY 2021-22, together with report of Statutory Auditors thereon, form part of this Annual Report.

(18) LISTING OF SECURITIES :

The equity shares of the Company are listed on the Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) with security ID 508989 and symbol of NAVNETEDUL respectively. The outstanding Commercial Papers issued are listed on NSE under separate security ID for each tranche. The Company confirms that the annual listing fees to BSE and NSE for the financial year 2022-23 have been paid.

(19) PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS :

Details of Loans, Guarantees or Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given the note number 9 to the standalone financial statements of the Company.

(20) BOARD EVALUATION :

Pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 a structured questionnaire was prepared after taking into consideration various aspects of Board's function, composition of the Board and its committee, culture, execution and performance of specific duties, obligations and governance.

The following were the Evaluation Criteria:

a) For Independent Directors: -

Knowledge and Skills - Professional Conduct - Duties, Role and Functions - Fulfillment of the Independence Criteria; and

b) For Executive Directors: -

Performance as Team Leader/Member - Evaluating Business Opportunity and analysis of Risk Reward Scenarios - Set Key Goals and Achievements - Professional Conduct and Integrity - Sharing of Information with the Board.

The Board of Directors expressed its satisfaction with the evaluation process.

(21) REPORTING OF FRAUDS :

No instances of fraud were reported by the Statutory Auditor under Section 143(12) of the Companies Act, 2013.

(22) TRANSFER OF SHARES TO IEPF :

During the financial year under review the Company transferred 59,571 equity shares to Investor Education and Protection Fund Authority (IEPF) as required under Section 124 of the Companies Act, 2013 in respect of which dividend has not been encashed by the shareholders for seven consecutive years or more. Details of the shares so transferred have been uploaded on the website of IEPF as well as the Company.

(23) WHISTLE BLOWER POLICY :

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, a Vigil Mechanism or Whistle Blower Policy for directors, employees and other stakeholders to report genuine concerns has been established. The same is uploaded on the website of the Company.

(24) ANNUAL RETURN :

Pursuant to Sections 92(3) and 134(3)(a) of the Companies Act,2013, the Annual Return (Form MGT -7) is available on the Company's website at the link https://navneet.com/pdfs/Annual_Return/Form_MGT_7.pdf

(25) SECRETARIAL AUDIT :

Pursuant to the provisions of Section 204 of the Companies Act,2013 and read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and amendments thereto, the Company engaged the services of CS Sunil M. Dedhia (COP No.2031), Proprietor of Sunil M. Dedhia & Co., Company Secretary in Practice to conduct the Secretarial Audit of the Company for the financial year ended 31st March, 2022. The Secretarial Audit Report in Form MR- 3 is attached as Annexure 'C' forming part of this Report.

(26) SUBSIDIARIES AND ASSOCIATES :

During the year under review, Navneet Tech Ventures Private Limited became wholly owned subsidiary of the Company and Navneet Edutech LLP ceased to be a subsidiary. During the year under review, Genext Students Private Limited ('Genext') became a subsidiary of Navneet Tech Ventures Private Limited ('NTVPL'), a wholly owned subsidiary of your Company, and as a result, Genext became a subsidiary Company (stepdown subsidiary) of your Company also. Further, during the year under review, Genext ceased to be a subsidiary of NTVPL and became a subsidiary of Navneet Futuretech Limited (earlier known as eSense Learning Limited) ('NFL'). Since NFL is also a wholly owned subsidiary of your Company, Genext will continue to remain a subsidiary of your Company. During the year under review, Carveniche Technologies Private Limited (Carveniche) became an associate company of your Company through NTVPL. A statement containing salient features of the financial statement of subsidiaries and associates in the prescribed format AOC-1 is included in the report as Annexure 'D' and forms part of this Report.

(27) FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS :

The Company has a familiarisation programme for Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business models of the Company etc. and the same is available on the website of the Company.

(28) REGISTRATION OF INDEPENDENT DIRECTORS ON 'DATABANK OF INDEPENDENT DIRECTORS' :

As per the notification issued by the Ministry of Corporate Affairs namely Companies (Creation and Maintenance of databank of Independent Directors) Rules, 2019 and Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2019 in respect of compliances for Independent Directors which have come into effect from 1st December, 2019, all Independent Directors of the Company have registered themselves with the 'Databank for Independent Directors' created and maintained by the Indian Institute of Corporate Affairs website.

(29) CORPORATE GOVERNANCE :

Pursuant to Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance forms part of the Annual Report and marked as Annexure 'E'.

(30) TRANSFER TO GENERAL RESERVES :

The Company has not transferred any amount to General Reserves and retained the profits in Retained Earnings.

(31) STATUTORY AUDITOR :

At the 31st Annual General Meeting (AGM)held on 3rd August, 2017, the Members had approved the appointment of M/s N. A. Shah Associates LLP (Firm Registration No. 116560W/W100149), Chartered Accountants as Statutory Auditor of the Company to examine and audit the accounts of the Company for five consecutive financial years between 2017-18 and 2021-22. Pursuant to the provisions of Section 139 of the Act, read with the Companies (Audit and Auditors) Rules, 2014, and based on the recommendations of the Audit Committee, it is proposed to reappoint M/s N. A. Shah Associates LLP as Statutory Auditor for a second term of five years commencing from the conclusion of 36th AGM till the conclusion of 41st AGM of the Company to be held in the year 2027, to examine and audit the accounts of the Company for the financial years between 2022-23 and 2026-27. M/s N. A. Shah Associates LLP have, pursuant to Section 139 of the Act, provided written consent and furnished a certificate regarding their eligibility for re-appointment.

A resolution seeking approval of the Members for re-appointment of M/s N. A. Shah Associates LLP as Statutory Auditor of the Company forms part of the Notice of 36th AGM of the Company.

(32) AUDITORS' REPORT :

There are no qualifications, reservations or adverse remarks or disclaimer made by the Statutory Auditor in their report requiring explanation or comments from the Board of Directors as required under Section 134(3) of the Companies Act, 2013.

(33) BUSINESS RESPONSIBILITY REPORT :

Business Responsibility Report is forming part of the Annual Report of the Company for the financial year 2021-22 and marked as Annexure 'F'.

(34) PARTICULARS OF EMPLOYEES :

Disclosure pertaining to remuneration as per Section 197(12) of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as Annexure 'G' to this report. However, as per the provisions of Section 136(1) of the Companies Act, 2013, this Report is sent to the shareholders excluding the said information. Any shareholder interested in obtaining such information may write to the Company Secretary at the Registered Office of the Company.

(35) MANAGEMENT DISCUSSION AND ANALYSIS :

As per Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Management Discussion and Analysis report forms part of this Report.

(36) CREDIT RATING :

During the year under review CRISIL has reassigned CRISIL A1+ (pronounced CRISIL A one Plus) rating to the Commercial Paper programme of the Company. The instruments with this rating are considered to have very strong degree of safety regarding timely payment of financial obligations.

During the year under review CARE Ratings has reaffirmed CARE AA+ (pronounced CARE Double A Plus) rating to the Long /Short Term Bank facilities of the Company. The bank facilities covered with this rating are considered to have very strong degree of safety regarding timely payment.

(37) SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS :

No significant and material orders were passed by the Regulators or Courts or Tribunals impacting the going concern status and Company's operations in future.

(38) NUMBER OF CASES FILED AND THEIR DISPOSAL UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORK PLACE (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 made there under. The Company did not receive any complaint during financial year 2021-22.

(39) MATERIAL CHANGES AND COMMITMENT, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR TO WHICH THIS FINANCIAL STATEMENTS RELATE AND THE DATE OF REPORT :

No material changes and commitments affecting the financial position of the Company occurred between the end of the financial year to which this financial statements relate and the date of report.

(40) SECRETARIAL STANDARDS :

The Company has complied with the provisions of Secretarial Standards on Meetings of the Board of Directors (SS-1) and on General Meetings (SS-2)issued by the Institute of Company Secretaries of India.

(41) INSURANCE :

All the insurable interest of the Company including inventories, buildings, plant and machinery are adequately insured against risk of fire and other risks.

(42) DEPOSITS :

During the year under review, the Company has not accepted any deposits from public within the meaning of the provisions of Chapter V – Acceptance of Deposits by Companies read with the Companies (Acceptance of Deposits) Rules, 2014 and as such, no amount on account of principal or interest on deposits from public was outstanding as on 31st March, 2022.

(43) DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

(A) CONSERVATION OF ENERGY

Company's plants are designed to achieve high efficiency in the utilisation of energy. The key areas with regards to reduction of energy are identified and constant efforts are made towards energy conservation.

(B) TECHNOLOGY ABSORPTION, ADOPTATION AND INNOVATION

Research & Development

(1) Efforts in brief towards technology absorption, adaptation & innovation

Through visits of technical personnel to developed Western countries, the Company keeps abreast with the advanced Technology Development and through specific programmes introduces, adopts and absorbs these sophisticated technologies.

(2) Benefits derived as a result of the above efforts

In view of the above, the Company has been able to achieve a higher production, accuracy and perfection in printing.

(3) In case of Imported Technology

(i) Technologies Imported (ii) Year of Import (iii) Has the technology been fully absorbed?	None, the Company has not imported any technology

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company's export turnover is ₹ 46,677 Lakhs

Total Foreign Exchange earned and used :

(i) Foreign Exchange earned : ₹ 46,061 Lakhs

(ii) Foreign Exchange used : ₹ 2,068 Lakhs

(44) ACKNOWLEDGEMENT :

The Directors express their thanks to shareholders, bankers, financial institutions, customers, suppliers, government and other regulatory authorities for their continued support. Your Directors place on record their appreciation to the employees at all levels for their committed services to the Company.

For and on behalf of the Board of Directors

Sd/-
Kamlesh S. Vikamsey
Chairman

Place : Mumbai
Date : 18th May, 2022

Annexure 'A' - Dividend Distribution Policy

INTRODUCTION

Regulation 43 A of SEBI(Listing Obligations and Disclosure Requirements) Regulations, 2015 ('the Listing Regulations'), mandates top 500 listed entities, determined on the basis of their market capitalisation as calculated on 31st March every financial year to formulate a Dividend Distribution Policy.

In compliance with Regulation 43 A of the Listing Regulations, the Company has framed this Dividend Distribution Policy ('Policy').

DEFINITIONS:

- Financial Year, shall have the same meaning defined under Section 2(41) of the Companies Act, 2013 and any amendment thereto.
- Dividend includes interim dividend.
- Board of Directors means the collective body of directors of the Company.
- Company shall have the same meaning as defined under Section 2(20) of the Companies Act, 2013 and any amendments thereto.
- Profit shall mean profit after tax and deferred tax.

PURPOSE

This Policy reflects the intent of the Company to reward to its shareholders by sharing the portion of its distributable profit after retaining sufficient fund for its future growth and maintaining the financial soundness of the Company. The purpose of this Policy is also to lay down the criteria to be considered by the Board of Directors of the Company ('the Board') in taking decision for recommending dividend to its shareholders for any Financial Year.

APPLICABILITY

This Policy shall not apply to determination and declaration of dividend on preference shares, if any, issued or to be issued by the Company since dividend on preference shares will always be as per the terms of issue approved by the shareholders.

REGULATORY FRAMEWORK

The Dividend, if any, declared by the Company shall be governed by the provisions of the Companies Act,2013 read with the Companies(Declaration of Payment of Dividend) Rules,2014, the Listing Regulations and the provisions of Articles of Associations of the Company, as in force from time to time('the Applicable Laws').

THE INTERNAL AND EXTERNAL FACTORS THAT SHALL BE CONSIDERED FOR DECLARATION OF DIVDEND:

Subject to the provisions of the Applicable Law, the Company's dividend payout will be determined based on available financial resources, growth/ investment requirements and fair shareholder return. The Company will broadly take into consideration the following financial parameters and/or internal and external factors to determine whether or not to declare dividend or to determine quantum of the dividend to be declared.

INTERNAL FACTORS

- Profit earned during the Financial Year and the retained profit of the previous years in accordance with the provision of Section 123 and other applicable provisions of the Companies Act, 2013 read with rules framed thereunder;
- Cash flow position of the Company and the debt equity ratio;
- Retained earnings;
- Reserves and Surplus;
- Projection with regard to the performance of the Company;
- Fund requirement to finance capital expenditure;
- Funds requirement to finance any organic/ inorganic growth opportunities or to finance working capital needs of the Company;
- Opportunities for investment of the fund of the Company to capture future growth and current and future leverage;
- Dividend payout history.

EXTERNAL FACTORS

- Business cycle and long term/ shot term industry outlook;

- Cost of external financing;
- Changes in the government policy, rate of inflation and taxes structure etc.;
- Quantum of dividend pay out by others comparable concerns etc.

The Company has been historically paying minimum 25% of its profit after tax as dividend to its shareholders. Considering various financial parameters, internal and external factors and several other relevant factors, the Company may generally continue to pay minimum 25% of its profit after tax as dividend to its shareholders.

CIRUCUMSTANCES UNDER WHICH THE SHAREHOLDERS MAY OR MAY NOT EXPECT DIVIDEND

The Company has been consistently paying out dividend to its shareholders and can be reasonable expected to continue in future as well, unless the Company is restrained to declare the dividend due to insufficient profit or due to any of the internal and external factors listed above.

Further,

Though the Company endeavors to declare the dividend to the shareholders, the Board may propose not to recommend dividend after analysis a various financial and other parameters including those listed above, cash flow position and fund required for future growth and capital expenditure or instead of a proposal to utilise excess cash for buy back of existing share capital.

POLICY AS TO HOW THE RETAINED EARNINGS SHALL BE UTILISED:

The profit being retained in the business shall be continued to be deployed in business for meeting the operating expenses, capital expenditure, augmentation of working capital including servicing of term loan, cash outflow for business growth and potential acquisition, if any, does contributing to the growth of the business and operations of the Company.

The Company stands committed to deliver sustainable to all its stakeholders.

AMENDMENTS AND UPDATIONS

To the extent any change / amendment is required in terms of any applicable law or change in regulations, the regulation shall prevail over this policy. In such a case the provisions in this policy would be modified in due course to make it consistent such amended law and the amended policy shall be placed before the board for noting and necessary ratification.

PARAMETERS THAT SHALL BE ADOPTED WITH REGRAD TO VARIOUS CLASSES OF SHARES:

The holders of the equity shares of the Company as per the paid - up equity share Capital, on the record date/book closure date(s), are entitled to receive dividends. The other class of shares for example Preference Shares,if any, or shares with differential voting rights, if any, will be governed by the terms of the issue of such shares. Any convertible instruments into equity share that may be issued by the Company shall be entitled for dividend only upon conversion into equity share.

REVIEW OF POLICY

The Board of Directors will review the policy periodically and consider modifying, amending, deleting any of the provisions of this policy. If the Board , at any time, proposes to declare dividend on the basis of criteria other than those specified in this Policy, proposes to modify any of the criteria, then it shall disclose such changes, along with the rationale for the same .

DISCLAIMER

This policy does not purport to solicit investment in the Company's equity shares nor this policy purports to provide any kind of assurance to shareholders of any guaranteed returns (in any form), for investments in the Company's equity shares.

Annexure 'B' - Report on Corporate Social Responsibility

1. **Brief outline on Corporate Social Responsibility (CSR) Policy of the Company.**

   The CSR Policy articulates responsibility towards the society by implementation of various CSR activities for the development of a better society. The Company's CSR Policy aims to provide a dedicated approach for the activities to be undertaken for the projects/ programs relating to the activities/subjects specified in the Schedule VII of the Companies Act, 2013.

2. **Composition of CSR Committee:**

Sl. No.	Name of Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Dr. Vijay B. Joshi	Committee Chairman, Independent Director	1	1
2	Smt.Usha Laxman	Member, Independent Director	1	1
3	Shri Anil D. Gala	Member, Whole-time Director	1	1
4	Shri Bipin A. Gala	Member, Whole-time Director	1	1

3. **Web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:**

   The CSR activities undertaken are within the broad framework of Schedule VII of the Companies Act, 2013. Details of the CSR Committee composition, CSR Policy and projects/ programs undertaken by the Company are available on links given below:

   https://www.navneet.com/pdfs/Corporate_Governance_Policies/CSR%20policy.pdf

4. Details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social responsibility Policy) Rules, 2014.

   NA

5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any

Sl. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set-off for the financial year, if any (in ₹)
Not Applicable			

6. **Average net profit of the Company as per section 135(5)**: ₹ 22,841 Lakhs

7. (a) **Two % of average net profit of the Company as per section 135(5)**: ₹ 457 Lakhs

   (b) **Surplus arising out of the CSR projects or programmes or activities of the previous financial years**: Nil

   (c) **Amount required to be set off for the financial year, if any :** Nil

   (d) **Total CSR obligation for the financial year (7a+7b-7c**). ₹ 457 Lakhs

8. (a) **CSR amount spent or unspent for the financial year.**

Total Amount Spent for the Financial Year. (₹ In Lakhs)	Amount Unspent (in ₹)				
	Total Amount transferred to Unspent CSR Account as per section 135(6).		Amount transferred to any fund specified under Schedule VII as per second proviso to section 135(5).		
	Amount	Date of transfer	Name of the Fund	Amount.	Date of transfer
457	Nil	NA	NA	Nil	NA

(b) **Details of CSR amount spent against ongoing projects for the financial year.**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	(9)	(10)	(11)	
Sl. No.	Name of the Project	Item from the list of activities in Schedule VII to the Act	Local area (Yes/ No)	Location of the project		Project duration	Amount allocated for the project (in ₹)	Amount spent in the current financial Year (in ₹)	Amount transferred to Unspent CSR Account for the project as per Section 135(6) (in ₹)	Mode of Imple- mentation - Direct (Yes/No)	Mode of Implementation - Through Implementing Agency	
				State	District						Name	CSR Registration number
NIL												

(c) **Details of CSR amount spent against other than ongoing projects for the financial year.**

(1)	(2)	(3)	(4)	(5)		(6)	(7)	(8)	
Sl. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/ No)	Location of the project		Amount spent for the project (in ₹)	Mode of imple- mentation - Direct (Yes/No)	Mode of implementation - Through implementing agency	
				State	District			Name	CSR registration number
1.	Education Aid and support	(ii)	Yes	Maharashtra and Gujarat	-	1,36,00,000/-	No	Navneet Foundation	CSR00005820
2.	Promoting health care / Preventing health care	(i)	Yes	Maharashtra and Gujarat	-	1,36,00,000/-	No	Navneet Foundation	CSR00005820
3.	Others – Environment, Animal Welfare, conservation of water, sports	(iv),(vii)	Yes	Maharashtra and Gujarat	-	1,85,00,000/-	No	Navneet Foundation	CSR00005820
					Total	**4,57,00,000/-**			

(d) **Amount spent in Administrative Overheads**: Nil

(e) **Amount spent on Impact Assessment**: Nil

(f) **Total amount spent for the Financial Year** (8b+8c+8d+8e): ₹ 457 Lakhs

(g) **Excess amount for set off** : Nil

9. (a) **Details of Unspent CSR amount for the preceding three financial years:**

Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under section 135 (6) (in ₹)	Amount spent in the reporting Financial Year (in ₹)	Amount transferred to any fund specified under Schedule VII as per section 135(6), if any			Amount remaining to be spent in succeeding financial years (in ₹)
				Name of the Fund	Amount (in ₹)	Date of transfer	
NIL							

(b) **Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s):**

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
Sl. No.	Project ID	Name of the Project	Financial Year in which the project was commenced	Project duration	Total amount allocated for the project (in ₹)	Amount spent on the project in the reporting Financial Year (in ₹)	Cumulative amount spent at the end of reporting Financial Year (in ₹)	Status of the project - Completed / Ongoing
NIL								

10. **In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details).**

(a) **Date of creation or acquisition of the capital asset(s).** None

(b) **Amount of CSR spent for creation or acquisition of capital asset**. Nil

(c) **Details of the entity or public authority or beneficiary under whose name such capital asset is registered, their address etc**. Not Applicable

(d) **Provide details of the capital asset(s) created or acquired (including complete address and location of the capital asset).** Not Applicable

11. **Specify the reason(s), if the Company has failed to spend two per cent of the average net profit as per section 135(5).** Not Applicable

	Sd/-	**Sd/-**
Place : Mumbai	**Shri Gnanesh D. Gala**	**Dr. Vijay B. Joshi**
Date: 18/05/2022	Managing Director & CEO	(Chairman - CSR Committee)

Annexure 'C' - Secretarial Audit Report

Form No. MR - 3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON MARCH 31, 2022

(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,
Navneet Education Limited
(CIN: L22200MH1984PLC034055)
Navneet Bhavan,
Near Shardasharan Society,
Bhavani Shanker Road,
Dadar(W), Mumbai 400028

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Navneet Education Limited** (hereinafter called "the Company"). 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.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the Financial Year ended on **March, 31, 2022 ('Audit Period')** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2022 according to the 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 there under;

(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 there under to the extent of Foreign Direct Investment, Overseas Direct Investment, External Commercial Borrowings;

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

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

  (b) The Securities Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

  (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 which were not applicable to the Company during Audit Period;

  (d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 which were not applicable to the Company during Audit Period;

  (e) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;

  (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

  (g) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

  (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 which were not applicable to the Company during Audit Period; and

(i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018.

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India;

(ii) Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited;

During the Audit Period under review and as per the representations and clarifications made, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

I further report that based on review of compliance system prevailing in the Company and on the basis of the Compliance Certificate(s) issued by the Senior Management officials and taken on record by the Board of Directors at their meetings, I am of the opinion that the Company has adequate systems and processes in place commensurate with its size and nature of operations to monitor and ensure compliance with the following laws applicable specifically to the Company:

(a) Press and Registration of Books Act, 1867;

(b) Copyright Act 1957 read with Copyrights Rules, 2013;

(c) The Trade Marks Act, 1999 read with Trade Marks Rules 2012;

(d) The Information Technology Act, 2000;

(e) Legal Metrology Act, 2009;

(f) Delivery of Books and Newspapers (Public Libraries) Act, 1954;

(g) Air(Prevention and Control of Pollution) Act 1981;

(h) Water (Prevention and Control of Pollution) Act 1974;

(i) The Noise (Regulation and Control) Rules 2000;

(j) Environment Protection Act, 1986 and other environmental laws; and

(k) Hazardous Wastes (Management, Handling And Transboundary Movement) Rules, 2016.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

All decisions at the Board Meetings and Committee Meetings were taken unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the Audit Period under review, the Company has made buy back of 26,57,319 equity shares of ₹2/- each out of 50,00,000 equity shares announced to be bought back from the open market through the stock exchange mechanism for an aggregate amount not exceeding ₹50 Crores. There were no other specific events / actions, in my view, having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

This report is to be read with Annexure which forms an integral part of this report.

Sd/-
CS Sunil M. Dedhia
Proprietor, Sunil M. Dedhia & Co.
Practising Company Secretary
FCS No: 3483 C.P. No. 2031
Peer Review Certificate No. 867/2020
UDIN: F003483D000520527

Place: Milpitas, CA, USA
Date: June 22, 2022

ANNEXURE

To The Members,
Navneet Education Limited
(CIN: L22200MH1984PLC034055)
Navneet Bhavan, Near Shardasharan Society,
Bhavani Shanker Road, Dadar(W), Mumbai 400028

My report of even date is to be read along with this letter.

(1) Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.

(2) 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, I followed provide a reasonable basis for my opinion.

(3) I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

(4) Wherever required, I have obtained the Management representation about the compliance of Laws, Rules and Regulations and happening of events etc.

(5) The compliance of the provisions of Corporate and Other Applicable Laws, Rules, Regulations, Standard is the responsibility of Management. My examination was limited to the verification of procedures on test basis.

(6) The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the Management has conducted the affairs of the Company.

Sd/-
CS Sunil M. Dedhia
Proprietor, Sunil M. Dedhia & Co.
Practising Company Secretary
FCS No: 3483 C.P. No. 2031
Peer Review Certificate No. 867/2020
UDIN: F003483D000520527

Place: Milpitas, CA, USA
Date: June 22, 2022

Annexure 'D' - Form AOC-1

(Pursuant to first proviso to Sub-Section (3) of Section 129 read with rule 5 of Companies (Account) Rules, 2014

STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL STATEMENTS OF SUBSIDIARIES /ASSOCIATES

(₹ in Lakhs)

SUBSIDIARIES

Sr No	Name of Subsidiary Company	Reporting Currency	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit / (Loss) Before Tax	Provision for Tax	Total of Profit / (Loss) and other Compre-hensive Income	Other Compre-hensive Income	Proposed Dividend	% of Share-holding
1	Navneet Futuretech Limited (formerly known as eSense Learning Limited)	₹	2,363	(440)	6,032	4,109	4,336	1,061	(1,902)	-	(1,912)	(10)	-	100
2	Navneet Learning LLP	₹	11,860	-	11,860	#	11,859	-	#	-	#	-	-	93
3	Indiannica Learning Private Limited	₹	4,935	(4,075)	8,314	7,454	-	5,467	(610)	(5)	(591)	14	-	100
4	Navneet Tech Ventures Private Limited	₹	566	1,816	2,401	19	2,392	-	(45)	-	(45)	-	-	100
5	Navneet (HK) Limited	₹	38	(16)	24	2	-	523	1	-	1	-	-	70

below ₹50,000/-

Stepdown subsidiary

Sr No	Name of Subsidiary Company	Reporting Currency	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit / (Loss) Before Tax	Provision for Tax	Total of Profit / (Loss) and other Compre-hensive Income	Other Compre-hensive Income	Proposed Dividend	% of Share-holding
1	Genext Students Private Limited	₹	537	(233)	335	31	-	53	(321)	-	(321)	-	_	51.80

ASSOCIATES

Sr No	Name of Associate Company	Reporting Currency	Share Capital	Other Equity	Total Assets	Total Liabilities	Investments	Turnover/ Total Income	Profit / (Loss) Before Tax	Provision for Tax	Total of Profit / (Loss) and other Compre-hensive Income	Other Compre-hensive Income	Proposed Dividend	% of Share-holding
1	K 12 Techno Services Private Limited	₹	2,260	52,694	77,876	22,924	90	16,562	(3,215)	-	(3,257)	(42)	-	25.40 *
2	Carveniche Technologies Private Limited	₹	230	967	1,343	146	-	216	(217)	3	(220)	-	-	46.84**

Note: The above numbers of associate companies are based on un-audited financial results as furnshed by their respective management.
* held through Navneet Learning LLP.
**held through Navneet Tech Ventures Private Limited.

Annexure 'E'

To,
The Members of
Navneet Education Limited

Independent Auditors' Certificate on Compliance with the Corporate Governance requirements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

1. Based on the engagement by the management of Navneet Education Limited ('the Company'), we have examined details of compliance of conditions of Corporate Governance by the Company for the year ended 31st March 2022 as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('Listing Regulations'), pursuant to the Listing Agreement of the Company with Stock exchange.

Management's Responsibility for compliance with the conditions of Listing Regulations

2. The compliance of conditions of Corporate Governance is the responsibility of the Management of the Company including the preparation and maintenance of all relevant supporting records and documents. This responsibility also includes the design, implementation and maintenance of internal control and procedures to ensure the compliance with the conditions of the Corporate Governance stipulated in the Listing Regulations.

Auditors' Responsibility

3. Pursuant to the requirements of the Listing Regulations, it is our responsibility to provide a reasonable assurance whether the Company has complied with the conditions of Corporate Governance as stipulated in Listing Regulations for the year ended 31st March 2022.

4. We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company.

5. Our examination was limited to a review of procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said clause/ Regulation as applicable. It is neither an audit nor an expression of opinion on the financial statements of the Company.

6. We conducted our examination of the relevant records of the Company in accordance with the Guidance Note on Reports or Certificates for Special Purposes (Revised 2016), issued by the Institute of Chartered Accountants of India ('ICAI') and the Standards on Auditing specified under Section 143(10) of the Companies Act, 2013, in so far as applicable for the purpose of this certificate. The Guidance Note requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

7. We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

8. In our opinion, and to the best of our information and according to explanations given to us and representations made by the Directors and management, we certify that during the year ended 31st March 2022, the Company has complied with the conditions of Corporate Governance as stipulated in the Listing Agreement and Listing Regulations as applicable mentioned in para 1 above.

9. 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.

Restriction on use

10. The certificate is addressed and provided to the members of the Company solely for the purpose of compliance with the requirement of the Listing Regulations, and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration No. 116560W/ W100149

Sd/-
Sandeep Shah
Partner
Membership No.: 37381
UDIN: 22037381AJEKBF9382

Place: Mumbai
Date: 18th May 2022

Corporate Governance Report

A Report on compliance with the Corporate Governance provisions as prescribed under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ('SEBI Listing Regulations') for the financial year 2021-22 is given herein below.

(1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

At Navneet Education Limited ('the Company'), Corporate Governance has been an integral part of the way the Company has been doing its business since inception. The Company believes that good Corporate Governance emerges from the application of the best and sound management practices and compliance with the laws coupled with adherence to the highest standards of transparency and business ethics.

The Company's corporate governance philosophy has been further strengthened by adopting a Code of Business Conduct and Ethics and Code of Conduct to Regulate, Monitor and Report trading by Insiders for prevention of insider trading by the Directors and Designated Persons and Code of practices for fair disclosure of unpublished price sensitive information.

(2) BOARD OF DIRECTORS

(a) Composition and Board Diversity

The Company is a professionally managed Company functioning under the overall supervision of the Board of Directors ('the Board'). The Board has ultimate responsibility for the management, general affairs, direction, performance and long-term success of business as a whole. The Board consists of well qualified and persons with considerable professional expertise and experience. All the Directors take active part at the Board and Committee Meetings by providing valuable inputs, guidance and advise on various aspect of business and policy decisions of the Company.

The primary role of the Board is to protect the interest and enhance value for all the stakeholders. The Board conducts overall strategic supervision and control by setting the goals and targets, policies, governance standards, reporting mechanism and accountability and decision making process to be followed. However, it is to be recognised that Corporate Governance is not just a destination but a consistent journey to consolidate and enhance sustainable value creation to the Company by adhering to the core values.

The Board of the Company is broad- based, consisting of twelve Directors till 31st March, 2022. One of the Independent Directors of the Company namely Shri Mohinder Pal Bansal has resigned as Director of the Company with effect from 31st March, 2022. He resigned on personal reasons as he had started reducing his workload gradually since he was reaching the age of 65 and that he has also confirmed that there are no other material reasons other than those mentioned in his resignation letter. Therefore, the total number of directors on the Board are reduced to eleven. Since the Company has a Non-Executive Chairman, at least one third of the Board should comprise of Independent Directors i.e. the Board should have at least four Independent Directors. The Board upon recommendation of Nomination and Remuneration Committee appointed Shri K.I. Viswanathan as an Additional Director in the category of Independent Director. As on the date of this Corporate Governance Report, the Board has four Independent Directors and therefore comply with the requirements of the SEBI Listing Regulations. The Non-Executive Directors including Independent Directors on the Board are well qualified, experienced and competent persons. They take active part in the Board and Committee Meetings by providing valuable guidance and expert advice to the Board and the Management on various aspects of business, policy direction, governance, compliance etc. and play critical role on strategic issues, which enhances the transparency and add value in the decision making process of the Board. The Company has also devised a policy on the board diversity.

Section 149(1) of the Companies Act, 2013, requires certain companies to have at least one woman Independent Director. The Company has one Non-Executive, Independent woman Director as part of its Board. Brief particulars of Directors who are being appointed/ re-appointed at the ensuing Annual General Meeting ('AGM'), nature of expertise in specific functional area and other statutorily required details is provided in the Notice convening AGM.

The Board, *inter-alia,* provides leadership, strategic guidance, objective and independent view / judgment to the Company's management. The Board meets at regular intervals for planning, assessing and evaluating all important business decisions.

(b) Category of Directors, Number of Board meetings held and attendance at Board Meeting and last AGM by Directors

During the year 2021-22, five (5) board meetings were held on 27th May, 2021, 11th August, 2021, 29th October, 2021, 23rd November, 2021 and 31st January, 2022. The gap between any two board meetings did not exceed one hundred and twenty days. The category of each Director, their attendance at the above Board meetings and at last Annual General Meeting by the Directors for the year is given below:

Sr. No.	Name of Director	Category	No. of Board Meetings attended	Attendance at last AGM held on 29th September 2021
1.	Shri Gnanesh D. Gala	P&ED	5	Yes
2.	Shri Raju H. Gala	P&ED	5	Yes
3.	Shri Bipin A. Gala	P&ED	5	Yes
4.	Shri Anil D. Gala	P&ED	4	Yes
5.	Shri Shailendra J. Gala	P&ED	4	Yes
6.	Shri Anil Swarup	NI &NED	5	Yes
7.	Shri Kamlesh S. Vikamsey	NI &NED	5	Yes
8.	Shri Nilesh S.Vikamsey	NI &NED	5	Yes
9.	Smt. Usha Laxman	I &NED	4	No
10.	Shri Tushar K. Jani	I &NED	4	Yes
11.	*Shri Mohinder Pal Bansal	I &NED	5	Yes
12.	Dr. Vijay B. Joshi	I &NED	4	Yes
13.	**Shri K. I. Viswanathan	I &NED	NA	NA

* Resigned as Director of the Company wef 31st March, 2022.

** Appointed as Director of the Company wef 18th May, 2022.

P & ED- Promoter & Executive Director, I & NED Independent & Non-Executive Director, NI & NED- Non-Independent & Non-Executive Director.

None of the Directors of the Board of the Company is a member of more than 10 committees or Chairperson of more than 5 committees as specified under SEBI Listing Regulations, across all the listed / public limited Companies in which he/she is a Director. The Board confirms that the Independent Directors fulfill the conditions specified in these regulations and that they are Independent of the management.

None of the Directors of the Company is a director of more than seven listed companies and serving as an Independent Director in more than seven listed companies.

The Managing Director does not serve as Independent Director on more than three listed companies.

Necessary disclosures regarding Committee positions in other public companies as on 31st March, 2022 have been made by the Directors.

(c) Directorship in other Public Limited Companies as on 31st March, 2022:

Sr. No.	Name of Director	No. of Directorship*	No. of Committee Positions held**	No. of Committee Chaired**
1	Shri Gnanesh D. Gala	1	1	1
2	Shri Raju H. Gala	1	1	0
3	Shri Bipin A. Gala	0	0	0
4	Shri Anil D. Gala	1	0	0
5	Shri Shailendra J. Gala	0	0	0
6	Shri Anil Swarup	0	0	0
7	Shri Kamlesh S. Vikamsey	3	3	3
8	Shri Nilesh S.Vikamsey	8	8	3
9	Smt. Usha Laxman	0	0	0
10	Shri Tushar K. Jani	3	3	0
11	# Shri Mohinder Pal Bansal	2	2	2
12	Dr. Vijay B. Joshi	0	0	0
13	@ Shri K. I. Viswanathan	NA	NA	NA

* The Directorship held by directors as mentioned above includes private limited Company which is subsidiary of a public limited company, company whose specified security is listed on recognised stock exchange and do not include directorship in foreign company, Section 8 company and private limited company.

** Committee of Directors includes Audit Committee & Stakeholders Relationship Committee.

Resigned as Director of the Company wef 31st March, 2022.

@ Appointed as Director of the Company wef 18th May, 2022.

(d) Names of listed companies where a Director is a Director and category of Directorship

Sr. No.	Name of Director	Name of listed company	Category of Directorship
1	Shri Gnanesh D. Gala	Shemaroo Entertainment Limited	Independent Director
2	Shri Raju H. Gala	Nil	NA
3	Shri Bipin A. Gala	Nil	NA
4	Shri Anil D. Gala	Nil	NA
5	Shri Shailendra J. Gala	Nil	NA
6	Shri Anil Swarup	Nil	NA
7	Shri Kamlesh S. Vikamsey	Man Infraconstruction Limited	Independent Director
		Tribhovandas Bhimji Zaveri Limited	Independent Director
		Apcotex Industries Limited	Independent Director
		A U Small Finance Bank Limited (wef 25th April, 2022)	Independent Director
8	Shri Nilesh S. Vikamsey	IIFL Finance Limited	Independent Director
		IIFL Wealth Management Limited	Independent Director & Non-Executive Chairman
		Thomas Cook (India) Limited	Independent Director
		PNB Housing Finance Limited	Independent Director
		Gati Limited	Independent Director
9	Smt. Usha Laxman	Nil	NA
10	Shri Tushar K. Jani	VIP Industries Limited	Independent Director
11	*Shri Mohinder Pal Bansal	Allcargo Logistics Limited	Independent Director
		Prince Pipes and Fittings Limited	Independent Director
12	Dr. Vijay B. Joshi	Nil	NA
13	** Shri K. I. Viswanathan	NA	NA

*Resigned as Director of the Company wef 31st March, 2022.

** Appointed as Director of the Company wef 18th May, 2022.

(e) Relationship between directors inter-se:

Shri Anil D. Gala and Shri Gnanesh D. Gala are related as brother. Shri Kamlesh S. Vikamsey and Shri Nilesh S. Vikamsey are related as brother.

(f) Shares held by Non- Executive Directors in the Company as on 31st March, 2022.

Name of Director	No. of shares held	% of share-holding
Shri Kamlesh S. Vikamsey	-	-
Shri Nilesh S. Vikamsey	-	-
Shri Tushar K. Jani	-	-
*Shri Mohinder Pal Bansal	-	-
Dr. Vijay B. Joshi	1,050	0.00
Smt. Usha Laxman	-	-
Shri Anil Swarup	-	-

*Resigned as Director of the Company wef 31st March, 2022.

(g) Details of familiarisation programme

As per the Regulation 27(5) of the SEBI Listing Regulations and Schedule IV of the Companies Act, 2013, the Company has to put in its place the familiarisation programme of the Company for the Non-executive and Independent Directors. The objective of familiarisation programme is to ensure that Non-executive and Independent Directors are updated on the business environment and overall operations of the Company. This would enable them to take better informed decisions in the interest of the Company and its stakeholders.

The Board was regularly apprised with the overview of the Company and latest happenings at Company's various locations. The Board is also briefed about the industry's specific issues to enable them to understand the business environment in which the Company operates. During the Board meeting on a quarterly basis, a brief presentation on the performance of business units and future strategy is made to the Board. The Board members were provided necessary documents, reports and other presentations about the Company from time to time. Further, the Board is also regularly apprised of all regulatory and policy changes. An overview of the familiarisation programme is placed on the Company's website www.navneet.com

Performance and Evaluation of Directors

The evaluation of Board has been carried out as required under the SEBI Listing Regulations and the Companies Act, 2013 which shall evaluate the effectiveness of the Board. The Company has laid down criteria for the performance of executive /Independent/ Non executive and non -independent Directors and the chairperson. One of the key functions of the Board is to monitor and review the Board evaluation framework. During the year, the performance evaluation was carried out internally which included the Board, committee and Directors independently. Each Board member was requested to evaluate the effectiveness of the Board, dynamics and relationships information flow, decision making of the directors, relationship to stakeholders, company performance and the effectiveness of the entire Board and its committees on a scale of one to five. Kindly refer para on Board Evaluation mentioned in Directors' Report forming part of this Annual Report. A meeting of the Independent Directors was held on 25th March, 2022 and *inter-alia,* discussed on matters pertaining to performance review of the Board, Chairman and Non- Independent Directors.

(h) Criteria setting out the skills/expertise/ competence identified by the Board of Directors

The Board has identified the following skills / expertise / competencies fundamental for the effective functioning of the Company:

i) business dynamics, across various geographical markets, industry verticals and regulatory jurisdictions;

ii) strategy and Planning Appreciation of long-term trends, strategic choices and experience in guiding and leading management teams to make decisions in uncertain environments;

iii) governance Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values.

The Board has not established specific minimum age, education, years of business experience or specific types of skills for appointing any individual as a Board member, but, in general, expects an individual to have ample experience and a proven record of professional success, leadership and the highest level of personal and professional ethics, integrity and values and loyalty to the interest of the Company and its stakeholders.

The Board would generally ensure that an individual should have ability to exercise objectivity and independence in making informed business decisions, willingness and commitment to devote the required time to fulfil his/her duties, ability to communicate effectively and collaborate with other Board members to contribute effectively to the diversity of perspectives that enhances Board including a willingness to listen and respect the views of others.

The Board would also assess individual's skills, knowledge and expertise relevant to the Company's business, with extensive experience at a senior leadership level in a comparable company or organisation, including, but not limited to relevant experience in international operations, public service, finance, accounting, strategic planning, technology and marketing.

The Company believes that an effective and diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical background, age, ethnicity, race and gender, which will ensure that the Company retains its competitive advantage. The ultimate objective is to have a Board that offers a broad range of perspectives that are directly relevant to the business and organisational needs.

Chart / matrix setting out the skills/expertise/competence of the Board of Directors.

The Board of the Company is highly structured to ensure a high degree of diversity by age, education/qualifications, professional background, sector expertise and special skills.

The following are the skills as identified by the Board.

Core skills/expertise/competencies identified by the Board of Directors as required in the context of its business(es) and sector(s)	**Names of Directors who have such skills / expertise / competence**
Finance, Law, Management, Taxation, Consultancy, Administration, Corporate Governance related to the Company's business	Shri Kamlesh S. Vikamsey, Shri Gnanesh D. Gala, Shri Anil D. Gala, Shri Tushar K. Jani, Dr. Vijay B. Joshi, Smt Usha Laxman, Shri Nilesh S. Vikamsey, Shri Anil Swarup, Shri K.I. Viswanathan.
Technical Operations and knowledge on Production, Processing, Quality and Marketing of Company's products	Shri Bipin A. Gala, Shri Gnanesh D. Gala, Shri Shailendra J. Gala, Shri Raju H. Gala, Shri Anil D. Gala, Shri K.I. Viswanathan.
Management, Strategy, Sales, Marketing, Administration, Technical Operations related to the Company's business	Shri Kamlesh S. Vikamsey, Shri Gnanesh D. Gala, Shri Bipin A. Gala, Shri Raju H. Gala, Shri Shailendra J. Gala, Shri Anil D. Gala, Shri Tushar K. Jani, Shri Anil Swarup.

Independent Directors are non - executive directors as defined under Regulation 16(1) (b) of the SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013 along with rules made thereunder. Based on the declarations received from Independent Directors, the Board has confirmed that it meets criteria of independence as mentioned under Regulation 16(1) (b) of SEBI Listing Regulations read with Section 149(6) of the Companies Act, 2013 along with rules made thereunder and that they are independent of the management.

(3) AUDIT COMMITTEE

(a) The Company has constituted Audit Committee in line with the provisions of Section 177 of the Companies Act, 2013 read with Regulation 18 of the SEBI Listing Regulations. The role, scope and terms of reference of the Audit Committee covers matters as prescribed in Regulation 18(3) of the SEBI LIsting Regulations. The role, scope and terms broadly include overseeing financial reporting process, accounting policies and practises, reviewing periodic financial results, adequacy of Internal Audit function, related party transactions, and discussion with internal auditor and statutory auditor.

(b) Terms of Reference

The primary objective of the Audit Committee is to monitor and provide an effective supervision of the Management's financial reporting process. The Audit Committee, *inter-alia*, performs the functions of discussing and reviewing quarterly/ yearly unaudited/audited financial results, recommendation of appointment of statutory auditor and their remuneration, recommendation of appointment and remuneration of internal auditor, review of Internal Audit Reports, approval and review of related party transactions. For the smooth and effective functioning, the Audit Committee has also powers to investigate any activity within its terms of reference, to seek information from employees and obtain outside and legal/ professional advice. In addition to the above, the other role and terms of reference of the Audit Committee cover the matters as specified in Section 177 of the Companies Act, 2013 read with Regulation 18(3) of the SEBI Listing Regulations.

(c) Composition, name of members, Chairman, number of meetings held and attended during the year

- During the year 2021-22, four (4) Audit Committee Meetings were held on 27th May, 2021, 11th August, 2021, 29th October, 2021 and 31st January, 2022.
- The composition of the Audit Committee and other relevant details are as under:-

Name of Member	Category	No. of meetings Attended
*Shri Mohinder Pal Bansal (Chairman of the Committee)	I & NED	4
Shri Tushar K. Jani	I & NED	4
Dr. Vijay B. Joshi	I & NED	4
Shri Nilesh S. Vikamsey	NI & NED	4
Smt. Usha Laxman	I & NED	3

*Resigned as Director of the Company wef 31st March, 2022.

I & NED – Independent & Non-Executive Director, NI & NED- Non-Independent & Non-Executive Director.

At the invitation of the Company, senior representatives from various divisions of the Company, internal auditor, statutory auditor and Company Secretary who acts as secretary to the Audit Committee attended the Audit Committee Meetings to respond to the various queries raised at the Audit Committee meetings. The previous AGM of the Company was held on 29th September, 2021 and was attended by Shri Mohinder Pal Bansal, Chairman of the Audit Committee.

(4) NOMINATION AND REMUNERATION COMMITTEE

(a) Broad Terms of Reference

The terms of Reference of Nomination and Remuneration Committee are to evaluate and appraise the performance of the Managing / Executive Directors and Senior Management Personnel, determine and recommend to the Board the compensation payable to them. The other terms of Nomination and Remuneration Committee shall be as mentioned in the SEBI Listing Regulations and the relevant Section and provisions of the Companies Act, 2013.

(b) Remuneration Policy

The remuneration policy of the Company is based on performance of senior managerial personnels. The remuneration policy is in consonance with existing industry practice.

During the year three (3) Nomination and Remuneration Committee meetings were held on 26th May, 2021, 31st January, 2022 and 25th March, 2022. The composition of Nomination and Remuneration Committee and other relevant details are as under:

Name of Member	Category	No. of Meetings Attended
Shri Tushar K. Jani (Chairman of the Committee)	I & NED	3
Dr. Vijay B. Joshi	I & NED	3
Smt.Usha Laxman	I & NED	2
Shri Kamlesh S. Vikamsey	NI & NED	2

I & NED – Independent & Non -Executive Director, NI & NED- Non Independent & Non-Executive Director.

(5) REMUNERATION OF DIRECTORS

(a) Pecuniary relationship or transactions of the Independent & Non-Executive Directors and Non Independent & Non-Executive Directors and vis-a-vis the Company.

There were no pecuniary relationship or transaction of the Independent & Non-Executive Directors and Non Independent & Non-Executive Directors of the company vis-a-vis the Company, except following transactions:

- ➢ The Independent & Non-Executive Directors and Non Independent & Non-Executive Directors are paid sitting fees for attending the meeting of the Board of Directors and its committee meetings.
- ➢ Shri Anil Swarup, Non Independent & Non-Executive Director is paid consultancy fees of ₹ 17.70 Lakhs during FY 2021-22.

(b) Criteria for making payment to the Non -Executive Directors

The role of the Independent & Non-Executive Directors and Non Independent & Non-Executive Directors of the Company is not just restricted to Corporate Governance or outlook of the Company but they also bring with them significant professional experience and expertise across the whole spectrum of the functional areas such as production, marketing, corporate strategy, legal, finance and other corporate functions. The Company seeks their expert advise on various matters relating to the business of the Company.

(i) The details of remuneration and sitting fees paid / payable to each Director during FY 2021-22 for attending Board and committee meetings are as detailed hereunder:

(Amount in ₹)

Sr. No.	Name of Director	Category	Salary	Bonus	Other Benefits	Contri. To PF	Sitting Fees	Total remuneration
1	Shri Gnanesh D. Gala	P&ED	1,08,00,720	15,42,960	6,42,900	9,25,776	-	1,39,12,356
2	Shri Raju H. Gala	P&ED	1,08,00,720	15,42,960	6,42,900	9,25,776	-	1,39,12,356
3	Shri Bipin A. Gala	P&ED	1,08,00,720	15,42,960	6,42,900	9,25,776	-	1,39,12,356
4	Shri Anil D. Gala	P&ED	1,08,00,720	15,42,960	6,42,900	9,25,776	-	1,39,12,356
5	Shri Shailendra J. Gala	P&ED	99,00,240	14,14,320	5,89,300	8,48,592	-	1,27,52,452
6	Shri Kamlesh S. Vikamsey	NI & NED	-	-	-	-	2,70,000	2,70,000
7	Shri Nilesh S. Vikamsey	NI & NED	-	-	-	-	3,50,000	3,50,000
8	Smt. Usha Laxman	I &NED	-	-	-	-	3,15,000	3,15,000

Sr. No.	Name of Director	Category	Salary	Bonus	Other Benefits	Contri. To PF	Sitting Fees	Total remuneration
9	Shri Tushar K. Jani	I &NED	-	-	-	-	3,20,000	3,20,000
10	Shri Mohinder Pal Bansal	I &NED	-	-	-	-	3,70,000	3,70,000
11	Dr. Vijay B. Joshi	I &NED	-	-	-	-	3,70,000	3,70,000
12	Shri Anil Swarup	NI&NED	-	-	-	-	2,50,000	2,50,000

P & ED- Promoter & Executive Director, ED- Executive Director, NI & NED- Non Independent & Non-Executive Director, I & NED- Independent & Non -Executive Director.

Note: The above amount excludes provision for gratuity, employer pension contribution and leave benefits which have been actuarially determined on overall basis.

(ii) The Promoter & Executive Directors of the Company have been appointed on a contractual basis, in terms of the resolutions passed by the shareholders at the Annual General Meeting. Elements of remuneration comprises of salary, perquisite and other benefits as approved by the shareholders at the Annual General Meeting. The Promoter & Executive Directors are required to give 90 days notice to the Company for termination of service agreement. There is no separate provision for payment of severance fees. However, Non Independent - Non-Executive Directors and Independent Directors are not subject to any notice period and severance fees.

(iii) Employees Stock Option Scheme. The Company do not have any Employees Stock Option Scheme.

(6) STAKEHOLDERS RELATIONSHIP COMMITTEE

Brief terms of reference of the Committee, *inter alia*, cover reviewing status of share transfer/ transmissions of shares, issue of duplicate share certificates, non-receipt of Annual Report, non-receipt of declared dividends, review/ redresser of Investors' Grievance, ensuring that communications to those shareholders whose dividend was outstanding to claim the same have been sent and also ensuring that the shareholders have received dividend declared during the year and annual report in time as statutorily required. The committee also discuss and note if Company's Registrar & Share Transfer Agent namely - Link Intime India Private Limited has adhered to the service standard and that the critical queries have been addressed by them to the shareholders.

During the financial year 2021-22 one (1) Stakeholders Relationship Committee meeting was held on 25th March, 2022.The composition of Stakeholders Relationship Committee and other relevant details are as under:

Name of Member	Category	No. of Meetings Attended
Shri Tushar K. Jani (Chairman of the Committee)	I & NED	0
* Shri Mohinder Pal Bansal	I & NED	1
Dr. Vijay B. Joshi	I & NED	1
Shri Gnanesh D. Gala	P & ED	1

*Resigned as Director of the Company wef 31st March, 2022.

I & NED- Independent & Non-Executive Director, P & ED- Promoter & Executive Director.

Shri Amit D. Buch, Company Secretary is the "Compliance Officer". During the year no complaints were received

The previous AGM of the Company was held on 29th September, 2021 and was attended by Shri Tushar K. Jani, Chairman of Stakeholders Relationship Committee.

(7) CORPORATE SOCIAL RESPONSIBILITY (CSR) COMMITTEE

The CSR Committee formulated and recommended a CSR Policy in terms of Section 135 of the Companies

Act, 2013 along with a list of projects / programmes to be undertaken for CSR spending in accordance with the Companies (Corporate Social Responsibility Policy) Rules, 2014. The Company was required to spend ₹ 457 Lakhs constituting 2% of the average net profits of the Company, made during the three immediately preceding financial years, towards CSR spending for 2021-22. The Company has spent ₹ 457 Lakhs towards CSR during 2021-22.

During the year one CSR Committee the meeting was held on 25th March, 2022.The composition of CSR Committee and other relevant details are as under:

Name of Member	Category	No. of Meeting Attended
Dr.Vijay B. Joshi (Chairman of the Committee)	I & NED	1
Shri Bipin A.Gala	P & ED	1
Shri Anil D. Gala	P & ED	1
Smt.Usha Laxman	I & NED	1

(8) RISK MANAGEMENT COMMITTEE

The Company's Risk Management Committee is overseeing all the risks that the organisation faces such as strategic, financial, market, IT, legal, regulatory, reputational and other risks and recommends suitable action.

During the year, two(2) Risk Management Committee meetings were held on 4th February, 2022 and 25th March 2022. The composition of Risk Management Committee and other relevant details are as under:

Name of Member	Category	No. of Meetings Attended
Shri Gnanesh D. Gala (Chairman of the Committee)	P & ED	2
Shri Shailendra J. Gala	P & ED	2
Dr. Vijay B. Joshi	I & NED	1

P & ED- Promoter & Executive Director.
I & NED- Independent & Non-Executive Director.

(9) GENERAL MEETINGS

a. The details of last three Annual General Meetings held are given below:

Financial Year & Meeting No.	Day & Date	Time	Venue
2020-21 Thirty Fifth	Wednesday, 29th September, 2021	11.30 a.m.	Video Conferencing (VC) / Other Audio Visual Means (OAVM)
2019-20 Thirty Fourth	Monday, 28th September, 2020	03:30 p.m.	Video Conferencing (VC) / Other Audio Visual Means (OAVM)
2018-19 Thirty Third	Wednesday, 24th July, 2019	10:30 a.m.	M. C. Ghia Hall, 4th Floor, Bhogilal Hargovindas Building, 18/20, K. Dubash Marg, Kala Ghoda, Mumbai – 400 001.

b. Special Resolutions passed at last three Annual General Meetings.

(i) At the 35th AGM held on 29th September, 2021, no Special Resolution was passed.

(ii) At the 34th AGM held on 28th September, 2020, no Special Resolution was passed.

(iii) At the 33rd AGM held on 24th July, 2019, five special resolutions were passed as detailed below:

- Re-appointing Shri Mohinder Pal Bansal as an Independent Director for a second term of five years;
- Re-appointing Shri Tushar K. Jani as an Independent Director for a second term of five years;
- Re-appointing Smt. Usha Laxman as an Independent Director for a second term of five years;
- Re-appointing Dr.Vijay B. Joshi as an Independent Director for a second term of five years;
- Re-classification of some of the person forming part of Promoter Group from "Promoter & Promoter Group category" to "Public Category".

c. Passing of Resolutions by Postal Ballot

No resolutions were passed last year i.e. in 2021-22 through postal ballot. Hence, giving details of the person who conducted the postal ballot exercise and procedure for postal ballot are not required. No Special Resolution is proposed to be conducted through Postal Ballot as on the date of this report.

(10) MEANS OF COMMUNICATIONS

The Company publishes its unaudited quarterly financial results and audited financial results for the entire financial year in 'The Economic Times' and 'Maharashtra Times' newspapers in Mumbai. The said results and official news release, if any, are disclosed on the website of the Company at www.navneet.com after the same is submitted to the stock exchange where the shares of the Company are listed. The Company also hosts any presentation shared/ made to analysts/ institutional investors on website of the Company at www.navneet.com. The said presentation is also submitted to the stock exchanges where the shares of the Company are listed.

(11) GENERAL SHAREHOLDER INFORMATION

a. 36th Annual General Meeting :

Day & Date	:	Monday, 8th August, 2022
Time	:	11.00 a.m. (IST)
Venue	:	The Company is conducting meeting through Video Conference/ Other Audio Visual Mechanism and as such there is no requirement to have venue of AGM. For details please refer to the Notice of this AGM.

b. Financial Year : April to March.

c. Dividend payment during the year under review: The Board has recommended dividend of ₹ 1.50 per share (75%) for the financial year ended 31st March 2022. The dividend as recommended, if declared by the shareholders at the ensuing Annual General Meeting to be held on Monday, 8th August, 2022 would be paid to those eligible shareholders whose names appeared in Company's Register of Members on book closure date.

d. Financial Calendar for 2022-23 (tentative and subject to change):

Board Meetings to be held for approving Quarterly Financial Results:

(i) Quarter ending 30th June, 2022, 30th September, 2022, 31st December, 2022: within 45 days from the date of closure of the respective quarter.

(ii) For the financial year ending 31st March, 2023: within 60 days of close of the financial year.

(iii) AGM for the financial year ending 31st March, 2023: by July/ August, 2023.

e. Date of Book Closures:

The Company's Register of Members and Share Transfer Books will remain closed for the purpose of payment of final dividend, if declared at the ensuing Annual General Meeting and for the purpose of Annual General Meeting from Tuesday, 2nd August, 2022 to Monday, 8th August, 2022 (both days inclusive).

f. Listing of Shares:

The shares of the Company are listed on the following Stock Exchanges:

(i) Bombay Stock Exchange Limited
Phiroze Jeejebhoy Towers,
Dalal Street, Mumbai-400001

(ii) National Stock Exchange of India Limited
Exchange Plaza, Plot No. C/1, G Block,
Bandra Kurla Complex, Bandra (East),
Mumbai-400051

The Listing Fees for FY 2022-23 have been paid to both the above Stock Exchanges.

g. Stock and ISIN Code of Company's shares:

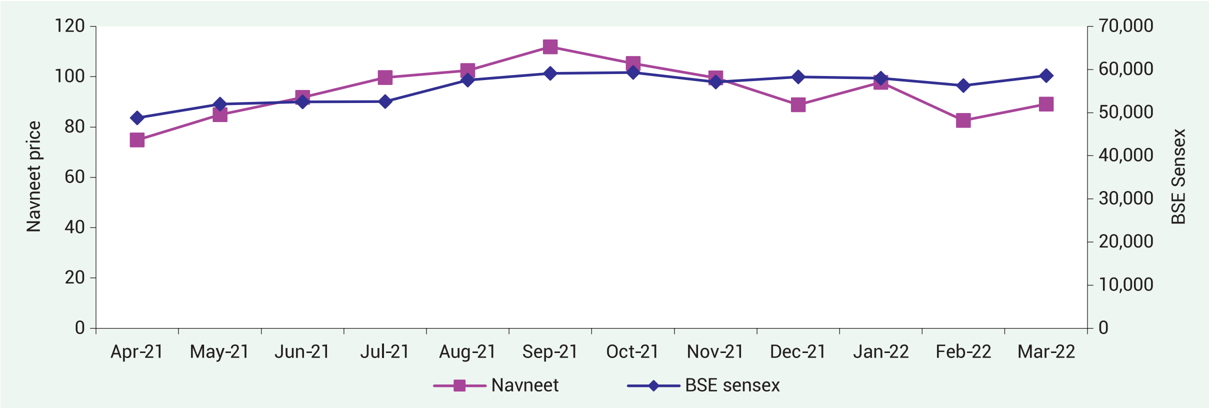
BSE : 508989 NSE: NAVNETEDUL
ISIN : INE 060A01024

h. Volume of Shares traded and Stock Price Movement on a month to month basis :

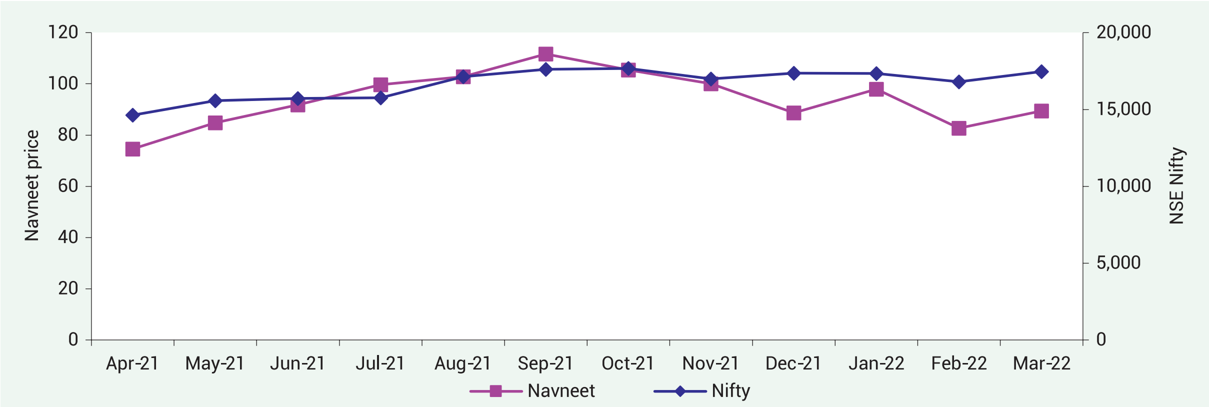
Month	BSE	NSE	BSE		NSE	
	No. of Shares	No. of Shares	(High) (₹)	(Low) (₹)	(High) (₹)	(Low) (₹)
April, 2021	2,21,789	17,88,708	85.10	72.85	85.20	73.25
May, 2021	18,72,542	1,86,06,434	94.00	72.30	94.00	72.70
June, 2021	11,65,281	1,09,76,869	98.25	83.45	99.50	83.20
July, 2021	9,84,107	1,19,17,934	107.35	90.15	107.50	91.15
August, 2021	10,70,193	98,16,561	105.95	98.00	106.00	98.00
September, 2021	14,93,784	1,37,91,097	120.70	98.10	120.95	99.00
October, 2021	7,93,951	74,41,162	121.55	101.70	121.55	101.45
November, 2021	3,92,865	37,17,764	116.00	94.40	116.00	94.20
December, 2021	4,19,867	69,23,465	101.80	86.60	102.10	86.55
January, 2022	11,99,943	1,36,73,350	101.40	84.50	101.70	84.50
February, 2022	7,27,287	68,03,367	100.90	81.20	100.00	81.00
March, 2022	11,82,045	70,02,839	94.50	82.40	95.00	82.20

i. Performance in comparison to broad - based indices viz. BSE Sensex and NSE Nifty

Navneet Education Limited Share Price movement v/s BSE Sensex April 2021 - March 2022



Navneet Education Limited Share Price movement v/s NSE Nifty April 2021- March 2022



j. Volume of Shares traded during the year under review as a percentage of the number of Shares outstanding as on 31st March, 2022 :

BSE: 5.09 % 1,15,23,654 shares

NSE: 49.71 % 11,24,59,550 shares

k. Registrar & Share Transfer Agent:

Link Intime India Private Limited
C-101,247 Park,
L. B. S. Marg, Vikhroli (West), Mumbai - 400083
Tel.: (91-022) 49186270 Fax : 91-022- 49186060
E-mail: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

l. Share Transfer in Physical Form

Effective 1st April, 2019, the Securities and Exchange Board of India has amended Regulation 40 of SEBI Listing Regulations, which deals with transfer, transmission or transposition of securities. According to this amendment, the request for effecting the transfer of listed securities shall not be processed unless the securities are held in dematerialised form with a Depository. Therefore, for effecting any transfer, the securities shall mandatorily be required to be in demat form.

According to SEBI, this amendment will bring the following benefits:

- It shall curb fraud and manipulation risk in physical transfer of securities by unscrupulous entities
- Transfer of securities only in demat form will improve ease, convenience and safety of transactions for investors

m. Distribution of Shareholding as on 31st March, 2022:

No. of equity Shares held	No. of Share-holders	%of Share-holders	No. of Shares	% of Shares
001-500	36997	82.98	3938707	1.74
501-1000	2895	6.49	2314892	1.02
1001-2000	1607	3.60	2391897	1.06
2001-3000	665	1.49	1699861	0.75
3001-4000	621	1.39	2266497	1.00
4001-5000	310	0.70	1459723	0.65
5001-10000	723	1.62	5004320	2.21
10001 & above	770	1.73	207137284	91.57
Total	**44,588**	**100**	226213181	**100**

n. Category of Shareholders as on 31st March, 2022:

Category	% to paid-up Share capital
Promoters	63.30
Financial Institutions & Foreign Portfolio Investors (corporate)	2.94
NRIs	0.76
Mutual Funds, Non Nationalised Banks	9.92
Bodies Corporate (including Government Companies)	2.99
Others	20.09
Total	**100**

o. Dematerialisation of Shares and liquidity:

The shares of the Company are in compulsory dematerialisation segment and are available for trading system of both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Securities (India) Limited (CDSL). The status of dematerialisation of shares as on 31st March, 2022 is as under:

Particulars	No. of Shares	%of Total Share Capital
Held in dematerialised form in NSDL	208664925	92.24
Held in dematerialised form in CDSL	15391532	6.81
Physical form	2156724	0.95
Total	226213181	**100**

The Company's shares are regularly traded on Bombay Stock Exchange Limited and National Stock Exchange of India Limited in electronic form.

a. **Outstanding GDRs / ADRs / Warrants:**

The Company has not allotted any GDR(s) / ADR(s) / Warrants / Convertible instruments.

b. **Commodity price risk or foreign exchange risk and hedging activities.**

The Company do not have commodity risk as such. The Company is exposed to market risk, credit risks and liquidity risk which are summarised in the Note No. 61 forming part of 'Notes on Standalone Ind AS Financial Statements' for the year ended 31st March, 2022. During the financial year 2021-22, the Company had managed the foreign exchange risk and hedged to the extent considered necessary. The Company enters into forward contracts for hedging foreign exchange exposures against exports and imports.

The management periodically reviews the Risk Management Policy for managing each of these risks.

c. **Plant Locations:**

The Company's Plants are located at the following places:

- Survey No. 62/1, 62/2, 68/2, Near Royalty Naka, Village Khaniwade, Tal. Vasai , Dist. Palghar, Maharashtra
- Survey No. 100/1/4, 414/1, 100/2 & 100/1/5/1, Village Sayli, Silvassa, U.T. of Dadra & Nagar Haveli.
- Village Dantali, Behind Kasturinagar, Dist. & Tal. Gandhinagar, Gujarat.

d. **Address for Correspondence**

Registered Office:
Navneet Bhavan, Bhavani Shankar Road,
Dadar (West), Mumbai 400 028.
Tel : +91-22-66626565
Fax : +91-22-66626470
Email : investors@navneet.com
Corporate Identify Number(CIN) :
L22200MH1984PLC034055

e. **Compliance Officer**

Company Secretary and Compliance Officer : Shri Amit D. Buch

Email ID : amit.buch@navneet.com

f. **Details of credit ratings obtained during FY 2021-22**

Sr. No.	Name of credit rating agency	Rating	Facilities / Instruments	Amount (₹ in Lakhs) *
1.	CRISIL Limited	A1+	Commercial Paper- Short term	30,000
2.	CARE Ratings Limited	AA Stable/A1+	Bank Facility – Long / short term	45,000
		A1+	Bank Facility – Short term	200

* The Company has outstanding Commercial Papers of ₹ 6,000 Lakhs and outstanding Bank Working Capital Demand Loan of ₹1,000 Lakhs as at end of the year.

p. Other Disclosures:

a. **Disclosure on materially significant related party transactions:**

All transactions entered into with related party as defined under the Companies Act, 2013 and SEBI Listing Regulations during the financial year were in the ordinary course of business and at arm's length basis and do not attract the provisions of Section 188 of the Companies Act,2013. All the related party transactions entered by the Company during the year under review do not fall under the definition of 'Materially significant related party transactions' as given in Regulation 23 (1) of the SEBI Listing Regulations and hence disclosure is not required. However, suitable disclosure as required by Indian Accounting Standard (Ind AS) 24 'Related Party Disclosures' has been made in the notes forming part of the annual accounts.

b. Disclosure of non- compliance by the Company, penalties, and strictures imposed on the Company by the Stock Exchanges, Securities and Exchange Board of India or any other statutory authority on any matter related to capital markets during the last three years.

The Company has complied with all requirements of SEBI Listing Regulations with the stock exchanges as well as regulations and guidelines of Securities and Exchange Board of India. No penalties or strictures imposed on the Company by the stock exchanges, Securities and Exchange Board of India or any other statutory authority or any matter related to capital markets during the last three years.

c. Vigil Mechanism /Whistle Blower Policy :

As required under the provisions of Section 177(9) of the Companies Act, 2013 and Regulation 4 of SEBI Listing Regulations the Company has formed Vigil Mechanism/Whistle Blower policy to report genuine concerns or grievances. The same is hosted on the website of the Company. None of the employees of the Company has been denied access to the Audit Committee, for making complaint on any Integrity issue.

d. The Company is in compliance with all the mandatory requirements of SEBI Listing Regulations and in addition the status of compliance with non-mandatory requirements is as under:

Sr. No.	Particulars	Remarks
1	Non-Executive Chairman's Office	The Company has Non-Executive Chairman and he maintains his own separate office. The Company do not bear expense of maintaining his office and do not reimburse any expense to him for performing his duty as Chairman, except paying him sitting fees.
2	Shareholders' Rights	As the quarterly and half yearly financial performance are published in the newspapers and also posted on the Company's website, the same are not being sent to the shareholders.
3	Audit Qualifications	The Company's financial statement for the year 2021-22 does not contain any audit qualification.
4	Separate post of Chairman and CEO	The Company has separate post of Chairman and MD/CEO.
5	Reporting of Internal Auditor	The Internal Auditor reports directly to the Audit Committee.

e. Policy for determining 'material' subsidiaries:

The Company has adopted a policy on Material Subsidiary in line with the requirements of the SEBI Listing Regulations. The objective of this policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The Policy on Material Subsidiary is available on the website of the Company at www.navneet.com

f. Policy on dealing with related party transactions:

The policy on dealing with related party transactions has been uploaded on the Company's website on www.navneet.com.

g. Risk Management:

The Company's Risk Management Committee is overseeing all the risks that the organisation faces such as strategic, financial, market, IT, legal, regulatory, reputational and other risks and recommends suitable action.

h. The Company did not raise any funds through preferential allotment or qualified institutions placement during the year.

i. A certificate from a practicing company secretary has been received stating that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by Securities and Exchange Board of India, Ministry of Corporate Affairs or any such statutory authority.

j. All the recommendations of the various committees made were accepted by the Board.

k. During the financial year 2021-22 details of amount charged to Statement of Profit and Loss by the Company and its subsidiaries with respect to the Statutory Auditors of holding Company and all entities in the network firm/ network entity of which Statutory Auditors is a part (Below table does not include audit fees paid by an associate):

Particulars	Amount (₹ In Lakhs)
Audit matters (Statutory and tax audit)	38
Taxation matters (Including GST Audit)	5
Others (including reimbursement)	9
Total	**52**

(Note: Above amount is exclusive of applicable taxes)

l. Disclosure in relation to the Sexual Harassment of Women at Work Place (Prevention, Prohibition and Redressal) Act, 2013.

In terms of the provisions of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and Rules framed thereunder, the number of complaints received during the financial year 2021-22 along with their status of redressal as on financial year ended 31st March, 2022 are as under:

Particulars	Number of Complaints
Number of complaints filed during the financial year	Nil
Number of complaints disposed of during the financial year	Nil
Number of complaints pending as on the end of the financial year	Nil

q. Disclosure to the extent to which the discretionary requirements have been adopted:

The extent up to which the Company has adopted discretionary requirements as specified in Part E of Schedule II is as detailed under Other Disclosures at serial no 12(d) above.

r. Details of non- compliance of any requirement of Corporate Governance Report

The Company has complied with the requirements of Corporate Governance Report of Paras (2) to (10) mentioned in part 'C' of Schedule V of SEBI Listing Regulations and disclosed necessary information as specified in Regulation 17 to 27 and Regulation 46(2) (b) to (i) of SEBI Listing Regulations in the respective places in this Report.

s. Code Of Conduct:

The Board of Directors has adopted the Code of Conduct for the Directors and Senior Management Personnel. A copy of Code of Conduct has been put on the Company's Website www.navneet.com

Code of Conduct has been circulated to all the Members of the Board and Senior Management Personnel of the Company and compliance of the same is affirmed by them.

In accordance with Regulation 34(3) of SEBI Listing Regulations a declaration signed by Managing Director & CEO affirming that all the Board Members and Senior Management of the

Company have complied with the Code of Conduct guideline as applicable to them for the Financial Year ended 31st March, 2022 is annexed as Annexure I to this report.

t. CEO and CFO Certification :

The certificate required under Regulation 17(8) of the SEBI Listing Regulations duly signed by CEO and CFO of the Company was placed before the Board. The same is provided as Annexure II to this report.

u. Disclosure with respect to demat suspense account/unclaimed suspense account:

During the year, the Company has credited ₹ 43.98 Lakhs to the Investor Education and Protection Fund (IEPF) pursuant to the provisions of the Companies Act, 2013.

The cumulative amount transferred by the Company to IEPF up to 31st March, 2022 is ₹ 227.70 Lakhs.

In accordance with the provisions of the Companies Act, 2013, the Company has transferred 59,571 equity shares of ₹ 2/- each, to the credit of IEPF Authority, on 3rd December, 2021, in respect of which dividend had not been paid or claimed by the members for seven consecutive years or more as on the cut-off date, i.e. 2nd November, 2021. The Company has initiated necessary action for transfer of shares in respect of which dividend has not been paid or claimed by the members consecutively since 2014-15.

The Company has uploaded on its website, the details of unpaid and unclaimed amounts lying with the Company as on date of last Annual General Meeting (i.e. 29th September, 2021).

Details of shares transferred to IEPF Authority during financial year 2021-22 are also available on the website of the Company.

The Company has also uploaded these details on the website of the IEPF Authority (www.iepf.gov.in).

The voting rights on the shares transferred to IEPF Authority shall remain frozen till the rightful owner claims the shares.

Due Date for transfer to IEPF, of Unclaimed / unpaid dividends for the financial year 2014-15 and thereafter.

Dividend Year	Declaration Date	Due Date
Final Dividend - 2014-15	28th September, 2015	01st November, 2022
Interim Dividend - 2015-16	05th March, 2016	09th April, 2023
Final Dividend - 2016-17	03rd August, 2017	06th September, 2024
Final Dividend - 2017-18	24th July, 2018	27th August, 2025
Final Dividend - 2018-19	24th July, 2019	27th August, 2026
1st Interim Dividend - 2019-20	13th November, 2019	17th December, 2026
2nd Interim Dividend - 2019-20	13th March, 2020	17th April, 2027
Final Dividend 2020-21	29th September, 2021	2nd November, 2028

COMPLIANCE OF CORPORATE GOVERNANCE REQUIREMENTS SPECIFIED IN REGULATION 17 TO 27 AND REGULATION 46(2) (B) TO (I) OF SEBI LISTING REGULATIONS

Sr. No.	Particulars	Regulation	Compliance Status Yes/No/N.A	Key Compliance observed
1.	Board of Directors	17	Yes	• Composition and Appointment of Directors • Meetings and quorum • Review of compliance reports • Plans for orderly succession for appointments • Code of Conduct • Fees/Compensation to Non-Executive Directors • Minimum information to be placed before the Board • Compliance Certificate by Chief Executive Officer and Chief Financial Officer • Risk assessment and risk management plan • Performance evaluation of Independent Directors • Recommendation of Board for each item of special business • Directorship in listed entities
2.	Maximum number of Directorship	17A	Yes	• Directorship in listed entities
3.	Audit Committee	18	Yes	• Composition • Meeting and quorum • Chairperson present at Annual General Meeting • Role of the Committee
4.	Nomination and Remuneration Committee	19	Yes	• Composition • Meeting and quorum • Chairperson present at Annual General Meeting • Role of the Committee
5.	Stakeholders Relationship Committee	20	Yes	• Composition • Meeting and quorum • Chairperson present at Annual General Meeting • Role of the Committee
6.	Risk Management Committee	21	Yes	• Composition • Meeting • Role of the Committee
7.	Vigil Mechanism	22	Yes	• Vigil Mechanism for Directors and employees • Adequate safeguard against victimisation • Direct access to Chairperson of Audit Committee
8.	Related Party Transactions	23	Yes	• Policy on Materiality of related party transactions and dealing with related party transactions

Sr. No.	Particulars	Regulation	Compliance Status Yes/No/N.A	Key Compliance observed
				• Prior approval including omnibus approval of Audit Committee for related party transactions • Periodic review of related party transactions • Disclosure on related party transactions
9.	Subsidiaries of the Company	24	Yes	• Review of financial statements and investments of subsidiaries by the Audit Committee • Minutes of Board of Directors of the subsidiaries are placed at the meeting of the Board of Directors • Significant transactions and arrangement of subsidiaries are placed at the meeting of the Board of Directors
10.	Secretarial Audit	24A	Yes	• Annual Secretarial Audit and Annual Secretarial Compliance Report
11.	Obligation with respect to Independent Directors	25	Yes	• Maximum directorship and tenure • Meetings of Independent Directors • Cessation and appointment of Independent Directors • Familiarisation of Independent Directors • Declaration from Independent Director that he/she meets the criteria of Independence • Directors insurance for all the Independent Directors
12.	Obligation with respect to employees including Senior Management Key Managerial Personnel, Directors & Promoters	26	Yes	• Membership / Chairmanship in Committees • Affirmation on compliance of Code of Conduct by Directors and Senior Management • Disclosure of shareholding by Non-Executive Directorship • Disclosure by Senior Management about potential conflict of interest • No agreement with regard to compensation or profit sharing in connection with dealings in securities of the Company by Key Managerial Personnel, Director and Promoter
13.	Other Corporate Governance	27	Yes	• Compliance with discretionary requirements • Filing of quarterly, half-yearly and yearly compliance report on Corporate Governance
14.	Website	46(2)(b) to (i)	Yes	• Terms and condition of appointment of Independent Directors • Composition of various committees of Board of Directors • Code of Conduct of Board of Directors and Senior Management Personnel • Details of establishment of Vigil Mechanism / Whistle-blower policy • Policy on dealing with related party transactions • Policy for determining material subsidiaries • Details of familiarisation programmes imparted to Independent Directors

ANNEXURE 'I'

Declaration

In accordance with Regulation 34(3) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, I hereby confirm that all the Board Members and Senior Management of the Company have affirmed compliance with the Code of Conduct guideline as applicable to them for the Financial Year ended 31st March, 2022.

For Navneet Education Limited

Sd/-
Gnanesh D. Gala
Chief Executive Officer

Place : Mumbai
Date : 18th May, 2022

CEO AND CFO CERTIFICATION

We hereby certify that-

a) we have reviewed financial statements and the cash flow statements for the year ended 31st March, 2022 and that to the best of our knowledge and belief

   i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

   ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Indian Accounting Standards, applicable laws and regulations.

b) there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

c) we accept responsibility for establishing and maintaining internal controls for financial reporting, we have evaluated the effectiveness of internal control system of Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken to rectify these deficiencies.

d) we further certify that-

   i) there have been no significant changes in the internal control over financial reporting during the year,

   ii) there have been no instances of significant fraud which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-
Gnanesh D. Gala
Chief Executive Officer

Sd/-
Kalpesh D. Dedhia
Chief Financial Officer

Place: Mumbai
Date : 18th May, 2022

Annexure 'F' - Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. **Corporate Identity Number**: L22200MH1984PLC034055
2. **Name of the Company**: Navneet Education Limited
3. **Registered office Address** : Navneet Bhavan, Bhavani Shankar Road, Dadar (West), Mumbai-400028.
4. **Website:** www.navneet.com
5. **E-mail Id:** investors@navneet.com
6. **Financial Year reported**: 2021-22
7. **Sector(s) that the Company is engaged in (industrial activity code- wise) :**

Name and description of main products	Description	*Industrial Group
The Company is engaged in the business of publication of education and non-education books and manufacture of paper and non -paper stationery	Publication Stationery	5811 17099

*As per National Industrial Classification

8. **List of three key products/services that the company manufactures/provides (as in balance Sheet):**

   Publication : (a) work books (b) Children Story Books (c)General books

   Stationery : (a) Long books(b) Short Books(c) file folders

9. **Total number of locations where business activity is undertaken by the Company:**

   (a) **Number of International Locations (Provide details of major 5):** Nil

   (b) **Number of National Locations :**

   The Company has its presence in the State of Maharashtra and Gujarat with its Registered Office situated at Mumbai and manufacturing units situated at (i) Village Dantali, Behind Kasturinagar, Dist. & Tal. Gandhinagar, Gujarat (ii) Survey No.100/1/4,414/1,100/2 & 100/1/5/1Village Sayli, Silvassa U.T. of Dadra & Nagar Haveli and (iii)Survey No. 62/1,62/2,68/2, Near Royalty Naka,Village Khaniwade, Tal. Vasai, Dist. Palghar.

10. **Markets served by the Company- Local/State/ National/ International:**

    In addition to Indian Market, the Company also exports its stationery products to USA, Europe, parts of Africa and Middle East.

SECTION B: FINANCIAL DETAILS OF THE COMPANY

1. Paid -up Capital: ₹ 4,524 Lakhs
2. Total Turnover (including other income): ₹ 1,08,071 Lakhs
3. Total Comprehensive Income After Tax: ₹ 14,310 Lakhs
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)

   (i) 3.19 % of Total Comprehensive Income After tax for FY 22.

   (ii) 3.12 % of average Net Profit for last three financial years.

5. List of activities in which expenditure in 4 above has been incurred:
   Education, Medical & Health care and others.

SECTION C: OTHER DETAILS

1. Does the Company have any Subsidiary Company/ Companies? Yes. The Company has 6 (six) subsidiary companies (Including one step down subsidiary Company) as on 31st March, 2022.
2. Do the Subsidiary Company/ Companies participate in the BR initiatives of the parent company? If Yes, then indicate the number of such subsidiary company(s).

   Given the current size and scale of operations, subsidiary companies, as of now, are not engaged in initiatives process of the Company OR There is no participation.

3. Do any other entity/entities (e.g. suppliers, distributors etc.) that the Company does business with, participate in the BR initiatives of the Company? if yes, then indicate the percentage of such entity/ entities[(less than 30%,30-60%, More than 60%)]

   No. Other entities with whom the Company does business with viz. suppliers, distributors etc. do not participate in the BR initiatives of the Company.

SECTION D: BR information

1. Details of Director/ Directors responsible for BR:

(a) Details of the Director/Directors responsible for implementation of the BR policy/policies

Shri Bipin A. Gala- Whole time Director DIN: 00846625

(b) Details of the BR head

The Company does not have BR head as of now. Shri Bipin A. Gala, Whole time Director oversees BRR implementation.

2. Principle-wise (as per NVGs) BR Policy/policies?

The National Voluntary Guidelines on Social, Environmental and Economic Responsibilities (NVGs) released by the Ministry of Corporate Affairs has adopted nine areas of Business Responsibility. These are as under:

P1- Business should conduct and govern themselves with Ethics, Transparency and Accountability.

P2- Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

P3- Businesses should promote the well- being of all employees.

P4- Businesses should respect the interest of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

P5- Businesses should respect and promote human rights.

P6- Businesses should respect, protect and make efforts to restore the environment.

P7- Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner.

P8- Businesses should support inclusive growth and equitable development.

P9- Businesses should engage with and provide value to their customers and consumers in a responsive manner.

(a) Details in compliance (Reply in Y/N)

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
1	Do you have policy/policies for?	Y	Y	Y	Y	Y	Y	Y	Y	Y
2	Has the policy being formulated in consultation with the relevant stakeholders?	All the policies have been formulated in consultation with the Management of the Company.								
3	Doe the policy confirm to the national / international stakeholders?	All the policies are compliant with respective principles of NVG guidelines.								
4	Has the policy been approved by the Board? If yes, has it been signed by MD/ owner/ CEO/ appropriate Board of Directors?	The mandatory policies under Indian Laws and regulations have been adopted by the Board of Directors and signed by the Managing Director. Other operational internal policies are approved by the management.								
5.	Does the Company have specified committee of the Board/Directors Official to oversee the implementation of policy?	The Board has appointed Shri Bipin A. Gala, Whole time Director to oversee policy implementation. The Company does not have BR head as of now.								

Sr. No.	Questions	P1	P2	P3	P4	P5	P6	P7	P8	P9
6.	Indicate the link for the policy to be reviewed on line	Mandatory policies such as Policy on Board diversity, Policy on materiality of related party transaction, Whistle blower policy etc. are available on website of the Company.								
7.	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes								
8.	Does the Company have an in-house structure to implement the policy/policies?	Yes								
9.	Does the Company have a grievance redressal mechanism related to the policy/policies to address stakeholders' grievances related to the policy/policies?	Yes								
10.	Has the Company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	The policies are evaluated regularly by the CEO and/ or respective senior executives.								

2. If answer to the question at serial number 1 against any principle, is 'No', please explain why (tick up to 2 options): N.A.

3. Governance related to BR :

(a) Indicate the frequency with which the Board of Directors Committee of the Board of Directors or CEO to assess the BR performance of the Company. Within 3 months, 3-6 months, Annually, More than 1 year.

The Company assess the BR performance annually.

(b) Does the Company publish a BR or a Sustainability Report? What is the hyperlink for viewing this report? How frequently it is published?

The BR report is available on company's website www.navneet.com . It will be published annually.

SECTION E : PRINCIPLE-WISE PERFOMANCE

Principle 1-Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

1. **Does the policy relating to Ethics, bribery and corruption cover only the Company ?** Yes /No. Does it extend to group/Joint Ventures/Suppliers/Contractors/ NGOs? Others?

The Company has established a code of conduct for Directors and all employees that addresses concerns such as ethics and bribery, among other things. Wherever the organisation does business, it behaves with honesty and upholds the ideals of accountability, excellence, and innovation. Compliance with the law and the Company's own internal regulations are critical to the Company's success. Dealing with suppliers, customers, and other business partners is covered.

Web-Link: https://www.navneet.com/download/#CGP

2. **How many stakeholder complaints have been received in the past financial year and what percentage was satisfactorily** resolved by the management ? If so, provide details thereof, in about 50 words or so.

During the year under review, the Company has not received any complaints under investigation mechanism.

Principle 2 – Business should provide goods and services that are safe and contribute to sustainability throughout their life cycle.

1. **List up to 3 products or services whose design has incorporated social or environmental concerns, risks and/or opportunities.**

The Company conducts environment risk assessment for all its processes and activities and take precautions / corrective actions as per the analysis. This is done annually or whenever any new activity is introduced. The Company has always believed in and tried to include as many environmentally friendly projects and business practices as possible into its operations.

Except for some of the components used in the production process, the Company's goods do not contribute to any environmental concerns, risks, or opportunities.

The following precautions are being taken by the Company:

- The majority of the products are made of paper.
- Proper safety precautions utilised while storing and using solvent-based ink and PVC-based adhesive.
- All hazardous wastes are disposed of to a government-authorized vendor to prevent forest depletion due to paper usage.

In addition to what the Company was previously doing to address social and environmental issues, it has introduced the following goods or materials to address these issues:

- The company has developed numerous innovative products with 100 percent recycled craft paper and exhibited them to prospective clients, including a "Ring Binder" that uses 100 percent recycled Kraft paper to help reduce plastic or virgin paper usage.
- For the bulk of cover printing tasks, we started using UV varnish instead of lamination for finishing;
- After making appropriate advancements, we switched from offset printing to tinting coating method to reduce the use of solvent base ink.

The following are some of the Company's high-impact environmentally friendly projects implemented at its factories:

- Water-based ink carbouys are lined with polybag so that they can be returned to the manufacturer and reused for future purchases rather than purchasing new plastic carbouys for each new order and then discarding them. This reduced the use of plastic and, as a result, reduced environmental issues.
- Returning wiro product packaging materials such as the box, ring, and core to manufacturers can be reused as packaging for future orders rather than purchasing new packaging material for each order.
- Instead of buying new straps for palletizing export orders and internal palletized material moves, reuse PET straps.
- Changed the adhesives carbouy design from 50 kg to 5 kg with a broad mouth and liner, resulting in 100% adhesive consumption from the carbouy. Previously, roughly 1kg of adhesive was thrown away in each carbouy as waste.
- Wrapping FG and WIP for internal mobility with reusable antiskid grip sheets. Previously, a single-use stretch wrap film was employed.
- All lower-micron plastics, such as BOPP, PP bags, shrink film, and so on, were replaced with higher-micron plastics, minimising environmental risk.
- Recycle and reuse old and leftover PP sheets by requesting that the manufacturer reuse them in their next production cycle, lowering overall plastic usage.

Name of Product / Service	Description of the risk / concern	Action Taken
Water-based ink carboys are lined	Reduced the use of plastic and, as a result, reduced environmental issues	Return to the Manufacturer for reused
Reused of Packaging Material	Reduced the use of box, ring and core to reduced environmental issues	Returning wiro product packaging materials such as the box, ring, and core to manufacturers
Changed the adhesives carbuoys design	roughly 1kg of adhesive was thrown away in each carbuoys as waste.	Changed the adhesives carbuoys design from 50 kg to 5 kg with a broad mouth with a broad mouth and liner, resulting in 100% adhesive consumption from the carboy

2. **For each such products, provide the following details in respect of resource use (energy , water, raw material etc.) per unit of product(optional)**

(a) Reduction during sourcing/production/distribution achieved since the previous year throughout the value chain?

The Company does not have an exclusive tracking system for measuring the resources used for separate processes or per product due to numerous types of products involving multiple processes.

Below are few procedures the Company implemented to reduce the resource consumption in general during sourcing/production/distribution:

➢ Reduction of packing material by way of reusing the old ones after adopting various methods.

➢ Reducing wastages by changes in designs of carbuoys.

➢ Reducing wastages by inner lining of the containers.

➢ Reuse strapping material repeatedly.

➢ Replacing single use materials with multiple times usable material there by vastly reducing the consumption.

➢ Recycle and reuse all plastic leftovers by returning them and asking manufacturer to use them in their next production cycle and supply to the Company.

Following are some of Company's continuous measures to combat the environmental effects of the raw materials it uses. These again depend on the products the Company make as per the market or customer demand. As far as possible the Company try to balance between its commercial and environmental concerns.

Particulars	2021-22	2020-21
Usage of FSC Paper in stationery division	53%	52%
Usage of Bagasse Paper	13%	28%
Usage of Recycled & Agro based paper	11%	22%
Usage of Water Based Ink	21%	39%
Usage of Starch Based Adhesive	3%	8%
Usage of solar power	3000 KWH/day	3000 KWH/day
Reduction in electricity consumption by using more natural light by way of sky lights	20000 units / year	20000 units / year

(b) Reduction during usage by consumption (energy, water) has been achieved since the previous year?

This is not applicable to the Company as no additional resources are used while consumption of its products.

3. **Does the company have procedures in place for sustainable sourcing (including transportation)?**

(a) If yes, what percentage of your inputs was sourced sustainably? Also, provide details thereof, in about 50 words or so.

➢ Yes, the Company's primary source of raw materials is paper, which accounts for 80% of its total raw material sourced. The Company makes it a point to buy paper from well-known and well-respected companies. Many of them are ISO 14001 certified, guaranteeing that environmental concerns are addressed.

➢ The Company uses FSC certified paper derived from FSC certified plants, ensuring long-term sustainability and ethical sourcing. The Company's alternative method of transporting paper by sea route via ships rather than traditional road transportation has saved fuel, time, and money.

➢ Through meetings, visits to their factories, slogans on emails and purchase orders, and other means, the Company continues to educate its vendors. All of the Company's purchase orders include a condition directing vendors to use safe and environmentally friendly packing materials that can be reused as much as possible.

- ➢ As part of their agreement with the Company, all of the company's transporters are advised to keep their cars in good working order and to keep all of the vehicles' and drivers' paperwork up to date and legitimate. The company will not allow any vehicle into the factory that does not have proper certificates, including a PUC certificate, or utilise it for transportation.

4. Has the Company taken any steps to procure goods and services from local & small producers, including communities surrounding their place of work?

(a) If yes, what steps have been taken to improve their capacity and capability of local and small vendors?

The Company is committed to the improvement of the surrounding localities of its factories. The Company takes measures to uplift the life styles of the local people living around factories. The Company ensure this by following below practices.

- ➢ Out sourcing : The Company continue to do 50% of Company's outsourcing in the local areas within 20 kms surrounding factories.
- ➢ Procurement: First preference is given to localized procurement in the nearby areas of the factories as always. The search for improving the local vendors to make indigenous purchases is a continuous process. The Company has added a local ink supplier to its vendor base who effectively helped the Company stop purchasing from faraway place and save on transportation and time.
- ➢ Employment : Local man power is preferred for recruitment.
- ➢ Packing : 30% of Company's non paper stationery packing is done in the vicinity of its factories.
- ➢ The Company has developed and encouraged local factories across India to service different sales areas. For ex: the Company has vendors developed at Bangalore, Nagpur, Pune, etc., to cater to the sales in various regions of India.
- ➢ The Company supports and trains its surrounding areas vendors employees in improving their financial stability by making them follow all the welfare schemes of the government like PMSBY, PMJJY, medical schemes, getting PAN cards, Aadhar cards, bank accounts, etc.
- ➢ The Company give the local vendors trainings in machine maintenance & quality improvement to help them increase their business and profitability.
- ➢ The Company provide free school books for the children of the vendors employees.
- ➢ As a part of its CSR activity, the Company provide free medical assistance to many villages surrounding factories where Company's vendor factories are located helping the families lead a better and healthier life.
- ➢ The Company provide student and teacher development programmes and distribute free books in the tribal and other government schools in the surrounding areas including those of Company's vendor factories.

5. Does the Company have a mechanism to recycle products and waste? If Yes, what is the percentage of recycling of products and waste (separately as <5%,5-10%,>10%) Also provide details thereof, in about 50 words or so.

(a) Plastics (including packaging)-

- A new product called "Ring Binder" using 100% recycled Kraft paper, which helps reduce plastic or virgin paper consumption has been implemented by the Company.
- The Company has reused PET strap for palletization of export orders and internal palletized materials movements instead of using new straps every time.
- The Company has replaced all below 50-micron plastic used like BOPP, PP bags, shrink film, etc., to above 51 microns, thereby reducing environment risk. Recycle and reuse old and leftover PP sheets making the manufacturer reuse it in their next production cycle, thereby reducing overall plastic consumption.

(b) E-waste-

- All E-wastes are disposed through the authorized vendor as per the directions laid down by the appropriate statutory bodies.

(c) Hazardous waste-

- All hazardous wastes are disposed through the government authorized vendor.

(d) other waste-

- The majority of the scrap produced by the company is recyclable. The scrap dealers sell waste paper to paper mills for recycling, which accounts for the majority of the scrap. Plastic and cardboard waste are also recycled and reused by the company.

Principle 3 Businesses should promote the well-being of all employees

1. Please indicate total number of employees : 2721
2. Please indicate the total number of employees hired on temporary/contractual/casual basis : 712
3. Please indicate the number of permanent women employee : 176
4. Please indicate the number of permanent employees with disabilities : 19
5. Do you have an employee association that is recognized by Management : No
6. What percentage of your permanent employees is members of this recognized employee association? N.A.
7. **Please indicate the number of complaints relating to child labour, forced labour, involuntary labour, sexual harassment filed in the last financial year and pending as on the date of financial year.**

Sr. No.	Category	No. of complaints filed during the financial year	No. of complaints pending as on end of financial year
1.	Child labour/ forced labour/ involuntary labour	Nil	Nil
2.	Sexual harassment	Nil	Nil
3.	Discriminatory employment	Nil	Nil

8. **What percentage of your under mentioned employees were given safety & skill up-gradation training in the last year?**

   (a) Permanent Employees: 30.47%

   (b) Permanent Women Employees : 15.34%

   (c) Casual/ Temporary/ Contractual Employees : 68.68%

   (d) Employees with Disabilities : 26.32%

Principle 4 Businesses should respect the interest of and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

1. **Has the Company mapped its internal and external stakeholders? Yes/ No.?**

   Yes. The Company has mapped its internal and external stakeholders.

2. **Out of the above, has the Company identified the disadvantaged, vulnerable & marginalized stakeholders?**

   Yes

3. **Are there any special initiatives taken by the company to engage with the disadvantaged vulnerable & marginalized stakeholders. If so, provide details thereof, in about 50 words or so.?**

   The Company ran a number of community intervention initiatives aimed at helping indigenous villagers increase their abilities. Increased access to resources for health and revenue generation were also part of the plan. Maharashtra, Assam, Bihar, and Meghalaya were among the states that participated in the initiative. The Company organized medical camps in rural Gujarat, providing access to 245 patients who received pre-surgery diagnostic services and were admitted to the camp hospital facilities for treatment and procedures. 591 cataract procedures and 350 heart surgeries were performed in rural areas at another medical camp, reaching out to unreachable people.

   Migrant workers and daily wage earners were the first to feel the effects of Lockdown, which was implemented as a necessary precaution to stop the virus from spreading. They lost their source of income when they lost their jobs. The Company immediately established kitchens in Mumbai and Gujarat to make healthful and hygienic food for daily-wage and migrant workers. 44,316 families in Mumbai, Maharashtra, and Gujarat received healthy meal kits containing rice, wheat flour, dals, sugar, oil, and Indian spices.

Principle 5 Businesses should respect and promote human rights

1. **Does the policy of the company on human rights cover only the company or extend to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/ Others? Partially covered?**

   The Company does not have stated Human Rights Policy. However, few of the aspects are covered in the 'Company's Code of Conduct and Ethics of Employees' and 'Sexual Harassment Policy'.

2. **How many stake holder complaints have been received in the last financial year and what percent was satisfactorily resolved by the management?**

   There were no complaints received from equity shareholders during the financial year 2021-22.

Principle 6 Businesses should respect, protect and make efforts to restore the environment.

1. **Does the policy related to Principle 6 cover only the company or extends to the Group/ Joint Ventures/ Suppliers/ Contractors/ NGOs/Others.**

   The Company continues to show its commitment to the environment sustainability by having and following environment, water & energy conservation policy and health & safety policies, which works towards providing an environmentally sound and safe work atmosphere. All the employees of the Company are trained and aware of their responsibilities towards conservation, health & safety.

   Our policies extend to our whole group and associated parties.

   The Company takes care to increase the awareness of its suppliers, vendors, contractors and others with whom it deals by printing the required environment friendly instructions and what it expects out of them on all its communications with them like purchase orders and service orders. The Company has an additional clause / advise asking all its vendors to use safe and eco friendly packing material and reuse them as much as possible.

   The Company also send periodic communication to all its vendors and contractors about the company's policies and expectations in being supportive of environment conservation apart from conducting audits

2. **Does the company have strategies /initiatives to address global environmental issues such as climate change, global warming etc.? Y/N. If yes, please give hyperlink for webpage etc.**

   Yes. The Company does have strategies/initiatives to address global environment issues as follows :

   ➢ By increasing awareness of employees and others through training of its policies and conducting competitions and programs on special days like environment day, etc. The Company involve families also in such activities for an overall effect. All its employees are well aware of their responsibilities towards conservation, health & safety. They take all necessary steps to reduce the effects of Company's operations on environment.

   ➢ The Company operates in a sustainable manner managing material, energy and water consumption by using the same efficiently, wisely and responsibly.

   ➢ The **environment policy** of the Company helps and guides us in ensuring compliance of all related environmental issues and controls by way of waste management, pollution control, etc.

   ➢ The **water & energy conservation policy** supports and enhances the Company's commitment to environmental sustainability and encourages changes in individual behaviours, actions, and processes.

   ➢ The Company communicate with its suppliers, vendors, contractors, etc. about being environment friendly and Company's expectations regularly. The Company does this by printing slogans, etc. on all its purchase orders, mails, etc. and by periodical communication about its policies and practices in being environment friendly.

   ➢ The Company conducts social compliance audits of its vendors as per BSCI norms.

   ➢ The Company conducted energy audits in its factories to assess and took necessary corrective actions to minimise energy consumption.

- The Company is following all green building initiatives and parameters for its factories.
- The Company's plants have following certifications which are renewed on regular basis show casing its commitment to its EHS and quality initiatives.
  - BSCI
  - Sedex Members Ethical trade Audit (SMETA)
  - ISO 9001 : 2015
  - ISO 14001 : 2015
  - ISO 45001 : 2018
  - WAREX – Warehouse Excellency Award, Platinum Grades awarded to Company's warehouses by Institute of Logistics, CII
  - FSC Certification by Forest stewardship Council

Responsible Sourcing/social audits for customers like Walmart, Target, Staples, etc. are successfully completed. All the compliance audits of new clients are attended to and successfully completed which shows Company's continuous upgradation to all new requirements.

3. Does the Company identify and assess potential environmental risks? Y/N

Yes. The Company conducts Environment risk assessment for all its processes and activities and take precautions / corrective actions as per the analysis. This is done annually or whenever any new activity is introduced.

4. Does the Company have any project related to Clean development Mechanism? If so, provide details thereof, in about 50 words or so. Also, if Yes, whether any environmental compliance report is filed?

The Company believes and is focused on clean development mechanism and has taken up many projects thereby reducing its carbon footprint. Some of them are as follows :

a. India has rich availability of sunlight. In order to tap this natural resource, the Company has installed sky pipe technology to use focused sun light instead of electricity for lighting the plant. Until now the Company has installed the same in many of its premises to save power of 5.04 kwh units/hr. the project is successfully maintained since 3 years.

b. Until now the Company has installed 724 KWP solar panels in two of its factories. The Company uses this solar power in place of regular power consumption of its factories. As a result at both the factories put together, the power consumption is reduced by around 30%.

c. The Company has installed capacity of 4.8 MW of wind power which generates 77,38,000 units of power every year.

The Company submits annual Environmental Audit Statement report submitted to local MPCB yearly as per the legal requirement.

5. Has the company undertaken any other initiatives on-clean technology, energy efficiency, renewable energy etc. Y/N. If yes, please give hyperlink for web page etc.

Apart from the points mentioned in point no. 4 above, The Company also follow below initiatives in its plants to reduce environmental impacts. There are many new initiatives taken in additional to previous ones which are listed below.

1. **Clean Technology** :
   - The Company uses Bagasse and FSC paper in manufacturing to reduce the forest depletion.
   - The Company test the plastics and other relevant materials for compliance of REACH, SVHC and use only safe materials.

2. **Power Consumption** :
   - Production is run on solar power as much as possible. At present the Company is producing approximately 9,00,000 KWH per year in-house with the help of solar panels.
   - The Company has installed sky pipes, a unique solution to use focused day light inside the buildings. By using this, the Company has increased the lux levels from 150 to 300. Power saved is calculated at 5.04 kwh/hour with the amount saving of ₹ 23 per hour.

- ➢ Natural light is used majorly during day time by using polycarbonate sheets in the roof and side walls to allow daylight inside the warehouse.
- ➢ Instead of air compressors, air guns and other alternative methods is used for cleaning wherever possible.
- ➢ Lights used in the plants are 28 Watts tube lights of T5 variety and LED lights which gives more lux levels with less power consumption.
- ➢ All the computers are with the settings to go into sleep mode if inactive for three minutes. This ensures minimum power consumption when computers are not in use.
- ➢ The inside temperature of the plants are kept low by 4-5 degrees Celsius by insulating the building by smart board.
- ➢ Roof is insulated by fiber glass insulation with aluminum foil to keep temperatures low by reflecting sunlight.
- ➢ Instead of providing additional lights to increase lux levels in production, the Company has rearranged the lights to provide almost 50% more lux with same number of lights.
- ➢ Energy efficient motors of 65HP are installed in machinery to reduce power consumption of those machines considerably.
- ➢ The Company maintains all its electrical equipment in proper condition. Systems are set so that minimum power is consumed.

3. **Transport** : In continuation with the Company's sustainability initiatives, it has started ocean transport of its raw material in place of road transport, thereby saving on fuel, time and money.

   While making agreements with transporters, the Company insist that vehicles with PUC and proper maintenance only need to be used for its purposes. Without PUC, no vehicle is allowed within premises nor used for loading and unloading purposes.

4. **Environment Initiatives** :
   - ➢ The Company is maintaining more than ten thousands trees and plants at its factories to increase the green cover. The Company has started the concept of garden green in its factories, wherein the Company cover as much open place as possible with greenery including lawns. The Company added 400 plants to the green cover in last one year.
   - ➢ Rain water harvesting is done by way of self constructed pond and wells in plants.
   - ➢ Solar heater used for heating water and cooking in canteen operations.
   - ➢ Solar panels of 724 KWP generate 9,00,000 KWH of solar power is generated per year.
   - ➢ By making all these improvements, the Company is reducing CO2 emissions by around 671 MT per year because of reduced power consumption and less waste generated. Until now the Company saved around 5600 MT of CO2 emissions.
   - ➢ In last one year the Company has undertaken many energy efficiency projects, because of which it is saving 365817 KW/H electricity and 254.4 Metric Tons of CO2 emissions.
   - ➢ The Company is identified as 'Giga-guru' for its demonstrated results and continuous efforts in reducing CO2 emissions in the project Gigaton of its prime customer. Until now the Company has demonstrated a saving of 19244.2 MT of CO2 emissions.

6. Are the Emissions/Waste generated by the Company within the permissible limits given by CPCB/SPCB for the financial year being reported?

   Yes. The Company conducts periodical emission / waste water testing as per norms and confirm that the parameters are maintained within the levels prescribed by the PCB.

7. Number of Show Cause/ legal notices received from CPCB? SPCB which are pending) i.e. not resolved to satisfaction) as on end of Financial Year.

   NIL

Principle 7 Businesses when engaged in influencing public and regulatory policy should do so in a responsive manner

1. **Is your Company a member of any trade and chamber or association? If yes, Name only those major ones that your business deals with:**

   The Company is member of:

   - Indian Merchant's Chamber
   - The Federation of Educational Publishers in India
   - Bombay Booksellers & Publishers Association
   - The Federation of Indian Publishers
   - CAPEXIL
   - Gujarat Chamber of Commerce & Industry

2. **Have you advocated/lobbied through above associations for the advancement or improvement of public good? Yes/ No. If yes specify the broad areas(drop box: Governance and Administration, Economic Reforms, Inclusive development Policies, Energy security, water, Food Security, Sustainable Business Principles, Others):** No.

Principle 8 Businesses should support growth and equitable development

1. **Does the Company have specified programs/initiatives/ projects in pursuit of the policy related to Principle 8? If yes details thereof.**

   Social development initiatives that enhance income generation to the marginalized communities, increased access to health and medical services to the rural, tribal and underprivileged individuals and encourage young girls and boys to purse education and vocational training by support for fees, coaching and mentoring programs were supported. Activities that nurture environment with participation of people were organized.

2. **Are the programs/projects undertaken through in-house team/own foundation/external NGO/government structures/any other organization?**

   To meet the critical needs arising from COVID pandemic, programs / projects were implemented through implementing partners who had expertise in health and medical care services.

   Programs / projects were undertaken through in-house teams and through implementing NGO partners for work on environment conservation, health and medical care, education, animal welfare, sport development.

3. **Have you done any impact assessment of your initiative?**

   Yes. Impact assessment for education program was conducted during the year.

4. **What is your company's direct contribution to community development projects-Amount in INR and the details of the project undertaken.**

Donations - Sectors Supported during FY 2021-22		
Education Aid and support	₹1,36,00,000/-	29.76%
Promoting health care / Preventing health care	₹1,36,00,000/-	29.76%
Others – Environment, Animal Welfare, conservation of water, sports	₹1,85,00,000/-	40.48%
TOTAL	**₹4,57,00,000/-**	**100%**

5. **Have you taken steps to ensure that this community development initiative is successfully adopted by the community? Please explain in 50 words or so.**

   Core value of community development programs were participation and sustainable development programs. Community intervention programs focused in development of skills amongst the tribal villagers. It also included increase in access to resources for health and income generation sources. The program was implemented in Maharashtra, Assam, Bihar and Meghalaya.

   The process of intervention involved community need assessment by Participatory Rural Appraisal. Meetings with tribal community were organised to understand their problems and involve them in building strategies to meet the needs.

Principle 9 Businesses should engage with and provide value to their customers and consumers in a responsible manner.

1. **What percentage of customers complaints/consumer cases are pending as on the end of financial year.** Nil

2. **Does the company display product information on the product label, over and above what is mandated as per local laws? Yes/No /N.A./Remarks (additional information)** N.A.

3. **Is there any cases filed by any stakeholder against the company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behavior during the last five years and pending as on end of financial year, If so, provide details thereof, in about 50 words or so.** No.

4. **Did your company carry out consumer survey/consumer satisfaction trends?** N.A.

FINANCIAL STATEMENTS

Independent Auditor's Report

To,
The Members of
Navneet Education Limited

REPORT ON THE AUDIT OF STANDALONE IND AS FINANCIAL STATEMENTS

Opinion

We have audited the standalone Ind AS financial statements of **Navneet Education Limited** ("the Company"), which comprise the Balance Sheet as at 31st March 2022, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone Ind AS financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the standalone Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2022, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the standalone Ind AS financial statements* section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ('ICAI') together with the ethical requirements that are relevant to our audit of the standalone Ind AS financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone Ind AS financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter

Recoverability of investments and loans advanced to wholly owned subsidiaries (refer note 9.3 and 10 to the standalone Ind AS financial statements)

Indiannica Learning Private Limited is a CBSE content publisher and exclusive licensee of Encyclopedia Britannica curricular solutions in India and Navneet Futuretech Limited (formerly known as eSense Learning Limited) is involved in the business of e-learning, creation of digital content and has also made strategic investment in field of online education & sporting event management for schools. These subsidiaries have been incurring losses & hence judgement is required in regard to recoverability of investments and loans into these subsidiaries as at 31st March 2022. Accordingly, we determined this to be a key audit matter.

Our procedures on the management's assessment of these matters included discussion on impairment test carried out by management including the business outlook, basis of estimates, valuation technique (fair value report obtained from independent chartered accountant from time to time), appropriateness & reasonableness of assumptions, and various other parameters with the management. We did not identify any significant exceptions to the management's assessment as regards impairment in the carrying value of investments in subsidiaries of ₹ 19,062.94 Lakhs (net of impairment of ₹ 2,995.49 Lakhs) and loan of ₹ 3,321.93 Lakhs to subsidiaries are appropriate and no additional provision for impairment is necessary.

Information Other than the Standalone Ind AS Financial Statements & Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone Ind AS financial statements and our auditor's report thereon.

Our opinion on the standalone Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements, or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE STANDALONE IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act read with the Companies (Indian Accounting Standard) Rules, 2015 as amended from time to time.

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, that were operating effectively for ensuring 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.

In preparing the standalone Ind AS financial statements, 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.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE STANDALONE IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the standalone Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone Ind AS financial statements.

As a part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. We are also:

- Identify and assess the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 our auditor's report to the related disclosures in the standalone Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure I, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   c. The Balance Sheet, the Statement of Profit and Loss including Other Comprehensive Income, the Statement of Changes in Equity and the Statement of Cash Flow dealt with by this Report are in agreement with the books of account.
   d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
   e. On the basis of the written representations received from the directors as on 31st March 2022 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act.
   f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure II; Our report expresses an unmodified opinion

on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.

g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid / provided by the Company to its directors for the year ended 31st March 2022 is in accordance with the provisions of section 197 read with Schedule V of the Act; and

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

i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer notes 43(a), 10.1 and 19.2 to the standalone Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

iv. The management has represented that,

- no funds have been advanced or loaned or invested by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

- no funds have been received by the Company from any person(s) or entities including foreign entities ("Funding Parties"), with the understanding that such Company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that causes us to believe that the representations under sub-clause (iv) contain any material misstatement.

v. The final dividend proposed by the board of directors in the previous year was declared and paid by the Company during the year is in accordance with section 123 of the Companies Act 2013. The Board of Directors of the Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number: 116560W/W100149

Sd/-
Sandeep Shah
Partner
Membership No. 037381
UDIN: 22037381AJEKDU4488

Place: Mumbai
Date: 18th May 2022

Annexure I to Independent Auditor's Report for the year ended 31st March, 2022

[Referred to in paragraph 1 under the heading "Report on other legal and regulatory requirements" of our report of even date]

(i)

(a) (A) The Company has maintained proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment and relevant right to use assets.

(B) The Company has maintained proper records showing full particulars of intangible assets.

(b) The Company has formulated a phased program of physical verification of Property, Plant and Equipment designed to cover all the items at least once over a period of three years. In our opinion, this frequency of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.

(c) According to the information and explanation given to us and on the basis of our examination of the title deeds / purchase agreements we report that, the title deeds of immovable properties included in the Property, Plant and Equipment are held in the name of the Company (including erstwhile name) as at balance sheet date.

(d) The Company has not revalued any of its Property, Plant or Equipment (including Right of Use assets) and intangible assets during the year. Therefore, requirement of clause (i)(d) of paragraph 3 of the Order is not applicable to the Company.

(e) According to the information and explanation given to us as at 31st March 2022, no proceedings have been initiated during the year or are pending against the Company as at 31st March 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (as amended in 2016) and rules made thereunder.

(ii) (a) Physical verification of inventory (other than lying with third parties) has been conducted at reasonable intervals by the management and in our opinion, the coverage and procedure of such verification by the management is reasonable & appropriate; no discrepancies were noticed on verification between the physical stocks and the book records that were 10% or more in the aggregate for each class of inventory. In respect of inventories lying with the third parties, confirmations have been obtained by the Company and material in transit have been verified with reference to subsequent receipts.

(b) The Company has been sanctioned working capital limits in excess of ₹ 5 crores in aggregate from bank on the basis of security, which includes current assets of the Company. The quarterly returns or statements filed by the company with such banks are in agreement with the unaudited books of account of the Company on the day of submission except as regards changes made in the books of accounts during the limited review / final audit, the details of differences are as tabulated below. The Company has not been sanctioned any working capital limit from any financial institution.

(₹ in Lakhs)

Quarter ended	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference
30th June, 2021	Kotak Mahindra Bank	Inventory & Debtors	59,949	58,745	1,204
30th September, 2021	Kotak Mahindra Bank	Inventory & Debtors	52,427	50,976	1,451
31st December, 2021	Kotak Mahindra Bank	Inventory & Debtors	53,260	51,029	2,231
31st March, 2022	Kotak Mahindra Bank	Inventory & Debtors	64,845	64,005	840

(iii) According to the information and explanation given to us, the Company has made investments in subsidiary companies and Limited Liability Partnerships and has granted unsecured loans to companies, firms, Limited Liability Partnerships and any other parties.

(a) The Company has granted unsecured loans and stood guarantee for loan taken by the parties as given below:

(₹ in Lakhs)

Particulars	Guarantee	Loan
Aggregate amount during the year - Subsidiary Companies	-	5,026.00
Balance outstanding as at balance sheet date - Subsidiary Companies	5,650.00*	3,336.93
Aggregate amount during the year – Other than Subsidiary Companies	-	876.90
Balance outstanding as at balance sheet date - Other than Subsidiary Companies	-	2,360.87

* For cash credit facilities which are renewed every year

Based on the information and explanation given to us, apart from above, the Company has not made any other investments, provided any guarantee or security or granted any loans or advances in the nature of loans.

(b) In our opinion, the investments made, guarantees provided and the terms and conditions of the loans granted are not prima facie, prejudicial to the Company's interest. The Company has not given any security with respect to loan taken by subsidiary companies and other parties.

(c) In respect of loans and advance in the nature of loans other than demand loans, the schedule of repayment of principal and payment of interest has been stipulated. In respect of these loans the repayment of principal and interest is regular. For other loans, the terms of arrangement stipulate that the principal and interest are repayable on demand. As per the information made available to us, the principal and interest has been repaid as and when demanded except in respect of certain parties where there have been delays / defaults in repayment of principal and interest payments. In absence of repayment schedule as regards principal and interest, the question of our comment on regularity of receipt of principal amount and interest does not arise except as regards reporting in respect of cases where demand for principal / interest is made by the Company.

(d) There are no overdue amounts for more than ninety days in respect of the loans granted except with respect to certain loans which are tabulated as under (also refer comment in sub-clause 'c' above):

(₹in Lakhs)

No. of cases	Principal amount overdue	Interest overdue accrued in the books of account	Total overdue as per books of accounts	Remarks, if any
6	1,509.11	432.87	1,941.98	Reasonable steps have been taken by the management for recovery of principal and interest

(e) No loan granted by the Company which has fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties.

(f) As mentioned in paragraph 3(c) above, part of the total loans granted are repayable on demand and there is no stipulated period of repayment. Details of the said loan is as under:

(₹ in Lakhs)

Particulars	All parties	Promoters	Related parties
Aggregate amount of loan repayable on demand (outstanding balance as on 31st March 2022)	2,743.13	-	865.00
Percentage of loans to the total loan	48.14%	0%	15.18%

(iv) In our opinion and according to the information and explanation given to us, the Company has complied with the provision of section 185 and 186 of the Act in respect of loans given, investments made and guarantees given. No securities have been provided by the Company.

(v) In our opinion and according to the explanations given to us, the Company has not accepted any deposits or amounts which are deemed to be deposits. Therefore, question of reporting compliance with directives issued by the Reserve Bank of India and the provisions of sections 73 to 76 or any other relevant provisions of the Act and the rules framed thereunder does not arise. We are informed that no order relating to the Company has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.

(vi) We have broadly reviewed the books of account and records maintained by the Company pursuant to the Companies (Cost Records and Audit) Rules, 2014 as prescribed by the Central Government for the maintenance of cost records under Section 148 (1) of the Act relating to windmill division and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of records with a view to determine whether they are accurate or complete.

(vii) In respect of statutory dues:

(a) According to the information and explanations given to us and on the basis of our examination of records of the Company, in respect of amounts deducted / accrued in the books of account, the Company has been generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, duty of customs, duty of excise, value added tax, goods and service tax, cess and any other statutory dues, as applicable to the Company, during the year with the appropriate authorities. There are no undisputed statutory dues payable in respect to above statutes, outstanding as at 31st March 2022 for a period of more than six months from the date they became payable.

(b) According to information and explanations given to us and on the basis of our examination of the records of the Company, there is no disputed income tax, sales tax, service tax, duty of customs, duty of excise, value added tax and goods and services tax as on 31st March 2022 which have not been deposited except the following disputed dues which have not been deposited since the matters are pending with the relevant forum:

Name of statutes	Nature of dues	Amount (₹) (net of amount paid under protest)	Period to which it relates	Forum where dispute is pending
The Income Tax Act, 1961	Income Tax	26,08,381	FY 1999-00	Bombay High Court
		3,51,150	FY 2008-09	Assessing Officer
		12,75,495	FY 2012-13	CIT (Appeals)
		12,51,046	FY 2013-14	CIT (Appeals)
		21,40,404	FY 2017-18	CIT (Appeals)

Name of statutes	Nature of dues	Amount (₹) (net of amount paid under protest)	Period to which it relates	Forum where dispute is pending
Central Sales Tax Act and VAT Act of various states	Sales Tax / CST / VAT	8,11,429	FY 2004-05	Sales Tax Appellate Tribunal
		10,84,56,150	FY 2007-08	Departmental Appellate Authorities
		10,26,32,243	FY 2008-09	
		43,88,400	FY 2014-15	
		5,15,482	FY 2015-16	
GST Act of various states	GST	2,66,578	FY 2018-19	Departmental Appellate Authorities
	Total	**22,46,96,758**		

(viii) According to the information and explanations given by the management and based on the procedures carried out during the course of our audit, we have not come across any transactions not recorded in the books of account, which have been surrendered or disclosed as income during the year in the tax assessments under the Income Tax Act, 1961.

(ix) Based on our audit procedures and as per the information and explanations given to us by the management, we are of the opinion that

(a) The Company has not defaulted in the repayment of loans or other borrowings or in the payment of interest thereon to any lender.

(b) We report that the Company has not been declared wilful defaulter by any bank or financial institution or any other lender.

(c) The Company has not obtained any term loans during the year and there were no outstanding term loans at the beginning of the year. Therefore, the clause (ix)(c) of paragraph 3 of the Order is not applicable.

(d) According to the information and explanations given to us, the audit procedures performed by us and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long term purposes by the Company.

(e) On an overall examination of the financial statements of the Company, the Company has not taken any funds from any entity or person on account of or to meet the obligations of its subsidiaries and associate companies. The Company does not have any joint ventures. Hence further reporting under clause (ix)(e) of paragraph 3 of the Order is not applicable.

(f) The company has not raised funds during the year on the pledge of securities held in its subsidiaries and associate companies. The Company does not have any joint ventures. Hence further reporting under clause (ix)(f) of paragraph 3 of the Order is not applicable.

(x) (a) In our opinion and according to the information and explanations given to us, the money raised during the year by issue of commercial papers have been applied for the purposes for which they were obtained. Further, the Company did not raise any money during the year by way of initial public offer or further public offer.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Therefore, question of our comment on compliance with the provisions of Section 42 and section 62 of the Act and utilisation of the amount raised for the purposes for which it was raised does not arise.

(xi) (a) Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company has been noticed or reported during the year.

(b) No report under section 143 (12) of the Act has been filed in Form ADT-4 as prescribed under rule 13 of Companies (Audit and Auditors) Rules, 2014 with the Central Government, during the year and upto the date of this report.

(c) As represented to us by the management, there are no whistle blower complaints received by the Company during the year.

(xii) The Company is not a Nidhi company. Therefore, the clause (xii) of paragraph 3 of the Order is not applicable to the Company.

(xiii) According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and the details of such transactions have been disclosed in the financial statements as required by the applicable Indian accounting standards. Refer note 58 of the Standalone Ind AS financial statement.

(xiv) (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered, the internal audit reports of the Company issued till date, for the period under audit.

(xv) In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transaction with directors or persons connected with directors. Therefore, clause (xv) of paragraph 3 the Order is not applicable

(xvi) (a) In our opinion and according to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934. Hence, reporting under clause (xvi) (a), (b) and (c) of paragraph 3 of the Order is not applicable.

(b) According to the information and explanation given to us, there is no core investment company within the Group (as defined in the Core Investment Companies (Reserve Bank) Directions, 2016) and accordingly reporting under clause (xvi) (d) of paragraph 3 of the Order is not applicable.

(xvii) The Company has not incurred any cash losses during the financial year ended 31st March 2022 and the immediately preceding financial year. Therefore, the clause (xvii) of paragraph 3 of the Order is not applicable to the Company for the year.

(xviii) There has been no resignation of the statutory auditors during the year. Therefore, the clause (xviii) of paragraph 3 of the Order is not applicable.

(xix) According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realization of financial assets and payment of financial liabilities, other information accompanying the financial statements, our knowledge of the Board of Directors and management plans and based on our examination of the evidence supporting the assumptions, nothing has come to our attention, which causes us to believe that any material uncertainty exists as on the date of the audit report indicating that Company is not capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the Company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the Company as and when they fall due.

(xx) During the year there are no unspent amount towards Corporate Social Responsibility (CSR). Accordingly, reporting under clause (xx)(a) and (b) of paragraph 3 of the Order is not applicable for the year.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number: 116560W/W100149

Sd/-
Sandeep Shah
Partner
Membership No. 037381
UDIN: 22037381AJEKDU4488

Place: Mumbai
Date: 18th May 2022

Annexure II to Independent Auditor's Report for the year ended 31st March, 2022

[Referred to in paragraph 2 (f) under the heading "Report on other legal and regulatory requirements" of our report of even date]

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER SECTION 143(3)(i) OF THE COMPANIES ACT, 2013 ("THE ACT")

Opinion

We have audited the internal financial controls over financial reporting of **Navneet Education Limited** ("the Company"), as of 31st March 2022, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, 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').

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls over Financial Reporting

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 issued by 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 Act.

Auditor's 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, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of the standalone Ind AS 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 the standalone Ind AS financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorizations 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 standalone Ind AS financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number: 116560W/W100149

Sd/-
Sandeep Shah
Partner
Membership No. 037381
UDIN: 22037381AJEKDU4488

Place: Mumbai
Date: 18th May 2022

Standalone Balance Sheet
as at 31st March, 2022

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	16,859	15,119
(b) Right-of-use assets	4	1,713	2,569
(c) Capital work-in-progress	5	119	2,212
(d) Investment property	6	1,423	1,496
(e) Intangible assets (other than Goodwill)	7	103	278
(f) Intangible assets under development	8	272	-
(g) Financial assets			
(i) Investments	9	33,772	29,213
(ii) Loans	10	4,455	2,169
(iii) Others	11	339	332
(h) Deferred tax assets (net)	12	-	484
(i) Assets for non-current tax (net)	13	701	589
(j) Other non-current assets	14	274	233
Total non-current Assets		**60,030**	**54,695**
Current assets			
(a) Inventories	15	45,759	40,157
(b) Financial assets			
(i) Trade receivables	16	19,044	14,249
(ii) Cash and cash equivalents	17	1,891	1,712
(iii) Other bank balances	18	317	346
(iv) Loans	19	1,116	858
(v) Other financial assets	20	1,172	1,934
(c) Other current assets	21	5,695	6,912
(d) Non-current assets held for sale	22	-	188
Total current Assets		**74,994**	**66,357**
TOTAL ASSETS		**1,35,024**	**1,21,052**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	23	4,524	4,577
(b) Other equity	24	1,08,190	99,309
Total equity		**1,12,714**	**1,03,886**
LIABILITIES			
Non-Current liabilities			
(a) Financial Liabilities			
(i) Lease liabilities	25	1,079	2,037
(ii) Deferred tax liabilities (net)	12	306	-
Total non-current liabilities		**1,385**	**2,037**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	26	7,000	-
(ii) Lease liabilities	25	958	846
(iii) Trade payables	27		
- Amount due to micro and small enterprises		724	755
- Amount due to others		5,076	6,189
(iv) Other financial liabilities	28	2,190	2,482
(b) Other current liabilities	29	1,053	1,150
(c) Provisions	30	3,718	2,814
(d) Liabilities for current tax (Net)	31	206	193
(e) Deposits associated with assets held for sale	32	-	700
Total current liabilities		**20,925**	**15,129**
TOTAL EQUITY AND LIABILITIES		**1,35,024**	**1,21,052**

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place : Mumbai
Date : 18th May, 2022

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Kalpesh D. Dedhia
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place : Mumbai
Date : 18th May, 2022

Statement of Profit & Loss

for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Notes	For the year ended 31st March, 2022	For the year ended 31st March, 2021
I. Revenue from operations	33	1,06,052	80,297
II. Other income (net)	34	2,019	1,452
III. Total Income (I + II)		**1,08,071**	**81,749**
IV. Expenses			
Cost of materials consumed	35	53,076	34,606
Purchase of stock-in-trade		554	44
Changes in inventories of finished goods, stock-in-trade & work-in-progress	36	(2,377)	3,806
Manufacturing expenses	37	9,034	5,944
Employee benefits expense	38	15,488	13,608
Finance costs	39	368	684
Depreciation and amortisation expense	40	3,270	3,473
Other expenses	41	13,261	11,156
IV. Total Expenses		**92,674**	**73,321**
V. Profit / (Loss) before exceptional items and tax for the period / year (III - IV)		**15,397**	**8,428**
VI. Exceptional items (net)	**42**	**4,580**	**-**
VII. Profit before tax for the year (V + VI)		**19,977**	**8,428**
VIII. Tax expense:			
Current tax		4,424	2,568
Deferred tax charge / (credit)		863	(249)
(Excess) / Short Provision of earlier year		28	(54)
		5,315	**2,265**
IX. Profit for the year (VII - VIII)		**14,662**	**6,163**
X. Other comprehensive income:			
a) Items that will not be reclassified to profit or loss in subsequent year			
Re-measurement of the net defined benefit plan		(283)	(176)
Less: Income tax on above		71	44
b) Items that will be reclassified to profit or loss in subsequent year			
Cash flow hedge through other comprehensive income		(187)	1,715
Less: Income tax on above		47	(432)
X. Total other comprehensive income / (loss) for the year, net of tax		**(352)**	**1,151**
XI. Total comprehensive income for the year (IX + X) (Total of profit and other comprehensive income for the year)		**14,310**	**7,314**
Earnings per equity share of ₹2/- each (Previous Year: ₹2/- each)	48		
(1) Basic		6.45	2.69
(2) Diluted		6.45	2.69

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place : Mumbai
Date : 18th May, 2022

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Kalpesh D. Dedhia
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place : Mumbai
Date : 18th May, 2022

Standalone Statement of Cash Flows

for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Cash Flow from Operating Activities		
Profit before tax after exceptional items	19,977	8,428
Adjustments for:		
Interest income	(127)	(204)
(Profit) / Loss on disposal of property, plant and equipment	(6,990)	(3)
(Profit) / Loss on sale of investments	(71)	(79)
(Profit) / Loss on fair valuation of investments	69	-
(Profit) / Loss on Share of LLP	#	#
Finance cost	368	684
Gain on fair value of financial guarantee contracts	(28)	(26)
Allowances for doubtful advances	118	237
Impairment of investments	2,233	390
Allowance for bad and doubtful debts	-	437
Bad debts and other irrecoverable advance written off	74	49
Unrealised foreign exchange fluctuation loss/ (gain)	(63)	(51)
Depreciation and amortisation expense	3,270	3,473
Operating Profit before working capital changes:	**18,830**	**13,334**
Changes in operating assets and liabilities:		
(Increase) / Decrease in inventories	(5,603)	5,375
(Increase) / Decrease in trade and other receivables	(4,805)	5,854
(Increase) / Decrease in other financial assets	444	3,610
(Increase) / Decrease in other non-current financial assets	(2,293)	(151)
(Increase) / Decrease in other non-current assets	23	(182)
(Increase) / Decrease in other current assets	3,700	(2,125)
Increase / (Decrease) in trade and other payables	(1,145)	3,217
Increase / (Decrease) in provisions	904	(19)
Increase / (Decrease) in financial liabilities	(2,898)	569
Increase / (Decrease) in current liabilities	(797)	664
Increase / (Decrease) in other non current liabilities	-	-
Cash Generated from Operations	**6,360**	**30,146**
Less: Income taxes paid (Refer note 63.2)	(4,519)	(2,727)
Net cash inflow / outflow from Operating Activities (A)	**1,841**	**27,419**
Cash flow from Investing Activities		
Purchase of property, plant and equipment, intangible assets (including capital work-in-progress)	(1,988)	(2,860)
Proceeds from disposal of property, plant and equipment	7,236	38
Payments for acquisition of intangible assets (including intangible under development)	(280)	(54)
Loan/advances given to subsidiary companies	(5,026)	(1,580)
Loan/advances received back from subsidiary companies	2,100	2,080
Loan/advances given to other parties	(905)	(1,210)
Loan/advances received back from other parties	1,231	1,111
Payments for capital contribution to subsidiary entity (LLP)	-	(700)
Payments for investment in optionally convertible preference shares of subsidiary	(4,375)	(2,300)
Payment for purchase of investments	(1,00,300)	(1,05,522)

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Proceeds from sale of investments	1,00,371	1,05,370
Payment for investment in subsidiary company	(566)	-
Payments for investment in optionally convertible debenture of subsidiary	(2,478)	-
Proceeds from redemption of Optionally convertible debentures issued by subsidiary Company	586	-
Interest income	216	183
	(4,178)	**(5,443)**
Less: Income taxes paid on interest income (Refer note 63.2)	(57)	(50)
Net cash (outflow) from Investing Activities (B)	**(4,235)**	**(5,493)**
Cash flow from Financing Activities		
Payment made against buyback of shares (face value and premium including buy-back tax)	(3,164)	-
Buy back expense (net of tax)	(49)	-
Proceeds from short term borrowings	10,400	19,081
Repayment of short term borrowings	(9,400)	(25,081)
Proceeds from issue of commercial paper	13,500	10,000
Repayment of commercial paper	(7,500)	(23,000)
Payments of Lease liabilities	(1,048)	(998)
Finance cost	(166)	(432)
Net cash inflow/outflow finance cost from Financing Activities (C)	**2,573**	**(20,430)**
Net Increase in Cash and Cash Equivalents (A + B + C)	**179**	**1,496**
Cash and cash equivalent as at the commencement of the year	1,712	216
Cash and cash equivalent as at the end of the year	1,891	1,712
Net Increase as mentioned above	**179**	**1,496**

Notes:

1. The above Statement of Cash Flows has been prepared under the 'Indirect Method' set out in IND AS 7, "Statement of Cash Flows".
2. Reconciliation of cash and cash equivalents as per Statement of Cash Flows :

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Cash and cash equivalents (note 17)	1,891	1,712
Cash credit considered as cash and cash equivalents (note 26) and book overdraft	-	-
Balances as per statement of cash flow	**1,891**	**1,712**

3. For cash flow related notes refer note 63.

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place : Mumbai
Date : 18th May, 2022

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Kalpesh D. Dedhia
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place : Mumbai
Date : 18th May, 2022

Standalone Statement of Changes in Equity

for the year ended 31st March, 2022

A. Equity Share Capital

(₹ in Lakhs)

Balance as at 1st April, 2020	Changes in equity share capital during the year 2020-21	Balance as at 31 March 2021	Changes in equity share capital during the year 2021-22	Balance as at 31 March 2022
4,577	-	4,577	(53)	4,524

B. Other Equity

(₹ in Lakhs)

Particulars	Reserves and surplus				Other comprehensive income		Total other equity
	Capital Redemption Reserve	Capital Reserve	General Reserve	Retained earnings	Re-measurement of the net defined benefit plan	Cash flow hedge reserve	
Balance as at 31st March, 2020	**33**	**76**	**2,343**	**91,147**	**(523)**	**(1,082)**	**91,995**
Changes in accounting policy/prior period errors							-
Restated balance at 1st April, 2020							-
Addition during the year (net of taxes)					(132)	1,283	1,151
Net profit for the year				6,163			6,163
Balance as at 31st March, 2021	**33**	**76**	**2,343**	**97,310**	**(655)**	**201**	**99,309**
Addition during the year (net of taxes)					(212)	(140)	(352)
Amount utilised for Final Dividend				(2,270)			(2,270)
Amount transferred to capital redemption reserve upon buyback	53			(53)			-
Buy-back from open market (including buy back tax)				(3,111)			(3,111)
Buy-back expenses (net of tax)				(49)			(49)
Net profit for the year				14,662			14,662
Balance as at 31st March, 2022	**87**	**76**	**2,343**	**1,06,489**	**(866)**	**61**	**1,08,190**

Notes: a) The Board of Directors, in its meeting held on 27th May, 2021, had approved the buyback of the Company's fully paid-up equity shares having face value of ₹ 2 per share at the maximum buyback price of ₹ 100 per equity share and the maximum buyback size of ₹ 5,000 Lakhs; the indicative maximum number of equity shares to be bought back would be 50,00,000 Equity shares comprising approximately 2.18% of the paid-up equity shares capital of the Company as of 31st March, 2021 (on a standalone basis). The buyback was offered to all eligible equity shareholders of the Company (other than the promoters, the promoter group and persons in control of the Company) under the open market route through stock exchange mechanism.

The Company has bought back 26,57,319 equity shares upto the year ended 31st March, 2022 under the open market route through stock exchange mechanism which are also extinguished as per Regulation 21 read with Regulation 11 of Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended. Consequently, buyback tax has been accounted on such shares bought back amounting to ₹ 588 Lakhs for the year ended 31st March, 2022. In accordance with section 69 of the Companies Act 2013, during the year ended 31st March, 2022, the Company has created 'Capital Redemption Reserve' of the nominal value of the shares bought back as an appropriation from retained earnings.
The buy back process was completed on 6th December 2021 by the Company.

b) Refer note 24 for nature and purpose of other equity.

The accompanying notes form an integral part of the standalone financial statements.

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place : Mumbai
Date : 18th May, 2022

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Kalpesh D. Dedhia
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place : Mumbai
Date : 18th May, 2022

Standalone Significant Accounting Policies

for the year ended 31st March, 2022

1. Company overview, nature of entity's operations and its principal activities

Navneet Education Limited ('the Company') is a public limited Company incorporated and domiciled in India and has its registered office at Navneet Bhavan, near Shardasharam Society, Bhavani Shankar Road, Dadar, Mumbai - 400028, Maharashtra, India. The Company is listed on Bombay Stock Exchange and National Stock Exchange.

The Company is a leading manufacturer of Maharashtra and Gujarat State Board Publication books and also Stationery Products. The Publishing segment consists of supplementary books such as workbooks, guides, and question banks which are based on the latest prescribed syllabus by state education boards under the brand name of 'Vikas' and 'Gala'. The stationery business consists of paper based and non-paper based stationery under the brand names 'Navneet' and 'Youva'.

The financial statements of the Company for the year ended 31st March, 2022 were approved and adopted by board of directors of the Company in their meeting dated 18th May, 2022.

2. Significant Accounting Policies and Key Accounting Estimates and Judgments

2.1 Basis of preparation

a) Statement of Compliance

The financial statements (on standalone basis) of the Company have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Functional and presentation currency

Items included in the financial statements of the Company are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are prepared in ₹ which is the functional and presentation currency. All amounts are rounded to the nearest lakhs except when otherwise mentioned. Figures less than ₹ 50,000 denoted by #.

c) Basis of measurement

The financial statements have been prepared under historical cost convention basis, except for the following material items which are measured at fair value as required by relevant Ind AS:

i) Certain financial assets and financial liabilities (including derivative instruments) [Refer accounting policy regarding financial instruments in note no. 2.2(j)]

ii) Defined benefit plans

2.2 Significant Accounting policies

a) Presentation and disclosure of financial statements

All assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria set out in the division II of Schedule III of the Companies Act, 2013, for a Company whose financial statements are made in compliance with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Based on the nature of business and their realisation in cash and cash equivalents, 12 months has been considered by the Company for the purpose of current / non-current classification of assets and liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities as the case may be.

b) Property, plant and equipment & Depreciation

i) All Property, plant and equipment are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Cost of property, plant and equipment includes non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable costs of bringing the asset to its working condition and location and present value of the expected cost for the dismantling/ decommissioning of the asset.

ii) Capital work-in-progress comprises of cost incurred on property, plant and equipment not yet ready for their intended use at the Balance Sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

iii) Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

iv) Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these, will flow to the Company and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the Statement of Profit and Loss when incurred.

v) When parts of an item of property, plant and equipment have different useful lives, they are accounted for as a separate item (major components) of property, plant and equipment.

vi) The carrying amount of an item of property, plant and equipment shall be derecognised:

(a) on disposal; or

(b) when no future economic benefits are expected from its use or disposal

vii) Depreciation on property, plant and equipment

a) Depreciation on property, plant and equipment (other than freehold land and capital work in progress) is provided on WDV over the useful lives of the relevant assets net of residual value whose lives are in consonance with the lives mentioned in Schedule II of the Companies Act, 2013, except the case where individual assets whose cost does not exceed ten thousand rupees has been provided fully in the year of capitalisation.

b) In the case of assets purchased, sold or discarded during the year, depreciation on such assets is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such asset has been sold or discarded.

c) The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each balance sheet date to reflect the expected pattern of consumption of the future benefits embodied in the properties, plant and equipment and in case of any changes, effect of the same is given prospectively.

d) Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 and the date that the asset is derecognised.

c) Investment properties & Depreciation on investment properties

i) Property (Land or a Building or part of a building or both and related equipments & furniture) that are held for long term rental yields or for capital appreciation or both, rather than for:

a) Use in the production or supply of goods or services or for administrative purposes; or

b) Sale in the ordinary course of business.

are recognised as investment property in books of account.

ii) Investment properties are measured initially at cost, including transaction costs. Cost of investment properties includes non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable costs of bringing the asset to its working condition and location and present value of any obligatory decommissioning cost for its intended use.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with these, will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are recognised in the Statement of Profit and Loss when incurred.

iii) Depreciation on investment properties

a) Depreciation on investment properties is provided on WDV over the useful life of the relevant assets net of residual value whose life is in consonance with the life mentioned in Schedule II of the Companies Act, 2013.

b) In the case of investment property purchased, sold or discarded during the year, depreciation on such investment property is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such investment property has been sold or discarded.

c) The residual values, useful lives and methods of depreciation of investment properties are reviewed at each balance sheet date to reflect the expected pattern of consumption of the future benefits embodied in the investment properties and in case of any changes, effect of the same is given prospectively.

d) Intangible assets & Amortisation

i) Intangible assets are recognised when the entity controls the asset, it is probable that future economic benefits attributed to the asset will flow to the entity and the cost of the asset can be reliably measured. At initial recognition, intangible assets are recognised at cost. Intangible assets are stated at cost of development and / or consideration paid for acquisition less accumulated amortisation and accumulated impairment loss, if any.

ii) Amortisation of intangible assets is provided on straight line basis over the estimated useful life as tabulated below:

Block	Useful life
Trademark and copyright	10 years*
Software	3 years

* In case where right to use copyright is available for less than 10 years, intangible asset is amortised over the available usage period on straight line basis or any other basis which is appropriate.

iii) The useful lives and methods of amortisation of intangible assets are reviewed at each balance sheet date to reflect the expected pattern of consumption of the future benefits embodied in the intangible assets and in case of any changes, effect of the same is given prospectively.

e) Impairment of non-financial assets

Assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

f) Non-Current assets held for sale

The Company classifies non-current assets as held for sale if their carrying amounts will be recovered principally through sale rather than through continuing use and the sale is highly probable. Management must be committed to the sale, which should be expected within one year from the date of classification. The criteria for held for sale classification is regarded as met only when the asset is available for immediate sale in its present condition, subject to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

i) The appropriate level of management is committed to a plan to sell the asset,

ii) An active programme to locate a buyer and complete the plan has been initiated,

iii) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

iv) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

v) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet. Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised. Gains and losses on disposals of such assets held for sale are determined by comparing proceeds with carrying amounts, and are recognised in the statement of profit and loss.

The Deposits associated with assets held for sale are presented separately from other liabilities in the balance sheet.

g) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

i) Raw materials, packing materials, consumables, stores and spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

The Cost comprises of costs of purchase, duties and taxes (other than those subsequently recoverable) and other costs after deducting discounts and rebates which are incurred in bringing them to their present location and condition. Cost is determined on weighted average basis. Cost also includes the reclassification from OCI of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs.

ii) Work-in-progress / Finished goods are valued at lower of cost and net realisable value. Cost includes direct materials valued on weighted average basis, conversion costs (i.e. costs directly related to the units of production), appropriate proportion of manufacturing overheads based on normal operating capacity and other costs incurred in bringing them to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

iii) Stocks in trade (Traded goods) are valued at lower of cost and net realisable value. Cost includes direct materials valued on weighted average basis, and other costs incurred in bringing them to their present location and condition.

iv) Scraps are valued at estimated net realisable value.

v) Cost of inventories is arrived at after providing for cost of obsolescence wherever considered necessary.

h) Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost.

i) Operating Segments

The operating segments have been identified based on the conditions specified in paragraph 5 to Ind AS 108, i.e. an operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available.

Operating Segments are reported in a manner consistent with internal reporting provided to the CODM. The Managing Director is the CODM of the Company. 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.

j) Financial instruments

Initial Recognition

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs.

Classification of financial assets

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer. All other non-derivative financial assets are 'debt instrument'.

Subsequent Measurement

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

Non-derivative financial assets:

Financial assets at amortised cost and the effective interest method

Debt instruments shall be measured at amortised cost if both of the following conditions are met:

i. the asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and selling assets;

ii. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs.

They are subsequently measured at amortised cost using the effective interest method less any impairment, with interest recognised on an effective yield basis in investment income.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Company may irrevocably elect at initial recognition to classify a debt instrument that meets the amortised cost criteria above as at Fair Value through Profit & Loss (FVTPL) if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortised cost.

Investment in Subsidiaries

Investments in subsidiaries are carried at cost less accumulated impairment losses, if any. Where an indication of impairment exists, the carrying amount of the investment is assessed. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

Equity instruments

At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at Fair Value Through Other Comprehensive Income (FVTOCI).

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

If the Company decides to classify an equity instrument as at FVTOCI, 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 investments designated as FVTOCI are not subject to impairment assessment.

Equity instruments included within the FVTPL category are measured at fair value with all fair value changes recognised in the statement of profit and loss.

Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that do not meet the criteria of classifying as amortised cost or fair value through other comprehensive income described above, or that meet the criteria but the entity has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL.

Investments in equity instruments are classified as at FVTPL, unless the Company designates an investment that is not held for trading at FVTOCI at initial recognition.

Financial assets classified at FVTPL are initially measured at fair value excluding transaction costs.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

Dividend income on investments in equity instruments at FVTPL is recognised in the statement of profit and loss in investment income when the company's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Impairment of financial assets

On initial recognition of the financial assets, a loss allowance for expected credit loss is recognised for debt instruments at amortised cost and FVTOCI. For debt instruments that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income in the statement of profit and loss and does not reduce the carrying amount of the financial asset in the balance sheet.

Expected credit loss of a financial instrument is measured in a way that reflects:

i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;

ii) the time value of money; and

iii) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At each reporting date, the Company assesses whether the credit risk on a financial instrument has increased significantly since initial recognition.

When making the assessment, the company compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Company measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Company measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit and loss.

Derecognition of financial assets

The Company derecognises a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Company neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Company recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Company retains substantially all the risks and rewards of ownership of a transferred financial asset, the Company continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset other than in its entirety (e.g. when the Company retains an option to repurchase part of a transferred asset), the Company allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amounts allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the statement of profit and loss. Cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial liabilities and equity instruments issued by the Company

Classification as debt or equity

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as either 'financial liabilities at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

i) it has been acquired or incurred principally for the purpose of repurchasing it in the near term; or

ii) on initial recognition it is part of a portfolio of identified financial instruments that the Company manages together and for which there is evidence of a recent actual pattern of short-term profit taking; or

iii) It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may also be designated as at FVTPL upon initial recognition if:

i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

ii) the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Company's documented risk management or investment strategy, and information about the company is provided internally on that basis; or

iii) It forms part of a contract containing one or more embedded derivatives, and Ind-AS 109 'Financial Instruments' permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss, except for the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability which is recognised in other comprehensive income.

The net gain or loss recognised in the statement of profit and loss incorporates any interest paid on the financial liability.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

i) the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and

ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Reclassification of financial assets and liabilities

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a re-classification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company re-classifies financial assets, it applies the re-classification prospectively from the re-classification date which is the first day of the immediately next reporting period following the change in business model. The Company does not re-state any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when 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.

Derivatives and hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Company designates certain derivatives as either:

i) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);

ii) hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or

iii) Hedges of a net investment in a foreign operation (net investment hedge).

The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Company also documents the nature of the risk being hedged and how the Company will assess whether the hedging relationship meets the hedge effectiveness requirements (including its analysis of the sources of hedge ineffectiveness and how it determines the hedge ratio).

The full fair value of a hedging derivative is classified as a non-current financial asset or financial liability when the residual maturity of the derivative is more than 12 months and as a current financial asset or financial liability when the residual maturity of the derivative is less than 12 months.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit and loss, together with any changes in the fair value of the hedged item that are attributable to the hedged risk.

Hedge accounting is discontinued when the Company revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to the statement of profit and loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss, and is included in the 'other gains and losses' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the statement of profit and loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 – unadjusted quoted price in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

k) Revenue recognition

The Company earns revenue primarily from sale of knowledge based information in educational and general books, paper stationery and non-paper stationery. The Company also provides job-work services.

Revenue is recognised upon transfer of control of promised products and services to customers, when there are no longer any unfulfilled obligations, in an amount that reflects the consideration which the Company expects to receive in exchange for those products and services. The performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

- Sale of products

  Revenue is recognised at a point in time upon transfer of control of promised products to customers, which coincides with the dispatch coincides with dispatch or delivery of goods as per the relevant terms of the contract, in an amount that reflects the consideration we expect to receive in exchange for those products. The sale is recorded at the fair value of the consideration received or receivable, net of returns and allowances, trade, volume & other discounts / rebate and any taxes or duties collected on behalf of the government such as goods and services tax, etc.

  Accumulated experience and judgement are used to estimate and provide for turnover discounts, expected cash discounts, other eligible discounts, expected returns and incentives.

  Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

- Sale of services

  Revenue from services rendered is recognised at a point in time based on agreements / arrangements with the customers. Revenue for fixed price contracts (including right to use contents) are recognised over the contract period on straight line basis unless there is a more appropriate allocation.

- Income from power generation

  Income from power generation is recognised on the basis of electrical units generated & transferred to transmission company (in excess of captive consumption) and is recognised at prescribed rate as per agreement for sale of electricity by the Company. Income from power generation is grouped under 'Other operating revenue'.

- Other income

  ➢ Interest income in respect of all the debt instruments, financial guarantee's and deposits which are measured at cost or at fair value through other comprehensive income, is recorded using effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

  ➢ Dividend income on investment is accounted for in the year in which the right to receive the payment is established.

l) Government grants

Government grants are recognised when there is reasonable assurance that the Company will comply with the conditions attaching to them and that the grants will be received.

Incentives on exports related to operations as provided by government are recognised in books after due consideration of certainty of utilisation / receipt of such incentive.

m) Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If the receivable is expected to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business, if longer), they are classified as current assets, otherwise as non-current assets.

Trade receivables are measured at their transaction price unless it contains a significant financing component or pricing adjustments embedded in the contract.

Loss allowance for expected life time credit loss is recognised on initial recognition.

n) Foreign currency transactions

Transactions denominated in foreign currencies are recorded at the exchange rates prevailing on the date of the transaction. As at the Balance Sheet date, foreign currency monetary assets and liabilities are translated at closing exchange rate. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realised upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

As per Appendix B to Ind AS 21, when an entity has received or paid advance contribution in a foreign currency, transaction rate as on the date of receipt of advance is considered for recognition of related asset, expenses or income.

o) Employee benefits

i) Short term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting 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.

ii) Post-employment benefits

a) Defined contribution plan

The defined contribution plan is post-employment benefit plan under which the Company contributes fixed contribution to a government administered fund and will have no legal or constructive obligation to pay further contribution. The Company's defined contribution plan comprises of Provident Fund and Labour Welfare Fund. The Company's contribution to defined contribution plans are recognised in the statement of profit and loss in the period in which the employee renders the related services.

b) Defined benefit plan

The Company has defined benefit plans comprising of gratuity. Company's obligation towards gratuity liability is funded and is managed by Life Insurance Corporation of India (LIC). The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to statement if profit and loss in subsequent periods.

The return on plan assets is the Company's expectation of average long-term rate of return on the investment of the fund over the entire life of the related obligation. Plan assets are measured at fair value as at the Balance Sheet date.

The interest cost on defined benefit obligation and return on plan assets is recognised under finance cost.

Gains or losses on the curtailment or settlement of defined benefit plan are recognised when the curtailment or settlement occurs.

iii) Compensated absences

The Company has benefits in the form of compensated absences. The present value of such compensated absences is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions are recognised immediately in the statement of profit and loss as income or expense.

Gains or losses on the curtailment or settlement are recognised when the curtailment or settlement occurs.

p) Leases

The Company had adopted Ind AS 116 'Leases' effective from 1st April, 2019, as notified by the Ministry of Corporate Affairs in the Companies (Indian Accounting Standard) Amendment Rules, 2019.

As a Lessee

- The Company's lease asset classes primarily consist of leases for office premises, warehouses, vehicles and computers.
- At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
- At commencement or on modification of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.
- The Company recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprise of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date net of lease incentive received, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.
- The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any remeasurement

of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term of right-of-use asset.

- The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method.
- The Company has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Company recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.
- The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Company revises the lease term if there is a change in the non-cancellable period of a lease.
- Right-of-use assets and lease liability balances are adjusted on partial / full termination of lease and corresponding gain / loss on such partial / full termination is charged to other income / other expenses in the Statement of Profit and Loss.

As a Lessor:

Lease income from operating leases where the Company is a lessor is recognised (net of GST) in income on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

q) Taxes on income

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

The current Income Tax expense charge is calculated on the basis of the tax laws enacted at the end of the reporting period. Management establishes proper provisions on the basis of amounts expected to be paid to the tax authorities.

Deferred Income Tax is provided in full, using the Balance Sheet Method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using the tax rates that have been enacted at the end of the reporting period.

Deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in Other

Comprehensive Income or directly in Equity, respectively.

Uncertain Tax position

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The Company measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

r) 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.

s) Cash flow statement

Cash Flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

t) Provisions, contingent liabilities and contingent assets

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of the management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognise a contingent asset unless the recovery is virtually certain.

u) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible instruments and it is included from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

v) **Dividend distribution**

Final equity dividends on shares are recorded as a liability on the date of approval by the shareholders and interim equity dividends are recorded as a liability on the date of declaration by the Company's Board of Directors.

2.3 Use of significant accounting estimates, judgments and assumptions

The preparation of the financial statements requires management to make estimates, judgments and assumptions that affect the reported balances of revenues, expenses, assets and liabilities, disclosure of contingent liabilities as on the date of financial statements. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) **Estimated useful lives and scrap value (Property, plant & equipment, Investment properties and Intangible assets)**

The Company has conducted internal assessment of residual value and method of depreciation / amortisation of property, plant & equipment, investment properties and intangible assets and estimated that the useful life is in consonance with Schedule II of the Companies Act, 2013. Property, plant & equipment, investment properties and intangible assets represent a significant proportion of the asset base of the Company. Further the Company has estimated that scrap value of property, plant & equipment would be able to cover the decommissioning costs of property, plant & equipment.

Therefore, the estimates and assumptions made to determine useful life, residual value, method of depreciation / amortisation and decommissioning costs are critical to the Company's financial position and performance.

b) **Impairment of investment in subsidiaries**

The Company conducts impairment reviews of investments in subsidiaries whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable or tests for impairment annually. Determining whether the investments in subsidiaries are impaired requires an estimate of the value in use of investments. In considering the value in use, the management has anticipated future cash flows and other factors of the underlying businesses / operations of the subsidiaries and a suitable discount rate in order to calculate the present value. Any subsequent changes to the cash flows due to changes in the above-mentioned factors could impact the carrying value of investments.

c) **Determining the lease term of contracts with renewal as a Lessee**

The Company evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Company uses significant judgement in assessing the lease term (including anticipated renewals).

The Company determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Company is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Company is reasonably certain not to exercise that option. In assessing whether the Company is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Company to exercise the option to extend the lease, or not to exercise the option to terminate the lease. Any subsequent change in certainty of exercising option to extend lease term could impact the carrying value of right of use asset and lease liability significantly.

d) **Impairment of financial assets (including trade receivable)**

Allowance for doubtful receivables and advances (including advances to subsidiaries) represent the estimate of losses that could arise due to inability of the customer / counter party to make payments when due. These estimates are based on the ageing, category, specific credit circumstances and the historical experience of the Company as forward-looking estimates at the end of each reporting period.

e) **Estimation of provisions and contingencies**

Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Company. The Company exercises judgment and estimates in recognising the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgment is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

2.4 New standard issued / modified but not effective as at reporting date

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 %' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

3 Property, plant and equipment (PPE)

(₹ in Lakhs)

Description of Assets	Land (Refer note 3.2 below)	Buildings	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles	Total
Gross block as at 31st March, 2020	**1,725**	**11,919**	**23,283**	**470**	**1,815**	**2,486**	**41,700**
Additions during the year 2020-21	403	-	627	35	71	269	1,406
Deduction for the year 2020-21	-	-	53	1	260	282	595
Transfer to assets held for sale	78	-	-	-	-	-	78
Gross block as at 31st March, 2021	**2,050**	**11,919**	**23,857**	**504**	**1,626**	**2,474**	**42,432**
Additions during the year 2021-22	-	2,747	952	128	56	71	3,953
Deduction for the year 2021-22	-	56	120	#	-	30	207
Transfer to assets held for sale	-	-	-	-	-	-	-
Gross block as at 31st March, 2022	**2,050**	**14,611**	**24,689**	**632**	**1,682**	**2,515**	**46,179**
Accumulated depreciation upto 31st March, 2020	**-**	**6,723**	**15,314**	**409**	**1,477**	**1,613**	**25,537**
Depreciation for the year 2020-21	-	437	1,469	31	87	312	2,336
Deduction for the year 2020-21	-	-	50	1	247	263	560
Accumulated depreciation upto 31st March, 2021	**-**	**7,160**	**16,733**	**439**	**1,318**	**1,662**	**27,313**
Depreciation for the year 2021-22	-	410	1,388	32	74	252	2,156
Deduction for the year 2021-22	-	23	96	#	-	29	149
Accumulated depreciation upto 31st March, 2022	**-**	**7,547**	**18,025**	**471**	**1,392**	**1,885**	**29,321**
Net Block as at 31st March, 2022	**2,050**	**7,064**	**6,664**	**161**	**290**	**630**	**16,859**
Net Block as at 31st March, 2021	2,050	4,760	7,125	66	308	812	15,119

3.1 Refer note 44 (a) for disclosure of contractual capital commitments for acquisition of property, plant and equipment.

3.2 The Company had adopted Ind AS 116 'Leases' and accordingly had reclassified Leasehold land whose gross block of ₹ 86 Lakhs (Previous year: ₹ 86 Lakhs) and accumulated depreciation of ₹ 84 Lakhs (Previous year: ₹ 84 Lakhs) from Property, Plant and Equipment to 'Right of use assets' (also refer note 4).

4 Right of use assets

(₹ in Lakhs)

Description of Assets	Office premises	Land (Refer note 3.2)	Total
Gross block as at 31st March, 2020	**4,277**	**86**	**4,363**
Additions during the year 2020-21	-	-	-
Deduction for the year 2020-21	-	-	-
Gross block as at 31st March, 2021	**4,277**	**86**	**4,363**
Additions during the year 2021-22	-	-	-
Deduction for the year 2021-22	-	-	-
Gross block as at 31st March, 2022	**4,277**	**86**	**4,363**

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

(₹ in Lakhs)

Description of Assets	Office premises	Land (Refer note 3.2)	Total
Accumulated depreciation upto 31st March, 2020	**855**	**84**	**940**
Depreciation for the year 2020-21	855	-	856
Deduction for the year 2020-21	-	-	-
Accumulated depreciation upto 31st March, 2021	**1,711**	**84**	**1,795**
Depreciation for the year 2021-22	855	-	855
Deduction for the year 2021-22	-	-	-
Accumulated depreciation upto 31st March, 2022	**2,566**	**84**	**2,650**
Net Block as at 31st March, 2022	**1,711**	**2**	**1,713**
Net Block as at 31st March, 2021	2,566	2	2,569

4.1 Refer note 45 for disclosures relating to Ind AS 116 'Leases'.

5 Capital work-in-progress

(₹ in Lakhs)

Description of Assets	Land	Building	Plant and Equipment	Office Equipment	Furniture	Total
As at 31st March, 2020	**85**	**26**	**287**	**-**	**29**	**427**
Additions during the year 2020-21	-	1,882	266	-	38	2,186
Capitalised in PPE in year 2020-21	85	-	287	-	29	401
As at 31st March, 2021	**-**	**1,908**	**266**	**-**	**38**	**2,212**
Additions during the year 2021-22	-	18	45	3	38	104
Capitalised in PPE in year 2021-22	-	1,885	274	-	38	2,197
As at 31st March, 2022	**-**	**41**	**37**	**3**	**38**	**119**

5.1 (a) CWIP Ageing schedule as at 31st March, 2022

CWIP	Amount in CWIP for period of				Total
	Less then 1 year	1-2 years	2-3 years	more than 3 years	
Projects in progress*	119				119
	119				**119**

(b) WIP Ageing schedule as at 31st March, 2021

CWIP	Amount in CWIP for period of				Total
	Less then 1 year	1-2 years	2-3 years	more than 3 years	
Projects in progress*	2,186	26			2,212
	2,186	**26**			**2,212**

* The projects in progress are within the timelines and approved budgets.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

6 Investment Property

(₹ in Lakhs)

Description of Assets	Building (Refer note 6.2 below)	Plant and Equipment	Office Equipment	Furniture and Fixtures	Total
Gross block as at 31st March, 2020	**2,862**	**104**	**7**	**171**	**3,144**
Additions during the year 2020-21	-	-	-	-	-
Deduction for the year 2020-21	-	-	-	-	-
Transfer to Assets held for sale	406	14	-	-	420
Gross block as at 31st March, 2021	**2,456**	**90**	**7**	**171**	**2,724**
Additions during the year 2021-22	-	-	-	-	-
Deduction for the year 2021-22			-	-	-
Transfer to Assets held for sale	-	-	-	-	-
Gross block as at 31st March, 2022	**2,456**	**90**	**7**	**171**	**2,724**
Accumulated depreciation upto 31st March, 2020	**1,188**	**98**	**7**	**160**	**1,453**
Depreciation for the year 2020-21	82	#	-	1	84
Deduction for the year 2020-21	-	-	-	-	-
Transfer to Assets held for sale	296	13	-	-	309
Accumulated depreciation upto 31st March, 2021	**974**	**86**	**7**	**161**	**1,228**
Depreciation for the year 2021-22	73	#	-	1	74
Deduction for the year 2021-22			-	-	-
Transfer to Assets held for sale	-	-	-	-	-
Accumulated depreciation upto 31st March, 2022	**1,046**	**86**	**7**	**162**	**1,301**
Net Block as at 31st March, 2022	**1,410**	**4**	**#**	**9**	**1,423**
Net Block as at 31st March, 2021	1,482	4	#	10	1,496

6.1 Amount recognized in Statement of Profit and Loss for investment properties:

(₹ in Lakhs)

Particulars	31-Mar-22	31-Mar-21
Rental income (grouped under note 34 in other income)	487	612
Direct operating expenses that generated rental income	(28)	(39)
Profit from investment properties before depreciation	**459**	**573**
Depreciation	(74)	(84)
Profit from investment properties	**385**	**489**

Also refer note 45 (b) for disclosure related to 'Leases' of investment properties.

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

6.2 Building with a carrying amount of ₹1,093 Lakhs (Previous year: ₹1,149 Lakhs) are subject to first charge to secure bank loan. The same property is provided on cancellable lease to one of its subsidiary as at 31st March, 2022.

6.3 Fair value of investment properties as at year-end 31st March, 2022 was determined based on valuation carried by external independent property valuer, having appropriate recognised professional qualifications which was ₹ 3,175 Lakhs (Previous Year ₹2,966 Lakhs). During the year, part of the assets which were transferred to asset held for sale in previous year are sold at sale consideration of ₹ 7,000 Lakhs as per arrangement made with one of the related parties (also refer note 22.1).

6.4 The Company has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements and there are no restriction on remittance of income and proceed on disposal (except restriction over disposal of investment property as disclosed in note 6.2 above).

7 Intangible assets (Other than Goodwill)

(not internally generated)

(₹ in Lakhs)

Description of Assets	Trade Mark	Copy Right	Software (including SAP)	Total
Gross block as at 31st March, 2020	**60**	**1,145**	**1,305**	**2,510**
Additions during the year 2020-21	1	-	105	106
Deduction for the year 2020-21	-	-	-	-
Gross block as at 31st March, 2021	**61**	**1,145**	**1,410**	**2,616**
Additions during the year 2021-22		-	8	8
Deduction for the year 2021-22	-	-	-	-
Gross block as at 31st March, 2022	**61**	**1,145**	**1,418**	**2,624**
Accumulated depreciation upto 31st March, 2020	**58**	**874**	**1,208**	**2,140**
Amortisation expense for the year 2020-21	#	119	78	197
Deduction for the year 2020-21	-	-	-	-
Accumulated depreciation upto 31st March, 2021	**58**	**994**	**1,286**	**2,338**
Amortisation expense for the year 2021-22	#	111	72	183
Deduction for the year 2021-22	-	-	-	-
Accumulated depreciation upto 31st March, 2022	**60**	**1,105**	**1,356**	**2,521**
Net Block as at 31st March, 2022	**2**	**39**	**61**	**103**
Net Block as at 31st March, 2021	2	151	124	278

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

7.1 Remaining useful life of intangible assets

Description	Carrying amount as at [Amount in ₹ in Lakhs]		Remaining useful life as at [Months]	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Trade Mark	2	3	58 to 103	69 to 114
Copy Right	39	151	3 to 63	10 to 74
Software	61	124	4 to 35	2 to 34
Total	**102**	**278**		

8 Intangible assets under development
(not internally generated)

(₹ in Lakhs)

Description of Assets	Software (including SAP)	Tech platform	Total
As at 31st March, 2020	**53**	**-**	**53**
Additions during the year 2020-21	-	-	-
Capitalised in intangible assets in year 2020-21	53	-	53
As at 31st March, 2021	**-**	**-**	**-**
Additions during the year 2021-22	10	262	272
Capitalised in intangible assets in year 2021-22	-	-	-
As at 31st March, 2022	**10**	**262**	**272**

8.1 (a) Intangible assets under development Ageing schedule as at 31st March, 2022

CWIP	Amount in CWIP for period of				Total
	Less then 1 year	1-2 years	2-3 years	more than 3 years	
Projects in progress	272	-	-	-	272
	272	**-**	**-**	**-**	**272**

(b) Intangible assets under development Ageing schedule as at 31st March, 2021

CWIP	Amount in CWIP for period of				Total
	Less then 1 year	1-2 years	2-3 years	more than 3 years	
Projects in progress	-	-	-	-	-
	-	**-**	**-**	**-**	**-**

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

9 Non Current Financial Assets - Investments

(₹ in Lakhs)

Note No.	Particulars		As at 31st March, 2022	As at 31st March, 2021
A.	**Valued at Cost, Unquoted Investments**			
i)	**Investment in subsidiary companies**			
	a)	Navneet Futuretech Limited (Refer notes 9.2, 9.8 and 65)		
		Equity instruments		
		2,36,33,500 (PY: 2,36,33,500) Equity Shares of ₹10/- each, fully paid up	2,685	2,677
		Other instruments		
		6,67,50,000 (PY: 2,30,00,000) 0% Optionally Convertible Preference Shares of ₹ 10 each	6,675	2,300
		Less: Impairment loss (Refer note 9.3 below)	(526)	(526)
			8,835	**4,451**
	b)	Indiannica Learning Private Limited (Refer note 9.2 and 9.7 below)		
		Equity instruments		
		4,93,51,063 (PY: 4,93,51,063) Equity Shares of ₹ 10/- each, fully paid up	7,798	7,778
		Other instruments		
		4,90,00,000 (PY: 4,90,00,000) 0% Optionally Convertible Preference Shares of ₹ 10 each	4,900	4,900
		Less: Impairment loss (Refer note 9.3 below)	(2,470)	(237)
			10,228	**12,441**
	c)	Navneet (HK) Limited		
		Equity instruments		
		2,73,070 (PY: 2,73,070) Equity Shares of HK$ 1 each, fully paid up	23	23
	d)	Navneet Tech Ventures Private Limited (Refer note 9.4)		
		Equity instruments		
		56,60,004 (PY: NIL) Equity Shares of ₹ 10 each, fully paid up	566	-
		Other instruments		
		1,89,22,646 (PY: Nil) Optionally Convertible Debentures (OCD) of ₹ 10 each	1,892	-
			2,458	**-**
ii)	**Investment in subsidiary entity**			
	a)	Navneet Learning LLP (Refer note 9.6 below)	11,853	11,853
Sub-total (A)			**33,397**	**28,769**
B.	**Valued at fair value through profit and loss**			
i)	**Quoted Equity Share Investments**			
	a)	Career Point Limited (Refer note 9.9)	375	444
		3,39,025 (PY: 3,39,025) Equity Shares, face value of ₹ 10 each, fully paid up		
Sub-total (B)			**375**	**444**
Total (A+B)			**33,772**	**29,213**

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

(₹ in Lakhs)

Note No.	Particulars	As at 31st March, 2022	As at 31st March, 2021
9.1	Aggregate amount of unquoted investments (gross amount)	36,392	29,531
	Aggregate amount of Impairment in value of unquoted investment	(2,995)	(762)
	Aggregate amount of unquoted investments (net amount)	33,397	28,769
	Aggregate book value / market value of quoted investments	375	444
Total		**33,772**	**29,213**

9.2 Financial guarantees are issued in favour of the banks against loan taken by subsidiaries. The amount of guarantee is ₹ 5,650 Lakhs (Previous Year ₹ 5,650 Lakhs). Fair value of such guarantee amount is included to investment disclosed above amounting to ₹ 229 Lakhs (Previous year: ₹ 221 Lakhs) and ₹ 175 Lakhs (Previous year: ₹ 155 Lakhs) for Navneet Futuretech Limited and Indiannica Learning Private Limited respectively. (Refer footnote (ii) of note 58).

9.3 Impairment test for investments and loan to Navneet Futuretech Limited & Indiannica Learning Private Limited: The Company has made long-term investments into these subsidiaries. These companies have incurred losses during the year and previous years Considering the same, detail impairment test has been carried out by the Management. Disclosure in regards to impairment tests carried in regards to these subsidiaries are as under:

a) Impairment test for investment into 'Indiannica Learning Private Limited'

During the year, the impairment test carried out by the management including the business outlook, basis of estimates, valuation technique (fair value report obtained from independent chartered accountant from time to time), appropriateness & reasonableness of assumptions, actual performance as against budget and various other parameters with the management of the subsidiary Company, and based on which, the Company has recognised impairment loss of ₹ 2, 233 Lakhs (Previous year: ₹ 237 Lakhs). This loss is charged to the Statement of Profit & Loss under 'Other Expenses'. Also refer note 41.

b) Impairment test for investment in 'Navneet Futuretech Limited'

Valuation of equity share investment into this subsidiary Company has been carried out by the management (also fair value report was obtained from independent chartered accountant during the previous year ended 31st March, 2021) based on future profitability and business prospects projected in detailed projections provided by Management of the subsidiary Company, and based on which, the Company has recognised impairment loss of ₹ Nil (Previous year: ₹ 153 Lakhs). This loss is charged to the Statement of Profit & Loss under 'Other Expenses'. Also refer note 41.

c) Key assumptions used for value in use calculations:

i) Discount rate

Discount rates represent the current market assessment of the risks specific to each CGU, taking into consideration the time value of money and individual risks of the underlying assets that have not been incorporated in the cash flow estimates. The discount rate calculation of each CGU is derived from its Weighted Average Cost of Capital (WACC). The WACC takes into account both debt and equity. The cost of equity is derived from the expected return on investment by the Company's investors. The cost of debt is based on the interest-bearing borrowings of the Company. Adjustments to the discount rate are made to factor in the specific amount and timing of the future tax flows in order to reflect a pre-tax discount rate.

Particulars	31st March, 2022	31st March, 2021
Range of pre-tax discount rate considered (depending on working capital position and cost of capital to the subsidiaries)	9.60% to 14.80%	9.60% to 14.80%

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

ii) Growth rate estimate

Growth rate is based on the estimates of growth in business expected by the Management of the Company after taking into account external / industry growth, customer feedback etc.

Management of the Company has performed sensitivity analysis on the above key assumptions to determine value in use.

9.4 The Company has purchased / acquired 100% equity share capital of the 'Navneet Tech Ventures Private Limited' (i.e. 10,000 equity shares of ₹ 10 each, fully paid up) at face value from existing shareholders during the year ended 31st March 2022, accordingly it had become wholly owned subsidiary of the Company with effect from 29th June 2021. The Company has invested in 56,50,004 equity shares at face value amounting to ₹ 565 Lakhs of ₹ 10 each, fully paid up during the year ended 31st March 2022. Further, the Company had invested in 0% fully and compulsorily convertible debentures (FCCDs) amounting to ₹ 2,478 Lakhs at face value of ₹ 10 each which shall be converted into equal number of equity share of the face value of ₹ 10 of the said subsidiary company during the year ended 31st March 2022. During the year ended 31st March 2022, there was a change in terms of issue of these 0% FCCDs, which were converted into 0% fully optionally convertible debentures (FOCDs). Subsequent to the change, 58,57,356 FOCDs were redeemed at ₹ 10 each. This investments are for long-term and strategic in nature. In the opinion of management, no impairment provision in the investment value is required as at 31st March, 2022 based on the estimate of future profitability and business prospects.

9.5 Refer note 66 for information on principal place of business and the Company's ownership interest in the above Subsidiaries.

9.6 The Company holds 93% of voting rights and equivalent share in profit / loss with respect to the investment made in 'Navneet Learning LLP' (subsidiary entity) in accordance with LLP agreement and the underlying value of the assets against this investment is higher as compared to investments made.

9.7 During the earlier years, the Company had invested 4,90,00,000 in Optionally Convertible Preference Shares (OCPS) of ₹ 10 each aggregating to ₹ 4,900 Lakhs in its subsidiary Company 'Indiannica Learning Private Limited' at face value. The OCPSs carries 0% coupon rate. The Subsidiary Company has an option to convert OCPS into same number of Equity shares of the Company of ₹ 10 each (being face value of the shares) at any time after allotment date but before end of 20 years. In case OCPS are not converted by the Subsidiary Company, they shall be redeemed at par in full not later than 20 years from the date of allotment.

9.8 During the year, the Company has invested in 4,37,50,000 (Previous year 2,30,00,000) Optionally Convertible Preference Shares (OCPS) of ₹ 10 each aggregating to ₹ 4,375 Lakhs (Previous year ₹ 2,300 Lakhs) in its subsidiary Company 'Navneet Futuretech Limited' at face value. The OCPSs carries 0% coupon rate. The subsidiary has an option to convert OCPS into 1.103 Equity shares of the Company of ₹ 10 each (being face value of the shares) at any time after allotment date but before end of 20 years. In case OCPS are not converted by the Subsidiary Company, they shall be redeemed at par in full not later than 20 years from the date of allotment.

9.9 As per Ind AS 109 'Financial Instruments', at initial recognition, the Company had chosen to designate investment in Career Point Limited as 'Fair Value through Profit and Loss'. Career Point Limited shares are listed on National Stock Exchange and Bombay Stock Exchange.

9.10 In the previous year, as per pledge arrangement entered into with the party against amount recoverable of ₹ 179 Lakhs (Previous year ₹195 Lakhs) (disclosed under 'Other Non Current Assets' as advance from suppliers in note 14), pledge is invoked by the Company and accordingly shares of 'Shrenik Limited' reflecting in demat account but not reflecting in investment schedule. Further, mark to market gain on such shares is also not accounted as the Company does not have contractual right to recover amount in excess to recoverable amount.

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

10 Non Current Financial Assets - Loans

(Unsecured, unless otherwise stated)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Considered good		
Loans and Advances		
i) Loans to Subsidiary (Refer note 58)	2,472	400
ii) Loans to Employees	172	103
iii) Loans to Vendors	-	-
iv) Other Loans & Advances (Refer note 10.1 below)	1,811	1,666
	4,455	**2,168**
Considered doubtful		
Corporate Deposits	107	107
Other Loans & Advances	18	95
	125	**202**
Less: Allowances for doubtful advances (Refer note 10.2 below)	(125)	(202)
	-	-
Total	**4,455**	**2,169**

10.1 The above amount includes ₹ 1,459 Lakhs (Previous year : ₹ 1,459 Lakhs) from one party against which Company has filed a legal case with Honourable High Court of Mumbai. As per the interim order, the Company possesses the property deed of an immovable property for recovery of the due, which is adequate to cover loan amount. The Company expects the matter to be favourably settled in its favour. Considering the interim order of the Honourable High Court of Mumbai and the possession of the deed of the property, loan against the said property is considered secured.

10.2 Allowances for doubtful advances are accounted based on expected loss assessment carried out on periodic basis by the management. Movement of the same is given below:

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Balance at the beginning of the year	202	137
Allowance made during the year	-	65
Reversal of allowance during the year	77	-
Balance at the end of the year	**125**	**202**

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

11 Other non-current financial assets

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Refund receivable from government authority (Refer note 11.1)	127	114
Security Deposits	212	218
Considered doubtful		
Security Deposit	15	15
Less: Allowances for doubtful advances (Refer note 10.2)	(15)	(15)
Total	**339**	**332**

11.1 As the Company is rightfully entitled to receive Sales tax, Goods and Service tax refunds and other refunds, the same is classified as financial asset in accordance with ITFG clarification issued by the Institute of Chartered Accountants of India.

12 Deferred Tax Assets (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Corresponding effect in Statement of Profit & Loss		
Property, plant and equipment	(1,397)	(221)
Provision for employee benefits	608	379
Provision for sales returns	74	60
Provision for slow-moving inventories	13	13
Allowances for doubtful receivables	248	245
Financial guarantee contracts (subsidiaries)	(86)	(80)
Provision for doubtful advances	142	118
Forward contracts (fair value hedge)	(9)	(26)
Others	168	109
	(239)	598
Corresponding effect in Other Comprehensive Income		
Forward contracts (cash flow hedge)	(67)	(114)
	(67)	(114)
Total	**(306)**	**484**
Opening balance	484	667
Tax (expense) recognised in profit or loss in respect of current year	(863)	249
Tax (expense) recognised in other comprehensive income	47	(432)
Adjustments of tax relating to earlier years	26	-
Closing balance	**(306)**	**484**

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

12.1 Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences.

Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of: (a) deductible temporary differences; (b) the carry forward of unused tax losses; and (c) the carry forward of unused tax credits (Refer note 54 for reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes).

13 Assets for Non current Tax (net)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Advance Income Taxes (Net of provisions)	701	589
Total	**701**	**589**

14 Other Non Current Assets

(Unsecured, unless otherwise stated)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Considered good		
Capital Advance	70	5
Advance to Suppliers (Refer note 14.1)	179	195
Prepaid Expenses	25	33
	274	**233**
Considered doubtful		
Capital Advance	65	65
Less: Allowances for doubtful advances	(65)	(65)
	-	-
Total	**274**	**233**

14.1 These advances to suppliers are secured by equity shares of the party. During the year, the Company has invoked its right on securities pledged by this party from whom recoverable amount as at year-end was ₹ 179 Lakhs (Previous year ₹195 Lakhs). As per the terms of pledge agreement, any consideration in excess of amount recoverable from the party shall be refunded back. Accordingly, market value of shares invoked in excess of amount recoverable is not accounted. Also refer note 9.1.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

15 Inventories
(valued at lower of cost or estimated net realisable value)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Raw Materials	15,372	12,373
Raw Materials in transit	1,830	1,757
Work In Progress	2,518	1,838
Finished Goods	24,768	23,079
Stock in Trade (in respect of goods acquired for trading)	10	4
Stores, Spares & Consumables	1,261	1,107
Total	**45,759**	**40,157**

15.1 During the year, ₹ 454 Lakhs (Previous year ₹ 339 Lakhs) was recognised as an expense for inventories.

15.2 Inventories are subject to first charge to secure bank loan.

15.3 Inventory amount disclosed above is netted off amount after considering impact of provision for slow moving inventories of ₹ 287 Lakhs (Previous year: ₹ 317 Lakhs).

16 Current Financial Assets - Trade receivables
(Unsecured, unless otherwise stated)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Considered good	20,028	15,224
Less: Allowance for bad and doubtful debts and expected credit losses	(984)	(975)
(Refer note 16.5 and 61)		
Total	**19,044**	**14,249**

16.1 Trade receivables are subject to first charge to secure bank loan.

16.2 Trade receivables are generally due between 30 to 90 days. The Company's term includes charging of interest for delayed payment beyond agreed credit days. However, the Company charges interest after considering the historical trend, business prospects, reason for delay, market conditions etc.

16.3 Credit risk is managed at the operational segment level (i.e. publication and stationery). The credit limit and credit period are fixed for each customer after evaluating the financial position, past performance, business opportunities, credit references etc. The credit limit and the credit period are reviewed regularly at periodical intervals.

16.4 As per Memorandum of Understanding with one of the party, a sum of ₹ 286 Lakhs (Previous year: ₹ Nil) is secured by mortgage of immovable property.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

16.5 The Company follows simplified approach & the trade receivables do not contain significant financing component and accordingly the Company does not separately track changes in credit risk of trade receivables as the impairment amount represents "lifetime" expected credit loss. Accordingly, the disclosure as required by Schedule III, Division II as regards (a) Trade Receivables which have significant increase in credit risk & (b) Trade Receivables which are credit impaired is not required. In addition to the pool assessment, the Company carried out individual assessment in respect of certain parties where the possibility of default in collection of trade receivable was high.

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
The amount of trade receivables for which the Company has assessed credit risk on an individual basis	874	865
The amount of loss allowance recognised for such trade receivables	(874)	(865)

16.6 For details of trade receivable from related parties refer note 58.

16.7 Trade receivables ageing schedule as at 31st March, 2022

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	15,481	3,092	369	555	118	19,615
(ii) Less: Allowance for undisputed bad and doubtful debts and expected credit losses						(585)
(iii) Disputed Trade receivables - considered good	-	6	92	175	140	413
(iv) Less: Allowance for disputed bad and doubtful debts and expected credit losses						(399)
Total	**15,481**	**3,098**	**461**	**730**	**258**	**19,044**

Trade receivables ageing schedule as at 31st March, 2021

Particulars	Outstanding for following periods from due date of payment					Total
	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	8,102	5,394	1,087	72	86	14,741
(ii) Less: Allowance for undisputed bad and doubtful debts and expected credit losses						(556)
(iii) Disputed Trade receivables - considered good	11	232	67	76	96	482
(iv) Less: Allowance for disputed bad and doubtful debts and expected credit losses						(419)
Total	**8,113**	**5,626**	**1,154**	**148**	**182**	**14,249**

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

17 Current Financial Assets - Cash and cash equivalents

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Cash on hand	32	35
Balance with scheduled banks		
- In Current Account	1,009	1,677
Current investment in liquid mutual funds (quoted)		
- 77,250 units (Previous year : NIL units) of Mahindra Manulife Overnight Fund - Direct Plan Growth, face value ₹ 1,000 each (Refer note 17.1)	850	-
Total	**1,891**	**1,712**
17.1 Aggregate market value / Net Asset Value of quoted investments	850	-

18 Current Financial Assets -Other bank balances

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Earmarked balances with banks		
- In unpaid and unclaimed dividend account (Refer note 28 and 18.1)	272	301
Bank deposit (Refer note 18.2)	44	44
Other Bank Balances (Refer note 18.3)	1	1
Total	**317**	**346**

18.1 There is no amount due to Investor Education & Protection Fund as on 31st March, 2022.

18.2 Bank deposit includes interest accrued but not due amounting to ₹ 9 Lakhs (Previous year: ₹ 8 Lakhs) and this deposit is under lien for tender deposit given to a customer.

18.3 Other bank balances represent restricted deposits (along-with accrued interest thereon) under lien placed with sales tax authorities.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

19 Current Financial Assets - Loans
(Unsecured, unless otherwise stated)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Considered good		
Inter-corporate Deposits	-	254
Loans and advances (Refer note 19.1)		
i) Loans to Subsidiary (Refer note 9.3 and 58)	865	-
ii) Loans to Employees	147	115
iii) Loans to Vendors	6	2
iv) Other Loans & Advances (Refer note 19.2)	98	487
	1,116	**858**
Considered doubtful		
Other Loans & Advances	-	23
Less: Allowances for doubtful advances	-	(23)
Total	**1,116**	**858**

19.1 The loans and advances given to various parties are for commercial purpose and same is repayable on demand.

19.2 The above amount includes ₹ 55 Lakhs from one party against which Company has filed a legal case in the court of learned Metropoltian Magistrate's Court, Mazgoan, Mumbai.

20 Current Financial Assets - Other financial assets

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Receivables against sale of property, plant and equipment	4	5
Advances to Employees for expenses	86	42
Refund receivable from government authority (Refer note 20.2)	16	293
Export incentive receivable (Refer note 20.3)	734	1,019
Financial assets at fair value (forward & option contracts) (Refer note 46(b))	301	554
Gratuity recoverable from Employee's Gratuity Fund (Refer note 20.1)	31	21
Total	**1,172**	**1,934**

20.1 Gratuity recoverable from Employee's Gratuity Fund maintained with Life Insurance Corporation represents gratuity amount paid to employees directly during the year on behalf such fund.

20.2 Refund receivable from government authority includes GST refunds receivables from government authorities which are expected to be realised within 12 months. Accordingly, the same is grouped as current financial assets. Out of which, subsequent to year end, the Company has received refund of ₹16 Lakhs (Previous year: ₹ 271 Lakhs)

20.3 As the Company is rightfully entitled to receive export incentives, the same is classified as financial asset in accordance with ITFG clarification issued by the Institute of Chartered Accountants of India.

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

21 Other current assets

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
(Unsecured, considered good, unless otherwise stated)		
GST input credit (net) (Refer note 21.1)	2,594	1,428
Prepaid Expenses	308	701
Advance to Suppliers	2,793	4,567
Prepaid gratuity (Refer note note 52 (b) (i) and 30.1)	-	217
Total	**5,695**	**6,913**

21.1 Subsequent to year end, out of these GST input tax credit, the Company has applied for refund amounting to ₹ 860 Lakhs (Previous year: ₹ 262 Lakhs).

22 Non current Assets held-for-sale

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Land	-	78
Building	-	109
Plant and Equipment	-	1
Total	**-**	**188**

22.1 During the previous year, the Company had entered into an arrangement with one of the related party for sale of one building along-with freehold land and equipment attached to it for a sale consideration of ₹ 7,000 Lakhs. During the year risk and rewards were transferred to the buyer upon fulfilment of certain obligations by the Company as listed in the arrangement. The Company had already received ₹ 700 Lakhs as an advance from the buyer in the previous year. Balance ₹ 6,300 Lakhs is received during the year. Also refer note 32.

23 Equity Share Capital

Authorized:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Equity Shares of ₹ 2/-each (₹ 2/- each)	24,82,97,500	4,966	24,82,97,500	4,966
6% Redeemable Non cumulative Preference Shares (RNCPS) of ₹ 10/- each	3,40,500	34	3,40,500	34
Total		**5,000**		**5,000**

Issued, Subscribed & Paid Up:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Equity Shares of ₹ 2/- each (₹ 2/- each) fully paid up	22,62,13,181	4,524	22,88,70,500	4,577
Total		**4,524**		**4,577**

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

23.1 **Reconciliation of the number of Equity Shares outstanding**

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Number of Shares at the beginning of the year	22,88,70,500	4,577	22,88,70,500	4,577
Add: Shares issued	-	-	-	-
Less: Shares bought back	26,57,319	53	-	-
Number of Shares at the end of the year	**22,62,13,181**	**4,524**	**22,88,70,500**	**4,577**

23.2 **Terms / Rights Attached to Equity Shares**

The Company has only one class of equity shares having a par face value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share and all rank pari passu. 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 amount. The distribution will be in proportion to the equity shares held by the shareholders.

23.3 **Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:**

(Number of Shares)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2018
Equity Shares of ₹ 2/- each fully paid up	26,57,319	-	-	46,87,500	-
Total	**26,57,319**	**-**	**-**	**46,87,500**	**-**

23.4 **Equity Shareholders holding more than 5% of the shares**

Name of the shareholders	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	% held	No. of Shares	% held
Bipin Amarchand Gala and Gnanesh Dungarshi Gala - Trustee of Navneet Trust	9,14,19,090	40.41	9,14,19,090	39.94
HDFC Trustee Company Limited - under its various schemes	2,02,32,016	8.94	2,02,32,016	8.84

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

23.5 **Shareholding of Promotors**

Name of the Promotors	As at 31st March, 2022		As at 31st March, 2021		% Change during year
	No. of Shares	% held	No. of Shares	% held	
Bipin Amarchand Gala And Gnanesh Dungarshi Gala - Trustee Of Navneet Trust	9,14,19,090	40.41	9,14,19,090	39.94	0.47
Kalpesh Harakhchand Gala	43,27,635	1.90	43,27,635	1.89	0.01
Gnanesh Dungarshi Gala	42,02,796	1.86	42,02,796	1.84	0.02
Ranjanben Bipinbhai Gala	35,25,232	1.56	35,25,232	1.54	0.02
Sanjeev J Gala	35,03,138	1.55	35,03,138	1.53	0.02
Shailendra J Gala	34,91,144	1.54	34,91,144	1.53	0.01
Anil Dungarshi Gala	33,09,046	1.46	33,09,046	1.45	0.01
Sandeep Shantilal Gala	29,58,831	1.31	28,88,831	1.26	0.05
Ketan Bipin Gala	24,52,635	1.08	24,52,635	1.07	0.01
Bipin Amarchand Gala	22,37,516	0.99	22,37,516	0.98	0.01
Raju Harakhchand Gala	20,08,149	0.89	20,08,149	0.88	0.01
Devish Gnanesh Gala	14,30,386	0.63	14,03,136	0.61	0.02
Priti Gnanesh Gala	13,56,385	0.60	13,56,385	0.59	0.01
Sangita Raju Gala	12,72,821	0.56	12,72,821	0.56	0.00
Shantilal Ramji Gala	12,35,931	0.55	12,65,931	0.55	0.00
Bhairaviben Anil Gala	12,40,715	0.55	12,40,715	0.54	0.01
Vimlaben Shantilal Gala	9,32,135	0.41	10,02,135	0.44	-0.03
Manjulaben J Gala	9,41,375	0.42	9,41,375	0.41	0.01
Harshil Anil Gala	9,61,828	0.43	9,34,577	0.41	0.02
Darsha Dilip Sampat	9,32,638	0.41	9,32,638	0.41	0.00
Jayshree Jaisinh Sampat	8,96,195	0.40	8,96,195	0.39	0.01
Archit R Gala	8,71,338	0.39	8,71,338	0.38	0.01
Madhuri Harakhchand Gala	8,68,022	0.38	8,68,022	0.38	0.00
Jitendra L. Gala (HUF)	7,94,808	0.35	7,94,808	0.35	0.00
Bipin A. Gala (HUF)	7,35,170	0.32	7,35,170	0.32	0.00
Shaan Realtors Private Limited	7,20,813	0.32	7,20,813	0.31	0.01
Shaan Sandeep Gala	5,69,110	0.25	5,69,110	0.25	0.00

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Name of the Promotors	As at 31st March, 2022		As at 31st March, 2021		% Change during year
	No. of Shares	% held	No. of Shares	% held	
Kanchan N. Shah	5,00,000	0.22	5,00,000	0.22	0.00
Parth Sandeep Gala	4,80,800	0.21	4,80,800	0.21	0.00
Pooja K Gala	2,73,379	0.12	2,73,379	0.12	0.00
Chandni Ketan Gala	2,93,657	0.13	2,55,162	0.11	0.02
Karishma Ketan Gala	2,90,737	0.13	2,52,242	0.11	0.02
Jigna Nilesh Shah	1,99,675	0.09	1,99,675	0.09	0.00
Rupal Hiren Shah	2,47,503	0.11	-	0.00	0.11
Harakhchand Nanji Shah	1,25,000	0.06	1,76,393	0.08	-0.02
Anil D. Gala (HUF)	1,61,637	0.07	1,61,637	0.07	0.00
Amrutlal Nanji Shah	1,57,190	0.07	1,57,190	0.07	0.00
Dilip Chatrabhuj Sampat	1,26,267	0.06	1,26,267	0.06	0.00
Jaisinh Kanji Sampat	1,15,677	0.05	1,15,677	0.05	0.00
Henal Tanay Mehta	1,04,800	0.05	1,04,800	0.05	0.00
Jaini Anil Gala	1,00,966	0.04	1,00,966	0.04	0.00
Mita Manoj Savla	96,305	0.04	96,305	0.04	0.00
Stuti K Gala	83,827	0.04	83,827	0.04	0.00
Amarchand R. Gala (HUF)	-	-	76,990	0.03	-0.03
Aditya Sanjeev Gala	65,100	0.03	65,100	0.03	0.00
Dungarshi R. Gala (HUF)	-	-	54,501	0.02	-0.02
Siddhant S Gala	53,078	0.02	53,078	0.02	0.00
Rekhaben Kiritbhai Shah	43,750	0.02	43,750	0.02	0.00
Anushka Kalpesh Gala	42,759	0.02	42,759	0.02	0.00
Manav Shailendra Gala	21,681	0.01	21,681	0.01	0.00
Manisha Shailendra Gala	21,681	0.01	21,681	0.01	0.00
Jasmine S Gala	12,022	0.01	12,022	0.01	0.00
Bipin Amarchand Gala - C/O Siddhant Investments	4,00,000	0.18	-	0.00	0.18
	14,32,12,373	**63.31**	**14,26,46,263**	**62.33**	**0.98**

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

24 Other Equity

(₹ in Lakhs)

Particulars		As at 31st March, 2022	As at 31st March, 2021
A.	**Reserve and Surplus**		
(i)	Capital Redemption Reserve	87	33
(ii)	Capital Reserve	76	76
(iii)	General Reserve	2,343	2,343
(iv)	Retained earnings	1,06,489	97,311
Total		**1,08,995**	**99,763**
B.	**Other comprehensive income**		
(v)	Re-measurement of the net defined benefit plan	(866)	(655)
(vi)	Cash flow hedge through other comprehensive income	61	201
		(805)	**(454)**
Total		**1,08,190**	**99,309**

(i)	**Capital Redemption Reserve**		
	Balance at the beginning of the year	33	33
	Changes during the year	53	-
	Balance at the end of the year	**87**	**33**
	Note: The Company had recognised capital redemption reserve on buyback of equity shares from its general reserve. The amount in capital redemption reserve was equal to nominal amount of the equity shares bought back. This reserve will be utilised in accordance with section 69 of the Companies Act, 2013.		
(ii)	**Capital Reserve**		
	Balance at the beginning of the year	76	76
	Changes during the year	-	-
	Balance at the end of the year	**76**	**76**
	Note: It represents the gains of capital nature which mainly includes the excess of value of net assets acquired over consideration paid by the Company for business mergers and acquisitions in earlier years.		
(iii)	**General Reserve**		
	Balance at the beginning of the year	2,343	2,343
	Changes during the year	-	-
	Balance at the end of the year	**2,343**	**2,343**
	Note: The General Reserve comprises of transfer of profits from retained earnings for appropriation purposes.		

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for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars		As at 31st March, 2022	As at 31st March, 2021
(iv)	**Retained earnings**		
	Balance at the beginning of the year	97,310	91,148
	Amount utilised for Final and Interim Dividend and Dividend Distribution Tax theron (Refer note 55)	(2,270)	-
	Amount transferred to capital redemption reserve upon buy-back	(53)	
	Buy-back from open market (including buy back tax)	(3,111)	
	Buy-back expenses	(49)	
	Net profit for the year	14,662	6,163
	Balance at the end of the year	**1,06,489**	**97,311**
	Note: The amount that can be distributed by the Company as dividend to its equity shareholders is determined based on the financial position and dividend policy of the Company and in compliance with the requirements of the Companies Act, 2013.		
(v)	**Re-measurement of the net defined benefit plan**		
	Balance at the beginning of the year	(654)	(523)
	Addition during the year (net of taxes)	(212)	(132)
	Balance at the end of the year	**(866)**	**(655)**
	Note: Gain / (Loss) arising out of change in actuarial assumption at the time of actuarial valuation is transferred to this reserve through Other comprehensive income.		
(vi)	**Cash flow hedge through other comprehensive income**		
	Balance at the beginning of the year	201	(1,082)
	Net amount recognised during the year	404	620
	Amount recycled to P&L during the year (Refer note 46 (d))	(544)	663
	Balance at the end of the year	**61**	**201**

Note: The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the underlying hedged transaction occurs.

25 Lease Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Lease liabilities on right to use assets	2,037	2,883
Total	**2,037**	**2,883**

25.1 Current and non-current bifurcation:

Particulars	31st March, 2022	31st March, 2021
Current	958	846
Non-current	1,079	2,037

25.2 Refer note 45 for disclosures relating to Ind AS 116 'Leases'.

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

26 Current Financial Liabilities - Borrowings

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Secured		
i) Working Capital Rupee Loan from banks (Refer note 26.1 below)	1,000	-
Unsecured		
From Banks:		
i) Commercial Papers (Refer note 26.2 below)	6,000	-
Total	**7,000**	**-**

26.1 Secured working capital demand loan includes interest accrued but not due amounting to ₹ # (Previous year: ₹ Nil). Interest rate for secured rupee loan is ranging from 4.35% to 4.75%. Subsequent to the year end, this loan has been fully repaid.

26.2 As at year end, commercial papers (unsecured) amounts to ₹ 6,000 Lakhs (Previous year: ₹ NIL). Commercial papers amounting to ₹ 7,500 Lakhs (Previous year: ₹ 10,000 Lakhs) were issued and fully repaid during the year carrying interest rates ranging from 3.68% to 3.72% (Previous year: 5.74% to 6.45%). These Commercial papers were listed on the National Stock Exchange.

26.3 During the year, the Company has been sanctioned working capital limits from banks on the basis of security of current assets; for which the quarterly returns or statements has been filed by the Company with such banks which are in agreement with the books of accounts of the Company except on account of quarter-end cut off / finalisation entries as mentioned below:

(₹ in Lakhs)

Quarter ended	Name of bank	Particulars of Securities Provided	Amount as per books of account	Amount as reported in the quarterly return/ statement	Amount of difference
30th June, 2021	Kotak Mahindra Bank	Inventory & Debtors	59,949	58,745	1,204
30th September, 2021	Kotak Mahindra Bank	Inventory & Debtors	52,427	50,976	1,451
31st December, 2021	Kotak Mahindra Bank	Inventory & Debtors	53,260	51,029	2,231
31st March, 2022	Kotak Mahindra Bank	Inventory & Debtors	64,845	64,005	840

26.4 The Company has not advanced any funds or loaned or invested by the Company to or in any other person(s) or entities, including foreign entities (“Intermediaries”), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

The Company has not received any funds from any person(s) or entities including foreign entities (“Funding Parties”) with the understanding that such Company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the ultimate beneficiaries.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

27 Current Financial Liabilities - Trade payables

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
- Due to Micro, Small and Medium Enterprises (Refer note 27.1)	724	755
- Due to Others	5,076	6,189
Total	**5,800**	**6,944**

27.1 Details of the dues to Micro, Small and Medium Enterprises (MSME), as defined in the Micro, Small and Medium Enterprises Development Act, 2006, as on 31st March, 2022 based on available information with the Company which is as under:

(₹ in Lakhs)

Particulars	2021-22	2020-21
(a) the principal amount remaining unpaid to any supplier at the end of financial year;	724	756
(b) the interest due on above, remaining unpaid to any supplier at the end of financial year;	4	-
(c) the amount of interest paid by the buyer in terms of section 16 of the MSMED Act (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during financial year;	-	-
(d) the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act;	-	-
(e) the amount of interest accrued and remaining unpaid at the end of financial year; and	4	-
(f) the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act.	-	-

Note: The information required to be disclosed in pursuance with the MSMED Act has been determined to the extent of identification of such vendors based on information given by the vendors to the Company.

27.2 Trade payables are non-interest bearing and are normally settled as per due dates generally ranging from 0 to 30 days.

27.3 The Company has financial risk management policies in place to ensure that all payables are paid within the agreed credit terms.

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

27.4 Trade payables ageing schedule as at 31st March, 2022

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	544	169	9	2	1	725
(ii) Others	1,255	2,059	1,714	8	5	34	5,075
(iii) Disputed Dues-MSME							-
(iv) Disputed Dues-Others							-
Total	**1,255**	**2,603**	**1,883**	**17**	**7**	**35**	**5,800**

Trade payables ageing schedule as at 31st March, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	374	380	2	-	#	756
(ii) Others	751	1,389	3,955	16	14	63	6,188
(iii) Disputed Dues-MSME							-
(iv) Disputed Dues-Others							-
Total	**751**	**1,763**	**4,335**	**18**	**14**	**63**	**6,944**

28 Other current financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Creditors for capital goods	28	89
Employee benefits payable	1,648	1,594
Unpaid and unclaimed dividend (Refer note 18 and 28.1)	272	301
Financial guarantee contracts (Refer note 60)	28	28
Security deposits	214	470
Total	**2,190**	**2,482**

28.1 There is no amount due to Investor Education & Protection Fund as on 31st March, 2022.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

29 Other current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advances received from customers	785	916
Statutory Dues		
- Provident Fund / ESIC / Profession Tax	19	10
- Tax Deducted At Source	205	193
- Sales tax / VAT / GST payable	44	31
Total	**1,053**	**1,150**

30 Current provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for Employee Benefits (Refer note 30.1)		
- Compensated absences (Refer note 30.2 and 52 (b) (ii))	2,362	1,814
- Gratuity (Refer note 52 (b) (i))	144	-
Other Provisions		
- Sales return (Refer note 51 (a))	582	488
- Discounts (Refer note 51 (b))	495	377
- Provision for contingencies (Refer note 51 (c))	135	135
Total	**3,718**	**2,814**

30.1 The movement represents the provision created for the year arising out of the actuarial valuation after considering the actual settlements made during the year.

30.2 In case of accumulated compensated absences outstanding as at year-end, the employees have already earned the right to avail the leave and they are normally entitled to avail the leave at any time during the year. As the employees has an unconditional right to avail the leave, the same are classified as 'current provisions' as per the guidance note on Schedule III Division II of the Companies Act, 2013 issued by the Institute of Chartered Accountants of India.

31 Liabilities for Current Tax (Net)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Current Tax Liabilities (Net)	206	193
Total	**206**	**193**

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

32 Deposits associated with assets held for sale

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deposits against sale of non-current assets held for sale (Refer note 22)	-	700
Total	**-**	**700**

33 Revenue from operations

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Sale of products		
- Finished Goods (Refer note 33.1)	1,01,534	77,391
- Traded Goods	448	44
Sale of services	949	794
Other operating revenues		
- Export incentives (Refer note 33.5)	1,160	1,280
- Sale of scrap and waste	1,594	604
- Power generation income	121	144
- Others	246	40
Total	**1,06,052**	**80,297**

33.1 Provision for Sales Returns:

The above amount is net of provision made for sales return amounting to ₹ 582 Lakhs (Previous year ₹ 488 Lakhs). Also refer note 51 (a) and note 30.

33.2 Disclosures of Ind AS 115:

(a) For accounting policy of revenue recognition, refer note 2.2 (k).

(b) Contracts with customer and significant judgement in applying the standard

i) The Company's operations relates to publication of knowledge based information in educational and general books form and manufacturing of paper and other stationery items. It caters to the educational need of Indian as well as Global market. The Company applies the guidance provided in Ind AS 115 'Revenue from contracts with customer' for determining the timing of recognition of revenue.

ii) For details of revenue recognised from contracts with customers, refer note 33 above.

iii) There are no contract assets arising from the Company's contract with customers.

(c) Disaggregation of revenue

i) For disaggregation of revenue, refer break-up given in note 33 above and note 59 (B).

ii) Refer note 59 (A) (iii) for details regarding customer concentration that represents 10% or more of the Company's total revenue during the year ended 31st March, 2022 and 31st March, 2021.

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

(d) Performance obligation

i) For timing of satisfaction of its performance obligations, refer note 2.2(k) of significant accounting policies of the Company.

ii) Unsatisfied (or partially satisfied) performance obligations are due to unexpired contract period in cases of contract where exclusive license is granted to translate, print, publish and sale the translated book in defined territory. The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ Nil (Previous year: ₹ Nil). Aggregate value of transaction with unsatisfied performance obligation was ₹ Nil (Previous year: ₹ Nil) which is fully recognised as revenue in the current year upon fulfilment of obligations.

33.3 Reconciliation of revenue recognized with the contracted price is as follows:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Contracted price	1,04,845	79,923
Less: Reductions towards variable consideration components	1,914	1,693
	1,02,931	78,230
Add: Other Operating Revenue	3,121	2,068
Revenue recognised	**1,06,052**	**80,297**

The reduction towards variable consideration comprises of volume discounts, sales promotion, etc.

33.4 Changes in deferred revenue are as follows :

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance at the beginning of the year	-	-
Revenue recognised that was included in the deferred revenue at the beginning of the year upon fulfilment of obligations	-	-
Balance at the end of the year	**-**	**-**

33.5 The Company receives government assistance in the form of MEIS license / duty drawback, which are issued to eligible exporters. Above revenue includes MEIS, DFIA, RODTEP as applicable and duty drawback income of ₹ 1,160 Lakhs (Previous year: ₹ 1,280 Lakhs). Out of the revenue recognised, ₹734 Lakhs (Previous year: ₹ 1,019 Lakhs) will be received from government upon receipt of balance amount from customer and fulfilment of other procedural formalities.

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

34 Other Income (net)

(₹ in Lakhs)

Particulars		For the year ended 31st March, 2022	For the year ended 31st March, 2021
a)	Interest income		
	Interest income on financial asset (at amortised cost)	127	204
	Income on financial assets measured at FVTPL	28	26
b)	Income from current investments carried at FVTPL		
	Profit on redemption of mutual funds	71	90
	Profit on fair valuation of quoted equity shares	-	-
	Dividend income from mutual funds	#	3
c)	Gain on foreign exchange transactions (net) (Refer note 34.1)	1,024	451
d)	Gain on fair valuation of financial assets (net)	22	31
e)	Other non-operating income		
	Rent income on rented premises (Refer note 45 (b))	487	612
	Profit on sale of property, plant and equipment	177	3
	Other miscellaneous income	83	32
Total		**2,019**	**1,452**

34.1 Gain on foreign exchange transaction includes gain of ₹ 464 Lakhs (Previous Year: Loss of ₹ 524 Lakhs) of exchange difference (net) arising on financial instruments.

35 Cost of materials consumed

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Raw Materials consumed (Refer note 15.1)	53,076	34,606
Total	**53,076**	**34,606**

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

36 Changes in inventories of finished goods, Stock-in -Trade and work-in- progress

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Closing Stock		
Work In Progress	2,518	1,838
Finished Goods	24,768	23,078
Stock in Trade	10	4
	27,296	**24,919**
Opening Stock		
Work In Progress	1,838	2,008
Finished Goods	23,078	26,718
Stock in Trade	3	#
	24,919	**28,726**
Total	**(2,377)**	**3,806**

37 Manufacturing Expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Printing Expenses	1,673	949
Binding Expenses	2,345	1,522
Freight Expenses	754	559
Stores & Spares Consumed	417	342
Power & Fuel	439	328
Other Manufacturing Expenses	3,406	2,244
Total	**9,034**	**5,944**

38 Employee benefits expense

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries, Wages & Bonus	13,815	12,187
Contribution to PF, ESIC and LWF (Refer note 52(a))	787	677
Contribution to Other Funds	377	336
Staff Welfare Expenses	509	408
Total	**15,488**	**13,608**

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

39 Finance costs

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest expenses on borrowings	166	430
Net gain / loss on foreign currency translation and transactions	-	-
Interest expense on lease liability (Refer note 45)	202	254
Total	368	684

40 Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation of property, plant and equipment (Refer note 3)	2,157	2,336
Depreciation of right-of-use assets (Refer note 4)	855	856
Depreciation of investment property (Refer note 6)	74	84
Amortisation of intangible assets (Refer note 7)	184	197
Total	3,270	3,473

41 Other expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Repairs and maintenance		
Building	504	332
Others	237	202
Royalty	1,857	1,498
Transportation Expenses	2,496	1,735
Legal and Professional Fees	861	657
Rent	348	357
Marketing Expenses	633	357
Advertisement	334	260
Sales Commission	699	484
Sales Promotion Expenses	136	47
Sales Tax / GST Expenses (Refer note 41.1 below)	260	224
Insurance	249	226
Bank Charges	108	132
Rates & Taxes	111	90
Allowance for bad and doubtful debts	-	437

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Impairment of investments (Refer note 9.3)	-	390
Auditor's remuneration (Refer note 47)	37	25
Loss on fair valuation of quoted equity shares	69	11
Bad debts & other irrecoverable advance written off	74	49
Corporate Social Responsibility Expenses (Refer note 53)	457	549
Donation	#	-
Contract labour charges	880	733
Other Expenses (Refer note 41.2 below)	2,911	2,364
Total	**13,261**	**11,156**

41.1 As expense-wise breakup in respect of input credit reversals is not readily available, such reversal are grouped under Sales Tax / GST expenses.

41.2 Other expenses do not include any item of expenditure which is exceeding one percent of the revenue from operations or ₹ 10 Lakhs, whichever is higher, in addition to the consideration of 'materiality'.

42 Exceptional items:

Exceptional items represents:

a) ₹ 6,813 Lakhs towards profit on sale of property

b) ₹ 2,233 Lakhs towards provision for impairment of investment in 'Indiannica Learning Private Limited' (Wholly owned subsidiary) driven primarily by the losses incurred during the period, uncertainties and continuous delays in re-opening of schools which has affected the performance of the Company.

43 Contingent liabilities:

(a) Tax matters:

i) For disputed Income tax matters ₹ 494 Lakhs and (Previous year ₹ 455 Lakhs) against which amount provided in books is ₹ 489 Lakhs (Previous year ₹ 449 Lakhs) and amount paid under protest is ₹ 418 Lakhs (Previous year ₹ 412 Lakhs) (Refer below note).

Income tax demands mainly include the appeals filed by the Company before various departmental appellate authorities / High Courts against the disallowances made by income tax authorities of certain deductions / expenses claimed. Pending final decisions, the Company has deposited amounts under protest with Income Tax Authorities.

ii) For disputed sales tax matters ₹ 2,269 Lakhs (Previous Year ₹ 2,307 Lakhs) against which amount paid under protest is ₹ 101 Lakhs (Previous Year: ₹ 90 Lakhs). (Refer below note)

Sales Tax demands have been mainly raised on account of dispute on rate of certain products, non submission of statutory declarations etc. Pending final decisions, the Company has deposited amounts under protest with Sales Tax Department. Also refer note 41.1.

iii) For disputed GST matters ₹ 3 Lakhs (Previous Year ₹ 3 Lakhs) against which amount paid under protest is ₹ # (Previous year: ₹ #) (Refer below note)

GST demand have been mainly raised on account of detention of vehicle by an authority. Pending final decisions, the Company has deposited amounts under protest with GST Department. Also refer note 41.1.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

Note: Future cash outflows in respect of matters considered disputed are determinable only on receipt of judgments / decisions pending at various forums / authorities. The management does not expect these claims to succeed and accordingly, no provision has been recognized in the financial statements.

(b) Against bond (mainly GST benefit):

Duty free imports for which export obligation is pending as at year end amounting to ₹ 11 Lakhs (Previous Year ₹ 9 Lakhs). In the event Company does not meet the respective obligation, GST would have to be paid for which input credit would be available.

44 Capital Commitments and Other Commitments

(a) Estimated amount of contracts remaining to be executed (net of advances) on capital account is ₹ 296 Lakhs (Previous year: ₹ 1,018 Lakhs).

(b) Company is committed to fund its wholly owned subsidiaries as and when required.

45 Disclosure under Ind AS 116 'Leases'

The Company has adopted Ind AS 116 'Leases' effective from 1st April, 2019. Also refer note 2.2(p) for accounting policy on leases.

a) As a Lessee

The Company's lease assets primarily consist of leases for office premises, warehouses, vehicles and computers. For lease arrangement with lease terms of 12 months or less, the Company has applied the 'short-term lease' recognition exemptions and for lease with lower underlying value asset, the Company has applied the 'low value asset' recognition exemption.

(₹ in Lakhs)

Particulars	2021-22	2020-21
a) Interest expense on lease liabilities; (Refer note 39)	202	254
b) Lease expenses		
Lease expenses in case of short term leases (included in 'Other expenses')	323	327
Lease expenses in case of low value leases (other than short term as disclosed above) (included in 'Other expenses')	25	30
Lease payments debited to lease liabilities	1,048	998
Expense relating to variable lease payments not included in the measurement of lease liabilities;	-	-
Income from subleasing right-of use assets;	-	-
Total cash outflow of leases; [including short term and low value leases]	1,396	1,355
Gains or losses arising from sale and leaseback transaction;	-	-

Notes: 1. The right-of-use asset is depreciated using the straight-line method (SLM) from the commencement date over the lease term of right-of-use asset. For details of addition, depreciation and carrying amount of right of use asset, refer note 4.

2. Also refer note 61 for contractual maturities of lease liability (as per Ind AS 107).

3. For the purpose of calculation of lease liabilities, future lease payments are discounted at incremental borrowing rate for the lease term of 5 years. This lease term is arrived based on reasonable certainty of renewal of lease agreement.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

b) As a Lessor

For assets given on cancellable lease, it's depreciation and carrying amount, refer note 6. Also, for rental income earned on those properties, refer note 6.1, which is recognized on a straight line basis over the term of the relevant lease for long term leases.

46 Derivative Financial Instruments

The Company uses derivative financial instruments such as forwards and options, to hedge its risks associated with foreign exchange fluctuation. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted price for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

(a) The assets and liabilities position of various outstanding derivative financial instruments are given below:

Particulars	2021-22		2020-21	
	In USD	₹ in Lakhs	In USD	₹ in Lakhs
Hedge				
Foreign currency forward contract (with underlying trade receivables considered for fair flow hedge) - Assets	55,25,532	4,187	45,33,643	3,315
Foreign currency forward contract (with underlying firm commitments considered for cash value hedge) - Assets	4,10,93,790	31,145	3,19,66,357	23,371
Foreign currency option contract (with underlying firm commitments considered for cash value hedge) - Assets	30,00,000	2,274	10,00,000	731
Total	**4,96,19,322**	**37,606**	**3,75,00,000**	**27,417**

Note: The Company has exchange rate movement risk for above mentioned foreign currency contracts.

(b) Outstanding position of foreign exchange derivative financial instruments (Refer note 20):

(₹ in Lakhs)

Particulars	Currency pair		Fair value Gain / (loss) Amount	
			2021-22	2020-21
Foreign currency forward contract (with underlying trade receivables considered for fair flow hedge)	USD_INR	Sell	36	102
Foreign currency forward contract (with underlying firm commitments considered for cash value hedge)	USD_INR	Sell	232	432
Foreign currency option contracts / Forward Extra (with underlying firm commitments considered for cash value hedge)	USD_INR	Buy & Sell	33	20
Total Gain / (Loss)			**301**	**554**

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

(c) Details of amount held in hedging reserve (i.e. cash flow hedge) and the period over which these are going to be released:

For the year ended as on 31st March, 2022

(₹ in Lakhs)

Particulars	Closing value in hedging reserve Gain / (Loss)	Release in less than 12 months	Release in more than 12 months
Foreign currency forward contracts (gross amount):			
USD_INR (trade receivables)	232	232	Nil
USD_INR (trade payables)	-	-	Nil
Foreign currency option contracts/ Forward Extra (gross amount):			
USD_INR (trade payables)	33	33	Nil
Closing balance as at year end	**265**	**265**	**Nil**

For the year ended as on 31st March, 2021

(₹ in Lakhs)

Particulars	Closing value in hedging reserve Gain / (Loss)	Release in less than 12 months	Release in more than 12 months
Foreign currency contracts (gross amount):			
USD_INR (trade receivables)	432	432	Nil
USD_INR (trade payables)	-	-	Nil
Foreign currency option contracts/ Forward Extra (gross amount):			
USD_INR (trade payables)	20	20	Nil
Closing balance as at year end	**452**	**452**	**Nil**

(d) Amount of gain / loss (net of taxes) recognised in hedging reserve and recycled:

i) During the financial year 2021-22:

(₹ in Lakhs)

Particulars	Opening balance	Net amount recognised	Recycled to P&L (Refer note below)	Closing balance
Foreign currency forward contracts	186	394	(544)	36
Foreign currency option contracts/ Forward Extra	15	10	-	25
Total	**201**	**404**	**(544)**	**61**

ii) During the financial year 2020-21:

(₹ in Lakhs)

Particulars	Opening balance	Net amount recognised	Recycled to P&L (Refer note below)	Closing balance
Foreign currency contracts	(1,082)	605	663	186
Foreign currency option contracts/ Forward Extra	-	15	-	15
Total	**(1,082)**	**620**	**663**	**201**

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

(e) Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes.

The amount of gain / (loss) recognised in Statement of Profit and Loss on account of hedge ineffectiveness for cash flow hedges for the year ended 31st March, 2022 is ₹ Nil (Previous year : ₹ Nil).

47 Auditors Remuneration:

(₹ in Lakhs)

Particulars	2021-22	2020-21
Payment to auditor as:		
a) auditor (i) Statutory audit	26	23
(ii) Tax audit	3	2
b) for taxation matters	-	-
c) for other services	8	#
d) for reimbursement of expenses	-	#
Total	**37**	**25**

48 Earning Per Share :

(₹ in Lakhs)

Particulars	2021-22	2020-21
Net Profit available for Equity Shareholders as per statement of profit and loss	14,662	6,163
Weighted average number of equity shares for basic and diluted EPS (in Numbers)	22,72,54,248	22,88,70,500
Basic and Diluted Earning per share (₹)	6.45	2.69
Face Value Per Equity Share (₹)	**2.00**	**2.00**

49 Details of loans and advance and investments as at the year end and maximum balance thereof as per clause 34(3) read with para A of schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

(₹ in Lakhs)

Particulars	Amount as at year end	Maximum amount outstanding during the year
Loans & Advances in the nature of Loans to subsidiaries (excluding accrued interest):		
Navneet Futuretech Limited (Refer note 65)	2,461	2,461
	-	(800)
Indiannica Learning Private Limited	850	2,550
	(400)	(1,230)
Navneet Tech Ventures Private Limited	15	15
	-	-

Previous year figures are in bracket

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

50 Details of loans given, investments made and guarantees given covered under Section 186(4) of the Companies Act, 2013:

(a) Details of investments made have been given as part of Note 9.

(b) Loans and Financial Guarantees given below:

(₹ in Lakhs)

Particulars	Relationship	Nature of transaction	As at 31st March, 2022	As at 31st March, 2021
Details of loans				
Navneet Futuretech Limited (Refer note 65)	Subsidiary Company	Loan given	2,461	-
Indiannica Learning Private Limited	Subsidiary Company	Loan given	850	400
Navneet Tech Ventures Private Limited	Subsidiary Company	Loan given	15	-
Other Inter corporate deposits (net of provision)	Other corporates	Loan given	1,909	2,153
Details of Guarantees				
Navneet Futuretech Limited (Refer note 65)	Subsidiary Company	Financial Guarantee	1,650	1,650
Indiannica Learning Private Limited	Subsidiary Company	Financial Guarantee	4,000	4,000

Loan and guarantee is given for commercial and corporate purpose. Subsequent to year end, the loan given to related party is received back in full along with interest (except Navneet Tech Ventures Private Limited).

51 Disclosure of movement of provisions :

(a) Provision for sales return

(₹ in Lakhs)

Particulars	2021-22	2020-21
Opening balance of provision	488	544
Add: Addition during the year	582	488
Less: Utilised/Written Back	488	544
Closing balance of provisions	**582**	**488**

Note: Provision has been made for expected return for sales made during the year. Provision for sales return would be utilised against the returns which are expected to be received in the subsequent financial year.

(b) Provision for discounts

(₹ in Lakhs)

Particulars	2021-22	2020-21
Opening balance of provision	377	501
Add: Addition during the year	495	377
Less: Utilised/Written Back	377	501
Closing balance of provisions	**495**	**377**

Note: Provision has been recognized for expected discount to be provided to distributor on the basis of agreed terms and fulfilment of future obligation by distributor.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

(c) Provision for Contingencies

(₹ in Lakhs)

Particulars	2021-22	2020-21
Opening balance of provision	135	135
Add: Addition during the year	-	-
Less: Utilised/Written Back	-	-
Closing balance of provisions	**135**	**135**

Note: Provision has been recognized against certain business related obligations.

52 Employee benefits:

(a) The Company has recognized the following amounts towards defined contribution plans as an expense and included in the Statement of Profit and Loss.

(₹ in Lakhs)

Particulars	2021-22	2020-21
Provident Fund	746	637
Employee State Insurance Corporation	40	39
Labour Welfare Fund	1	1
Total	**787**	**677**

(b) Defined benefit plan and long term employment benefits:

These plans typically expose the Company to actuarial risks such as: Investment, Interest rate, longevity and salary increase risk:

I. Investment / Interest risk: The Company is exposed to Investment / Interest risk if the return on the invested fund falls below the discount rate used to arrive at present value of the benefit. Since the scheme is unfunded in case of compensated absence, the Company is not exposed to Investment / Interest risk.

II. Longevity Risk: The Company is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

III. Risk of Salary Increase: The Company is exposed to higher liability if the future salaries rise more than assumption of salary escalation.

(i) Defined benefit plan and long term employment benefits: Gratuity (Defined benefit plan):

In respect of Gratuity, the Company makes annual contribution to the employee group gratuity scheme of the Life Insurance Corporation of India, funded defined benefits plan for qualified employees. The scheme provided for lump sum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

The Company has provided for gratuity based on the actuarial valuation done as per Project Unit Credit Method. The following table sets out for the status of gratuity plan:

(₹ in Lakhs)

Particulars	2021-22	2020-21
Change in Obligation		
Opening Present Value of Accrued Gratuity	4,609	4,188
Service Cost	324	288
Actuarial changes arising from changes in financial assumptions	754	443
Actuarial changes arising from changes in demographic assumptions	-	-
Actuarial changes arising from changes in experience adjustments	(457)	(301)
Interest Cost	309	275
Less :Benefits paid	(121)	(284)
Closing Present Value of Accrued Gratuity	**5,418**	**4,609**

(₹ in Lakhs)

Change in Plan Asset	2021-22	2020-21
Opening Fund Balance	**4,826**	**4,460**
Interest Income	331	307
Return on the plan asset	14	(35)
Contribution by the Company	224	379
Less :Benefits paid	(121)	(284)
Closing Fund Balance	**5,274**	**4,827**

(₹ in Lakhs)

Reconciliation of present value of obligation and the plan asset	2021-22	2020-21
Closing Fund Balance	5,274	4,827
Closing present value of Accrued Gratuity	5,418	4,609
Net Liability / (Asset) recognized in balance sheet	**144**	**(217)**

(₹ in Lakhs)

Expenses recognized in the Statement of Profit & Loss	2021-22	2020-21
Current Service Cost	324	288
Interest Cost	309	275
Return on Plan Assets	(331)	(307)
Expenses recognized in the Statement of P&L	**302**	**256**

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

(₹ in Lakhs)

Expenses recognized in the other comprehensive income	2021-22	2020-21
Net Actual (Gain) / Loss recognized	297	141
Return on the plan asset	(14)	35
Expenses recognized in the other comprehensive income	**283**	**176**

(₹ in Lakhs)

Movement in the Liability recognized in Balance Sheet.	2021-22	2020-21
Opening Net Liability	(217)	(272)
Expenses as above	302	256
Contribution paid	(224)	(379)
Other comprehensive income (OCI)	283	176
Closing Net Liability	**144**	**(217)**

(₹ in Lakhs)

Experience adjustment:	2021-22	2020-21
Experience adjustment on plan liability	(457)	(301)
Experience adjustment on plan asset	(14)	35
Net experience adjustment	**(471)**	**(266)**

Sensitivity analysis:

Sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be co-related. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as and when calculating the defined benefit liability recognised in the Balance Sheet.

(₹ in Lakhs)

Sensitivity analysis for the year ended 31st March, 2022:

Defined benefit obligation	Discount rate	Salary escalation rate
Effect on defined benefit obligation due to increase by 100 basis point	4,902	6,011
Effect on defined benefit obligation due to decrease by 100 basis point	6,031	4,908

(₹ in Lakhs)

Sensitivity analysis for the year ended 31st March, 2021:

Defined benefit obligation	Discount rate	Salary escalation rate
Effect on defined benefit obligation due to increase by 100 basis point	4,176	5,109
Effect on defined benefit obligation due to decrease by 100 basis point	5,123	4,179

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

(₹ in Lakhs)

Assumptions	2021-22	2020-21
Return on plan assets	6.28%	6.79%
Salary escalation rate	8.00%	7.00%
Discounting rate	6.28%	6.79%
Employee attrition rate	0.80% for all ages	0.80% for all ages
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Composition of plan assets	100% with Life Insurance Corporation (LIC)	100% with Life Insurance Corporation (LIC)

The Company contributes all ascertained liabilities towards gratuity to the Life Insurance Corporation of India under their Group Gratuity Scheme. The reimbursement is subject to insurer's Surrender Policy.

As at 31st March, 2022 and 31st March, 2021, the plan assets have been primarily invested in Government securities. The Company expects to contribute 2,50,00,000 to the gratuity scheme during the next financial year.

Expected maturity analysis of defined benefit obligation

(₹ in Lakhs)

Period	2021-22	2020-21
Within 1 year	449	402
From 1 year to 2 years	500	145
From 2 years to 3 years	240	494
From 3 years to 4 years	224	240
From 4 years to 5 years	259	220
From 5 years to 10 years	1,570	1,390

The weighted average remaining duration of the benefit obligation as at 31st March, 2022 is 10.71 years (Previous year: 10.67 years).

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

(ii) Defined benefit plan and long term employment benefits: Compensated absences (unfunded)

In respect of Compensated absences, accrual is made on the basis of a year-end actuarial valuation in pursuance of the Company's leave rules.

The Company has provided for compensated absences based on the actuarial valuation done as per Project Unit Credit Method. The following table sets out for the status of leave encashment plan:

(₹ in Lakhs)

Particulars	2021-22	2020-21
Change in Obligation		
Opening Present Value	1,814	1,653
Service Cost	835	820
Actuarial changes arising from changes in financial assumptions	173	175
Actuarial changes arising from changes in demographic assumptions	(1)	-
Actuarial changes arising from changes in experience adjustments	(486)	(856)
Interest Cost	120	109
Less :Benefits paid	(94)	(87)
Closing Present Value	**2,361**	**1,814**

(₹ in Lakhs)

Change in Plan Asset	2021-22	2020-21
Opening Fund Balance	-	-
Contribution by the Company	94	87
Less :Benefits paid	(94)	(87)
Closing Fund Balance	**-**	**-**

(₹ in Lakhs)

Reconciliation of present value of obligation and the plan asset	2021-22	2020-21
Closing Fund Balance	-	-
Closing present value	2,361	1,814
Net Liability recognized in balance sheet	**2,361**	**1,814**

(₹ in Lakhs)

Expenses recognized in the Statement of Profit & Loss	2021-22	2020-21
Current Service Cost	835	820
Interest Cost	120	109
Net Actual (Gain) / Loss recognized	(314)	(681)
Expenses recognized in the Statement of P&L	**641**	**248**

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

(₹ in Lakhs)

Movement in the Liability recognized in Balance Sheet	2021-22	2020-21
Opening Net Liability	1,814	1,653
Expenses as above	641	248
Benefits paid	(94)	(87)
Closing Net Liability	**2,361**	**1,814**

(₹ in Lakhs)

Sensitivity analysis for the year ended 31st March, 2022:

PVO	Discount rate	Salary escalation rate
Effect on defined benefit obligation due to increase by 100 basis point	2,099	2,670
Effect on defined benefit obligation due to decrease by 100 basis point	2,681	2,103

(₹ in Lakhs)

Sensitivity analysis for the year ended 31st March, 2021:

PVO	Discount rate	Salary escalation rate
Effect on defined benefit obligation due to increase by 100 basis point	1,639	2,018
Effect on defined benefit obligation due to decrease by 100 basis point	2,024	1,640

(₹ in Lakhs)

Assumptions	2021-22	2020-21
Salary escalation rate	8.00%	8.00%
Discounting rate	6.28%	6.79%
Employee attrition rate	0.80% for all ages	0.80% for all ages
Mortality rate	Indian Assured Lives Mortality (2012-14) Ultimate	Indian Assured Lives Mortality (2006-08) Ultimate
Composition of plan assets	Not funded	Not funded

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

53 As per Section 135 of the Companies Act 2013, a Corporate Social Responsibility (CSR) Committee has been formed by the Company. The areas for CSR activities are Promoting Education, Preventive Health care, Animal welfare & others which are as per eligible activities specified in Schedule VII of the Companies Act, 2013. (Refer also note 63.3)

(₹ in Lakhs)

Particulars	2021-22	2020-21
(i) amount required to be spent by the Company during the year,	457	549
(ii) amount of expenditure incurred,	457	549
(iii) shortfall at the end of the year,	-	-
(iv) total of previous years shortfall	NA	NA
(v) reason for shortfall,	NA	NA
(vi) nature of CSR activities	Education aid, teacher's skill development, digital education facility development, Health care and medical services, Medical services, food for distressed animals	Disaster management, Education aid, teacher's skill development, digital education facility development, Health care and medical services, Medical services, food for distressed animals, Environment conservation, sports and others
(vii) details of related party transactions, e.g. contribution to a trust controlled by the Company in relation to CSR expenditure as per relevant Accounting Standard,	457	544
(viii) where a provision is made with respect to a liability incurred by entering into a contractual obligation, the movements in the provision during the year shall be shown separately	NA	NA

54 Disclosure as per Ind AS 12 'Income Taxes'

A Income tax expense in the statement of profit and loss consists of:

(₹ in Lakhs)

Particulars	2021-22	2020-21
Current income tax:		
In respect of the current year	4,424	2,568
In respect of the prior years	28	(54)
Deferred tax		
In respect of the current year	863	(249)
Income tax expense recognized in the statement of profit or loss	**5,315**	**2,265**

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

(₹ in Lakhs)

Income tax recognized in other comprehensive income:	2021-22	2020-21
Deferred tax arising on income and expense recognized in OCI		
a) Re-measurement of the net defined benefit plan	(71)	(44)
b) Financial liabilities at fair value (Cash flow hedge)	(47)	432
Income tax expense recognized in other comprehensive income	**(118)**	**388**

B The reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows :

(₹ in Lakhs)

Particulars	2021-22	2020-21
Profit before tax (before OCI)	19,977	8,428
Impact of changes on account of permanent disallowances (net) (refer note 54.1)	631	383
Impact of Chapter VI-A deductions (net)	263	201
Adjusted profit	20,871	9,013
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	**5,253**	**2,268**
Tax expenses as per the Statement of Profit and Loss	5,315	2,265
Buy back Expenses - Allowable expenses but part of reserves	(66)	-
Others	4	3
Actual tax expenses	**5,253**	**2,268**

Notes:

54.1 Deferred tax asset is not recognised on provision towards impairment loss on investments amounting to ₹ 2,995 Lakhs (Previous year: ₹ 762 Lakhs) due to lack of reasonable certainty as regard timing of reversal.

54.2 In the opinion of the Management, the Company does not have any item of allowance / disallowance; tax treatment of which is uncertain on account of on-going disputes with the authorities.

55 Dividend distribution

(₹ in Lakhs)

Particulars	2021-22	2020-21
Final dividend for 2020-21 of ₹ 1.00 per equity share (50%)	2,270	-
Interim dividend for 2021-22	-	-
Total	**2,270**	**-**

Final dividend on shares is recorded as a liability on the date of approval by the shareholders and interim dividends are recorded as a liability on the date of declaration by the Company's Board of Directors. The Company declares and pays dividend in Indian rupees. (Also refer Statement of Changes in Equity). Also refer Dividend Distribution Policy of the Company given on the website in 'Corporate Governance Policies' section.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

56 Disclosure as per Ind AS 10 'Events after the reporting period'

a) The directors have recommended payment of final dividend for FY 2021-22 of ₹ 1.50 per equity share (i.e. 75%) in its board of directors meeting held on 18th May, 2022. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.

b) No other significant event has occurred subsequent to year end.

57 Impact of Covid-19

a) During the year the business of the Company was significantly impacted by the continuing delay in re-opening of schools amid Covid-19 restrictions. The management is continuously monitoring the situation and expects an improvement in the business going forward, considering the increase in the pace of vaccination, reduction in the number of cases and opening up of schools. The Company has made assessment of its liquidity position for the current financial year and has considered internal and external information in assessing the recoverability of its assets such as investments, loans, intangible assets, trade receivable, inventories, etc. and other significant management estimates. The Company has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the Company expects to fully recover the carrying amount of these assets.

The impact assessment of COVID-19 is an ongoing process and may be different from that estimated as at the date of approval of these standalone financial results, given the uncertainties associated with its nature and duration and the Company will continue to monitor all material changes to the entity's environment.

b) On account of the pandemic and low business activity, the Company and directors / senior management team had mutually agreed that the Company would not pay remuneration aggregating to ₹ 237 Lakhs to such directors / senior management team members for the month of April & May 2020. Also refer note 58.

58 Related Party Transactions

I) List of related parties with whom transactions have taken place and their relationships:

(a) Enterprises where control exists:

Subsidiaries:

Navneet Futuretech Limited (formerly known as eSense Learning Limited, refer note 65)
Navneet Learning LLP
Indiannica Learning Private Limited
Navneet (HK) Limited
Navneet Edutech LLP (from 30.03.2021 to 29.06.2021)
Navneet Tech Ventures Private Limited (w.e.f. 29.06.2021)

Step down subsidiary:
Genext Students Private Limited (w.e.f. 20.07.2021)

(b) Associates:

K12 Techno Services Private Limited
Carveniche Technologies Private Limited (w.e.f. 16.07.2021)

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

(c) Other Related Parties with whom transactions have taken place during the year.

(i)	Enterprises over which (i) Key Management Personnel and their relatives & (ii) entities having significant influence over the Company have control or are under significant influence through voting powers	Navneet Prakashan Kendra Vikas Prakashan Gala Publishers Sandeep Agency Allcargo Logistics Limited	Navneet Foundation The Flagship Advertising Private Limited Navneet Trust Qualis Ventures LLP

List of related parties where control exists and related parties with whom transactions have taken place and relationships:

(ii)	Directors /Key Management Personnel & Relatives	Shri Bipin A. Gala Shri Anil D. Gala Shri Gnanesh D. Gala Shri Raju H. Gala Shri Shailendra J. Gala Shri Sanjeev J. Gala Shri Kalpesh H. Gala Shri Ketan B. Gala Smt. Pooja Ketan Gala Shri Devish G. Gala Shri Aditya S. Gala	Shri Kamlesh S. Vikamsey Shri Nilesh S. Vikamsey Smt. Usha Laxman Shri Tushar K. Jani Shri Mohinder P. Bansal Dr. Vijay B. Joshi Shri Archit R. Gala Smt. Henal T. Mehta Shri Anil Swarup Smt. Krisha Archit Gala Shri Siddhant S. Gala
(iii)	Key Management Personnel as per the Companies Act 2013	Shri Kalpesh Dedhia (Chief Financial Officer) wef 1st February, 2022 Shri Deepak L Kaku (Chief Financial Officer) upto 31st Jan 2022 Shri Amit D Buch (Company Secretary)	
(iv)	Post employment Benefit Plan	Employees' Gratuity fund	

II) Disclosure in respect of transactions with related parties during the year

(₹ in Lakhs)

Sr. No.	Nature of Transaction/Relationship/Major Parties	2021-22		2020-21	
		Amount	Amounts for major parties	Amount	Amounts for major parties
1	**Royalty Expense**				
	Subsidiary:	-		-	
	Navneet Futuretech Limited		-		-
	Enterprises owned or significantly influenced by KMP or their relatives:	1,681		1,381	
	Navneet Prakashan Kendra		898		849
	Vikas Prakashan		510		328
	Gala Publishers		273		204

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

(₹ in Lakhs)

Sr. No.	Nature of Transaction/Relationship/Major Parties	2021-22		2020-21	
		Amount	Amounts for major parties	Amount	Amounts for major parties
2	**Lease payment (Refer note 45)**				
	Enterprises owned or significantly influenced by KMP or their relatives:	1,205		1,113	
	Navneet Prakashan Kendra		900		823
	Vikas Prakashan		76		72
	Gala Publishers		37		35
	Sandeep Agency		192		182
3	**Sales Promotion Expense**				
	Subsidiaries:	28		5	
	Indiannica Learning Private Limited		-		5
	Navneet Futuretech Limited		28		-
4	**Electricity Expense**				
	Enterprises owned or significantly influenced by KMP or their relatives:	#		#	
	Navneet Prakashan Kendra		#		#
5	**Legal and professional fees**				
	Enterprises owned or significantly influenced by KMP or their relatives:	7		3	
	Smt. Henal T. Mehta		7		3
	Consultancy fees paid to non-executive director:	18		18	
	Anil Swarup		18		18
6	**Repair and Maintenance Computer-Consumables**				
	Enterprises owned or significantly influenced by KMP or their relatives:	#		-	
	The Flagship Advertising Private Limited		#		-
7	**Other Manufacturing Expenses (Purchase)**				
	Subsidiary:	730		287	
	Navneet Futuretech Limited		207		3
	Navneet (HK) Limited		523		284
8	**Impairment of investments**				
	Subsidiary:	2,233		390	
	Navneet Futuretech Limited		-		153
	Indiannica Learning Private Limited		2,233		237

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

(₹ in Lakhs)

Sr. No.	Nature of Transaction/Relationship/Major Parties	2021-22		2020-21	
		Amount	Amounts for major parties	Amount	Amounts for major parties
9	**Digital contents (Prepayments)**				
	Subsidiary:	-		416	
	Navneet Futuretech Limited		-		416
10	**Picture and Artwork Expenses**				
	Subsidiary:	42		-	
	Navneet Futuretech Limited		42		-
11	**Asset Sales**				
	Enterprises owned or significantly influenced by KMP or their relatives:	7,000			
	Qualis Ventures LLP		7,000		-
12	**Corporate Social Responsibility expenses**				
	Enterprises owned or significantly influenced by KMP or their relatives:	457		544	
	Navneet Foundation		457		544
13	**Short term employee benefits (Remuneration / Salary) Paid to (Refer footnote (i) below)**				
	KMP & their Relative:	1,115		925	
	Shri Bipin A. Gala		139		117
	Shri Anil D. Gala		139		117
	Shri Gnanesh D. Gala		139		117
	Shri Shailendra J. Gala		128		107
	Shri Raju H. Gala		139		117
	Shri Sanjeev J. Gala		128		107
	Shri Ketan Bipin Gala		128		107
	Shri Kalpesh H. Gala		128		107
	Smt. Pooja Ketan Gala		6		4
	Shri Archit R. Gala		11		8
	Shri Devish G. Gala		11		9
	Shri Aditya S. Gala		5		1
	Shri Siddhant S. Gala		6		3
	Smt. Krisha Archit Gala		8		5
	KMP & their Relative as per the Companies Act 2013:	123		88	
	Shri Deepak L Kaku		77		53
	Shri Amit D Buch		35		35
	Shri Kalpesh Dedhia		11		-

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

(₹ in Lakhs)

Sr. No.	Nature of Transaction/Relationship/Major Parties	2021-22		2020-21	
		Amount	Amounts for major parties	Amount	Amounts for major parties
	Sitting fees paid to non-executive director:	23		22	
	Shri K S Vikamsey		3		3
	Shri. Nilesh S. Vikamsey		4		4
	Smt. Usha Laxman		3		3
	Shri Tushar K. Jani		3		3
	Shri Mohinder Pal Bansal		4		4
	Dr. Vijay B. Joshi		4		4
	Shri Anil Swarup		2		2
14	**Rent Income**				
	Subsidiaries:	82		53	
	Navneet Futuretech Limited		68		53
	Genext Students Private Limited		14		-
15	**Sale of services**				
	Subsidiaries:	811		556	
	Indiannica Learning Private Limited		810		556
	Navneet Futuretech Limited		1		-
16	**Interest Income**				
	Subsidiaries:	55		28	
	Navneet Futuretech Limited		12		15
	Indiannica Learning Private Limited		43		13
	Navneet Tech Ventures Private Limited		#		-
	Enterprises owned or significantly influenced by KMP or their relatives, including:	-		17	
	Allcargo Logistics Limited		-		17
17	**Royalty Income**				
	Subsidiaries:	1		10	
	Navneet Futuretech Limited		1		10
18	**Sales of Finished Goods / services**				
	Subsidiary:	#		-	
	Indiannica Learning Private Limited		#		-
	Enterprises owned or significantly influenced by KMP or their relatives:	5		-	
	Navneet Foundation		5		-

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

(₹ in Lakhs)

Sr. No.	Nature of Transaction/Relationship/Major Parties	2021-22		2020-21	
		Amount	Amounts for major parties	Amount	Amounts for major parties
19	**Recovery of expenses**				
	Enterprises owned or significantly influenced by KMP or their relatives:	131		-	
	Qualis Ventures LLP		131		-
20	**Loan Given**				
	Subsidiaries:	5,026		1,580	
	Navneet Futuretech Limited		2,461		450
	Indiannica Learning Private Limited		2,550		1,130
	Navneet Tech Ventures Private Limited		15		-
21	**Investment made in subsidiaries**				
	Capital contribution:	-		700	
	Navneet Learning LLP		-		700
	Investments in OCPS:	4,375		2,300	
	Indiannica Learning Private Limited (Refer Note 9.7)		-		-
	Navneet Futuretech Limited (Refer Note 9.8)		4,375		2,300
	Others - Notional guarantee commission:	33		31	
	Navneet Futuretech Limited		10		10
	Indiannica Learning Private Limited		24		21
	Investment in Optionally Convertible Debentures (OCD)	1,892		-	
	Navneet Tech Ventures Private Limited		1,892		-
	Equity investments:	566		-	
	Navneet Tech Ventures Private Limited		566		-
22	**Loan repayment**				
	Subsidiary:	2,100		2,080	
	Indiannica Learning Private Limited		2,100		830
	Navneet Futuretech Limited		-		1,250
	Enterprises owned or significantly influenced by KMP or their relatives:	-		3,000	
	Allcargo Logistics Limited		-		3,000
23	**Contribution to Post-employment benefit plan**	224		379	
	Employees' Gratuity fund		224		379

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

(₹ in Lakhs)

Sr. No.	Nature of Transaction/Relationship/Major Parties	2021-22		2020-21	
		Amount	Amounts for major parties	Amount	Amounts for major parties
24	**Dividend Paid (Including Interim Dividend)**				
	KMP & their Relative:	1,187		-	
	Shri Bipin A. Gala		22		-
	Shri Anil D. Gala		33		-
	Shri Gnanesh D. Gala		32		-
	Shri Shailendra J. Gala		35		-
	Shri Raju H. Gala		20		-
	Shri Sanjeev J. Gala		35		-
	Shri Ketan Bipin Gala		25		-
	Shri Kalpesh H. Gala		43		-
	Smt. Pooja Ketan Gala		3		-
	Shri Archit R. Gala		9		-
	Navneet Trust		914		-
	Shri Devish G Gala		14		-
	Shri Aditya S.Gala		1		-
	Shri Siddhant S Gala		1		-
	Dividend paid to non-executive director:	#		-	
	Dr. Vijay B. Joshi		#		-
	Enterprises owned or significantly influenced by KMP or their relatives:	1		-	
	Smt. Henal T. Mehta		1		-
25	**Advance received against asset held for sale**				
	Enterprises owned or significantly influenced by KMP or their relatives, including:	-		700	
	Qualis Ventures LLP		-		700
26	**Payment received towards asset sales**				
	Enterprises owned or significantly influenced by KMP or their relatives:	6,300		-	
	Qualis Ventures LLP		6,300		-
27	**Stamp duty and filing fees**				
	Subsidiaries:	-		#	
	Navneet EduTech LLP		-		#

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

III) Related Parties Accounts Payable/Receivable as on 31.3.2022

(₹ in Lakhs)

Sr. No.	Nature of Transaction/Relationship/Major Parties	2021-22		2020-21	
		Amount	Amounts for major parties	Amount	Amounts for major parties
1	**Loans & Advances Recoverable**				
	Subsidiaries:	3,326		400	
	Navneet Futuretech Limited		2,461		-
	Indiannica Learning Private Limited		850		400
	Navneet Tech Ventures Private Limited		15		-
2	**Interest on loans & advances recoverable**				
	Subsidiaries:	12		-	
	Navneet Futuretech Limited		12		-
3	**Investments in Subsidiaries**				
	Capital contribution:	11,853		11,853	
	Navneet Learning LLP		11,853		11,853
	Equity investments:	589		23	
	Navneet (HK) Limited		23		23
	Navneet Tech Ventures Private Limited		566		-
	Investments in Equity and OCPS (Net of impairment loss):	19,063		16,893	
	Navneet Futuretech Limited (including financial guarantee, for details refer footnote (ii) below and also refer note 9.3)		8,835		4,451
	Indiannica Learning Private Limited (including financial guarantee, for details refer footnote (ii) below and also refer note 9.3)		10,228		12,441
	Optionally Convertible Debentures (OCD)	1,892		-	
	Navneet Tech Ventures Private Limited		1,892		-
4	**Trade receivable**				
	Subsidiaries:	11		549	
	Indiannica Learning Private Limited		11		549
	Navneet Futuretech Limited		-		#
5	**Trade payable**			-	
	KMP & their Relative:	#			
	Smt.Henal T.Mehta		#		-
6	**Advance to Subsidiary**	-		26	
	Navneet Futuretech Limited		-		26
7	**Balance with Fund**	5,274		4,826	
	Employees' Gratuity Scheme		5,274		4,826

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

(₹ in Lakhs)

Sr. No.	Nature of Transaction/Relationship/Major Parties	2021-22		2020-21	
		Amount	Amounts for major parties	Amount	Amounts for major parties
8	**Advance received towards asset sale**				
	Enterprises owned or significantly influenced by KMP or their relatives:	-		700	
	Qualis Ventures LLP		-		700
9	**Short term employee benefits (Remuneration / Salary) payable**				
	KMP & their Relative:	32		44	
	Shri Bipin A. Gala		4		6
	Shri Anil D. Gala		4		6
	Shri Gnanesh D. Gala		4		6
	Shri Shailendra J. Gala		4		6
	Shri Raju H. Gala		4		3
	Shri Sanjeev J. Gala		4		6
	Shri Ketan Bipin Gala		4		6
	Shri Kalpesh H. Gala		3		3
	Smt. Pooja Ketan Gala		-		#
	Shri Archit R. Gala		#		1
	Shri Devish G. Gala		1		1
	Shri Aditya S. Gala		#		#
	Shri Siddhant S. Gala		#		#
	Smt. Krisha Archit Gala		#		#
	KMP & their Relative as per the Companies Act 2013:	6		6	
	Shri Deepak L Kaku		-		2
	Shri Amit D Buch		2		4
	Shri Kalpesh D Dedhia		4		-
10	**Receivable**				
	Subsidiaries:	-		#	
	Navneet EduTech LLP		-		#

(i) The above figure excludes provision for gratuity and compensated absences which have been actuarially determined on overall basis.

(ii) Financial Guarantee are issued in favour of banks against loans taken by subsidiaries. The amount of guarantee is ₹ 5,650 Lakhs (Previous Year ₹ 5,650 Lakhs). Fair value of financial guarantee is accounted in accordance with Ind AS 109 (Refer note 9).

(iii) Transactions with related parties in the nature of sale of goods, rendering of services, purchase of goods, procurement of services are at arm's length price. The related party transactions and year end balances do not include expenses paid on behalf of related parties and its recovery.

(iv) Interest ranges from 5% and 6.7% (Previous year: 7%) per annum, has been charged to Navneet Futuretech Limited, Navneet Tech Venture Private Limited and Indiannica Learning Private Limited.

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

59 Operating Segment

The Company's operations relates to publication of knowledge based information in educational and general books form and manufacturing of paper and other stationery items. It caters to the educational need of Indian as well as Global market. The Company is organised into business units based on its products and services and has three reportable segments as follows

i) Publication

ii) Stationery

iii) Others comprises of revenue from generation of power by windmill, trading items etc.

The accounting principles and policies used in the preparation of the Standalone Financial Statements, as set out in the note on significant accounting policies, are also consistently applied to record assets, liabilities, revenue and expenditure, in individual segments.

[A] The following summary describes the operations in each of the reportable segments

(₹ in Lakhs)

Particulars	Publication		Stationery		Others		Total	
	31-03-2022	31-03-2021	31-03-2022	31-03-2021	31-03-2022	31-03-2021	31-03-2022	31-03-2021
Revenue	37,151	29,464	68,459	50,674	714	296	1,06,324	80,434
Less : Inter Segment Revenue	-	-	-	-	(272)	(137)	(272)	(137)
Net Revenue	37,151	29,464	68,459	50,674	442	159	1,06,052	80,297
Other Income	85	82	1,027	484	#	-	1,112	567
Segment Revenue	**37,236**	**29,546**	**69,486**	**51,159**	**442**	**159**	**1,07,164**	**80,864**
Segment Results	**6,977**	**4,065**	**11,320**	**7,652**	**260**	**98**	**18,557**	**11,815**
Add: Unallocated Other Income / (Expense)							907	885
Less: Financial Expenses							(286)	(582)
Less: Unallocable Expenditures							(3,781)	(3,690)
Profit before exceptional items and tax							15,397	8,428
Exceptional items							4,580	-
Profit Before Taxation							19,977	8,428
Provision for Taxation (Income tax, Deferred tax and excess provision of earlier years)							5,315	2,265
Profit after taxation							14,662	6,163
Segment Assets	55,140	54,274	55,261	44,766	16,127	12,445	1,26,528	1,11,485
Unallocated Assets							8,496	9,567
Total Assets							1,35,024	1,21,052
Segment Liabilities	5,865	5,267	6,610	7,765	3	4	12,478	13,036
Unallocated Liabilities							9,832	4,130
Total Liabilities							22,310	17,166
Capital Expenditure	599	957	1,379	2,221	-	-	1,979	3,178
Unallocated Capital Expenditure							163	66

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Publication		Stationery		Others		Total	
	31-03-2022	31-03-2021	31-03-2022	31-03-2021	31-03-2022	31-03-2021	31-03-2022	31-03-2021
Depreciation and amortisation on Segmental Assets	1,605	1,694	975	1,057	62	70	2,642	2,821
Unallocated Depreciation and amortisation							628	652
Non-cash items								
(i) Impairment of investment (Refer note (v))	2,233	390	-	-	-	-	2,233	390
(ii) Allowances for doubtful debts and bad-debts	69	116	5	370	-	-	74	486

Notes : (i) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the respective segment, however, revenue and expenses which can not be identified or allocated reasonably to a segment being related to the enterprise as a whole have been grouped as unallocable.

(ii) Segment assets and segment liabilities represent assets and liabilities of respective segments , however the assets and liabilities not identifiable or allocable on reasonable basis being related to enterprise as a whole have been grouped as unallocable.

(iii) In publication segment, concentration of revenues from one customer of the Company were 10.95% and Nil of total publication revenue for the year ended 31st March, 2022 and 31st March, 2021 respectively and in stationery segment, concentration of revenues from one customer of the Company were 37.12% and 43.24% of total stationery revenue for the year ended 31st March, 2022 and 31st March, 2021 respectively.

(iv) Sales between operating segments are carried out at arm's length basis and are eliminated at Company level consolidation.

(v) Impairment of investment is accounted for 'Navneet Futuretech Limited' of ₹ NIL (Previous year: ₹ 153 Lakhs) and for 'Indainnica Learning Private Limited' of ₹2,233 Lakhs (Previous year: ₹ 237 Lakhs). Also refer note 9.3.

B. Geographical Segments

(₹ in Lakhs)

Particulars	Outside India				India	Total
	North & Central America	Africa	Europe	Others		
Segment Revenue from operations	32,109	1,907	5,658	7,003	59,375	1,06,052
	(27,825)	(1,048)	(3,644)	(5,130)	(42,651)	(80,298)
Non-current assets	-	-	-	-	21,464	21,464
	(-)	(-)	(-)	(-)	(22,496)	(22,496)

(Previous year figures are in bracket)

Note: As per IND AS 108, 'Operating Segment', non-current assets considered above are other than financial instruments, deferred tax assets, post-employment benefit assets etc.

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

60 Fair value of financial assets and liabilities

The management assessed that the fair values of financial asset and financial liabilities approximate their carrying amounts.

The following methods and assumptions were used to estimate the fair values:

(a) Fair values of cash and cash equivalents, trade receivables, interest accrued on deposits with bank, bank deposits, trade payables and other financial liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.

(b) The management has considered fair value of security deposits, loan from bank, loan from related party, equal to their carrying value as fair values based on the current market interest rates and other risk factors approximate to carrying value.

Fair value hierarchy

The following table presents the financial assets and financial liabilities by level with the fair value measurement hierarchy :

(₹ in Lakhs)

	31st March, 2022		31st March, 2021	
	Level of input used in*	Carrying Amount	Level of input used in	Carrying Amount
a) Financial assets				
At Amortised Cost				
Trade receivables	NA	19,044	NA	14,249
Cash and cash equivalents	NA	1,041	NA	1,712
Bank deposits	NA	45	NA	44
Earmarked balances with Bank	NA	272	NA	301
Loans	NA	5,571	NA	3,027
Other financial assets	NA	1,210	NA	1,712
At Fair Value Through P&L				
Investment in Equity (Refer note 9.8)	Level 1	375	Level 1	444
Investment in Mutual fund	Level 1	850	Level 1	-
Investment in Financial guarantee -subsidiaries	Level 2	404	Level 2	376
Financial assets at fair value (forward contracts)	Level 2	301	Level 2	554
b) Financial liabilities				
At Amortised Cost				
Cash Credit	NA	-	NA	-
Trade payables	NA	5,800	NA	6,944
Working capital loan	NA	1,000	NA	-
Commercial paper	NA	6,000	NA	-
Other financial liability	NA	2,162	NA	2,454
Lease Liability	NA	2,037	NA	2,883
At Fair Value Through P&L				
Financial guarantee contracts	Level 2	28	Level 2	28
Financial liabilities at fair value (forward contracts)	Level 2	-	Level 2	-

* There has been no transfer between level 1 and level 2 during the year ended 31st March, 2022 and 31st March, 2021. Level is NA, since valued at amortised cost.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

Notes:

(i) For Details of income and gains related to financial instruments (Refer Note 34).

(ii) Investments in subsidiaries are valued at cost less impairment loss (if any) in accordance with Ind AS 27 'Separate Financial Statements', consequently the same is not disclosed in above table.

Financial /Bank guarantee:

(i) Financial Guarantees are issued in favour of banks against loans taken by subsidiaries. The amount of guarantee is ₹ 5,650 Lakhs (Previous Year ₹ 5,650 Lakhs). Fair value of financial guarantee is accounted in accordance with Ind AS 109 (Refer note 9.2 and 28).

(ii) Bank Guarantee is given to electricity department (DNH Power Distribution Corporation Limited and Uttar Gujarat Vij Company Limited) for electricity deposit of ₹ 80 Lakhs(Previous Year ₹ 130 Lakhs).

61 Financial Risk Management

The Company is exposed to market risk, credit risk and liquidity risk. The management reviews and agrees policies for managing each of these risks which are summarized below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: foreign currency risk, interest rate risk and other price risk. Financial instruments affected by market risk primarily include trade receivables, trade payables and cash and cash equivalents.

The sensitivity analysis in the following sections relate to the position for the periods presented. The sensitivity analysis has been prepared on the basis that the amount of net debt and the proportion of financial instruments in foreign currencies are all constant. The analysis exclude the impact of movements in market variables on the carrying values of gratuity obligation and provisions.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks based on the financial assets and financial liabilities held at the periods presented.

Interest rate risk

The following tables demonstrate the sensitivity to a reasonably possible change in interest rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)

Year ended as on	Change in Int. Rate	Effect on profit before tax
31st March, 2022	Increase by 50 basis points (50 bps)	35
	Decrease by 50 basis points (50 bps)	(35)
31st March, 2021	Increase by 50 basis points (50 bps)	-
	Decrease by 50 basis points (50 bps)	-

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to trade payables and trade receivables.

The following table analyses the foreign currency risk from monetary assets and liabilities as at balance sheet date:

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

	2021-22		2020-21	
	Amount in foreign currency	Amount in ₹ in Lakhs	Amount in foreign currency	Amount in ₹ in Lakhs
Receivables				
GBP	-	-	**32,772**	**30**
Payables				
EUR	1,143	1	-	-
GBP	-	-	-	-
HKD	-	-	-	-
USD	40,925	31	13,102	10

Note: - Open purchase / sales orders are not considered for above purpose. Advances receivable / payable are not exposed to risk, hence not considered above.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)

Year ended as on	Change in USD rate	Effect on profit before tax
31st March, 2022	Increase by 500 basis points (500 bps)	2
	Decrease by 500 basis points (500 bps)	(2)
31st March, 2021	Increase by 500 basis points (500 bps)	1
	Decrease by 500 basis points (500 bps)	(1)

Note: - For the purpose of foreign currency sensitivity, trade receivalble to the extent unhedged are considered

Price risk

The Company is not exposed to any significant price risk.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities, primarily for trade receivables and deposits with banks and other financial assets.

Trade receivables

Customer credit risk is managed based on the Company's established policy, procedures and control relating to customer credit risk management. The Company evaluates the concentration of risk with respect to trade receivables as low. Out of total trade receivables balance as at 31st March, 2022, ₹ 1,805 Lakhs (Previous year: ₹ 792 Lakhs) is due from a single US based customer being the Company's largest customer. There are no other customers who represent more than 10% of the balance of trade receivables. Outstanding customer receivables are regularly monitored by the management.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix and past historical experience. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

An impairment analysis is performed at each reporting date on an individual basis for major customers.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Company does not hold collateral as security.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

The ageing of trade receivable and credit loss allowance is as under:

(₹ in Lakhs)

Particulars	Ageing		Total
	Upto 6 months	More than 6 months	
As at 31st March, 2022			
Secured	-	-	-
Unsecured	17,134	2,894	20,028
Total receivables	17,134	2,894	20,028
Allowance for doubtful receivables and expected credit losses			984
Net Receivables	**17,134**	**2,894**	**19,044**
Expected loss rate *			4.91%

* Expected loss rate includes both allowance made based assessed credit risk on an individual basis and expected loss based on historical experience.

(₹ in Lakhs)

Particulars	Ageing		Total
	Upto 6 months	More than 6 months	
As at 31st March, 2021			
Secured	-	-	-
Unsecured	11,883	3,341	15,224
Total receivables	11,883	3,341	15,224
Allowance for doubtful receivables and expected credit losses			975
Net Receivables	**11,883**	**3,341**	**14,249**
Expected loss rate *			6.40%

* Expected loss rate includes both allowance made based assessed credit risk on an individual basis and expected loss based on historical experience.

Movement in expected credit loss /allowances for doubtful debts

(₹ in Lakhs)

Particulars	Expected credit loss		Allowances for doubtful debts	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance at the beginning of the year	110	110	831	428
Allowance made during the year	-	-	143	545
Reversal of allowance during the year	-	-	(133)	(142)
Balance at the end of the year	110	110	841	831

Deposits with banks and other financial assets

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

Liquidity risk

Liquidity risk is the risk that the Company may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Company's objective is to, at all times maintain optimum level of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis.

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments.

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Year ended 31st March, 2022				
Non-derivative				
Working capital loan	1,000	-	-	1,000
Commercial paper	6,000	-	-	6,000
Lease liability	958	1,079	-	2,037
Trade payables	5,800	-	-	5,800
Other financial liability	2,162	-	-	2,162
Financial guarantee contract	28	-	-	28
Derivative				
Financial liabilities at fair value (forward contracts)	-	-	-	-

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Year ended 31st March, 2021				
Non-derivative				
Working capital loan	-	-	-	-
Commercial paper	-	-	-	-
Lease liability	846	2,037	-	2,883
Trade payables	6,944	-	-	6,944
Other financial liability	2,454	-	-	2,454
Financial guarantee contract	28	-	-	28
Derivative				
Financial liabilities at fair value (forward contracts and option contract)	-	-	-	-

Note: Future interest payment in respect to current borrowings of working capital loan, commercial paper, cash credit facility are not added in maturity profile tabulated above.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

The table below summarises the maturity profile of the Company's financial assets based on contractual undiscounted receipts:

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Year ended 31st March, 2022				
Non-derivative				
Investments Current and Non current	-	375	-	375
Loans (including Inter Corporate Deposit)	1,116	4,455	-	5,571
Trade receivables (current)	19,044	-	-	19,044
Cash and Cash equivalent	1,891	-	-	1,891
Other Bank balances	317	-	-	317
Other financial assets	1,172	339	-	1,511

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Year ended 31st March, 2021				
Non-derivative				
Investments Current and Non current	-	444	-	444
Loans (including Inter Corporate Deposit)	858	2,169		3,027
Trade receivables (current)	14,249	-	-	14,249
Cash and Cash equivalent	1,712	-	-	1,712
Other Bank balances	346	-	-	346
Other financial assets	1,934	332	-	2,266

The Company is not exposed to significant liquidity risk based on past performance and current expectations. The Company believes that the cash and cash equivalents, cash generated from operations and available undrawn credit facilities, will satisfy its working capital needs, capital expenditure, investment requirements, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

Note: Investments in subsidiaries are valued at cost less impairment loss (if any) in accordance with Ind AS 27 'Separate Financial Statements', consequently the same is not disclosed in maturity profile tabulated above.

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

The note below sets out details of the undrawn facilities that will be available for future operating facilities and to settle capital commitments of the Company.

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Secured cash credit and other borrowing facility		
- Amount used (Book OD/ Bank OD)	1,080	-
- Amount unused	38,620	40,000
	39,700	**40,000**
Unsecured cash credit and other borrowing facility		
- Amount used	-	-
- Amount unused	20,500	23,000
	20,500	**23,000**
Total facilities		
- Amount used	1,080	-
- Amount unused	59,120	63,000
	60,200	**63,000**

62 Capital management

For the purpose of the Company's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity shareholders. The primary objective of the Company's capital management is to maximise the shareholder value.

The Company manages its capital structure and makes suitable adjustments in light of changes in economic conditions.

The Company monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Company includes within net debt, loan obligation, trade and other payables and less cash and cash equivalents.

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Working capital loan	1,000	-
Lease liability	2,037	2,883
Commercial papers	6,000	-
Trade payables	5,800	6,944
Less: cash and cash equivalent	(1,891)	(1,712)
Net Debt	**12,946**	**8,116**
Equity	1,12,714	1,03,886
Capital and Net debt	**1,25,660**	**1,12,002**
Gearing Ratio	**10%**	**7%**

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

63 Disclosures for 'Statement of Cash Flows' as per Ind AS 7

63.1 Reconciliation of liabilities from financing activities for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	31st March, 2022	Cash flows (net)	Impact of Ind AS 116	31st March, 2021
Short term / Long term borrowings (including current portion)	7,000	7,000	-	-
Lease Liability (impact of IND AS 116)	2,037	(1,048)	202	2,883
Total	**9,037**	**5,952**	**202**	**2,883**

Reconciliation of liabilities from financing activities for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	31st March, 2021	Cash flows (net)	Impact of Ind AS 116	31st March, 2020
Short term / Long term borrowings (including current portion)	-	(19,000)	-	19,000
Lease Liability (impact of IND AS 116)	2,883	(998)	254	3,627
Total	**2,883**	**(19,998)**	**254**	**22,627**

The Company has accounted for lease liabilities and fair value changes in accordance with Ind AS 116 implemented during the previous year. Detail break-up of above non-cash element is given below:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
i) Transition adjustment on implementation of Ind AS 116	-	-
ii) Finance cost on lease liabilities	202	254
Total	**202**	**254**

63.2 Aggregate outflow on account of direct taxes paid is ₹ 4,576 Lakhs (Previous year ₹ 2,777 Lakhs).

63.3 Net cash inflow from operating activity netted off with expenditure on Corporate Social Responsibility (CSR) expenditure of ₹ 457 Lakhs (Previous year ₹ 549 Lakhs) (Refer note 53).

64 Details of the sources of estimation uncertainty in related to significant accounting estimates and judgements:

i) Impairment of investment in subsidiaries

Refer note 2.3 (b) of significant accounting policies and note 9.3 for significant accounting estimates and judgements used in performing impairment test on investment value of subsidiaries.

ii) Provision for employee benefits

Refer note 2.3 (e) of significant accounting policies and note 52(b)(i) for significant accounting estimates and judgements used and it's financial impact of sensitivity of such assumptions.

65 Subsequent to the year ended 31st March, 2022, one of the subsidiary eSense Learning Private Limited has changed its name from eSense Learning Private Limited to 'eSense Learning Limited' with effect from 27th April, 2022. Further, eSense Learning Limited has changed its name from eSense Learning Limited to 'Navneet Futuretech Limited' with effect from 17th May, 2022.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

66 Company Information

(₹ in Lakhs)

Name of the entity	Principal place of business	Proportion of ownership (either directly / indirectly through subsidiaries)	
		As at 31st March, 2022	As at 31st March, 2021
Subsidiaries			
Navneet Futuretech Limited	India	100.00%	100.00%
Indiannica Learning Private Limited	India	100.00%	100.00%
Navneet Learning LLP	India	93.00%	93.00%
Navneet (HK) Limited	Hong Kong	70.00%	70.00%
Navneet Edutech LLP	India	96.00%	96.00%
Navneet Tech Ventures Private Limited	India	100.00%	0.00%
Step down subsidiary			
Genext Students Private Limited	India	51.80%	0.00%
Associates			
K12 Techno Services Private Limited (investment through 'Navneet Learning LLP')	India	25.40%	27.69%
Carveniche Technologies Private Limited (investment through 'Navneet Tech Ventures Private Limited')	India	46.84%	0.00%

67 Wilful defaulter

As on 31st March, 2022 the Company has not been declared wilful defaulter by any bank/financial institution or other lender.

68 Details of Crypto currency or Virtual currency

The Company is not engaged in the business of trading or investing in crypto currency or virtual currency and hence no disclosure is required.

69 Registration of charges or satisfaction with Registrar of Companies (ROC)

The Company does not have any charges or satisfaction yet to be registered with the registrar of companies(ROC) beyond the statutory period as at 31st March, 2022.

70 Compliance with number of layers of companies

The Company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with Companies (Restriction on number of Layers) Rules, 2017.

71 Benami Property

No proceedings have been initiated or are pending against the Company as on 31st March, 2022 for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder.

72 Relationship with struck off companies

The Company does not have any transaction with companies struck off under section 248 of Companies Act, 2013 or section 560 of Companies Act, 1956 and hence no disclosure is required.

73 Compliance with approved Scheme(s) of Arrangements

The Company has not entered into any scheme of arrangements in terms of sections 230 to 237 of the Companies Act, 2013.

Notes on Standalone Financial Statements
for the year ended 31st March, 2022

74 Ratios

Particulars	Numerator	Denominator	Ratio		% Change
			As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2022
(a) Current ratio	Current Assets	Current liabilities	3.58	4.39	-18%
(b) Debt equity ratio	Total Debt (incl. Current Borrowings, Non-Current Borrowings and Current maturities of Non-Current Borrowings, Long-term lease liabilities and short-term lease liabilities) (if any)	Total Equity (Equity Share Capital and Other Equity)	0.08	0.03	189%
(c) Debt Service Coverage Ratio	Net profit after taxes + Depreciation and amortisation + Interest expenses + other adjustments like loss on sale of fixed assets etc. - Exceptional items	Interest & Lease payments + Principal repayments made during the period	0.75	0.21	261%
(d) Return on Equity Ratio	Profit / (loss) after tax	Average shareholder's equity	13.54%	6.15%	120%
(e) Inventory turnover ratio	Cost of goods sold	Average inventories	1.40	1.04	35%
(f) Trade Receivables turnover ratio	Value of sales and service	Average trade receivables, net of provisions for doubtful debts and expected credit loss	5.82	4.53	28%
(g) Trade payables turnover ratio	Purchase of stock and other expenses	Average Trade payables	4.34	4.20	3%
(h) Net capital turnover ratio	Net Sales (Operating Revenue)	Working Capital	1.96	1.57	25%
(i) Net profit ratio	Net profit after tax before other comprehensive income including exceptional items	Revenue from operations	13.83%	7.68%	80%
(j) Return on Capital employed	Earning before Interest, tax and exception	Capital Employed	12.96%	8.56%	51%
(k) Return on investment	Income generated from treasury investment	Average invested funds in treasury investment	16.78%	93.23%	-82%

Note: Explanation for change in ratio by more than 25%

(i) Increase in borrowings for operations has resulted into adverse debt-equity ratio as compared to previous year.

Notes on Standalone Financial Statements

for the year ended 31st March, 2022

(ii) Debt service coverage ratio has improved as compared to previous year due to increase in profit and decrease in interest.

(iii) Due to buy-back of equity shares and increase in profit after tax, return on equity has improved as compared to previous year.

(iv) Inventory turnover ratio has improved as compared to previous year due to increase in sales.

(v) Increase in sales has resulted into improved trade receivables turnover ratio as compared to previous year.

(vi) Due to increase in net profit, net profit ratio has improved as compared to previous year.

(vii) Return on capital employed has improved as compared to previous year due to increase in earning before interest and tax.

(viii) Income generated from treasury investment has reduced leading to adverse return on investment.

75 Additional Information as required by para 7 of General Instructions for preparation of Statement of Profit and Loss (other than already disclosed above) are either Nil or Not Applicable.

76 Previous Year Figures have been regrouped/rearranged wherever necessary.

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place : Mumbai
Date : 18th May, 2022

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Kalpesh D. Dedhia
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place : Mumbai
Date : 18th May, 2022

Independent Auditor's Report

To,
The Members of
Navneet Education Limited

REPORT ON THE AUDIT OF CONSOLIDATED IND AS FINANCIAL STATEMENTS

Opinion

We have audited the accompanying consolidated Ind AS financial statements of **Navneet Education Limited** ("the Company"), its subsidiaries (the Company, its subsidiaries together referred to as "the Group") and its associates, which comprise the Consolidated Balance Sheet as at 31st March 2022, 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 ended on that date, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its associates as at 31st March 2022, the consolidated profit (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated Ind AS financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act (SAs). Our responsibilities under those Standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements* section of our report. We are independent of the Group in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the independence requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and the Rules made thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matter described below to be the key audit matter to be communicated in our report.

In respect of the consolidated Ind AS financial statements (refer note 7.2, 7.3 and 64), the key audit matter was the carrying value of goodwill and Intangibles (comprising of brand license, content and technology platform) due to continued losses in subsidiaries. The said subsidiaries are involved in business of CBSE content publishing with exclusive licensee of Encyclopaedia Britannica curricular solutions and e-learning, digital content creation, investment in online education and school event respectively with positive business outlook. The losses are mainly on account of infrastructure for future growth, non-opening of schools due to covid-19. Our procedures on the management's assessment of these matters included discussion on impairment test carried out by management including discussion relating to the basis of estimates, valuation technique, appropriateness & reasonableness of assumptions, review of the accuracy of the management's earlier estimates and understanding of the reasons for variances and various other parameters with the management. Considering the above and the future business outlook (approved projections as shared by the management) and the underlying strength in the Company's products and contents, we did not identify any significant exceptions to the management's assessment as regards impairment in the carrying value of goodwill on acquisition and intangible assets comprising of brand license, content, technology platform aggregating to ₹ 4,517 Lakhs (net of impairment of Goodwill ₹ 2,470 Lakhs), this is appropriate and no additional provision for impairment is necessary.

Information Other than the Consolidated Ind AS Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the consolidated Ind AS financial statements and our auditor's report thereon.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed on the other information obtained prior to the date of this report, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

RESPONSIBILITIES OF MANAGEMENT AND THOSE CHARGED WITH GOVERNANCE FOR THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these consolidated Ind AS financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including the Ind AS specified under Section 133 of the Act. The respective Board of Directors of the companies included in the Group and of its associates 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; 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 consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associate are responsible for assessing the ability of the Group and of its associate 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.

The respective Board of Directors of the companies included in the Group and of its associate are responsible for overseeing the financial reporting process of the Group and of its associate.

AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED IND AS FINANCIAL STATEMENTS

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company and its subsidiary companies which are companies incorporated in India and its associates, has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- 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 ability of the Group and its associate to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associate to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associate to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated Ind AS financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

We communicate with those charged with governance of the Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

a) We did not audit the financial statements in respect of one foreign subsidiary and one subsidiary entity whose financial statements reflect Group's share of total assets of ₹ 11,884 Lakhs as at 31st March 2022, Group's share of total revenue of ₹ 523 Lakhs, Group's share of total net loss after tax (including other comprehensive income) of ₹ 1 Lakhs for the year ended 31st March 2022 and Group's share of cash outflows (net) of ₹ 14 Lakhs for the year ended 31st March 2022, as considered in the Statement, which have been audited by their respective independent auditors. In respect of one foreign subsidiary company, financial results have been prepared in accordance with accounting principles generally accepted in their respective country and which have been audited by other auditor under generally accepted auditing standards applicable in their respective country.

   These audited financial statements (as referred in paragraph (a) above) have been audited by other auditors whose report have been furnished to us by the management and our opinion on the consolidated financial results, in so far as it relates to the amounts and disclosures included in respect of this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries are based solely on the report of such other auditor.

b) The consolidated Ind AS financial statements also includes the unaudited financial results of two associates, whose financial statements reflect Group's share of total net loss after tax (including other comprehensive income) ₹ 982 Lakhs for the year ended 31st March 2022, as considered in the Statement.

c) One subsidiary entity in which the Company was a partner up to 29th June 2021, the net income from such entity of ₹ Nil up to the date of retirement.

These unaudited financial statements have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of an associate and subsidiary entity, our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid associate and subsidiary entity is based solely on the information provided by the management.

Our opinion on the consolidated Ind AS financial statements and our report on Other Legal and Regulatory Requirements below is not modified in respect of the above matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit, we report to the extent applicable that: (In our view Section 143(3) of the Act is not applicable to one subsidiary which is incorporated outside India),

   a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of aforesaid consolidated Ind AS financial statements;

   b) 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 auditor;

   c) The Consolidated Ind AS financial statements 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) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act, read with relevant rules issued thereunder;

   e) On the basis of the written representations received from the Directors of the Company as on 31st March 2022 taken on record by the Board of Directors of the Company and the report of the statutory auditors of its subsidiary company covered under the Act, none of the directors of the Group companies incorporated in India covered under the Act are disqualified as on 31st March 2022 from being appointed as a director in terms of Section 164 (2) of the Act;

      With respect to the associate companies, written representations received from the directors of the said associate companies as on 31st March 2022 and taken on record by the board of directors of the said associate companies, we report that none of the directors of the associate are disqualified as on 31st March 2022 from being appointed as a director in terms of section 164(2) of the Act;

f) With respect to reporting on adequacy of internal financial controls system over financial reporting of the Group covered under the Act and the operating effectiveness of such controls to the extent applicable, refer to our separate report given in Annexure I to this report, which is based on the auditor's reports of the Company and its subsidiary companies incorporated in India. With respect to associate company whose financial statements have not been audited till the date of signing of this report, refer to our comments in the other matters paragraph in Annexure I;

g) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act, as amended, in our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company and its subsidiaries to its directors during the year is in accordance with the provisions of section 197 of the Act. In respect to one associate company, Section 197 is not applicable; and

h) 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 and based on the report of statutory auditor of the subsidiary companies and information furnished to us by the management in respect to an associate:

    i. The Group has disclosed the impact of pending litigations on its consolidated financial position in its consolidated Ind AS financial statements – Refer Note 12.1 and 48 (a) and (c) to the consolidated Ind AS financial statements;

    ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;

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

    iv. The management has represented that:

    - no funds have been advanced or loaned or invested by the Company to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

    - no funds have been received by the Company from any person(s) or entities including foreign entities ("Funding Parties"), with the understanding that such Company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

    Based on such audit procedures performed as considered reasonable and appropriate in the circumstances, nothing has come to our notice that causes us to believe that the representations under sub-clause (iv) contain any material misstatement.

    v. The final dividend proposed by the board of directors of the Holding Company in the previous year was declared and paid by the Company during the year is in accordance with section 123 of the Companies Act 2013. The Board of Directors of the Holding Company have proposed final dividend for the year which is subject to the approval of the members at the ensuing Annual General

Meeting. The amount of dividend proposed is in accordance with section 123 of the Act, as applicable. The subsidiary companies and associates incorporated in India have neither declared nor paid any dividend during the year.

2. With respect to the matters specified in paragraphs 3(xxi) and 4 of the Companies (Auditor's Report) Order, 2020 (the "Order") issued by the Central Government in terms of Section 143(11) of the Act, to be included in the Auditor's report, we state that there is no negative reporting under CARO for subsidiaries. In respect of four subsidiaries namely Navneet Futuretech Limited (Formally known as eSense Learning Limited), Indiannica Learning Private Limited, Navneet Tech Ventures Private Limited and Genext Students Private Limited refer clause (ii) (b), (ix) (d) and (xvii) of paragraph 3 of the order of respective Auditor's report.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number: 116560W / W100149

Sd/-
Sandeep Shah
Partner
Membership No. 037381
UDIN: 22037381AJEKWY5063

Place: Mumbai
Date: 18th May 2022

Annexure I to Independent Auditor's Report for the year ended 31st March, 2022

[Referred to in paragraph (f) under "Report on other legal and regulatory requirements" section of our report to the Members of Navneet Education Limited of even date]

REPORT ON THE INTERNAL FINANCIAL CONTROLS UNDER SECTION 143(3)(i) OF THE COMPANIES ACT, 2013 ("the Act")

Opinion

In conjunction with our audit of the consolidated Ind AS financial statements of **Navneet Education Limited** ("the Company") and its subsidiaries (the Company and its subsidiary companies together referred to as "the Group") and its associate company as of and for the year ended 31st March 2022, we have audited the internal financial controls over financial reporting of the Company, its subsidiaries and its associate companies which are companies incorporated in India, as on that date.

In our opinion, the Company and its subsidiary companies have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2022, 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 issued by the ICAI.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls over Financial Reporting

The respective Board of Directors of the Company, its Subsidiaries and its associate companies, which are companies incorporated in India, are responsible for laying down and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies 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 ("the 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 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 of the Company, its subsidiary companies and its associate company, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the 'Other Matter' paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial control over financial reporting of the Company, its subsidiaries and its associate companies as aforesaid.

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Other Matter

a) The Company has one subsidiary incorporated outside India and two subsidiary entities not covered under the Act and reporting on the adequacy and operating effectiveness of internal financial controls over financial reporting is not applicable to such subsidiary company and subsidiary entities.

b) The consolidated financial statements also include unaudited results of two associates for which Group's share of net profit (including other comprehensive income) is ₹ 982 Lakhs. Because financial statements are unaudited, report on internal financial control over financial reporting for the year is not provided to us.

Further in case of one associate, K12 Techno Services Private Limited report on internal financial control over financial reporting for the previous financial year ended 31st March 2021, dated 30th November 2021 issued by such other statutory auditor, contained a disclaimer of opinion which stated that the Company has not established its internal financial control over financial reporting on criteria based on or essential components of internal control stated in Guidance note issued by the ICAI. Because of this, they were unable to obtain sufficient appropriate audit evidence to provide a basis on their opinion whether the Company had adequate internal financial control over financial reporting and whether such controls were operating effectively. Further, statutory auditor has mentioned that this disclaimer of opinion does not affect their opinion on financial statement for the year ended 31st March 2021 of the said associate. The said disclaimer of opinion was also reported in their audit report dated 30th December 2020 for the year ended 31st March 2020.

Our opinion is not modified in respect of the above matters.

For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number: 116560W / W100149

Sd/-
Sandeep Shah
Partner
Membership No. 037381
UDIN: 22037381AJEKWY5063

Place: Mumbai
Date: 18th May 2022

Consolidated Balance Sheet

as at 31st March, 2022

(₹ in Lakhs)

Particulars	Notes	As at 31st March, 2022	As at 31st March, 2021
I. ASSETS			
Non-current assets			
(a) Property, plant and equipment	3	18,365	16,688
(b) Right of use assets	4	1,834	2,734
(c) Capital work-in-progress	5	119	2,212
(d) Investment property	6	11	13
(e) Goodwill		2,394	4,330
(f) Other intangible assets	7	2,250	2,291
(g) Intangible assets under development	8	275	29
(h) Investments accounted for using the equity method	9	17,536	13,806
(i) Financial assets			
(i) Investments	10	4,650	444
(ii) Trade receivables	11	-	13
(iii) Loans	12	1,983	1,769
(iv) Other financial assets	13	386	379
(j) Assets for non-current Tax	14	827	720
(k) Other non-current assets	15	276	234
Total non-current Assets		**50,906**	**45,661**
Current assets			
(a) Inventories	16	46,959	41,562
(b) Financial assets			
(i) Trade receivables	17	24,218	18,450
(ii) Cash and cash equivalents	18	2,459	2,079
(iii) Other bank balances	19	468	363
(iv) Loans	20	252	859
(v) Other financial assets	21	1,217	1,991
(c) Other current assets	22	5,916	6,899
(d) Non-current assets held for sale	23	-	188
Total current Assets		**81,489**	**72,391**
TOTAL ASSETS		**1,32,395**	**1,18,052**
II. EQUITY AND LIABILITIES			
EQUITY			
(a) Equity share capital	24	4,524	4,577
(b) Other equity	25	95,828	88,470
Total equity		**1,00,352**	**93,047**
Non-controlling interests		188	39
LIABILITIES			
Non-Current liabilities			
(a) Financial Liabilities			
(i) Borrowings	26	22	30
(ii) Lease liabilities	27	1,168	2,167
(b) Provisions	28	137	110
(c) Deferred tax liabilities (net)	29	1,698	237
(d) Other non current liabilities	30	6	5
Total non-current liabilities		**3,031**	**2,549**
Current liabilities			
(a) Financial liabilities			
(i) Borrowings	31	11,324	4,334
(ii) Lease liabilities	27	999	883
(iii) Trade payables	32		
- Amount due to micro and small enterprises		976	971
- Amount due to others		5,899	6,866
(iv) Other financial liabilities	33	2,382	2,609
(b) Other current liabilities	34	1,334	1,288
(c) Provisions	35	5,704	4,574
(d) Liabilities for Current Tax	36	206	193
(e) Liabilities associated with assets held for sale	37	-	700
Total current liabilities		**28,824**	**22,417**
TOTAL EQUITY AND LIABILITIES		**1,32,395**	**1,18,052**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place : Mumbai
Date : 18th May, 2022

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Kalpesh D. Dedhia
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place : Mumbai
Date : 18th May, 2022

Consolidated Statement of Profit & Loss

for the year ended 31st March, 2022

(₹ in Lakhs)

	Particulars	Notes	For the year ended 31st March, 2022	For the year ended 31st March, 2021
I	Revenue from operations	38	1,11,430	83,457
II	Other Income (net)	39	1,881	1,365
III	**Total Income (I + II)**		**1,13,311**	**84,822**
IV	**Expenses**			
	Cost of materials consumed	40	54,643	35,651
	Purchase of stock-in-trade		624	76
	Changes in inventories of finished goods, stock-in-trade and work-in-progress	41	(2,098)	3,981
	Manufacturing Expenses	42	7,892	5,483
	Employee benefits expense	43	18,391	16,418
	Finance costs	44	623	1,013
	Depreciation and amortisation expense	45	4,967	4,712
	Other expenses	46	15,717	13,147
IV	**Total expenses**		**1,00,759**	**80,481**
V	Profit before share of profit/(loss) of an associate and tax (III - IV)		12,552	4,342
VI	Share of profit / (loss) of an associate			
	Group's share of profit / (loss) from current year/ period		(1,090)	281
VII	Profit / (Loss) before exceptional items and tax for the period / year (V + VI)		11,462	4,623
	Exceptional items (net)	**47**	7,523	4,252
VIII	Profit before tax for the year (V + VI + VII)		18,985	8,875
IX	Tax expense:			
	Current Tax		4,424	2,568
	Deferred Tax		1,534	770
	(Excess) / Short Provision of earlier year		28	(54)
			5,986	3,284
X	**Profit for the year (VIII - IX)**		**12,999**	**5,591**
	X1 Other comprehensive income:			
	a) Items that will not be reclassified to profit or loss in subsequent year (including Group's proportionate share of an associate)			
	Re-measurement of net defined benefit plan		(263)	(146)
	Less: Income tax on above		71	39
	Foreign currency translation reserve		(1)	1
	b) Items that will be reclassified to profit or loss in subsequent year			
	Cash flow hedge through other comprehensive income		(187)	1,715
	Less: Income tax on above		47	(432)
XI	Total other comprehensive income / (loss) for the year, net of tax		(333)	1,177
XII	**Total Comprehensive Income for the year (X + XI) (Total of profit and other comprehensive income for the year)**		**12,666**	**6,768**
	Profit attributable to:			
	Owners of the parent		13,120	5,593
	Non-controlling interest		(121)	(2)
			12,999	**5,591**
	Other comprehensive income attributable to:			
	Owners of the parent		(333)	1,177
	Non-controlling interest		-	-
			(333)	**1,177**
	Earnings per equity share of ₹2/- each (Previous Year: ₹2/- each)	51		
(1)	Basic		5.77	2.44
(2)	Diluted		5.77	2.44

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381
Place : Mumbai
Date : 18th May, 2022

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Kalpesh D. Dedhia
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place : Mumbai
Date : 18th May, 2022

Statement of Consolidated Cash Flows
for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
A. Cash Flow from Operating Activities		
Net profit before tax, including exceptional items	18,985	8,875
Adjustments for:		
Interest income	(87)	(182)
(Profit) on disposal of property, plant and equipment	(6,990)	19
(Profit) on sale of investments	(71)	(79)
Share of (profit) of an associate	1,090	(281)
Impairment of Goodwill	2,233	237
Loss on fair valuation of investments	69	-
Gain on deemed disposal in share of an associate (Refer note 6)	(2,943)	(4,252)
Bad-debts written off	75	217
Finance costs	623	1,013
Changes in fair value of financial assets or liabilities	(274)	(146)
Provisions for doubtful advances	118	11
Provisions for Doubtful Deposits	3	-
Provision for contingencies	149	-
Allowance for bad and doubtful debts and credit losses	92	1,025
Loss on pre-mature termination of lease	-	28
Unrealised foreign exchange fluctuation (loss) (net)	(63)	(51)
Depreciation and amortisation expenses	4,967	4,712
Operating Profit before working capital changes	**17,976**	**11,144**
Working Capital adjustments		
Trade Receivables & other assets	(4,233)	8,392
Inventories	(5,397)	5,542
Trade Payable & other liabilities	(3,276)	4,253
Cash Generated from Operations	5,070	29,331
Less: Income taxes paid	(4,458)	(2,545)
Net cash inflow/(outflow) from Operating Activities (A)	**612**	**26,786**
B. Cash flow from Investing Activities		
Purchase of property, plant and equipment, investment property, intangible assets (including under development) and change in capital Work-in-progress	(3,825)	(3,150)
Proceeds from disposal of property, plant and equipment	7,236	42
Loan/advances given	(905)	(1,210)
Loan/advances received back	1,231	1,111
Payment for purchase of investment	(1,00,824)	(1,05,521)
Proceeds from sale of investment	1,00,371	1,05,370
Payment for investment in an associate and other entities (through subsidiary company / entity)	(5,617)	(700)
Payment for investment in subsidiary (through subsidiary company), net of cash acquired	(125)	-
Interest income received	87	182
	(2,371)	**(3,875)**
Less: Income taxes paid on interest income	(42)	(137)
Net cash inflow/(outflow) from Investing Activities (B)	**(2,413)**	**(4,012)**

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
C. Cash flow from Financing Activities		
Payment against buyback of shares (face value and premium including buy-back tax)	(3,164)	-
Buy back expense (Net of tax)	(49)	-
Proceeds from short term borrowings	21,150	31,030
Repayment of short term borrowings	(20,250)	(37,531)
Repayment of vehicle loan	(7)	(8)
Proceeds from issue of commercial paper	13,500	10,000
Repayment of long-term borrowings	(83)	-
Repayment of commercial paper	(7,500)	(23,000)
Payments of Lease liabilities	(1,098)	(1,169)
Finance costs paid	(408)	(731)
Net cash inflow/(outflow) from Investing Activities (C)	**2,091**	**(21,409)**
Net Increase in Cash and Cash Equivalents (A + B + C)	**290**	**1,365**
Cash and cash equivalent as at the commencement of the year	(1,448)	(2,813)
Cash and cash equivalent as at the end of the year	(1,158)	(1,448)
Net Increase as mentioned above	**290**	**1,365**
Reconciliation of Cash and cash equivalent as at year-end		
Cash and cash equivalent	2,459	2,079
Bank overdrafts	(3,597)	(3,096)
Cash credit facility	(19)	(431)
Cash and cash equivalent for Cash Flow Statement	**(1,158)**	**(1,448)**

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381
Place : Mumbai
Date : 18th May, 2022

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Kalpesh D. Dedhia
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place : Mumbai
Date : 18th May, 2022

Consolidated Statement of Changes in Equity

for the year ended 31st March, 2022

A. Equity Share Capital

(₹ in Lakhs)

Balance as at 1st April, 2020	Changes in equity share capital during the year 2020-21	Balance as at 31 March 2021	Changes in equity share capital during the year 2021-22	Balance as at 31 March 2022
4,577	-	4,577	(53)	4,524

B. Other Equity

(₹ in Lakhs)

Particulars	Reserves and surplus				Other comprehensive income			Total other equity
	Capital Redemption Reserve	Capital Reserve	General Reserve	Retained earnings	Re-measurement of the net defined benefit plan	Foreign currency reserve on conversion of foreign subsidiary	Cash flow hedge reserve	
Balance as at 31st March, 2020	**221**	**76**	**2,155**	**80,817**	**(484)**	**(2)**	**(1,082)**	**81,702**
Addition during the year (net of taxes)	-	-	-	-	(107)	#	1,283	1,177
Reclassification adjustment on dilution of share of an associate	-	-	-	-	#	-	-	#
Net profit for the year	-	-	-	5,591	-	-	-	5,591
Balance as at 31st March, 2021	**221**	**76**	**2,155**	**86,409**	**(590)**	**(2)**	**201**	**88,470**
Amount utilised for Dividend and Dividend Distribution Tax	-	-		(2,270)	-	-		(2,270)
Addition during the year (net of taxes)	-	-	-	-	(192)	(1)	(140)	(333)
Amount transferred to capital redemption reserve upon buyback	53			(53)				-
Buy-back from open market (including buy back tax of ₹ 588 Lakhs)				(3,111)				(3,111)
Buy-back expenses (net of tax)				(49)				(49)
Net profit for the year	-	-	-	13,120	-	-	-	13,120
Balance as at 31st March, 2022	**274**	**76**	**2,155**	**94,045**	**(782)**	**(3)**	**61**	**95,828**

Notes: a) The Board of Directors, in its meeting held on 27th May, 2021, had approved the buyback of the Holding Company's fully paid-up equity shares having face value of ₹ 2 per share at the maximum buyback price of ₹ 100 per equity share and the maximum buyback size of ₹ 5,000 Lakhs; the indicative maximum number of equity shares to be bought back would be 50,00,000 Equity shares comprising approximately 2.18% of the paid-up equity shares capital of the Holding Company as of 31st March, 2021 (on a standalone basis). The buyback was offered to all eligible equity shareholders of the Holding Company (other than the promoters, the promoter group and persons in control of the Company) under the open market route through stock exchange mechanism.

The Holding Company has bought back 26,57,319 equity shares upto the year ended 31st March, 2022 under the open market route through stock exchange mechanism which are also extinguished as per Regulation 21 read with Regulation 11 of Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018, as amended. Consequently, buyback tax has been accounted on such shares bought back amounting to INR 588 Lakhs for the year ended 31st March, 2022. In accordance with section 69 of the Companies Act 2013, during the year ended 31st March, 2022, the Holding Company has created 'Capital Redemption Reserve' of the nominal value of the shares bought back as an appropriation from retained earnings.

The buy back process was completed on 6th December 2021 by the Holding Company.

b) Refer note 25 for nature and purpose of other equity.

The accompanying notes form an integral part of the consolidated financial statements.

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381

Place : Mumbai
Date : 18th May, 2022

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Kalpesh D. Dedhia
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place : Mumbai
Date : 18th May, 2022

Consolidated Significant Accounting Policies

for the year ended 31st March, 2022

1. Group overview, nature of entity's operations and its principal activities

Navneet Education Limited ('the Holding Company') is a public limited Company, together with its subsidiaries and associates (collectively referred to as 'the Group'). The operations of the Group are primarily manufacturing and trading of education books, reference books, technical & professional books in paper form and e-learning form and also paper and non-paper based stationery products.

The Holding Company is incorporated and domiciled in India and has its registered office at Navneet Bhavan, Near Shardasharam Society, Bhavani Shankar Road, Dadar, Mumbai - 400028, Maharashtra, India. The Holding Company is listed on Bombay Stock Exchange and National Stock Exchange.

The consolidated financial statements of the Group for the year ended 31st March, 2022 were approved and adopted by board of directors of the Holding Company on their meeting dated 18th May, 2022.

2. Significant Accounting Policies and Key Accounting Estimates and Judgments

2.1 Basis of preparation

a) Statement of Compliance

The consolidated financial statements of the Group have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of Companies Act, 2013 ('the Act') read with the Companies (Indian Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter.

The Group has consistently applied the accounting policies used in the preparation of its consolidated financial statements except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

b) Functional and presentation currency

Items included in the consolidated financial statements of the Group are measured using the currency of the primary economic environment in which the Group operates ('the functional currency'). The consolidated financial statements are prepared in ₹ which is the functional and presentation currency. All amounts are rounded to the nearest Lakhs except when otherwise mentioned. Figures of ₹ 50,000 or less have been denoted by #.

c) Basis of measurement

The financial statements have been prepared under historical cost convention basis, except for the following material items which are measured at fair value as required by relevant Ind AS:

i) Certain financial assets and financial liabilities (including derivative instruments) [Refer accounting policy regarding financial instruments in note no. 2.3(j)]

ii) Defined benefit plans

2.2 Basis of Consolidation

a) Principles of consolidation

i) The consolidated financial statements relate to the financial statements of the holding Company, its subsidiaries and associates as at 31st March, 2022. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

a) Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)

b) Exposure, or rights, to variable returns from its involvement with the investee, and

c) The ability to use its power over the investee to affect its returns

ii) The Group can have power over the investee even if it owns less than majority voting rights i.e. rights arising from other contractual arrangements. The Group re-assesses whether or not it controls an investee, if facts and circumstances indicate that there are changes to one or more of the three elements of control.

iii) Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Assets, liabilities, income and expenses of a subsidiary acquired or disposed of during the year are included in the consolidated financial statements from the date the Group gains control until the date the Group ceases to control the subsidiary.

iv) Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the Group's accounting policies.

v) The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the holding Company, i.e., year ended on 31st March, 2022. When the end of the reporting period of the holding Company is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the holding Company to enable the holding Company to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

b) Consolidation procedure:

i) Consolidation procedure for subsidiaries

a) The financial statements of the Group have been combined on line-by-line basis by adding book values of lines items of assets, liabilities, equity, income, expenses and cash flows of the holding Company with those of its subsidiaries. For this purpose, income and expenses of the subsidiaries are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.

b) Non-controlling interests, presented as part of equity, represent the portion of a subsidiary's statement of profit and loss and net assets that is not held by the Group. Statement of profit and loss balance (including other comprehensive income ('OCI')) is attributed to the equity holders of the Holding Company and to the non-controlling interest basis the respective ownership interests and such balance is attributed even if this results in controlling interests having a deficit balance.

c) Foreign subsidiary

Functional and reporting currency of foreign subsidiary is different from the reporting currency of the Holding Company. All assets and liabilities (excluding share capital and opening reserves and surplus) of foreign subsidiary are translated into ₹ using the exchange rate prevailing at the reporting date. The income and expenses of foreign subsidiary is translated into Indian Rupee at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Exchange differences are recognised in OCI and accumulated in equity (as exchange differences on translating the financial statements of a foreign subsidiary), except to the extent that the exchange differences are allocated to Non-controlling interest (NCI).

When a foreign subsidiary is disposed of in its entirety or partially such that control, significant influence or join control is lost, the cumulative amount of exchange differences related to that foreign subsidiary recognised in OCI is reclassified to the Statement of Profit and Loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount of foreign exchange differences is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a Joint Venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount of foreign exchange differences is reclassified to the Statement of Profit and Loss.

ii) Consolidation procedure for the associates

a) Investment in entities in which there exists significant influence but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill arising at the time of acquisition, as the case may be, which will be inherent in investment. The carrying amount of the investment is adjusted thereafter for the post acquisition changes in the share of net assets of the investee, adjusted where necessary to ensure consistency with the accounting policies of the Group. Gain or loss in respect of changes in other equity resulting in dilution of stake in the associates is recognised in the Statement of Profit and Loss.

b) The consolidated statement of profit and loss (including the other comprehensive income) includes the Group's share of the results of the operations of the investee.

c) The Group discontinues the use of equity method from the date when investee ceases to be an associate.

d) Goodwill relating to the associates are included in the carrying amount of the investment and is not tested for impairment individually.

iii) Eliminations

a) Offset (eliminate) the carrying amount of the holding Company's investment in each subsidiary and the holding Company's portion of equity of each subsidiary.

b) Eliminate in full intra-group assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intra-group transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intra-group losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 'Income Taxes' applies to temporary differences that arise from the elimination of profits and losses resulting from intra-group transactions.

c) Business combination:

i) The excess of cost to the holding Company of its investment in subsidiaries and associate over the holding Company's portion of equity, at the date on which investment in subsidiaries and associate is made, is recognised as Goodwill in the Consolidated Financial Statements. When the cost to the holding Company is less than the holding Company's portion of equity, the difference is recognised in the financial statements as Capital Reserve.

ii) After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, 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 combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

iii) Cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit. Any impairment loss for goodwill is recognised in profit or loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

2.3 Significant Accounting policies

a) Presentation and disclosure of consolidated financial statements

All assets and liabilities have been classified as current and non-current as per Group's normal operating cycle and other criteria set out in the division II of Schedule III of the Companies Act, 2013, for a Group whose consolidated financial statements are made in compliance with the Companies (India Accounting Standards) Rules, 2015 and relevant amendment rules issued thereafter. Based on the nature of business and their realisation in cash and cash equivalents, 12 months has been considered by the Group for the purpose of current / non-current classification of assets and liabilities.

Deferred tax assets and liabilities are classified as non-current assets and liabilities as the case may be.

b) Property, plant and equipment & Depreciation

i) All Property, Plant and Equipment are stated at cost of acquisition less accumulated depreciation and accumulated impairment losses, if any. Cost of property, plant and equipment includes non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable costs of bringing the asset to its working condition and location and present value of the expected cost for the dismantling/decommissioning of the asset.

ii) Capital work-in-progress comprises of cost incurred on property, plant and equipment not yet ready for their intended use at the Balance Sheet date. Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets.

iii) Property, plant and equipment are eliminated from financial statement, either on disposal or when retired from active use. Losses arising in the case of retirement of property, plant and equipment and gains or losses arising from disposal of property, plant and equipment are recognised in the statement of profit and loss in the year of occurrence.

iv) Subsequent expenditures relating to property, plant and equipment is capitalised only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. Repairs and maintenance costs are recognised in the Statement of Profit and Loss when incurred.

v) When parts of an item of property, plant and equipment have different useful lives, they are accounted for as a separate item (major components) of property, plant and equipment.

vi) The carrying amount of an item of property, plant and equipment shall be derecognised:

i. on disposal; or

ii. when no future economic benefits are expected from its use or disposal.

vii) Depreciation on property, plant and equipment

i. Depreciation on property, plant and equipment (other than freehold land and capital work in progress) is provided on WDV over the useful lives of the relevant assets, net of residual value, whose lives are in consonance with the lives mentioned in Schedule II of the Companies Act, 2013, except the following cases:

- In case of one subsidiary 'Indiannica Learning Private Limited', where depreciation is calculated on straight line basis as per useful lives prescribed under Schedule II of the Companies Act, 2013 and estimated useful life of 3 years for servers and networks being lower than the useful life of 6 years as prescribed under Part C of Schedule II of the Companies Act, 2013. Also, leasehold improvements are depreciated over the period of lease term or 10 years, whichever is less.

- Individual assets whose cost does not exceed ten thousand rupees has been provided fully in the year of capitalisation.

- In case of one step-down subsidiary 'Genext Students Private Limited', depreciation on property, plant and equipment commences when the assets are ready for their intended use which is generally on commissioning. Items of property, plant and equipment are depreciated in a manner that amortises the cost (or other amount substituted for cost) of the assets after commissioning, less its residual value, over their useful lives as specified in Schedule II of the Companies Act, 2013 on a straight-line basis.

The estimated useful lives of property, plant and equipment of the Company are as follows:

Furniture and Fixtures	8 – 10 Years
Office Equipment	5 Years

ii. In the case of assets purchased, sold or discarded during the year, depreciation on such assets is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such asset has been sold or discarded.

iii. The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each balance sheet date to reflect the expected pattern of consumption of the future benefits embodied in the properties, plant and equipment and in case of any changes, effect of the same is given prospectively.

iv. Depreciation of an asset ceases at the earlier of the date that the asset is classified as held for sale (or included in a disposal group that is classified as held for sale) in accordance with Ind AS 105 and the date that the asset is derecognised.

c) **Investment properties & Depreciation on investment properties**

i) Property (Land or a Building or part of a building or both and related equipment's & furniture) that are held for long term rental yields or for capital appreciation or both, rather than for:

a) Use in the production or supply of goods or services or for administrative purposes; or

b) Sale in the ordinary course of business are recognised as investment property in books of accounts.

ii) Investment properties are measured initially at cost, including transaction costs. Cost of investment properties includes non-refundable taxes and duties, borrowing cost directly attributable to the qualifying asset and any directly attributable costs of bringing the asset to its working condition and location and present value of any obligatory decommissioning cost for its intended use.

Subsequent expenditure is capitalised to the assets carrying amount only when it is probable that future economic benefits associated with these will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are recognised in the Statement of Profit and Loss when incurred.

iii) Depreciation on investment properties

a) Depreciation on investment properties is provided on WDV over the useful life of the relevant assets net of residual value whose life is in consonance with the life mentioned in Schedule II of the Companies Act, 2013.

b) In the case of investment property purchased, sold or discarded during the year, depreciation on such investment property is calculated on pro-rata basis from the date of such addition or as the case may be, upto the date on which such investment property has been sold or discarded.

c) The residual values, useful lives and methods of depreciation of investment properties are reviewed at each balance sheet date to reflect the expected pattern of consumption of the future benefits embodied in the investment properties and in case of any changes, effect of the same is given prospectively.

d) **Intangible assets & Amortisation**

i) Acquired intangible assets:

Intangible assets are recognised when the Group controls the asset, it is probable that future economic benefits attributed to the asset will flow to the Group and the cost of the asset can be reliably measured. At initial recognition, intangible assets are recognised at cost. Intangible assets are carried at cost of development and / or consideration paid for acquisition less accumulated amortisation and accumulated impairment loss; if any.

Amortisation of intangible assets is provided on straight line basis over the estimated useful life as tabulated below:

Block	Range of useful life
Trademark and copyright	3 to 10 years
Software	2.5 to 3 years

License is capitalised at the amounts paid to acquire the respective license for use and is amortised over the period of license.

ii) Internally generated intangible assets:

Content and Technology platform development expenditure incurred where it is reasonably certain that outcome of development will be commercially exploited to yield economic benefits to the Group, is considered as an intangible asset. Content and Technology platform development cost includes majorly salaries related to contents and technology platform capitalised during the year.

During the current year, one subsidiary 'Navneet Futuretech Limited' has changed its estimated useful life of content and technology platform created in earlier years from 4 years to 3 years for contents and from 3 years to 2 years for technology platforms.

For newly capitalised intangible asset, estimated useful life is considered 3 years. The intangible assets are amortised over 3 years on Straight Line Method basis.

One subsidiary 'Genext Students Private Limited' amortises its intangible assets as follows:

Block	Range of useful life
Educational content software	3 years from year in which project is capitalised
Trade Mark and copy right	3 years from year in which project is capitalised

iii) The useful lives and methods of amortisation of intangible assets are reviewed at each balance sheet date to reflect the expected pattern of consumption of the future benefits embodied in the intangible assets and in case of any changes, effect of the same is given prospectively.

e) Impairment of non-financial assets

Assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the CGU to which the asset belongs. If such assets are considered to be impaired, the impairment to be recognised in the Statement of Profit and Loss is measured by the amount by which the carrying value of the assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the statement of profit and loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount does not exceed the carrying amount that would have been determined (net of any accumulated amortisation or depreciation) had no impairment loss been recognised for the asset in prior years.

f) Non-Current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through sale rather than through continuing use and the sale is highly probable. Management must be committed to the sale, which should be expected within one year from the date of classification. The criteria for held for sale classification is regarded as met only when the asset is available for immediate sale in its present condition, subject to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Group treats sale of the asset to be highly probable when:

i) The appropriate level of management is committed to a plan to sell the asset,

ii) An active programme to locate a buyer and complete the plan has been initiated,

iii) The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,

iv) The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and

v) Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell. Assets and liabilities classified as held for sale are presented separately in the balance sheet. Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised. Gains and losses on disposals of such assets held for sale are determined by comparing proceeds with carrying amounts, and are recognised in the statement of profit and loss.

The Deposits associated with assets held for sale are presented separately from other liabilities in the balance sheet.

g) Inventories

Inventories are valued at the lower of cost and net realisable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

i) Raw Materials (including pen drive, CD), Packing Materials, Stores & Spares are valued at lower of cost and net realisable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost.

The Cost comprises of costs of purchase, duties and taxes (other than those subsequently recoverable), conversion cost and other costs after deducting discounts and rebates which are incurred in bringing the inventories to their present location and condition. Cost is determined on the weighted average basis (first-in first-out basis in case of one subsidiary 'Indiannica Learning Private Limited'). Cost also includes the reclassification from OCI of any gains or losses on qualifying cash flow hedges relating to purchases of raw material but excludes borrowing costs.

ii) Finished Goods and Work in Progress are valued at lower of cost and net realisable value. Cost includes direct materials valued on weighted average basis (first-in first-out basis in case of one subsidiary 'Indiannica Learning Private Limited'), conversion cost (i.e. costs directly related to the units of production), an appropriate proportion of manufacturing overheads based on normal operating capacity and other costs incurred in bringing them to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs of completion and estimated costs necessary to make the sale.

iii) Stocks in trade (Traded goods) are valued at lower of cost and net realisable value. Cost includes direct materials valued on weighted average basis (first-in first-out basis in case of one subsidiary 'Indiannica Learning Private Limited'), and other costs incurred in bringing them to their present location and condition.

iv) Scraps are valued at estimated net realisable value.

v) Cost of inventories is arrived at after providing for cost of obsolescence wherever considered necessary.

Net Realisable Value (NRV) test is performed on these costs by comparing estimated selling price in the ordinary course of business less the estimated costs of completion and the estimated costs necessary to make the sale.

h) Borrowing Cost

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised as part of the cost of the respective asset till such time the asset is ready for its intended use or sale. A qualifying asset is an asset which necessarily takes a substantial period of time to get ready for its intended use or sale. All other borrowing costs are expensed in the period in which they occur. Borrowing costs consist of interest expenses calculated as per effective interest method, exchange difference arising from foreign currency borrowings to the extent they are treated as an adjustment to the borrowing cost.

i) Operating Segments

The operating segments have been identified based on the conditions specified in paragraph 5 to Ind AS 108, i.e. an operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the Group's Chief Operating Decision Maker ("CODM") to make decisions for which discrete financial information is available.

Operating Segments are reported in a manner consistent with internal reporting provided to the CODM. The Managing Director is the CODM of the group. 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.

j) Financial instruments

Initial recognition

All financial instruments are recognised initially at fair value. Transaction costs that are attributable to the acquisition of the financial asset (other than financial assets recorded at fair value through profit or loss) are included in the fair value of the financial assets. Purchase or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trade) are recognised on trade date. While, loans and borrowings and payables are recognised net of directly attributable transaction costs.

Classification of financial assets

Financial assets are classified as 'equity instrument' if it is a non-derivative and meets the definition of 'equity' for the issuer. All other non-derivative financial assets are 'debt instrument'.

Subsequent measurement

The classification of financial instruments depends on the objective of the business model for which it is held. Management determines the classification of its financial instruments at initial recognition.

Non-derivative financial assets:

Financial assets at amortised cost and the effective interest method

Debt instruments shall be measured at amortised cost if both of the following conditions are met:

i. the asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and selling assets;

ii. the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments meeting these criteria are measured initially at fair value plus transaction costs.

They are subsequently measured at amortised cost using the effective interest method less any impairment, with interest recognised on an effective yield basis in investment income.

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest over the relevant period. The effective interest rate is the rate that exactly discounts the estimated future cash receipts (including all fees on points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

The Group may irrevocably elect at initial recognition to classify a debt instrument that meets the amortised cost criteria above as at Fair Value Through Profit & Loss (FVTPL) if that designation eliminates or significantly reduces an accounting mismatch had the financial asset been measured at amortised cost.

Equity instruments

At initial recognition, an irrevocable election is made (on an instrument-by-instrument basis) to designate investments in equity instruments other than held for trading purpose at Fair Value Through Other Comprehensive Income FVTOCI.

A financial asset is held for trading if:

- it has been acquired principally for the purpose of selling it in the near term; or
- on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and has evidence of a recent actual pattern of short-term profit-taking; or
- it is a derivative that is not designated and effective as a hedging instrument or a financial guarantee.

If the Group decides to classify an equity instrument as at FVTOCI, 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 Group may transfer the cumulative gain or loss within equity. Equity investments designated as FVTOCI are not subject to impairment assessment.

Equity instruments included within the FVTPL category are measured at fair value with all fair value changes recognised in the statement of profit and loss.

Financial assets at Fair Value Through Profit or Loss (FVTPL)

Financial assets that do not meet the criteria of classifying as amortised cost or fair value through other comprehensive income described above, or that meet the criteria but the entity has chosen to designate as at FVTPL at initial recognition, are measured at FVTPL.

Investments in equity instruments are classified as at FVTPL, unless the Group designates an investment that is not held for trading at FVTOCI at initial recognition.

Financial assets classified at FVTPL are initially measured at fair value excluding transaction costs.

Financial assets at FVTPL are subsequently measured at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss.

Dividend income on investments in equity instruments at FVTPL is recognised in the statement of profit and loss in investment income when the Group's right to receive the dividends is established, it is probable that the economic benefits associated with the dividend will flow to the entity; and the amount of the dividend can be measured reliably.

Equity investments

All equity investments within the scope of Ind AS 109 are measured at fair value. For all other 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 upon initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, 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 Group may transfer the cumulative gain or loss within equity. Equity investments designated as FVTOCI are not subject to impairment assessment.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the statement of profit and loss

Impairment of financial assets

On initial recognition of the financial assets, a loss allowance for expected credit loss is recognised for debt instruments at amortised cost and FVTOCI. For debt instruments that are measured at FVTOCI, the loss allowance is recognised in other comprehensive income in the statement of profit and loss and does not reduce the carrying amount of the financial asset in the balance sheet.

Expected credit loss of a financial instrument is measured in a way that reflects:

i) an unbiased and probability-weighted amount that is determined by evaluating a range of possible outcomes;

ii) the time value of money; and

iii) reasonable and supportable information that is available without undue cost or effort at the reporting date about past events, current conditions and forecasts of future economic conditions.

At each reporting date, the Group assesses whether the credit risk on a financial instrument has increased significantly since initial recognition.

When making the assessment, the Group compares the risk of a default occurring on the financial instrument as at the reporting date with the risk of a default occurring on the financial instrument as at the date of initial recognition and consider reasonable and supportable information, that is available without undue cost or effort, that is indicative of significant increases in credit risk since initial recognition.

If, at the reporting date, the credit risk on a financial instrument has not increased significantly since initial recognition, the Group measures the loss allowance for that financial instrument at an amount equal to 12-month expected credit losses. If, the credit risk on that financial instrument has increased significantly since initial recognition, the Group measures the loss allowance for a financial instrument at an amount equal to the lifetime expected credit losses.

The amount of expected credit losses (or reversal) that is required to adjust the loss allowance at the reporting date is recognised as an impairment gain or loss in the statement of profit and loss.

Derecognition of financial assets

The Group derecognises a financial asset on trade date only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership of the asset to another entity. If the Group neither transfers nor retains substantially all the risks and rewards of ownership and continues to control the transferred asset, the Group recognises its retained interest in the asset and an associated liability for amounts it may have to pay. If the Group retains substantially all the risks and rewards of ownership of a transferred financial asset, the Group continues to recognise the financial asset and also recognises a collateralised borrowing for the proceeds received.

On derecognition of a financial asset other than in its entirety (e.g. when the Group retains an option to repurchase part of a transferred asset), the Group allocates the previous carrying amount of the financial asset between the part it continues to recognise under continuing involvement, and the part it no longer recognises on the basis of the relative fair values of those parts on the date of the transfer. The difference between the carrying amounts allocated to the part that is no longer recognised and the sum of the consideration received for the part no longer recognised and any cumulative gain or loss allocated to it that had been recognised in other comprehensive income is recognised in the statement of profit and loss. Cumulative gain or loss that had been recognised in other comprehensive income is allocated between the part that continues to be recognised and the part that is no longer recognised on the basis of the relative fair values of those parts.

Financial liabilities and equity instruments issued by the Group

Classification as debt or equity

Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangement.

Equity instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

Financial liabilities

Financial liabilities are classified as either 'financial liabilities at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

A financial liability is classified as held for trading if:

i) it has been acquired or incurred principally for the purpose of repurchasing it in the near term; or

ii) on initial recognition it is part of a portfolio of identified financial instruments that the Group manages together and for which there is evidence of a recent actual pattern of short-term profit taking; or

iii) It is a derivative that is not designated and effective as a hedging instrument.

A financial liability other than a financial liability held for trading may also be designated as at FVTPL upon initial recognition if:

i) such designation eliminates or significantly reduces a measurement or recognition inconsistency that would otherwise arise; or

ii) the financial liability forms part of a Company of financial assets or financial liabilities or both, which is managed and its performance is evaluated on a fair value basis, in accordance with the Group's documented risk management or investment strategy and information about the Group is provided internally on that basis; or

iii) It forms part of a contract containing one or more embedded derivatives, and Ind-AS 109 Financial Instruments permits the entire combined contract to be designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in the statement of profit and loss, except for the amount of change in the fair value of the financial liability that is attributable to changes in the credit risk of that liability which is recognised in other comprehensive income.

The net gain or loss recognised in the statement of profit and loss incorporates any interest paid on the financial liability.

Other financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs.

Other financial liabilities are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

Financial guarantee contracts

A financial guarantee contract is a contract that requires the issuer to make specified payments to reimburse the holder for a loss it incurs because a specified debtor fails to make payments when due in accordance with the terms of a debt instrument.

Financial guarantee contracts issued by the Holding Company are initially measured at their fair values and, if not designated as at FVTPL, are subsequently measured at the higher of:

i) the amount of loss allowance determined in accordance with impairment requirements of Ind AS 109; and

ii) the amount initially recognised less, when appropriate, the cumulative amount of income recognised in accordance with the principles of Ind AS 115.

Reclassification of financial assets and liabilities

The Group determines classification of financial assets and liabilities on initial recognition. After initial recognition, no re-classification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a re-classification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Group's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Group either begins or ceases to perform an activity that is significant to its operations. If the Group re-classifies financial assets, it applies the re-classification prospectively from the re-classification date which is the first day of the immediately next reporting period following the change in business model. The Group does not re-state any previously recognised gains, losses (including impairment gains or losses) or interest.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the balance sheet when 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.

Derivatives and hedge accounting

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured at their fair value. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument, and if so, the nature of the item being hedged.

The Group designates certain derivatives as either:

i) hedges of the fair value of recognised assets or liabilities or a firm commitment (fair value hedge);

ii) hedges of a particular risk associated with a recognised asset or liability or a highly probable forecast transaction (cash flow hedge); or

iii) Hedges of a net investment in a foreign operation (net investment hedge).

The Group documents at the inception of the transaction the relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking various hedging transactions. The Group also documents the nature of the risk being hedged and how the Group will assess whether the hedging relationship meets the hedge effectiveness requirements (including its analysis of the sources of hedge ineffectiveness and how it determines the hedge ratio).

The full fair value of a hedging derivative is classified as a non-current financial asset or financial liability when the residual maturity of the derivative is more than 12 months and as a current financial asset or financial liability when the residual maturity of the derivative is less than 12 months.

Fair value hedge

Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recorded in the statement of profit and loss, together with any changes in the fair value of the hedged item that are attributable to the hedged risk.

Hedge accounting is discontinued when the Group revokes the hedging relationship, when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. The fair value adjustment to the carrying amount of the hedged item arising from the hedged risk is amortised to the statement of profit and loss from that date.

Cash flow hedges

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income and accumulated under the heading cash flow hedging reserve. The gain or loss relating to the ineffective portion is recognised immediately in the statement of profit and loss, and is included in the 'other gains and losses' line item.

Amounts previously recognised in other comprehensive income and accumulated in equity are reclassified to the statement of profit and loss in the periods when the hedged item affects the statement of profit and loss, in the same line as the recognised hedged item. However, when the hedged forecast transaction results in the recognition of a non-financial asset or a non-financial liability, the gains and losses previously recognised in other comprehensive income and accumulated in equity are transferred from equity and included in the initial measurement of the cost of the non-financial asset or non-financial liability.

Hedge accounting is discontinued when the hedging instrument expires or is sold, terminated, or exercised, or when it no longer qualifies for hedge accounting. Any gain or loss recognised in other comprehensive income and accumulated in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the statement of profit and loss. When a forecast transaction is no longer expected to occur, the gain or loss accumulated in equity is recognised immediately in the statement of profit and loss.

Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the transaction to sell the asset or transfer the liability takes place either in the principal market for the asset or liability or in the absence of a principal market, in the most advantageous market for the asset or liability. The principal market or the most advantageous market must be accessible to the Group.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy based on the lowest level input that is significant to the fair value measurement as a whole. The fair value hierarchy is described as below:

Level 1 – unadjusted quoted price in active markets for identical assets and liabilities.

Level 2 – Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

Level 3 – unobservable inputs for the asset or liability.

For assets and liabilities that are recognised in the financial statements at fair value on a recurring basis, the Group determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation at the end of each reporting period.

For the purpose of fair value disclosures, the Group has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of fair value hierarchy.

k) Revenue recognition

The Group earns revenue primarily from sale of knowledge-based information in educational and general books, paper stationery and non-paper stationery.

Revenue is recognised upon transfer of control of promised products and services to customers, when there are no longer any unfulfilled obligations, in an amount that reflects the consideration which the Group expects to receive in exchange for those products and services. The Performance obligations in our contracts are fulfilled at the time of dispatch, delivery or upon formal customer acceptance depending on customer terms.

- Sale of products

  Revenue is recognised at a point in time upon transfer of control of promised products to customers, which coincides with the dispatch coincides with dispatch or delivery of goods as per the relevant terms of the contract, in an amount that reflects the consideration we expect to receive in exchange for those products. The sale is recorded at the fair value of the consideration received or receivable, net of returns and allowances, trade, volume & other discounts / rebate and any taxes or duties collected on behalf of the government such as goods and services tax, etc.

  Accumulated experience and judgement are used to estimate and provide for turnover discounts, expected cash discounts, other eligible discounts, expected returns and incentives.

  Payment for the sale is made as per the credit terms in the agreements with the customers. The credit period is generally short term, thus there is no significant financing component.

- Revenue from sale of hardware is recognised upon transfer of control which is usually on delivery to customers of promised products at point in time in an amount that reflects the consideration we expect to receive in exchange for those products.

- Sale of services

  Revenue from services rendered is recognised at a point in time based on agreements / arrangements with the customers. Revenue for fixed price contracts (including right to use contents) are recognised over the contract period on straight line basis unless there is a more appropriate allocation.

  Revenue from sale of educational contents in digital form is recognised as under:

  o In case the sale is in the nature of right to use, the revenue is recognised at the point of time when the license for the content is activated and there are no further performance obligations.

  o In case the sale is in the nature of right to access, the revenue is recognised over the license period on straight line basis.

- Income from power generation

  Income from power generation is recognised on the basis of electrical units generated & transferred to transmission Company (in excess of captive consumption) and is recognised at prescribed rate as per agreement for sale of electricity by the Group. Income from power generation is grouped under 'Other operating revenue'.

- Revenue from subscription of digital content / Royalty for right-to-use license are accounted over the subscription period / agreement period in accordance with the terms of the arrangement.

- Other Income

  o Interest income in respect of all the Debt Instruments, financial guarantee's and deposits which are measured at cost or at fair value through other comprehensive income, is recorded using effective interest rate (EIR). EIR is the rate that exactly discounts the estimated future cash payments or receipts over the expected life of the financial instrument or a shorter period, where appropriate, to the gross carrying amount of the financial asset or to the amortised cost of a financial liability.

  o Dividend income on investment is accounted for in the year in which the right to receive the payment is established.

- Contracts with customer and significant judgement in applying the standard

  o The Group's contracts with customers mainly include promises to transfer products and services to a customer. The

Group assesses the products / services promised in a contract and identifies distinct performance obligations in the contract, if any.

- o Judgement is required to determine the transaction price for the contract. The transaction price could be either a fixed amount of consideration or variable consideration with elements such as volume discounts and incentives. The estimated amount of variable consideration is adjusted in the transaction price only to the extent that it is highly probable that a significant reversal in the amount of cumulative revenue recognised will not occur and is reassessed at the end of each reporting period.

l) Government grants

Government grants are recognised when there is reasonable assurance that the Group will comply with the conditions attaching to them and that the grants will be received.

Incentives on exports related to operations as provided by government are recognised in books after due consideration of certainty of utilisation / receipt of such incentive.

m) Trade receivable

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. If the receivable is expected to be collected within a period of 12 months or less from the reporting date (or in the normal operating cycle of the business, if longer), they are classified as current assets, otherwise as non-current assets.

Trade receivables are measured at their transaction price unless it contains a significant financing component or pricing adjustments embedded in the contract.

Loss allowance for expected life time credit loss is recognised on initial recognition.

n) Foreign currency transactions

Foreign Currency transactions are translated into the functional currency of the respective group entity, using the exchange rates prevailing at the dates of the transactions (spot exchange rates). As at the Balance Sheet date, foreign currency monetary assets and liabilities are translated at closing exchange rate. The gains or losses resulting from such translations are included in net profit in the Statement of Profit and Loss.

Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at fair value are translated at the exchange rate prevalent at the date when the fair value was determined. Non-monetary assets and non-monetary liabilities denominated in a foreign currency and measured at historical cost are translated at the exchange rate prevalent at the date of the transaction.

Transaction gains or losses realised upon settlement of foreign currency transactions are included in determining net profit for the period in which the transaction is settled. Revenue, expense and cash flow items denominated in foreign currencies are translated into the relevant functional currencies using the exchange rate in effect on the date of the transaction.

As per Appendix B to Ind AS 21, when an entity has received or paid advance contribution in a foreign currency, transaction rate as on the date of receipt of advance is considered for recognition of related asset, expenses or income.

o) Employee benefits

i) Short term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employees' services up to the end of the reporting 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.

ii) **Post-employment benefits**

a) **Defined Contribution Plan**

The defined contribution plan is post-employment benefit plan under which the Group contributes fixed contribution to a government administered fund and will have no legal or constructive obligation to pay further contribution. The Group's defined contribution plan comprises of Provident Fund and Labour Welfare Fund and Government Pension Fund in respect of certain employees at a pre-determined rate. The Group's contribution to defined contribution plans are recognised in the statement of profit and loss in the period in which the employee renders the related services.

b) **Defined benefit plan**

The Group has defined benefit plans comprising of Gratuity. Group's obligation towards gratuity liability, wherever applicable, is funded and is managed by Life Insurance Corporation of India (LIC), except in case of one subsidiary 'Navneet Futuretech Limited'. The present value of the defined benefit obligations is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Re-measurements comprising of (a) actuarial gains and losses, (b) the effect of the asset ceiling (excluding amounts included in net interest on the net defined benefit liability) and (c) the return on plan assets (excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through other comprehensive income in the period in which they occur. Re-measurements are not reclassified to statement if profit and loss in subsequent periods.

The return on plan assets is the Group's expectation of average long-term rate of return on the investment of the fund over the entire life of the related obligation. Plan assets are measured at fair value as at the Balance Sheet date.

The interest cost on defined benefit obligation and expected return on plan assets is recognised under finance cost.

Gains or losses on the curtailment or settlement of defined benefit plan are recognised when the curtailment or settlement occurs.

iii) **Compensated absences**

The Group has benefits in the form of compensated absences. The present value of such compensated absences is determined based on actuarial valuation using the projected unit credit method. The rate used to discount defined benefit obligation is determined by reference to market yields at the Balance Sheet date on Indian Government Bonds for the estimated term of obligations.

Actuarial gains or losses arising on account of experience adjustment and the effect of changes in actuarial assumptions are recognised immediately in the statement of profit and loss as income or expense.

Gains or losses on the curtailment or settlement are recognised when the curtailment or settlement occurs.

p) **Leases**

The Group has adopted Ind AS 116 'Leases' effective from 1st April, 2019, as notified by the Ministry of Corporate Affairs in the Companies (Indian Accounting Standard) Amendment Rules, 2019.

As a Lessee:

- The Group's lease asset classes primarily consist of leases for office premises, warehouses, vehicles and computers.
- At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.
- At commencement or on modification of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their relative stand-alone prices.
- The Group recognises a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprise of the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date net of lease incentive received, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located.
- The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any and adjusted for any re-measurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the commencement date over the shorter of lease term of right-of-use asset.
- The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The lease liability is measured at amortised cost using the effective interest method.
- The Group has elected not to recognise right-of-use assets and lease liabilities for leases of low-value assets and short-term leases. The Group recognises the lease payments associated with these leases as an expense on a straight-line basis over the lease term.
- The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. The Group revises the lease term if there is a change in the non-cancellable period of a lease.
- Right-of-use assets and lease liability balances are adjusted on partial / full termination of lease and corresponding gain / loss on such partial / full termination is charged to other income / other expenses in the Statement of Profit and Loss.

As a Lessor:

Lease income from operating leases where the Group is a lessor is recognised (net of GST) in income on a straight-line basis over the lease term. The respective leased assets are included in the balance sheet based on their nature.

q) Share based payments

Employee Stock Option Plan:

The fair value of options granted under the Company's employee stock option scheme (excess of the fair value over the exercise price of the option at the date of grant) is recognised as an employee benefit expense with a corresponding increase in equity. The total amount to be expensed is determined by reference to the fair value of the options granted.

Employee Stock Appreciation Rights Scheme:

Liability for the Company's Employee Stock Appreciation Rights (STAR), granted pursuant to the Company's Employee Stock Appreciation Rights Plan, 2011, shall be measured, initially and at the end of each reporting period until settled, at the fair value of the STARs, by applying an option pricing model, be and is recognised as employee benefit expense over the relevant service period.

r) Taxes on income

Tax expenses for the year comprises of current tax, deferred tax charge or credit and adjustments of taxes for earlier years. In respect of amounts adjusted outside profit or loss (i.e. in other comprehensive income or equity), the corresponding tax effect, if any, is also adjusted outside profit or loss.

i) Current tax:

The current income tax expense charge is calculated on the basis of the tax laws enacted at the end of the reporting period to each entity of the Group. Management of each entity establishes proper provisions on the basis of amounts expected to be paid to the tax authorities.

The Group offsets current tax assets and current tax liabilities where it has a legally enforceable right to set off the recognised amounts and where it intends either to settle on a net basis, or to realise the assets and settle the liability simultaneously.

Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

ii) Deferred Income Tax:

Deferred income tax is provided in full, using the Balance Sheet Method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial statements. Deferred income tax is determined using the tax rates that have been enacted at the end of the reporting period.

Deferred tax liabilities are recognised for all taxable temporary differences, and deferred tax assets are recognised for all deductible temporary differences, carry forward tax losses and allowances to the extent that it is probable that future taxable profits will be available against which those deductible temporary differences, carry forward tax losses and allowances can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities. Current tax assets and tax liabilities are offset where the Group has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

Current and deferred tax is recognised in the statement of Profit and Loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case, the tax is also recognised in Other Comprehensive Income or directly in Equity, respectively.

iii) Uncertain Tax position:

Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a taxation authority will accept an uncertain tax treatment. The group measures its tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

s) Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances, deposits with banks (other than on lien) and all short term and highly liquid investments that are readily convertible into known amounts of cash and are subject to an insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalent as calculated above also includes outstanding bank overdrafts and cash credit as they are considered an integral part of the Group's cash management.

t) Cash flow statement

Cash Flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Group are segregated.

u) Provisions and contingent liabilities and contingent assets

Contingent Liabilities are disclosed in respect of possible obligations that arise from past events but their existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or where any present obligation cannot be measured in terms of future outflow of resources or where a reliable estimate of the obligation cannot be made.

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events, it is probable that an outflow of resources will be required to settle the obligation and the amount can be reliably estimated. Provisions are not recognised for future operating losses.

Provisions are measured at the present value of management's best estimate of the expenditure required to settle the present obligation at the end of the reporting period. The discount rate used to determine the present value is a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The increase in the provision due to the passage of time is recognised as interest expense. Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

A contingent asset is disclosed, where an inflow of economic benefits is probable. An entity shall not recognise a contingent asset unless the recovery is virtually certain.

v) Earnings per share

Basic earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average numbers of shares also includes fixed number of equity shares that are issuable on conversion of compulsorily convertible instruments and it is included from the date consideration is receivable (generally the date of their issue) of such instruments.

Diluted earnings per share is calculated by dividing the net profit or loss (after tax) for the year attributable to equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

w) Dividend distribution

Final equity dividends on shares are recorded as a liability on the date of approval by the shareholders and interim equity dividends are recorded as a liability on the date of declaration by the Group's Board of Directors.

2.4 Use of significant accounting estimates, judgements and assumptions

The preparation of the consolidated financial statements requires management to make estimates, judgments and assumptions that affect the reported balances of assets and liabilities, disclosure of contingent liabilities as on the date of consolidated financial statements and reported amounts of income and expenses during the period. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Group based its assumptions and estimates on parameters available when the consolidated financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Group. Such changes are reflected in the assumptions when they occur.

a) Estimated useful lives and scrap value (Property, plant & equipment, Investment properties and Intangible assets)

The Group has conducted internal assessment of residual value and method of depreciation / amortisation of property, plant & equipment, investment properties and intangible assets and estimated that the useful life is in consonance with Schedule II of the Companies Act, 2013. Property, plant & equipment, investment properties and intangible assets represent a significant proportion of the asset base of the Group. Further the Group has estimated that scrap value of property, plant & equipment would be able to cover the decommissioning costs of property, plant & equipment.

Therefore, the estimates and assumptions made to determine useful life, residual value, method of depreciation / amortisation and decommissioning costs are critical to the Group's financial position and performance.

b) Impairment testing for Licenses under intangible assets, internally generated intangible assets and Goodwill on consolidation

Impairment testing is an area involving management judgement, requiring assessment as to whether the carrying value of assets can be supported by the net present value of future cash flows derived from such assets using cash flow projections which have been discounted at an appropriate rate. In calculating the net present value of the future cash flows, certain assumptions are required to be made in respect of highly uncertain matters including management's expectations of future growth, discount rates etc. The Group has prepared projections for next 5 years which have been used for the said calculations.

c) Determining the lease term of contracts with renewal as a Lessee

The Group evaluates if an arrangement qualifies to be a lease as per the requirements of Ind AS 116. Identification of a lease requires significant judgment. The Group uses significant judgement in assessing the lease term (including anticipated renewals).

The Group determines the lease term as the non-cancellable period of a lease, together with both periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option; and periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option. In assessing whether the Group is reasonably certain to exercise an option to extend a lease, or not to exercise an option to terminate a lease, it considers all relevant facts and circumstances that create an economic incentive for the Group to exercise the option to extend the lease, or not to exercise the option to terminate the lease. Any subsequent change in certainty of exercising option to extend lease term could impact the carrying value of right of use asset and lease liability significantly.

d) Allowances for doubtful receivables and credit losses

Allowance for doubtful receivables represent the estimate of losses that could arise due to inability of the customer to make payments when due. These estimates are based on the customer ageing, customer category, specific credit circumstances and the historical experience of the Group as forward-looking estimates at the end of each reporting period.

e) Estimation of provisions and contingencies

Provisions are liabilities of uncertain amount or timing recognised where a legal or constructive obligation exists at the balance sheet date, as a result of a past event, where the amount of the obligation can be reliably estimated and where the outflow of economic benefit is probable. Contingent liabilities are possible obligations that may arise from past event whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events which are not fully within the control of the Group. The Group exercises judgment and estimates in recognising the provisions and assessing the exposure to contingent liabilities relating to pending litigations. Judgement is necessary in assessing the likelihood of the success of the pending claim and to quantify the possible range of financial settlement. Due to this inherent uncertainty in the evaluation process, actual losses may be different from originally estimated provision.

2.5 New standard issued / modified effective from 1st April, 2022 but not effective as at reporting date

Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. On 23rd March, 2022, MCA amended the Companies (Indian Accounting Standards) Amendment Rules, 2022, applicable from 1st April, 2022, as below:

Ind AS 103 – Reference to Conceptual Framework

The amendments specify that to qualify for recognition as part of applying the acquisition method, the identifiable assets acquired and liabilities assumed must meet the definitions of assets and liabilities in the Conceptual Framework for Financial Reporting under Indian Accounting Standards (Conceptual Framework) issued by the Institute of Chartered Accountants of India at the acquisition date. These changes do not significantly change the requirements of Ind AS 103. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 16 – Proceeds before intended use

The amendments mainly prohibit an entity from deducting from the cost of property, plant and equipment amounts received from selling items produced while the Company is preparing the asset for its intended use. Instead, an entity will recognise such sales proceeds and related cost in profit or loss. The Company does not expect the amendments to have any impact in its recognition of its property, plant and equipment in its financial statements.

Ind AS 37 – Onerous Contracts - Costs of Fulfilling a Contract

The amendments specify that that the 'cost of fulfilling' a contract comprises the 'costs that relate directly to the contract'. Costs that relate directly to a contract can either be incremental costs of fulfilling that contract (examples would be direct labour, materials) or an allocation of other costs that relate directly to fulfilling contracts. The amendment is essentially a clarification and the Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 109 – Annual Improvements to Ind AS (2021)

The amendment clarifies which fees an entity includes when it applies the '10 %' test of Ind AS 109 in assessing whether to derecognise a financial liability. The Company does not expect the amendment to have any significant impact in its financial statements.

Ind AS 106 – Annual Improvements to Ind AS (2021)

The amendments remove the illustration of the reimbursement of leasehold improvements by the lessor in order to resolve any potential confusion regarding the treatment of lease incentives that might arise because of how lease incentives were described in that illustration. The Company does not expect the amendment to have any significant impact in its financial statements.

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

3 Property, Plant and Equipment (PPE)

(₹ in Lakhs)

Description of Assets	Land (Refer note 3.1)	Leasehold Property	Buildings (Refer note 3.4)	Plant and Equipment	Office Equipment	Furniture and Fixtures	Vehicles (Refer note 3.3)	Total
Gross block as at 31st March, 2020	**1,725**	**171**	**14,223**	**23,752**	**524**	**2,032**	**2,549**	**44,977**
Additions during the year 2020-21	403	-	-	635	39	72	269	1,418
Deduction / adjustments for the year 2020-21	-	171	-	87	6	298	282	844
Transfer to assets held for sale	78	-	-	14	-	-	-	92
Gross block as at 31st March, 2021	**2,050**	**-**	**14,223**	**24,286**	**557**	**1,806**	**2,536**	**45,458**
Additions during the year 2021-22	-	-	2,747	994	130	56	71	3,998
Additions through Business transfer			-	12	2	1	-	15
Deduction / adjustments for the year 2021-22	-	-	56	120	#	-	30	206
Transfer to assets held for sale	-	-	-	-	-	-	-	-
Gross block as at 31st March, 2022	**2,050**	**-**	**16,914**	**25,162**	**690**	**1,863**	**2,577**	**49,267**
Depreciation upto 31st March, 2020	**-**	**83**	**7,481**	**15,713**	**453**	**1,658**	**1,627**	**27,015**
Depreciation for the year 2020-21	-	88	512	1,503	35	93	320	2,551
Deduction / adjustments for the year 2020-21	-	171	-	77	6	266	263	783
Transfer to assets held for sale				13				13
Depreciation upto 31st March, 2021	**-**	**-**	**7,993**	**17,126**	**482**	**1,485**	**1,684**	**28,770**
Depreciation for the year 2021-22	-	-	482	1,414	35	76	260	2,267
Additions through Business transfer			-	11	1	#	-	12
Deduction / adjustments for the year 2021-22	-	-	23	96	#	-	29	148
Transfer to assets held for sale				-				-
Depreciation upto 31st March, 2022	**-**	**-**	**8,452**	**18,455**	**519**	**1,561**	**1,915**	**30,902**
Net Block as at 31st March, 2022	**2,050**	**-**	**8,463**	**6,705**	**171**	**302**	**661**	**18,365**
Net Block as at 31st March, 2021	2,050	-	6,230	7,160	75	321	852	16,688

3.1 The Holding Company had adopted Ind AS 116 'Leases' and accordingly had reclassified Leasehold land whose gross block of ₹ 86 Lakhs (Previous year: ₹ 86 Lakhs) and accumulated depreciation of ₹ 84 Lakhs (Previous year: ₹ 84 Lakhs) from Property, Plant and Equipment to 'Right of use assets' (also refer note 4).

3.2 For one of the subsidiaries 'Indiannica Learning Private Limited', details of charge created on property, plant and equipment, refer note 31.2 of the consolidated financial statements.

3.3 For details of hypothecation charge created on vehicle, refer note 26 of the consolidated financial statements.

3.4 Refer note 47 for disclosure of contractual capital commitments for acquisition of property, plant and equipment.

3.5 In the previous year, one of the subsidiary 'Indiannica Learning Private Limited' had pre-maturely terminated the lease agreement for office premises. Accordingly, following adjustments have been made in financial statements:

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

a) Disposal / adjustment from gross block and accumulated depreciation in block of leasehold improvements (additional depreciation impact of ₹ 72 Lakhs).

b) Disposal / adjustment from gross block and accumulated depreciation in in note 4 'Right of use Assets' and in note 27 'Lease Liabilities' are accounted on such pre-mature termination of lease (net balance adjusted is ₹ 28 Lakhs). Corresponding impact of the same is given in note 45 'Other expenses'.

4 Right of use assets

(₹ in Lakhs)

Description of Assets	Office premises	Land	Total
Gross block as at 31st March, 2020	**5,108**	**86**	**5,194**
Additions during the year 2020-21	176	-	176
Deduction / adjustments for the year 2020-21	831	-	831
Gross block as at 31st March, 2021	**4,453**	**86**	**4,539**
Additions during the year 2021-22	-	-	-
Deduction / adjustments for the year 2021-22	-	-	-
Gross block as at 31st March, 2022	**4,453**	**86**	**4,539**
Depreciation upto 31st March, 2020	**1,018**	**84**	**1,102**
Depreciation for the year 2020-21	988	-	988
Deduction / adjustments for the year 2020-21	286	-	286
Depreciation upto 31st March, 2021	**1,722**	**84**	**1,805**
Depreciation for the year 2021-22	899	-	899
Deduction / adjustments for the year 2021-22	-	-	-
Depreciation upto 31st March, 2022	**2,621**	**84**	**2,705**
Net Block as at 31st March, 2022	**1,832**	**2**	**1,834**
Net Block as at 31st March, 2021	2,732	2	2,734

4.1 Refer note 50 for disclosures relating to Ind AS 116 'Leases'.

4.2 Refer note 3.5 for adjustment on account of pre-mature termination of lease.

5 Capital work-in-progress

(₹ in Lakhs)

Description of Assets	Land	Buildings	Plant and Equipment	Furniture	Office Equipment	Total
As at 31st March, 2020	**85**	**26**	**287**	**29**	**-**	**427**
Additions during the year 2020-21	-	1,882	266	38	-	2,186
Capitalised in PPE in year 2020-21	85	-	287	29	-	401
Gross block as at 31st March, 2021	**-**	**1,908**	**266**	**38**	**-**	**2,212**
Additions during the year 2021-22	-	18	45	38	3	104
Capitalised in PPE in year 2021-22	-	1,885	274	38	-	2,197
Gross block as at 31st March, 2022	**-**	**41**	**37**	**38**	**3**	**119**

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

5.1 (a) CWIP Ageing schedule as at 31st March, 2022 (₹ in Lakhs)

CWIP	Amount in CWIP for period of				Total
	Less then 1 year	1-2 years	2-3 years	more than 3 years	
Projects in progress*	119	-	-	-	119
Projects temporarily suspended	-	-	-	-	-
	119	**-**	**-**	**-**	**119**

(b) CWIP Ageing schedule as at 31st March, 2021 (₹ in Lakhs)

CWIP	Amount in CWIP for period of				Total
	Less then 1 year	1-2 years	2-3 years	more than 3 years	
Projects in progress*	2,186	26	-	-	2,212
Projects temporarily suspended	-	-	-	-	-
	2,186	**26**	**-**	**-**	**2,212**

* The projects in progress are within the timelines and approved budgets.

6 Investment Property

(₹ in Lakhs)

Description of Assets	Building
Gross block as at 31st March, 2020	**559**
Additions during the year 2020-21	-
Deduction for the year 2020-21	-
Transfer to Assets held for sale	406
Gross block as at 31st March, 2021	**153**
Additions during the year 2021-22	-
Deduction for the year 2021-22	-
Transfer to Assets held for sale	-
Gross block as at 31st March, 2022	**153**
Depreciation upto 31st March, 2020	**430**
Depreciation for the year 2020-21	7
Deduction for the year 2020-21	-
Transfer to Assets held for sale	297
Depreciation upto 31st March, 2021	**141**
Depreciation for the year 2021-22	1
Deduction for the year 2021-22	-
Transfer to Assets held for sale	-
Depreciation upto 31st March, 2022	**142**
Net Block as at 31st March, 2022	**11**
Net Block as at 31st March, 2021	13

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

6.1 Amount recognised in Statement of Profit and Loss for investment properties:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Rental income (grouped under note 39 in other income)	420	572
Direct operating expenses that generated rental income	(28)	(39)
Profit from investment properties before depreciation	**392**	**533**
Depreciation	(1)	(7)
Profit from investment properties	**391**	**526**

Also refer note 50 (b) for disclosure related to 'Leases' of investment properties.

6.2 Fair value of investment properties as at year-end 31st March, 2022 was determined based on valuation carried by external independent property valuers, having appropriate recognised professional qualifications which was ₹ 1,337 Lakhs (Previous year: ₹ 1,257 Lakhs). During the year, part of the assets which were transferred to asset held for sale in previous year are sold at sale consideration of ₹ 7,000 Lakhs as per arrangement made with one of the related parties (also refer note 23.1).

6.3 The Group has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements and there are no restriction on remittance of income and proceed on disposal (except restriction over disposal of investment property as disclosed in note 6.2 above).

7 Other intangible assets (Other than Goodwill)

(₹ in Lakhs)

Description of Assets	Content (internally generated)	Technology Platform (internally generated)	Trade Mark	Licenses (Refer note 7.3)	Copy Right	Software (including SAP)	Total
Gross block as at 31st Martch, 2020	**1,348**	**141**	**442**	**3,499**	**1,098**	**1,499**	**8,027**
Additions during the year 2020-21	158	122	1	-	-	105	386
Deduction for the year 2020-21	-	-	-	-	-	-	-
Gross block as at 31st March, 2021	**1,506**	**263**	**443**	**3,499**	**1,098**	**1,604**	**8,413**
Additions during the year 2021-22	1,235	277	#	-	26	8	1,547
Additions on account of acquisition of Subsidiary	518	54	1	-	-	-	574
Deduction for the year 2021-22	-	-	-	-	-	-	-
Gross block as at 31st March, 2022	**3,260**	**594**	**444**	**3,500**	**1,123**	**1,612**	**10,533**
Accumulated amortisation upto 31st March, 2020	**645**	**76**	**440**	**1,568**	**849**	**1,379**	**4,957**
Amortisation expense for the year 2020-21	392	87	#	482	110	93	1,165
Deduction for the year 2020-21	-	-	-	-	-	-	-
Accumulated amortisation upto 31st March, 2021	**1,037**	**163**	**440**	**2,050**	**959**	**1,472**	**6,122**
Amortisation expense for the year 2021-22	937	200	#	482	102	78	1,800
Additions on account of acquisition of Subsidiary	337	24	1	-	-	-	362
Deduction for the year 2021-22	-	-	-	-	-	-	-
Accumulated amortisation upto 31st March, 2022	**2,311**	**387**	**443**	**2,533**	**1,059**	**1,550**	**8,283**
Net Block as at 31st March, 2022	**949**	**207**	**2**	**967**	**64**	**61**	**2,250**
Net Block as at 31st March, 2021	469	101	2	1,449	139	132	2,291

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

7.1 Remaining useful life of intangible assets

Description	Carrying amount as at [Amount in ₹ Lakhs]		Remaining useful life as at [Months]	
	31-Mar-22	31-Mar-21	31-Mar-22	31-Mar-21
Content	949	469	12 to 24	12 to 36
Technology Platform	207	100	24	12 to 24
Trade Mark	2	2	12 to 103	69 to 114
Licenses	967	1,449	24	36
Copy Right	64	139	3 to 63	10 to 74
Software	61	132	4 to 35	2 to 34
Total	**2,250**	**2,291**		

7.2 In one of the subsidiaries 'Indiannica Learning Private Limited', impairment test for Licenses has been carried out by the management based on the projections provided. Remaining useful life of this License is also two years for which projections are made. The value in use of the future earnings based on the projections is significantly higher than the carrying value of the licenses. Some of the assumptions on which projections are prepared based on market estimates and management judgements which have been relied upon by the auditors.

7.3 Disclosures on impairment test for licenses

a) Impairment loss recognised / (reversal) in the Statement of Profit & Loss and in the Other Comprehensive Income is ₹ Nil (Previous year: ₹ Nil).

b) Assumptions used to determine the recoverable amount of brand licenses, are prepared based on market estimates and management judgements (i.e. Growth rate, EBIT, discount rate etc.)

c) The management has carried out sensitivity analysis of discount rate and growth rate considered to arrive at value in use and accordingly to the same also, there is no provision for impairment required.

7.4 In one of the subsidiaries 'Navneet Futuretech Limited', (formerly known as eSense Learning Limited) on revamp in syllabus of certain academic standards in Gujarat and Maharashtra state, new contents have been developed & capitalised as it meets the criteria of Ind AS 38 'Intangible Assets'. Also the Company has developed & capitalised technology platforms to support these contents and to support other products available for teachers and students in accordance with Ind AS 38. As at year end, contents and technology platform modules which were under development in the previous year have been capitalised and hence intangible assets under development as at year end is Nil as disclosed in note 8.

In one of the subsidiaries 'Genext Students Private Limited', new contents have been developed & capitalised as it meets the criteria of Ind AS 38 'Intangible Assets'. Also the Company has developed and capitalised technology platforms to support other products available for teachers and students in accordance with Ind AS 38. As at year end, certain contents and technology platform modules are under development and hence cost incurred upto year end is grouped as intangible assets under development in note 8.

Impairment test for costs of contents and technology platform, capitalised or booked as under development (considered as single CGU), has been carried out by the management based on the projections as approved by the management. The value in use of the future projections is higher than the carrying value of the contents and technology platform.

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

8 Intangible assets under development

(₹ in Lakhs)

Description of Assets	Content (internally generated)	Software	Technology Platform (internally generated)	Total
As at 31st March, 2020	**28**	**53**	**57**	**138**
Additions during the year 2020-21	73	-	88	161
Capitalised in intangible assets in year 2020-21	95	53	122	270
As at 31st March, 2021	**6**	**-**	**23**	**29**
Additions during the year 2021-22	1,258	272	254	1,784
Capitalised in intangible assets in year 2021-22	1,261	-	277	1,538
As at 31st March, 2022	**3**	**272**	**-**	**275**

8.1 (a) Intangible assets under development Ageing schedule as at 31st March, 2022

CWIP	Amount in CWIP for period of				Total
	Less then 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	275	-	-	-	275
Projects temporarily suspended	-	-	-	-	-
	275	**-**	**-**	**-**	**275**

(b) Intangible assets under development Ageing schedule as at 31st March, 2021

CWIP	Amount in CWIP for period of				Total
	Less then 1 year	1-2 years	2-3 years	More than 3 years	
Projects in progress	29	-	-	-	29
Projects temporarily suspended	-	-	-	-	-
	29	**-**	**-**	**-**	**29**

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

9 Investments accounted for using the equity method

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Associate Company		
K12 Techno Services Private Limited		
Unquoted investments		
Investment in equity instruments	819	819
12,281 (Previous Year: 12,281) Equity Shares of ₹10/- each, fully paid up		
Investment in Compulsorily Convertible Preference Shares	11,040	11,040
(5,789 (Previous Year 5,789) Compulsorily Convertible Preference Shares of ₹10/- each)		
(9,829 (Previous Year 9,829) Class A Compulsorily Convertible Preference Shares of ₹10/- each)		
(3,966 (Previous Year 3,966) Series A1 Compulsorily Convertible Cumulative Preference Shares of ₹10/- each)		
(27,93,100 (Previous Year 27,93,100) Series A2 Compulsorily Convertible Cumulative Preference Shares of ₹10/- each)		
(626,289 (Previous Year 626,289) Series A3 Compulsorily Convertible Cumulative Preference Shares of ₹20/- each)		
(417,526 (Previous Year 417,526) Series A3-2 Compulsorily Convertible Cumulative Preference Shares of ₹20/- each)		
(255,673 (Previous Year 25,5673) Series B2 Compulsorily Convertible Cumulative Preference Shares of ₹20/- each)		
(71,160 (Previous Year Nil) Series C Compulsorily Convertible Cumulative Preference Shares of ₹20/- each)		
Less: Cumulative share of loss	3,323	2,314
Add: Cumulative share of Other Comprehensive income	19	9
Add: Dilution Gain	7,195	4,252
	15,750	**13,806**
Carveniche Technologies Private Limited		
Equity instruments		
8,09,880 (Previous Year: NIL) Equity Shares of ₹168.58/- each, fully paid up	1,867	-
Less: Cumulative share of loss	81	-
Add: Cumulative share of Other Comprehensive income	-	-
	1,786	**-**
Total	**17,536**	**13,806**

Notes on Consolidated Financial Statements
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9.1 This Compulsorily Convertible Preference Shares is convertible at any point of time by the holder (i.e. Navneet Learning LLP, subsidiary entity of Navneet Education Limited). Further, preference shareholder's agreement, in substance, provides the Company access to the returns associated with an ownership interest. Accordingly, the proportion allocated to the Company is determined by taking into account the eventual exercise of those potential voting rights and preference share instruments as disclosed in investment schedule above that currently give the entity access to the returns.

9.2 During the year, one of the subsidiary "Navneet Tech Ventures Private Limited" has invested ₹ 1,867 Lakhs in Carveniche Technologies Private Limited holding 46.84% of share capital of the Company.

9.3 Break-up of investment in associates

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
K12 Techno Services Private Limited		
Investment in equity instruments and preference shares	11,081	11,081
Goodwill	778	778
Add: Gain on Dilution	7,195	4,252
Less: Cumulative share of loss	(3,323)	(2,314)
Add: Share of Other Comprehensive income	19	9
Total	**15,750**	**13,806**
Carveniche Technologies Private Limited		
Investment in equity instruments	108	-
Goodwill	1,759	-
Less: Cumulative share of loss	(81)	-
Add: Share of Other Comprehensive income	-	-
Total	**1,786**	**-**
Aggregate amount of unquoted investments	17,536	13,806

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

10 Non Current Financial Assets - Investments

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Valued at fair value through profit and loss		
Quoted Equity Share Investments		
a) Career Point Limited	375	444
173,559 (PY: 173,559) Equity Shares, face value of ₹ 10 each		
Valued at fair value through other comprehensive income		
Unquoted Equity Share investments		
Elation Edtech Private Limited		
Equity instruments		
1,822 (PY: NIL) Equity Shares of ₹28,815.78 each, fully paid up	525	-
SFA Sporting Services Private Limited	3,750	-
4,179 (PY: NIL) Equity Shares of ₹10 /- each, fully paid up		
Total	**4,650**	**444**

10.1 Aggregate book value / market value of quoted investments	375	444
Aggregate book value / market value of unquoted investments	4,275	-

10.2 As per IND AS 109, at initial recognition, the Holding Company has chosen to designate investment in Career Point Limited as 'Fair Value through Profit and Loss'. Career Point Limited shares are listed on National Stock Exchange and Bombay Stock Exchange.

10.3 In the previous year, as per pledge arrangement entered into with the party against amount recoverable of ₹ 179 Lakhs (Previous year ₹195 Lakhs) (disclosed under 'Other Non Current Assets' as advance from suppliers in note 15), pledge is invoked by holding company and accordingly shares of 'Shrenik Limited' is reflecting in demat account but not reflecting in investment schedule. Further, mark to market gain on such shares is also not accounted as the holding company does not have contractual right to recover amount in excess to recoverable amount.

10.4 During the year, one of the subsidiaries "Navneet Futuretech Limited" has invested ₹ 3,750 Lakhs (i.e. 3,75,00,000 equity shares of face value ₹ 10 out of which ₹ 5 is paid up at a premium of 44,865 per share) in SFA Sporting Services Private Limited. Navneet Futuretech Limited holds 14.29% of share capital of the Company. Further one of the subsidiary "Navneet Tech Ventures Private Limited" has invested ₹ 525 Lakhs in Elation Edtech Private Limited holding 14.70% of share capital of the Company

10.5 Investments in SFA Sporting Services Private Limited by one of the subsidiaries "Navneet Futuretech Limited" (formerly known as eSense Learning Limited) and Investments in Elation Edtech Private Limited by one of the subsidiaries 'Navneet Tech Ventures Private Limited' are for long-term and strategic in nature. In the opinion of management, no impairment provision in the investment value is required as at 31st March, 2022 based on the estimate of future profitability and business prospects.

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

11 Non Current Financial Assets - Trade receivables
(Unsecured, unless otherwise stated)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Considered good (Refer note 17.6)	-	13
Total	-	13

12 Non Current Financial Assets - Loans
(Unsecured, unless otherwise stated)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Considered good		
Loans and Advances		
i) Loan to Employees	172	103
ii) Loan to Vendors	-	-
iii) Other Loans & Advances (Refer note 12.1)	1,811	1,666
	1,983	**1769**
Considered doubtful		
Corporate Deposits	107	107
Other Loans & Advances	18	95
	125	**202**
Less: Allowances for doubtful advances (Refer note 12.2 below)	(125)	(202)
Total	**1,983**	**1,769**

12.1 The above amount includes ₹ 1,459 Lakhs (Previous year : ₹ 1,459 Lakhs) from one party against which Holding Company has filed a legal case with Honourable High Court of Mumbai. As per the interim order, holding Company possesses the property deed of an immovable property for recovery of the due, which is adequate to cover loan amount. Holding Company expects the matter to be favourably settled in its favour. Considering the interim order of the Honourable High Court of Mumbai and the possession of the deed of the property, the said property is considered to be secured.

12.2 Allowances for doubtful advances are accounted based on expected loss assessment carried out on periodic basis by the management of the holding company. Movement of the same is given below:

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Balance at the beginning of the year	202	137
Allowance made during the year	-	65
Reversal of allowance during the year	77	-
Balance at the end of the year	**125**	**202**

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

13 Other non-current financial assets

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Refund receivable from Government authorities (Refer note 13.1).	127	115
Security Deposits	19	-
Less:- Provision for doubtful Deposit	(18)	-
Security Deposits	258	264
Total	**386**	**379**

13.1 As the Group is rightfully entitled to receive Sales Tax, Goods and Service Tax refunds and other refunds , the same is classified as financial asset in accordance with ITFG clarification issued by the Institute of Chartered Accountants of India.

14 Assets for Non current Tax (net)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Advance Income Taxes (net of Provisions)	827	720
Total	**827**	**720**

15 Other Non Current Assets

(Unsecured, unless otherwise stated)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Considered Good		
Capital Advance	70	5
Advance to Suppliers (Refer note 15.1)	179	195
Prepaid Expenses	25	33
Other Income Receivable	1	#
Deposit with customers	-	-
	276	**234**
Considered doubtful		
Capital Advance	65	65
Less: Allowances for doubtful advances	(65)	(65)
Total	**276**	**234**

15.1 The above paper advances to suppliers are secured by equity shares of the party. In the previous year, holding company has invoked its right on securities pledged by this party from whom recoverable amount as at year-end was ₹ 179 Lakhs (Previous year ₹195 Lakhs). As per the terms of pledge agreement, any consideration in excess of amount recoverable from the party shall be refunded back. Accordingly, market value of shares invoked in excess of amount recoverable is not accounted. Also refer note 10.3.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

16 Inventories

(valued at lower of cost or estimated net realisable value)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Raw Materials	15,418	12,373
Raw Materials in transit	1,830	1,757
Work In Progress	2,518	1,838
Job In Progress	-	8
Finished Goods	25,882	24,409
Stock in Trade (in respect of goods acquired for trading)	50	70
Stores, Spares & Consumables	1,261	1,107
Total	**46,959**	**41,562**

16.1 During the year, ₹ 586 Lakhs (Previous Year: ₹ 721 Lakhs) was recognised as an expense for inventories.

16.2 Inventories of Holding Company and one of the subsidiaries are subject to first charge to secure bank loan (Refer note 31.2).

16.3 Inventory amount disclosed above is netted off amount after considering impact of provision for inventories of ₹ 464 Lakhs (Previous year: ₹ 524 Lakhs).

17 Current Financial Assets - Trade receivables

(Unsecured, unless otherwise stated)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Considered good (Refer note 17.4)	26,018	20,292
Considered doubtful	-	-
Less: Allowance for bad and doubtful debts and expected credit losses	(1,800)	(1,842)
(Refer note 17.5 and 58)		
Total	**24,218**	**18,450**

17.1 Trade receivables of holding company are subject to first charge to secure bank loan.

17.2 Trade receivables are generally due between 30 to 120 days. The Holding Company's term includes charging of interest for delayed payment beyond agreed credit days. However, the Company charges interest after considering the historical trend, business prospects, reason for delay, market conditions etc.

17.3 Credit risk is managed at the operational segment level. The credit limit and credit period are fixed for each customer after evaluating the financial position, past performance, business opportunities, credit references etc. The credit limit and the credit period are reviewed regularly at periodical intervals.

17.4 As per Memorandum of Understanding with one of the party, a sum of ₹ 286 Lakhs (Previous year: ₹ Nil) is secured by mortgage of immovable property.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

17.5 The Group follows simplified approach & the trade receivables do not contain significant financing component and accordingly the Company does not separately track changes in credit risk of trade receivables as the impairment amount represents "lifetime" expected credit loss. Accordingly, the disclosure as required by Schedule III, Division II as regards (a) Trade Receivables which have significant increase in credit risk & (b) Trade Receivables which are credit impaired is not required. However, in addition to collective pool assessment, the Company carried out individual assessment in respect of certain parties where the possibility of default in collection of trade receivable was high.

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
The amount of trade receivables for which the Company has assessed credit risk on an individual basis	1,629	1,635
The amount of loss allowance recognised for such trade receivables	(1,629)	(1,635)

17.6 **Trade receivables ageing schedule as at 31st March, 2022** (₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled (if grouped under trade receivables)	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good	-	20,486	3,260	498	877	353	25,474
(ii) Less: Allowance for undisputed bad and doubtful debts and expected credit losses	-	-	-	-	-		584
(iii) Disputed Trade receivables - considered good	-	-	6	92	174	272	544
(iv) Less: Allowance for disputed bad and doubtful debts and expected credit losses	-	-	-	-	-	-	1,216
Total	**-**	**20,486**	**3,266**	**590**	**1,051**	**625**	**24,218**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						Total
	Unbilled (if grouped under trade receivables)	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	
(i) Undisputed Trade receivables - considered good		12,372	5,325	1,616	313	32	19,658
(ii) Less: Allowance for undisputed bad and doubtful debts and expected credit losses							556
(iii) Disputed Trade receivables - considered good		12	232	67	83	240	634
(iv) Less: Allowance for disputed bad and doubtful debts and expected credit losses							1,286
Total	**-**	**12,384**	**5,557**	**1,683**	**396**	**272**	**18,450**

Note : Above note 17.6 covers both current and non current Trade receivables ageing.

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

18 Current Financial Assets - Cash and cash equivalents

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Balance with Scheduled Banks		
- In Current Account	1,525	2,043
Fixed Deposit (original maturity less than 3 months)	50	
Current investment in liquid mutual funds (quoted)	850	-
- (19,428 units (Previous year : Nil units) of PGIM India Overnight Fund - Direct Plan Growth, face value ₹ 1,000 each (Refer note 18.1)		
Cash on hand	34	36
Total	**2,459**	**2,079**

18.1 Aggregate market value / Net Asset Value of quoted investments	850	-

19 Current Financial Assets -Other bank balances

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Earmarked balances with banks		
- In Unclaimed and unpaid dividend Account (Refer note 33 and 19.1)	272	301
Bank deposit (Refer note 19.2)	54	43
Other Bank Balances (Refer note 19.3 and 19.4 and 19.5)	142	19
Total	**468**	**363**

19.1 There is no amount due to Investor Education & Protection Fund as on 31st March, 2022.

19.2 Bank deposit includes interest accrued but not due amounting to ₹ 13 Lakhs (Previous year: ₹ 8 Lakhs) and this deposit is under lien for tender deposit given to a customer.

19.3 Other bank balances represent restricted deposits (along-with accrued interest thereon) under lien placed with sales tax authorities.

19.4 In case of one the subsidiary 'Navneet Futuretech Limited' Fixed deposit of ₹ 12 Lakhs (Previous year: ₹ 12 Lakhs) is under lien with bank against bank guarantee given by Bank to the customer on behalf of the Company. Further, fixed deposit of ₹ 2 Lakhs (Previous year: ₹ 2 Lakhs) is under lien with bank against overdraft facility provided by the bank.

19.5 In case of one of the subsidiary 'Indiannica Learning Private Limited' margin money deposit balance of ₹ 3 Lakhs (Previous year : ₹ 3 Lakhs) represents restricted deposits (along-with accrued interest thereon) under lien (subject to first charge to secure the Company's bank guarantee) placed with sales tax authorities.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

20 Current Financial Assets - Loans

(Unsecured, considered good)

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Considered good		
Inter Corporate Deposits	-	254
Loans and Advances (Refer note 20.1)		
i) Loans to Employees	147	115
ii) Loans to Vendors	6	2
iii) Other Loans & Advances	98	488
	251	859
Considered doubtful		
Other Loans & Advances	1	23
Less: Allowances for doubtful advances	-	(23)
Total	**252**	**859**

20.1 The loans and advances given to various parties is for commercial purpose and same are repayable on demand.

20.2 The above amount includes ₹ 55 Lakhs advanced to one party against which the Company has filed a legal case in the court of learned Metropoltian Magistrate's Court, Mazgoan, Mumbai.

21 Current Financial Assets - Other financial assets

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Receivables for sale of property, plant and equipment	5	5
Advances to Employee for expenses	129	85
Refund receivable from governement authority (Refer note 21.2)	16	293
Export incentive receivable	734	1,019
Financial assets at fair value (forward and option contracts) (Refer note 57)	301	554
Gratuity recoverable from Employee's Gratuity Fund (Refer note 21.1)	31	21
Other receivables (Deposit etc.)	-	12
Tender and deposits	2	2
Total	**1,218**	**1,991**

21.1 Gratuity recoverable from Employee's Gratuity Fund maintained with Life Insurance Corporation represents gratuity amount paid to employees directly during the year on behalf such fund.

21.2 Refund receivable from government authority includes GST refunds receivables from government authorities which are expected to be realised within 12 months. Accordingly, the same is grouped as current financial assets. Out of which, subsequent to year end, the Holding Company has received refund of ₹ 15 Lakhs (Previous year: ₹ 271 Lakhs).

21.3 As the Company is rightfully entitled to receive export incentives, the same is classified as financial asset in accordance with ITFG clarification issued by the Institute of Chartered Accountants of India.

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

22 Other current assets

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
(Unsecured, considered good, unless otherwise stated)		
GST input credit (net) (Refer note 22.1)	2,742	1,443
Prepaid Expenses	361	641
Advance to Suppliers	2,807	4,598
Prepaid gratuity (Refer Note No.61 (b))	6	217
Total	**5,916**	**6,899**

22.1 Subsequent to year end, out of these GST input tax credit, the Holding Company has applied for refund amounting to ₹ 860 Lakhs (Previous year: ₹ 262 Lakhs).

23 Non current Assets held-for-sale

(₹ in Lakhs)

Particulars	31st March, 2022	31st March, 2021
Land	-	78
Building	-	109
Plant and Equipment	-	1
Total	**-**	**188**

23.1 In the previous year, the Holding Company had entered into an arrangement with one of the related party for sale of one building along-with freehold land and equipment attached to it for a sale consideration of ₹ 7,000 Lakhs. During the year risk and rewards were transferred to the buyer upon fulfilment of certain obligations by the Holding Company as listed in the arrangement. The Holding Company had already received ₹ 700 Lakhs as an advance from the buyer in the previous year. Balance ₹ 6,300 Lakhs is received during the year. Also refer note 37.

24 Equity Share Capital

Authorized:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Equity Shares of ₹ 2/-each (₹ 2/- each)	24,82,97,500	4,966	24,82,97,500	4,966
6% Redeemable Non cumulative Preference Shares (RNCPS) of ₹ 10/- each	3,40,500	34	3,40,500	34
Total		**5,000**		**5,000**

Issued, Subscribed & Paid Up:

Particulars	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Equity Shares of ₹ 2/- each (₹ 2/- each) fully paid up	22,62,13,181	4,524	22,88,70,500	4,577
Total		**4,524**		**4,577**

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

24.1 **Reconciliation of the number of Equity Shares outstanding**

Particulars	For the year ended 31st March, 2022		For the year ended 31st March, 2021	
	No. of Shares	(₹ in Lakhs)	No. of Shares	(₹ in Lakhs)
Number of Shares at the beginning of the year	22,88,70,500	4,577	22,88,70,500	4,577
Add: Shares Issued	-	-	-	-
Less: Shares Cancelled / Bought Back	26,57,319	53	-	-
Number of Shares at the end of the year	**22,62,13,181**	**4,524**	**22,88,70,500**	**4,577**

24.2 **Terms / Rights Attached to Equity Shares**

The Company has only one class of equity shares having a par face value of ₹ 2/- per share. Each holder of equity shares is entitled to one vote per share and all rank pari passu. 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 amount. The distribution will be in proportion to the equity shares held by the shareholders. (After due adjustment in case shares are not fully paid up).

24.3 **Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:**

(Number of Shares)

Particulars	As at 31st March, 2022	As at 31st March, 2021	As at 31st March, 2020	As at 31st March, 2019	As at 31st March, 2018
Equity Shares of ₹ 2/- each fully paid up	26,57,319	-	-	46,87,500	-
Total	**26,57,319**	**-**	**-**	**46,87,500**	**-**

24.4 **Equity Shareholders holding more than 5 % of the shares**

Name of the shareholders	As at 31st March, 2022		As at 31st March, 2021	
	No. of Shares	% held	No. of Shares	% held
Bipin Amarchand Gala and Gnanesh Dungarshi Gala - Trustee of Navneet Trust	9,14,19,090	40.41	9,14,19,090	39.94
HDFC Trustee Company Limited - under its various schemes	2,02,32,016	8.94	2,02,32,016	8.84

Notes on Consolidated Financial Statements

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24.5 **Shareholding of Promotors**

Name of the Promotors	As at 31st March, 2022		As at 31st March, 2021		% Change during year
	No. of Shares	% held	No. of Shares	% held	
Bipin Amarchand Gala And Gnanesh Dungarshi Gala - Trustee Of Navneet Trust	9,14,19,090	40.41	9,14,19,090	39.94	0.47
Kalpesh Harakhchand Gala	43,27,635	1.90	43,27,635	1.89	0.01
Gnanesh Dungarshi Gala	42,02,796	1.86	42,02,796	1.84	0.02
Ranjanben Bipinbhai Gala	35,25,232	1.56	35,25,232	1.54	0.02
Sanjeev J Gala	35,03,138	1.55	35,03,138	1.53	0.02
Shailendra J Gala	34,91,144	1.54	34,91,144	1.53	0.01
Anil Dungarshi Gala	33,09,046	1.46	33,09,046	1.45	0.01
Sandeep Shantilal Gala	29,58,831	1.31	28,88,831	1.26	0.05
Ketan Bipin Gala	24,52,635	1.08	24,52,635	1.07	0.01
Bipin Amarchand Gala	22,37,516	0.99	22,37,516	0.98	0.01
Raju Harakhchand Gala	20,08,149	0.89	20,08,149	0.88	0.01
Devish Gnanesh Gala	14,30,386	0.63	14,03,136	0.61	0.02
Priti Gnanesh Gala	13,56,385	0.60	13,56,385	0.59	0.01
Sangita Raju Gala	12,72,821	0.56	12,72,821	0.56	0.00
Shantilal Ramji Gala	12,35,931	0.55	12,65,931	0.55	0.00
Bhairaviben Anil Gala	12,40,715	0.55	12,40,715	0.54	0.01
Vimlaben Shantilal Gala	9,32,135	0.41	10,02,135	0.44	-0.03
Manjulaben J Gala	9,41,375	0.42	9,41,375	0.41	0.01
Harshil Anil Gala	9,61,828	0.43	9,34,577	0.41	0.02
Darsha Dilip Sampat	9,32,638	0.41	9,32,638	0.41	0.00
Jayshree Jaisinh Sampat	8,96,195	0.40	8,96,195	0.39	0.01
Archit R Gala	8,71,338	0.39	8,71,338	0.38	0.01
Madhuri Harakhchand Gala	8,68,022	0.38	8,68,022	0.38	0.00
Jitendra L. Gala (HUF)	7,94,808	0.35	7,94,808	0.35	0.00
Bipin A. Gala (HUF)	7,35,170	0.32	7,35,170	0.32	0.00
Shaan Realtors Private Limited	7,20,813	0.32	7,20,813	0.31	0.01
Shaan Sandeep Gala	5,69,110	0.25	5,69,110	0.25	0.00

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Name of the Promotors	As at 31st March, 2022		As at 31st March, 2021		% Change during year
	No. of Shares	% held	No. of Shares	% held	
Kanchan N. Shah	5,00,000	0.22	5,00,000	0.22	0.00
Parth Sandeep Gala	4,80,800	0.21	4,80,800	0.21	0.00
Pooja K Gala	2,73,379	0.12	2,73,379	0.12	0.00
Chandni Ketan Gala	2,93,657	0.13	2,55,162	0.11	0.02
Karishma Ketan Gala	2,90,737	0.13	2,52,242	0.11	0.02
Jigna Nilesh Shah	1,99,675	0.09	1,99,675	0.09	0.00
Rupal Hiren Shah	2,47,503	0.11	-	0.00	0.11
Harakhchand Nanji Shah	1,25,000	0.06	1,76,393	0.08	-0.02
Anil D. Gala (HUF)	1,61,637	0.07	1,61,637	0.07	0.00
Amrutlal Nanji Shah	1,57,190	0.07	1,57,190	0.07	0.00
Dilip Chatrabhuj Sampat	1,26,267	0.06	1,26,267	0.06	0.00
Jaisinh Kanji Sampat	1,15,677	0.05	1,15,677	0.05	0.00
Henal Tanay Mehta	1,04,800	0.05	1,04,800	0.05	0.00
Jaini Anil Gala	1,00,966	0.04	1,00,966	0.04	0.00
Mita Manoj Savla	96,305	0.04	96,305	0.04	0.00
Stuti K Gala	83,827	0.04	83,827	0.04	0.00
Amarchand R. Gala (HUF)	-	-	76,990	0.03	-0.03
Aditya Sanjeev Gala	65,100	0.03	65,100	0.03	0.00
Dungarshi R. Gala (HUF)	-	-	54,501	0.02	-0.02
Siddhant S Gala	53,078	0.02	53,078	0.02	0.00
Rekhaben Kiritbhai Shah	43,750	0.02	43,750	0.02	0.00
Anushka Kalpesh Gala	42,759	0.02	42,759	0.02	0.00
Manav Shailendra Gala	21,681	0.01	21,681	0.01	0.00
Manisha Shailendra Gala	21,681	0.01	21,681	0.01	0.00
Jasmine S Gala	12,022	0.01	12,022	0.01	0.00
Bipin Amarchand Gala - C/O Siddhant Investments	4,00,000	0.18	-	0.00	0.18
	14,32,12,373	**63.31**	**14,26,46,263**	**62.33**	**0.98**

Notes on Consolidated Financial Statements
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25 Other Equity

(₹ in Lakhs)

Particulars		As at 31st March, 2022	As at 31st March, 2021
A.	**Reserve and Surplus**		
(i)	Capital Redemption Reserve	274	221
(ii)	Capital Reserve	76	76
(iii)	General Reserve	2,156	2,155
(iv)	Retained earnings	94,046	86,409
Total		**96,551**	**88,861**
B.	**Other comprehensive income**		
(v)	Re-measurement of the net defined benefit plan	(782)	(590)
(vi)	Foreign currency reserve on conversion of foreign subsidiary	(3)	(2)
(vii)	Cash flow hedge through other comprehensive income	61	201
		(723)	**(391)**
Total		**95,828**	**88,470**

Movement and description of above reserves:

(i)	**Capital Redemption Reserve**		
	Balance at the beginning of the year	221	221
	Amount transferred to capital redemption reserve upon buyback (Refer note 25)	53	-
	Balance at the end of the year	**274**	**221**

Note: The Group has recognised capital redemption reserve on buyback of equity shares from its general reserve. The amount in capital redemption reserve is equal to nominal amount of the equity shares bought back. This reserve will be utilised in accordance with section 69 of the Companies Act, 2013.

(ii)	**Capital Reserve**		
	Balance at the beginning of the year	76	76
	Changes during the year	-	-
	Balance at the end of the year	**76**	**76**

Note: It represents the gains of capital nature which mainly includes the excess of value of net assets acquired over consideration paid by the Group for business mergers and acquisitions in earlier years.

(iii)	**General Reserve**		
	Balance at the beginning of the year	2,155	2,155
	Balance at the end of the year	**2,155**	**2,155**

Note: The General Reserve comprises of transfer of profits from retained earnings for appropriation purposes.

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(₹ in Lakhs)

Particulars		As at 31st March, 2022	As at 31st March, 2021
(iv)	**Retained earnings**		
	Balance at the beginning of the year	86,409	80,817
	Amount utilised for Dividend and Dividend Distribution Tax	(2,270)	-
	Amount transferred to capital redemption reserve upon buyback	(53)	-
	Buy-back from open market (including buy back tax of ₹ 587,74,991/-)	(3,111)	-
	Buy-back expenses (net of tax)	(49)	-
	Net profit for the year	13,120	5,591
	Balance at the end of the year	**94,046**	**86,409**
	Note: The amount that can be distributed by the Group as dividend to its equity shareholders is determined based on the financial position and dividend policy of the Group and in compliance with the requirements of the Companies Act, 2013		
(v)	**Re-measurement of the net defined benefit plan**		
	Balance at the beginning of the year	(590)	(483)
	Addition during the year (net of taxes)	(192)	(107)
	Balance at the end of the year	**(782)**	**(590)**
	Note: Gain / (Loss) arising out of change in actuarial assumption at the time of actuarial valuation is transferred to this reserve through Other Comprehensive Income.		
(vi)	**Foreign currency reserve on conversion of foreign subsidiary**		
	Balance at the beginning of the year	(2)	(3)
	Addition during the year (net of taxes)	(1)	1
	Balance at the end of the year	**(3)**	**(2)**
	Note: It represents exchange difference arising on translation of the foreign operations that are recognised in other comprehensive income and accumulated in separate reserve within equity. The cumulative amount is reclassified to profit and loss when the investment is disposed-off.		
(vii)	**Cash flow hedge through other comprehensive income**		
	Balance at the beginning of the year	201	(1,082)
	Net amount recognised during the year	404	620
	Amount recycled to P&L during the year (Refer note 51(d))	(544)	663
	Balance at the end of the year	**61**	**201**

Note: The cash flow hedging reserve represents the cumulative effective portion of gains or losses arising on changes in fair value of designated portion of hedging instruments entered into for cash flow hedges. Such gains or losses will be reclassified to statement of profit and loss in the period in which the underlying hedged transaction occurs.

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26 Non-current Financial Liabilities - Borrowings

(Secured)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Vehicle loan from NBFC (Refer note 26.1)	22	30
Total	**22**	**30**

26.1 In respect of one of the subsidiaries 'Indiannica Learning Private Limited', vehicle loan (Secured) amounting to ₹ 55 Lakhs was taken during the financial year 2018-19 and carries interest @ 10.70%. The loan is repayable in 48 monthly instalments of ₹ 1 lakh each including interest. Number of instalments remaining as at 31st March, 2022 are 2 (Previous year: 14). This loan is secured against hypothecation charge created on vehicle and one month instalment in advance which is grouped under Corporate deposits in 'Non Current Financial Assets - Loans.

27 Lease Liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Lease liabilities on right to use assets	2,167	3,050
Total	**2,167**	**3,050**

27.1 Current and non-current bifurcation:

Particulars	As at 31st March, 2022	As at 31st March, 2021
Non-current	1168	2,167
Current	999	883

27.2 Refer note 50 for disclosures relating to Ind AS 116 'Leases'.

27.3 Refer note 3.5 for adjustment on account of pre-mature termination of lease.

28 Non current provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for Employee Benefit		
- Gratuity (Refer Note No.61(b)(i))	137	110
Total	**137**	**110**

Notes on Consolidated Financial Statements

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29 Deferred tax liabilities (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Corresponding effect in Statement of Profit & Loss		
Property, plant and equipment	(1,503)	(327)
Provision for employee benefits	638	409
Hedging reserve (impact of forward contracts)	(9)	(26)
Provision for sales returns	146	132
Provision for obsolete inventories	38	38
Provision for doubtful debts	397	395
Provision for doubtful advances	142	118
Provision for bonus	58	58
Financial guarantee contracts	(86)	(80)
Provision for slow-moving inventories	13	13
Others	(1,465)	(854)
	(1,631)	(124)
Corresponding effect in Other Comprehensive Income		
Hedging reserve (impact of forward contracts)	(67)	(113)
Remeasurement of defined benefit plans	-	-
	(67)	(113)
Total	**(1,698)**	**(237)**
Opening balance	(237)	969
Tax (expense) recognised in profit or loss	(1,533)	(770)
Tax (expense) recognised in other comprehensive income	47	(436)
Adjustments of tax relating to earlier years (excess/short provision)	26	-
Closing balance	**(1,698)**	**(237)**

29.1 Deferred tax liabilities are the amounts of income taxes payable in future periods in respect of taxable temporary differences. Deferred tax assets are the amounts of income taxes recoverable in future periods in respect of: (a) deductible temporary differences; (b) the carry forward of unused tax losses; and (c) the carry forward of unused tax credits for reconciliation between the provision of income tax of the Company and amounts computed by applying the Indian statutory income tax rate to profit before taxes).

30 Other Non current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deferred revenue (Refer note 38.4)	6	5
Total	**6**	**5**

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31 Current Financial Liabilities - Borrowings

(₹ in Lakhs)

Particulars		As at 31st March, 2022	As at 31st March, 2021
a)	**Secured (Refer note 31.1)**		
i)	Cash Credit from Bank	19	431
ii)	Working Capital Rupee Loans repayable on demand from banks (Refer note 31.1)	1,700	800
iii)	Bank Overdraft (Refer note 31.1 and 31.3)	3,597	3,096
iv)	Current maturity of vehicle loan from NBFC	7	7
		5,324	4,334
b)	**Unsecured**		
	From Banks:		
i)	Working Capital loan from Banks	-	-
ii)	Commercial Paper (Refer note 31.4)	6,000	-
		6,000	-
Total		**11,324**	**4,334**

31.1 Secured working capital demand loan includes interest accrued but not due amounting to ₹ # (Previous year: ₹ Nil) in respect of Holding Company. Interest rate for secured rupee loan is ranging from 4.35% to 4.75%. Subsequent to the year end, this loan has been fully repaid.

31.2 Bank Overdraft is in respect to one of the subsidiaries 'Indiannica Learning Private Limited' and is secured against Pari Passu charge on current assets & fixed assets (both present and future) of the subsidiary.

31.3 The average rate of interest for the above mentioned overdraft facility during the year is 7.25% per annum (Previous year 8.60% per annum).

31.4 As at year end, commercial papers (unsecured) amounts to ₹ 6,000 Lakhs (Previous year: ₹ NIL). Commercial papers amounting to ₹ 7,500 Lakhs (Previous year: 10,000 Lakhs) were issued and fully repaid during the year carrying interest rates ranging from 3.68% to 3.72% (Previous year: 5.74% to 6.45%). These Commercial papers were listed on the National Stock Exchange.

31.5 The Group has not advanced any funds or loaned or invested by the Group to or in any other person(s) or entities, including foreign entities ("Intermediaries"), with the understanding that the intermediary shall whether directly or indirectly lend or invest in other persons or entities identified in any manner by or on behalf of the Group (Ultimate Beneficiaries) or provide any guarantee, security or the like on behalf of ultimate beneficiaries.

The Group has not received any funds from any person(s) or entities including foreign entities ("Funding Parties") with the understanding that such Company shall whether, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the funding party (ultimate beneficiaries) or provide guarantee, security or the like on behalf of the Ultimate beneficiaries.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

32 Current Financial Liabilities - Trade payables

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
- Due to Micro, Small and Medium Enterprises	976	971
- Due to Others	5,899	6,866
Total	**6,875**	**7,837**

32.1 Trade payables are non-interest bearing and are normally settled as per due dates generally ranging from 0 to 90 days.

32.2 The Group has financial risk management policies in place to ensure that all payables are paid within the agreed credit terms. (Refer note 58)

32.3 **Trade payables ageing schedule as at 31st March, 2022**

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	762	169	43	1	1	976
(ii) Others	1,456	2,607	1,674	128	-	34	5,899
(iii) Disputed Dues-MSME	-	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-	-
Total	**1,456**	**3,369**	**1,843**	**171**	**1**	**35**	**6,875**

Trade payables ageing schedule as at 31st March, 2021

(₹ in Lakhs)

Particulars	Outstanding for following periods from due date of payment						
	Unbilled	Not Due	Less than 1 year	1-2 years	2-3 years	More than 3 years	Total
(i) MSME	-	589	380	2	-	#	971
(ii) Others	841	2,356	3,437	82	87	63	6,866
(iii) Disputed Dues-MSME	-	-	-	-	-	-	-
(iv) Disputed Dues-Others	-	-	-	-	-	-	-
Total	**841**	**2,945**	**3,817**	**84**	**87**	**63**	**7,837**

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

33 Other current financial liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Creditors for capital goods	29	90
Employee Benefits Payable	1,854	1,736
Unclaimed and unpaid dividend (Refer Note 19 and 33.1)	272	301
Security deposits (Refer note 33.2)	227	482
Total	**2,382**	**2,609**

33.1 There is no amount due to Investor Education & Protection Fund as on 31st March, 2022.

33.2 In respect of one of the subsidiaries 'Indiannica Learning Private Limited', during the year the Company has repaid ₹ Nil (Previous year: ₹ 5 Lakhs) which was retained against sale of a car in 2017-18.

34 Other current liabilities

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Advances received from customers	841	904
Deferred revenue (Refer note 38.4)	23	26
Security Deposit from Tutors	#	
Statutory Dues		
- Provident Fund / ESIC / Profession Tax	48	39
- Tax Deducted At Source	304	240
- Sales tax / VAT / GST payable	118	79
- Buyback tax	-	-
Total	**1,334**	**1,288**

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

35 Current provisions

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provision for Employee Benefits (Refer Note 35.1)		
- Gratuity (Refer Note 60(b)(i))	155	14
- Compensated absences (Refer Note 60(b)(ii))	2,541	2,029
Other Provisions		
- Sales return (Refer note 53(a))	1,705	1,902
- Discounts (Refer note 53(b))	822	377
- Performance bonus (Refer note 53(c))	171	91
- Others (contingencies, rent escalation etc.) (Refer note 53(d))	310	161
Total	**5,704**	**4,574**

35.1 The movement represents the provision created for the year arising out of the actuarial valuation after considering the actual settlements made during the year.

35.2 In case of accumulated compensated absences outstanding as at year-end, the employees have already earned the right to avail the leave and they are normally entitled to avail the leave at any time during the year. As the employees have an unconditional right to avail the leave, the same are classified as 'current provisions' as per the guidance note on Schedule III Division II of the Companies Act, 2013 issued by the Institute of Chartered Accountants of India.

36 Liabilities for Current Tax (net)

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Provisions for tax (net of advance tax)	206	193
Total	**206**	**193**

37 Deposits associated with assets held for sale

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Deposits against sale of non-current assets held for sale (Refer note 23)	-	700
Total	**-**	**700**

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

38 Revenue from operations

(₹ in Lakhs)

Particulars	As at 31st March, 2022	As at 31st March, 2021
Sale of products		
- Finished Goods (Refer note 38.1)	1,06,771	80,423
- Traded Goods	567	74
Sale of services	830	832
Other operating revenues		
- Export incentives (Refer note 38.5)	1,160	1,280
- Sale of scrap and waste	1,595	604
- Power generation income	121	144
- Others (Royalty, Miscellaneous, etc.)	386	100
Total	**1,11,430**	**83,457**

38.1 Provision for Sales Returns:

The above amount is net of provision made for sales return amounting to ₹ 1,705 (Previous year ₹ 1,902 Lakhs). Also refer note 52 (a) and note 35.

38.2 Disclosures of Ind AS 115

(a) Refer note 2.3 (k) of Significant accounting policies for Revenue recognition.

(b) Contracts with customer and significant judgement in applying the standard:

(i) The Group's operations relates to publication of knowledge based information in educational and general books form as well as electronic media and manufacturing of paper and other stationery items. It caters to the educational need of Indian as well as Global market.

The group applies the guidance provided in Ind AS 115 'Revenue from contracts with customer' for determining the timing of recognition of revenue. Refer note 2.3 (k) of significant accounting policies.

(ii) For details of revenue recognised from contracts with customers, refer note 38 above.

(iii) There are no contract assets arising from the group's contract with customers.

(c) Disaggregation of revenue

(i) For disaggregation of revenue, refer break-up given in note 38 above and note 63 [B].

(ii) Refer note 63 [A](iv) for details regarding customer concentration that represents 10% or more of the Group's total revenue during the year ended 31st March, 2022 and 31st March, 2021.

(d) Performance obligation

(i) For timing of satisfaction of its performance obligations, refer note 2.3 (k) of significant accounting policies of the group.

(ii) Unsatisfied (or partially satisfied) performance obligations are due to unexpired contract period in cases where the contract for grant exclusive license to translate, print, publish and sale the translated book in defined territory. The aggregate value of transaction price allocated to unsatisfied (or partially satisfied) performance obligations is ₹ 28 Lakhs (Previous year: ₹ 31 Lakhs) out of which 91% (Previous year: 90%) is expected to be recognised as revenue in the next year and the balance thereafter.

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

38.3 Reconciliation of revenue recognised with the contracted price is as follows:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Contracted price	1,12,587	84,432
Less: Reductions towards variable consideration components	4,419	3,103
	1,08,168	81,329
Add: Other Operating Revenue	3,262	2,128
Revenue recognised	**1,11,430**	**83,457**

The reduction towards variable consideration comprises of volume discounts, sales promotion, etc.

38.4 Changes in deferred revenue are as follows (Refer note 30 and 34):

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance at the beginning of the year	31	42
Deferred during the year	30	38
Revenue recognised that was included in the deferred revenue at the beginning of the year	33	49
Balance at the end of the year	28	31

38.5 The Company receives government assistance in the form of MEIS license / duty drawback, which are issued to eligible exporters. Above revenue includes MEIS, DFIA, RODTEP as applicable and duty drawback income of ₹ 1,160 Lakhs (Previous year: ₹ 1,280 Lakhs). Out of the revenue recognised, ₹734 Lakhs (Previous year: ₹ 1,019 Lakhs) will be received from government upon receipt of balance amount from customer and fulfilment of other procedural formalities.

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

39 Other Income (net)

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
a) Interest income		
Interest income on financial asset (at amortised cost)	87	182
Income on financial assets measured at FVTPL	-	-
b) Income from current investments carried at FVTPL		
Dividend income from mutual funds	#	3
Profit on fair valuation of quoted equity shares	-	-
Profit on redemption of mutual funds	71	90
c) Gain on foreign exchange transactions (net) (Refer note 39.1)	1,023	450
d) Gain on fair valuation of financial assets (net)	22	31
e) Other non-operating income		
Rent income on rented premises	421	572
Interest on Income Tax refund	-	-
Profit on sale of property, plant and equipment	177	3
Others miscellaneous income	80	34
Total	**1,881**	**1,365**

39.1 Gain on foreign exchange transaction is ₹ 464 Lakhs (Previous Year: Loss of ₹ 524 Lakhs) of exchange difference (net) arising on financial instruments.

40 Cost of materials consumed

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Raw Materials consumed (Refer note 16.1)	54,643	35,651
Total	**54,643**	**35,651**

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

41 Changes in inventories of finished goods, Stock-in -Trade and work-in- progress

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Closing Stock		
-Work In Process	2,518	1,838
-Finished Goods	25,882	24,409
-Stock in Trade	50	70
Job in progress	-	36
	28,450	**26,353**
Opening Stock		
-Work In Process	1,838	2,008
-Finished Goods	24,409	28,208
-Stock in Trade	70	82
Job in progress	35	36
	26,352	**30,334**
Total	**(2,098)**	**3,981**

42 Manufacturing Expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Freight & Octroi	754	562
Power & Fuel	439	328
Printing Expenses	1,673	950
Binding Expenses	2,345	1,522
Other Manufacturing Expenses	1,911	1,546
Stores & Spares Consumed	417	342
Plant & Machinery	353	233
	7,892	**5,483**

43 Employee benefits expense

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Salaries, Wages & Bonus	16,408	14,717
Contribution to PF, ESIC and LWF (Refer note 61 (a))	956	839
Contribution to Other Funds	443	404
Stock appreciation rights (Refer note 43.1)	16	-
Staff Welfare Expenses	568	458
Total	**18,391**	**16,418**

Notes on Consolidated Financial Statements
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43.1 In one of the subsidiaries 'Genext Students Private Limited', the Company had issued 80,000 SARs for 3 Employees with the vesting period of 1 year from 1st April, 2021. During the current year, the SARs have been fully paid.

44 Finance costs

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Interest expenses on borrowings	403	730
Interest on delay	4	-
Interest expense on lease liability (Refer note 50)	216	283
Total	623	1,013

45 Depreciation and amortisation expense

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Depreciation of property, plant and equipment (Refer note 3)	2,267	2,552
Depreciation of right-of-use assets (Refer note 4)	899	988
Depreciation of investment property (Refer note 6)	1	7
Amortisation of intangible assets (Refer note 7)	1,799	1,165
Total	**4,967**	**4,712**

46 Other expenses

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Royalty	2,231	1,684
Transportation Expenses	2,896	1,967
Insurance	249	225
Rent	410	380
Advertisement	346	337
Other Manufacturing Expenses	518	-
Repairs to:		
a) Buildings	517	344
b) Other repairs	314	327
Auditor's remuneration	52	35
Legal and Professional Fees	917	725
Rates & Taxes	112	92
Sales Tax / GST Expenses (Refer note no.46.1)	260	224
Commission	723	529

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Marketing Expenses	740	410
Sales Promotion Expenses	283	65
Bad debts and other irrecoverable advance written off	75	217
Allowance for Expected credit loss & bad and doubtful debts	92	1,025
Tutoring expenses	26	-
Impairment of Goodwill	2,233	237
Impairment of investments	(2,233)	-
Corporate Social Responsibility Expenses	457	549
Donation	#	-
Bank Charges	108	132
Staff recruitment expenses	29	12
Annual custody fees	#	-
Incidental expenses for issue of OCPS	30	74
Loss on fair valuation of quoted equity shares	69	11
Contract labour charges	880	731
Loss on Lease Termination (Refer note 46.3 below)	-	28
Other Expenses (Refer Note 46.2)	3,382	2,787
Total	**15,717**	**13,147**

46.1 As expense-wise breakup in respect of input credit reversals is not readily available, such reversal are grouped under Sales Tax / GST expenses.

46.2 Other expenses do not include any item of expenditure which is exceeding one percent of the revenue from operations or ₹ 10 Lakhs, whichever is higher, in addition to the consideration of 'materiality'.

46.3 One of the subsidiary 'Indiannica Learning Private Limited' has pre-maturely terminated the lease agreement for office premises, refer note 3.5 for impact of on account of pre-mature termination of lease.

47 Exceptional items:

Exceptional items represents:

a) ₹ 6813 Lakhs towards profit on sale of property in respect of Holding Company.

b) ₹ 2,233 towards provision for impairment of goodwill on consolidation of Indiannica Learning Private Limited (wholly owned subsidiary) driven primarily by the losses incurred during the period, uncertainties and continuous delays in re-opening of schools which has affected the performance of the Company.

c) ₹ 2,943 Lakhs towards gain on dilution of Group's share from associate (deemed disposal) Refer note 66.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

48 Contingent liabilities:

(a) Tax matters:

i) For disputed Income tax matters ₹ 494 Lakhs and (Previous year ₹ 455 Lakhs) against which amount provided in books is ₹ 489 Lakhs (Previous year ₹ 449 Lakhs) and amount paid under protest is ₹ 418 Lakhs (Previous year ₹ 412 Lakhs) (Refer below note).

Income tax demands mainly include the appeals filed by the Holding Company before various departmental appellate authorities / High Courts against the disallowances made by income tax authorities of certain deductions / expenses claimed. Pending final decisions, the Company has deposited amounts under protest with Income Tax Authorities.

ii) For disputed sales tax matters ₹ 2,269 Lakhs (Previous Year ₹ 2,307 Lakhs) against which amount paid under protest is ₹ 101 Lakhs (Previous Year: ₹ 91 Lakhs). (Refer below note)

Sales Tax demands have been mainly raised on account of dispute on rate of certain products, non submission of statutory declarations etc. Pending final decisions, the Holding Company has deposited amounts under protest with Sales Tax Department. Also refer note 46.1.

iii) For disputed GST matters ₹ 3 Lakhs (Previous Year ₹ 3 Lakhs) against which amount paid under protest is ₹ # (Refer below note)

GST demand have been mainly raised on account of detention of vehicle by an authority. Pending final decisions, the Holding Company has deposited amounts under protest with GST Department. Also refer note 46.1.

iv) In one of the subsidiaries 'Indiannica Learning Private Limited', tax disputes against the demand raised and penalty levied by the Assessing Officer aggregating to ₹ 69 Lakhs (Previous Year ₹ 69 Lakhs). Details of the same is given below:

a) On-going tax demand of ₹ 69 Lakhs for 2016-17 with CIT (Appeals) - Refund of 2018-19 of ₹ 2 Lakhs is adjusted against this demand."

v) In one of the subsidiaries 'Navneet Futuretech Limited', Assessing Officers of the Income tax department had made certain disallowances for AY 2012-13 to AY 2014-15 and reduced the losses claimed by the Company by ₹ 358 Lakhs. The Company has filed appeals before CIT (Appeals) / ITAT against these orders.

The ITAT has given substantial reliefs of ₹ 94 Lakhs as against disallowance of ₹120 Lakhs for AY 2012-13 and of ₹ 35 Lakhs as against disallowance of ₹ 51 Lakhs for AY 2014-15. Management is hopeful of getting relief in AY 2013-14 also as nature of disallowance is similar.

Further, department has levied penalty of ₹ 8 Lakhs and ₹ 16 Lakhs u/s 271(1)(c) of the Income Tax Act, 1961 for assessment year 2012-13 & 2014-15 respectively. The Company has filed appeals before CIT (Appeals) against both the penalty orders. The Company has made payment under protest of ₹ 2 Lakhs against penalty order for AY 2012-13. No such payment is made under protest against penalty for AY 2014-15. Considering nature of disallowance and certain favourable judicial decisions with respect to levy of penalty, the management of the Company is hopeful of getting favourable orders at the higher forum.

Note: Future cash outflows in respect of matters considered disputed are determinable only on receipt of judgments / decisions pending at various forums / authorities. The management does not expect these claims to succeed and accordingly, no provision for the contingent liability has been recognised in the financial statements.

(b) Against bond:

Duty free imports for which export obligation is pending as at year end amounting to ₹ 10 Lakhs (Previous Year ₹ 9 Lakhs). In the event Company does not meet the respective obligation, GST would have to be paid for which input credit would be available.

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for the year ended 31st March, 2022

(c) Other matters:

i) In one of the subsidiaries 'Navneet Futuretech Limited', in the previous year, Kotak Mahindra Bank has given bank guarantee to one of the customer of the Company amounting to ₹ 12 Lakhs, against which the Company has provided bank deposit of same amount which is kept under lien by the Bank. Further, during the year, the Company has availed bank overdraft facility from ICICI Bank Limited amounting to ₹ 2 Lakhs, against which the Company has provided bank deposit of ₹ 2 Lakhs which is kept under lien by the Bank (Refer note 19.4).

49 Capital Commitments and Other Commitments

(i) In Holding Company, estimated amount of contracts remaining to be executed (net of advances) on capital account is ₹ 296 Lakhs (Previous year: ₹ 1,018 Lakhs).

(ii) In case of one of the subsidiary companies, 'Navneet Futuretech Limited', (formerly known as eSense Learning Limited) estimated amounts of contracts remaining to be executed on capital accounts and not provided for in the accounts are ₹ Nil (Previous year: ₹ Nil).

During the year ended 31st March, 2022, the 'Navneet Futuretech Limited' (formerly known as eSense Learning Limited) has invested ₹ 3,750 Lakhs in SFA Sporting Services Private Limited. The Company is committed to further invest ₹ 3,750 Lakhs by the way of 4,179 equity shares at face value ₹ 10 out of which currently ₹ 5 is paid up including ₹ 44,865 share premium per share.

50 Disclosure under Ind AS 116 'Leases'

The group has adopted Ind AS 116 'Leases' effective from 1st April, 2019 as notified by the Ministry of Corporate Affairs in the Companies (Indian Accounting Standard) Amendment Rules, 2019. Ind AS 116 replaces Ind AS 17 'Leases' and related interpretation and guidance.

Also refer note 2.3 (p) for accounting policy on leases.

a) As a Lessee

The group's lease assets primarily consist of leases for office premises, warehouses, vehicles and computers. For lease arrangement with lease terms of 12 months or less, the Company has applied the 'short-term lease' recognition exemptions and for lease with lower underlying value asset, the Company has applied the 'low value asset' recognition exemption.

(₹ in Lakhs)

Particulars	2021-22	2020-21
a) Interest expense on lease liabilities; (Refer note 44)	216	283
b) Lease expenses		
Lease expenses in case of short term leases (included in 'Other expenses')	395	349
Lease expenses in case of low value leases (other than short term as disclosed above)(included in 'Other expenses')	16	30
Lease payments debited to lease liabilities	1,098	1,168
Expense relating to variable lease payments not included in the measurement of lease liabilities;	-	-
Income from subleasing right-of use assets;	-	-
Total cash outflow of leases; [including short term and low value leases]	1,509	1,547
Gains or losses arising from sale and leaseback transaction	-	-

Notes:
1. The right-of-use asset is depreciated using the straight-line method (SLM) from the commencement date over the lease term of right-of-use asset. For details of addition, depreciation and carrying amount of right of use asset, refer note 4.
2. Also refer note 58 for contractual maturities of lease liability (as per Ind AS 107).
3. For the purpose of calculation of lease liabilities, future lease payments are discounted at incremental borrowing rate for the lease term of 5 years. This lease term is arrived based on reasonable certainty of renewal of lease agreement.

b) As a Lessor

For assets given on cancellable lease, it's depreciation and carrying amount, refer note 6. Also, for rental income earned on that properties, refer note 6.1 which is recognised on a straight line basis over the term of the relevant lease for long-term leases.

51 Derivative Financial instruments

The holding Company uses derivative financial instruments such as forwards and options, to hedge its risks associated with foreign exchange fluctuation. The counterparty for these contracts is generally a bank. These derivative financial instruments are valued based on quoted price for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

(a) The assets and liabilities position of various outstanding derivative financial instruments is given below:

Particulars	2021-22		2020-21	
	In USD	₹ in Lakhs	In USD	₹ in Lakhs
Hedge				
Foreign currency forward contract (with underlying trade receivables considered for fair flow hedge) - Assets	55,25,532	4,188	45,33,643	3,315
Foreign currency forward contract (with underlying firm commitments considered for cash value hedge) - Assets	4,10,93,790	31,145	3,19,66,357	23,371
Foreign currency option contract (with underlying firm commitments considered for cash value hedge) - Assets	30,00,000	2,274	10,00,000	731
Total	**4,96,19,322**	**37,607**	**3,75,00,000**	**27,417**

Note: The Holding Company has exchange rate movement risk for above mentioned foreign currency contracts.

(b) Outstanding position of foreign exchange derivative financial instruments: (Refer note 21)

(₹ in Lakhs)

Particulars	Currency pair		Fair value Gain / (loss) Amount	
			2021-22	2020-21
Foreign currency forward contract (with underlying trade receivables considered for fair flow hedge)	USD_INR	Sell	36	102
Foreign currency forward contract (with underlying firm commitments considered for cash value hedge)	USD_INR	Sell	232	432
Foreign currency option contracts (with underlying firm commitments considered for cash value hedge)	USD_INR	Buy & Sell	33	20
Total Gain / (Loss)			**301**	**554**

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for the year ended 31st March, 2022

(c) Details of amount held in hedging reserve (i.e. cash flow hedge) and the period over which these are going to be released:

For the year ended as on 31st March, 2022

(₹ in Lakhs)

Particulars	Closing value in hedging reserve Gain / (Loss)	Release in less than 12 months	Release in more than 12 months
Foreign currency forward contracts (gross amount):			
USD_INR (trade receivables)	232	232	Nil
USD_INR (trade payables)	-	-	Nil
Foreign currency option contracts (gross amount):			
USD_INR (trade payables)	33	33	Nil
Closing balance as at year end	**265**	**265**	**Nil**

For the year ended as on 31st March, 2021

(₹ in Lakhs)

Particulars	Closing value in hedging reserve Gain / (Loss)	Release in less than 12 months	Release in more than 12 months
Foreign currency forward contracts (gross amount):			
USD_INR (trade receivables)	432	432	Nil
USD_INR (trade payables)	-	-	Nil
Foreign currency option contracts (gross amount):			
USD_INR (trade payables)	20	20	Nil
Closing balance as at year end	**452**	**452**	**Nil**

(d) Amount of gain / loss (net of taxes) recognised in hedging reserve and recycled::

i) During the financial year 2021-22:

(₹ in Lakhs)

Particulars	Opening balance	Net amount recognised	Recycled to P&L	Closing balance
Foreign currency forward contracts	186	394	(544)	36
Foreign currency option contracts	15	10	-	25
Total	**201**	**404**	**(544)**	**61**

ii) During the financial year 2020-21:

(₹ in Lakhs)

Particulars	Opening balance	Net amount recognised	Recycled to P&L	Closing balance
Foreign currency forward contracts	(1,082)	605	663	186
Foreign currency option contracts	#	15	-	15
Total	**(1,082)**	**620**	**663**	**201**

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(e) Hedge effectiveness is determined at the inception of the hedge relationship, and through periodic prospective effectiveness assessments to ensure that an economic relationship exists between the hedged item and hedging instrument, including whether the hedging instrument is expected to offset changes in cash flows of hedged items.

If the hedge ratio for risk management purposes is no longer optimal but the risk management objective remains unchanged and the hedge continues to qualify for hedge accounting, the hedge relationship will be rebalanced by adjusting either the volume of the hedging instrument or the volume of the hedged item so that the hedge ratio aligns with the ratio used for risk management purposes.

The amount of gain / (loss) recognised in Statement of Profit and Loss on account of hedge ineffectiveness for cash flow hedges for the year ended 31st March, 2022 is ₹ Nil (Previous year : ₹ Nil).

52 Earning Per Share :

(₹ in Lakhs)

Particulars	2021-22	2020-21
Net Profit available for Equity Shareholders as per statement of profit & loss	13,120	5,593
Weighted average number of equity shares for basic and diluted EPS (in Numbers)	22,72,54,248	22,88,70,500
Basic and Diluted Earning per share (₹)	5.77	2.44
Face Value Per Equity Share (₹)	**2.00**	**2.00**

53 Disclosure of movement of provisions :

(a) Provision for sales return

(₹ in Lakhs)

Particulars	2021-22	2020-21
Opening balance of provision	1,902	1,976
Add: Addition during the year	1,706	1,902
Less: Utilised/Written Back	1,903	1,976
Closing balance of provisions	**1,705**	**1,902**

Note: Provision has been made for expected return for sales made during the year. Provision for sales return would be utilised against the returns which are expected to be received in the subsequent financial year. In case of one of the subsidiaries 'Indiannica Learning Private Limited', provision for expected sales returns are made based on trend arrived as average of actual sales return to sales of previous three years. Also, additional provision is accounted based on management expectations of higher sales return considering the volatility arisen due to Covid-19 lockdown and review of market condition / information

(b) Provision for Discounts

(₹ in Lakhs)

Particulars	2021-22	2020-21
Opening balance of provision	377	501
Add: Addition during the year	822	377
Less: Utilised/Written Back	377	501
Closing balance of provisions	**822**	**377**

Note: Provision has been recognised for expected discount to be provided to distributor on the basis of agreed terms and fulfilment of future obligation by distributor.

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(c) Provision for performance bonus

(₹ in Lakhs)

Particulars	2021-22	2020-21
Opening balance of provision	91	86
Add: Addition during the year	171	76
Less: Utilised/Written Back	91	71
Closing balance of provisions	**171**	**91**

Note: Provision has been recognised based on performance evaluation of employees as per engagement terms and which are expected to be paid in the next year.

(d) Provision for contingencies, rent escalation etc.

(₹ in Lakhs)

Particulars	2021-22	2020-21
Opening balance of provision	161	161
Add: Addition during the year	149	-
Less: Utilised/Written Back	-	-
Closing balance of provisions	**310**	**161**

Note: Provision has been recognised against certain business related obligations, rent escalation etc.

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54 Disclosure as per Ind AS 12 'Income Taxes'

A Income tax expense in the statement of profit and loss consists of:

(₹ in Lakhs)

Particulars	2021-22	2020-21
Current income tax:		
In respect of the current year	4,424	2,568
In respect of the prior years	28	(54)
Deferred tax		
In respect of the current year	1,534	770
Income tax expense recognised in the statement of profit or loss	**5,986**	**3,284**

(₹ in Lakhs)

Income tax recognised in other comprehensive income:	2021-22	2020-21
Deferred tax arising on income and expense recognised in OCI		
a) Re-measurement of the net defined benefit plan	(71)	(39)
b) Financial Liabilities at Fair value (cash flow hedge)	(47)	432
Income tax expense recognised in other comprehensive income	**(118)**	**393**

B The reconciliation between the provision of income tax of the Group and amounts computed by applying the Indian statutory income tax rate to profit before taxes is as follows

(₹ in Lakhs)

Particulars	2021-22	2020-21
Profit before tax	18,985	8,875
Impact of changes on account of permanent disallowances (net)	631	383
Impact of Chapter VI-A deductions (net)	263	201
Tax losses for which no deferred income tax was recognised and non recognition of asset based on uncertainty on utilisation in future (refer note C below)	2,947	3,395
	22,826	12,854
Enacted income tax rate in India	25.17%	25.17%
Computed expected tax expense	**5,745**	**3,235**
Effect of:		
Tax expenses as per the Statement of Profit and Loss	5,986	3,284
Buy back Expenses - Allowable expense but part of reserves	(66)	-
Others (including tax on inter-company margin removal)	(175)	(49)
Income tax expense recognised in the statement of profit and loss	**5,745**	**3,235**

Notes:

54.1 The applicable corporate income tax rate for the Company for the year ended 31st March, 2022 and 31st March, 2021 is 25.17% and 25.17%, respectively.

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54.2 Deferred tax asset is not recognised on provision towards impairment loss on investments amounting to ₹ 2,995 Lakhs (Previous year: ₹ 762 Lakhs) due to lack of reasonable certainty as regard timing of reversal.

54.3 In the opinion of the Management of the holding company, subsidiaries and the holding company does not have any item of allowance / disallowance; tax treatment of which is uncertain on account of on-going disputes with the authorities.

C Unabsorbed depreciation and carried forward losses:

In respect to two subsidiaries 'Navneet Futuretech Limited' and 'Indiannica Learning Private Limited', deferred tax asset arising mainly on account of unabsorbed depreciation and carried forward losses under tax laws which has not been considered as it is not reasonably certain that future taxable profits will be available against which the deductible temporary difference can be utilised. Accordingly such deferred tax asset has not been recognised in the accounts of the subsidiary.

In respect to both subsidiaries having carry forward depreciation losses as at 31st March, 2022 of ₹ 5,554 Lakhs (Previous year: ₹ 5,002 Lakhs) which doesn't have any expiry date and carry forward business losses as on 31st March, 2022 is ₹ 10,149 Lakhs (Previous year: ₹ 7,754 Lakhs) which will be expired in next 1 to 8 years (Previous year : 1 to 8 years). Considering losses incurred during last two years, these assets are not recognised in financial statements.

D In respect to two subsidiaries 'Navneet Futuretech Limited' and 'Indiannica Learning Private Limited', no provision for tax has been made, as the both subsidiary Companies have incurred tax loss during the year and there are brought forward losses under income tax. As stated above, the subsidiaries Companies have recognised deferred tax assets to the extent of deferred tax liability, except in case of 'Indiannica Learning Private Limited' considering uncertainties on utilisation of full Deferred Tax Assets (DTA), in previous year it has been partially recognised to the extent it is certain to be utilised, no new deferred tax assset is created.

55 Disclosure as per Ind AS 10 'Events after the reporting period'

a) The directors of the Holding Company have recommended payment of final dividend for 2021-22 of ₹ 1.50 per equity share (i.e. 75%) in its board of directors meeting held on 18th May, 2022. This proposed dividend is subject to the approval of shareholders in the ensuing Annual General Meeting.

b) Subsequent to year end, one of the subsidiaries "Navneet Futuretech Limited" has increased the authorised share capital by 35,00,00,000 preference shares of ₹ 10 each i.e. ₹ 35,000 Lakhs.

c) No other significant event has occurred subsequent to year end.

56 Impact of Covid-19

a) COVID-19 has impacted the normal business operations of the Group by way of interruption in production, supply chain disruption, unavailability of personnel, etc. The Group has made assessment of its liquidity position for the next financial year and has considered internal and external information in assessing the recoverability of its assets such as investments, loans, intangible assets, trade receivable, inventories etc. The Group has used the principles of prudence in applying judgments, estimates and assumptions and based on the current estimates, the Group expects to fully recover the carrying amount of these assets.

The impact assessment of COVID-19 is an ongoing process, and may be different from that estimated as at the date of approval of these financial results, given the uncertainties associated with its nature and duration and the Group will continue to monitor all material changes to the entity's environment.

b) On account of the pandemic and low business activity, the Holding Company and its directors / senior management team had mutually agreed that the holding company would not pay remuneration aggregating to ₹ 236 Lakhs, to such directors / senior management team members for the month of April & May 2020. Also refer note 62.

57 Fair value of financial assets and liabilities

The management assessed that the fair values of financial asset and financial liabilities approximate their carrying amounts.

The following methods and assumptions were used to estimate the fair values:

(a) Fair values of cash and cash equivalents, trade receivables, interest accrued on deposits with bank, bank deposits, trade payables and other financial liabilities, approximate their carrying amounts largely due to the short-term maturities of these instruments.

(b) The management has considered fair value of security deposits, loan from bank, loan from related party, equal to their carrying value as fair values based on the current market interest rates and other risk factors approximate to carrying value.

Fair value hierarchy

The following table presents the financial assets and financial liabilities by level with the fair value measurement hierarchy:

(₹ in Lakhs)

		31st March, 2022		31st March, 2021	
		Level of input used in*	Carrying Amount	Level of input used in*	Carrying Amount
a)	**Financial assets**				
	At Amortised Cost				
	Trade receivables	NA	24,218	NA	18,463
	Cash and cash equivalents	NA	1,609	NA	2,079
	Bank deposits	NA	197	NA	61
	Earmarked balances with Bank	NA	272	NA	301
	Loans	NA	2,235	NA	2,891
	Other financial assets	NA	1,301	NA	1,553
	At Fair Value Through P&L				
	Investment in Equity (Refer Note 10.2)	Level 1	375	Level 1	444
	Investment in Mutual fund	Level 1	850	Level 1	-
	Financial assets at fair value (forward and option contracts)	Level 2	301	Level 2	554
	At Fair Value Through OCI				
	Investment in Equity (Refer Note 10.2)	Level 3	4,275		-
b)	**Financial liabilities**				
	At Amortised Cost				
	Cash Credit	NA	19	NA	431
	Trade payables	NA	6,875	NA	7,836
	Working capital loan	NA	1,700	NA	800
	Commercial paper	NA	6,000	NA	-

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	31st March, 2022		31st March, 2021	
	Level of input used in*	Carrying Amount	Level of input used in*	Carrying Amount
Other financial liability	NA	2,382	NA	2,617
Bank overdraft	NA	3,597	NA	3,096
Vehicle Loan	NA	22	NA	30
Lease Liability	NA	2,167	NA	3,050
At Fair Value Through P&L				
Financial liabilities at fair value (forward and option contracts)	Level 2	-	Level 2	-

* There has been no transfer between level 1 and level 2 during the year ended 31st March, 2022 and 31st March, 2021. Level is NA, since valued at amortised cost.

Notes:

(i) Investments in an associate are not required to be recognised as per IND AS 109 and hence, not considered above for disclosure purpose.

(ii) For Details of income and gains related to financial instruments (Refer Note 39)

(iii) During the year, since two of the subsidiaries "Navneet Futuretech Limited" has made the acquisition in 'SFA Sporting Services Private Limited' and "Navneet Tech Ventures Private Limited" has made acquisition in "Elation Edtech Private Limited", the investments are considered as 'At fair Value through OCI'.

Financial /Bank guarantee:

(i) In one of the subsidiaries 'Indiannica Learning Private Limited', the Subsidiary Company has given bank guarantee to Sales Tax department ₹ 2 Lakhs (Previous year: ₹ 2 Lakhs).

(ii) Holding Company has given Bank Guarantee to electricity department (DNH Power Distribution Corporation Limited) for electricity deposit of ₹ 80 Lakhs (Previous Year: ₹ 130 Lakhs).

58 Financial Risk Management

The Group is exposed to market risk, credit risk and liquidity risk. The management reviews and agrees policies for managing each of these risks which are summarised below:

Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprise three types of risk: foreign currency risk, interest rate risk and other price risk. Financial instruments affected by market risk primarily include trade receivables, trade payables, cash and cash equivalents.

The sensitivity analysis in the following sections relate to the position for the periods presented. The sensitivity analysis has been prepared on the basis that the amount of net debt and the proportion of financial instruments in foreign currencies are all constant. The analysis exclude the impact of movements in market variables on the carrying values of gratuity obligation and provisions.

The sensitivity of the relevant profit and loss item is the effect of the assumed changes in respective market risks based on the financial assets and financial liabilities held at the periods presented.

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Interest rate risk

The following tables demonstrate the sensitivity to a reasonably possible change in interest rate, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)

Year ended as on	Change in Interest Rate	Effect on profit before tax [increase / (decrease)]
31st March, 2022	Increase by 50 basis points (50 bps)	57
	Decrease by 50 basis points (50 bps)	(57)
31st March, 2021	Increase by 50 basis points (50 bps)	22
	Decrease by 50 basis points (50 bps)	(22)

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to trade payables and trade receivables.

The following table analyses the foreign currency risk from monetary assets and liabilities as at balance sheet date:

Particulars / Foreign currency	2021-22		2020-21	
	Amount in foreign currency	₹ in Lakhs	Amount in foreign currency	₹ in Lakhs
Trade receivables				
GBP			**32,772**	**30**
Payables				
EUR	1,143	1		
GBP				
HKD				
USD	40,925	31	13,102	10

Note: Open purchase / sales orders are not considered for above purpose. Further foreign currency trade receivables are partially hedged by forward contracts, hence unhedged amount is considered above. Advances receivable / payable are not exposed to risk, hence not considered above.

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD, with all other variables held constant. The impact on the Group's profit before tax is due to changes in the fair value of monetary assets and liabilities.

(₹ in Lakhs)

Year ended as on	Change in USD rate	Effect on profit before tax
31st March, 2022	Increase by 500 basis points (500 bps)	2
	Decrease by 500 basis points (500 bps)	(2)
31st March, 2021	Increase by 500 basis points (500 bps)	1
	Decrease by 500 basis points (500 bps)	(1)

Previous year figures are in bracket

Note:- Hedged foreign currency trade receivables are not considered for the purpose of sensitivity because they are partially hedged by forward contracts.

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Price risk

The Group is not exposed to any significant price risk.

Credit risk

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Group is exposed to credit risk from its operating activities, primarily for trade receivables and deposits with banks and other financial assets.

Trade receivables

Customer credit risk is managed based on the Group's established policy, procedures and control relating to customer credit risk management. The Group evaluates the concentration of risk with respect to trade receivables as low. There are no customers who represent more than 10% of the balance of trade receivables. Outstanding customer receivables are regularly monitored by the management.

The Company has used a practical expedient by computing the expected credit loss allowance for trade receivables based on a provision matrix and past historical experience. The provision matrix takes into account historical credit loss experience and adjusted for forward-looking information.

An impairment analysis is performed at each reporting date on an individual basis for major customers.

The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets. The Group does not hold collateral as security except as mentioned in note 17.4.

The ageing of trade receivable and credit loss allowance is as under:

(₹ in Lakhs)

Particulars	Ageing		Total
	Upto 6 months	More than 6 months	
As at 31st March, 2022			
Secured	-	-	-
Unsecured	21,950	4,069	26,019
Total receivables	21,950	4,069	26,019
Allowances for doubtful receivables and expected credit loss	-	-	1,800
Net Receivables	**21,950**	**4,069**	**24,218**
Expected loss rate *			6.92%

(₹ in Lakhs)

Particulars	Ageing		Total
	Upto 6 months	More than 6 months	
As at 31st March, 2021			
Secured	-	-	-
Unsecured	15,832	4,473	20,305
Total receivables	15,832	4,473	20,305
Allowances for doubtful receivables and expected credit loss			1,842
Net Receivables	**15,832**	**4,473**	**18,463**
Expected loss rate *			9.07%

* Expected loss rate includes both allowance made based assessed credit risk on an individual basis and expected loss based on historical experience.

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Movement in expected credit loss / allowances for doubtful debts

(₹ in Lakhs)

Particulars	Expected credit loss		Allowances for doubtful debts	
	For the year ended 31st March, 2022	For the year ended 31st March, 2021	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance at the beginning	207	181	1,635	705
Additional provision	-	47	152	1,107
Amounts written off	-	20	193	178
Balance at the end	207	208	1,594	1,634

Deposits with banks and other financial assets

Credit risk from balances with banks and financial institutions is managed by the Group's treasury department in accordance with the Group's policy.

Liquidity risk

Liquidity risk is the risk that the Group may not be able to meet its present and future cash and collateral obligations without incurring unacceptable losses. The Group's objective is to, at all times maintain optimum level of liquidity to meet its cash and collateral requirements. The Group closely monitors its liquidity position and deploys a robust cash management system. The management has arranged for diversified funding sources and adopted a policy of managing assets with liquidity in mind and monitoring future cash flows and liquidity on a regular basis.

The table below summarises the maturity profile of the Group's financial liabilities based on contractual undiscounted payments.

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Year ended 31st March, 2022				
Non-derivative				
Working capital loan	1,700	-	-	1,700
Commercial paper	6,000	-	-	6,000
Lease liability	999	1,168	-	2,167
Bank overdraft	3,597	-	-	3,597
Cash credit facility	19	-	-	19
Trade payables	6,875	-	-	6,875
Vehicle loan	7	22	-	30
Other financial liability	2,375	-	-	2,375
Derivative				
Financial liabilities at fair value (forward contracts)	-	-	-	-

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(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Year ended 31st March, 2021				
Non-derivative				
Working capital loan	800	-	-	800
Commercial paper	-		-	-
Lease liability	883	2,167	-	3,050
Bank overdraft	3,096	-	-	3,096
Cash credit facility	431	-	-	431
Trade payables	7,837	-	-	7,837
Vehicle loan	7	30	-	37
Other financial liability	2,610	-	-	2,610
Derivative				
Financial liabilities at fair value (forward contracts)	-	-	-	-

* Excludes financial guarantee liability contract, forward contract and option contract which has been fair valued.

Note: Future interest payment in respect to current borrowings of Working capital loan, Commercial paper, Cash credit facility are not added in maturity profile tabulated above.

The table below summarises the maturity profile of the Group's financial assets based on contractual undiscounted receipts.

(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Year ended 31st March, 2022				
Non-derivative				
Investments : Current and Non Current	-	4,650		4,650
Loans (including Inter Corporate Deposit)	252	1,983	-	2,235
Trade receivables: Current and Non Current	24,218	-	-	24,218
Cash and cash equivalent	2,459	-	-	2,459
Other bank balances	468	-	-	468
Other financial assets	916	386	-	1,301
Derivative				
Financial assets at fair value (forward contracts and option contract)	301	-	-	301

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(₹ in Lakhs)

Particulars	Less than 1 year	1 to 5 years	More than 5 years	Total
Year ended 31st March, 2021				
Non-derivative				
Investments: Current and Non Current	-	444	-	444
Loans (including Inter Corporate Deposit)	859	2,032	-	2,891
Trade receivables: Current and Non Current	18,450	13	-	18,463
Cash and cash equivalent	2,079	-	-	2,079
Other bank balances	363	-	-	363
Other financial assets	1,438	115	-	1,553
Derivative				
Financial assets at fair value (forward contracts and option contract)	554	-	-	554

Note: The Group is not exposed to significant liquidity risk based on past performance and current expectations. The Group believes that the cash and cash equivalents, cash generated from operations and available un-drawn credit facilities, will satisfy its working capital needs, capital expenditure, investment requirements, commitments and other liquidity requirements associated with its existing operations, through at least the next twelve months.

Further, investments in an associate are not recognised as per IND AS 109 and hence, not disclosed in Maturity profile above.

59 Capital management

For the purpose of the Group's capital management, capital includes issued equity capital, and all other equity reserves attributable to the equity shareholders. The primary objective of the Group's capital management is to maximise the shareholder value.

The Group manages its capital structure and makes suitable adjustments in light of changes in economic conditions.

The Group monitors capital using a gearing ratio, which is net debt divided by total capital plus net debt. The Group includes within net debt, loan obligation, trade and other payables and less cash and cash equivalents.

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Working capital loan	1,700	800
Lease Liability	2,167	3,050
Vehicle loan	22	37
Bank overdraft / Book OD	3,597	3,096
Cash credit facility	19	431
Trade payables	6,875	7,837
Commercial paper	6,000	-
Less: cash and cash equivalent	(2,459)	(2,079)
Net Debt	**17,924**	**13,172**
Equity	1,00,540	93,086
Capital and Net debt	**1,18,462**	**1,06,259**
Gearing Ratio	**15.13%**	**12.40%**

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60 Disclosures for 'Statement of Cash Flows' as per Ind AS 7

60.1 Reconciliation of liabilities from financing activities for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	31st March, 2022	Cash flows (net)	Impact of Ind AS 116	31st March, 2021
Short term / Long term borrowings (including current portion)	7,723	6,885	-	837
Lease Liability (impact of IND AS 116)	2,167	(1,098)	216	3,050
Total	**9,890**	**5,787**	**216**	**3,887**

Reconciliation of liabilities from financing activities for the year ended 31st March, 2021

(₹ in Lakhs)

Particulars	31st March, 2021	Cash flows (net)	Impact of Ind AS 116	31st March, 2020
Short term / Long term borrowings (including current portion)	837	(19,508)	-	20,346
Lease Liability (impact of IND AS 116)	3,050	(1,169)	(61)	4,279
Total	**3,887**	**(20,677)**	**(61)**	**24,625**

The Group has accounted for lease liabilities and fair value changes in accordance with Ind AS 116 implemented during the previous year. Detail break-up of above non-cash element is given below:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
i) Transition adjustment on implementation of Ind AS 116	-	-
ii) Finance cost on lease liabilities	216	283
iii) Addition during the year	-	176
iv) Deletion during the year (after consideration of depreciation)	-	(519)
Total	**216**	**(60)**

60.2 Net cash inflow from operating activity netted off with expenditure on Corporate Social Responsibility (CSR) expenditure of ₹ 457 Lakhs (Previous year ₹ 549 Lakhs).

61 Employee benefits

(a) The Group has recognised the following amounts towards defined contribution plans as an expense and included in the Statement of Profit and Loss.

(₹ in Lakhs)

Particulars	2021-22	2020-21
Provident Fund	857	749
Employee State Insurance Corporation	51	50
Government Pension Fund	47	39
Labour Welfare Fund	1	1
Total	**956**	**839**

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(b) Defined benefit plan and long term employment benefits:

These plans typically expose the Group to actuarial risks such as: Investment, Interest rate, longevity and salary increase risk:

I Investment / Interest risk: The Group is exposed to Investment / Interest risk if the return on the invested fund falls below the discount rate used to arrive at present value of the benefit. Since the scheme is unfunded in case of compensated absence and in case of gratuity (in one subsidiary Company), the Company is not exposed to Investment / Interest risk.

II. Longevity Risk: The Group is not exposed to risk of the employees living longer as the benefit under the scheme ceases on the employee separating from the employer for any reason.

III. Risk of Salary Increase: The Group is exposed to higher liability if the future salaries rise more than assumption of salary escalation.

(i) Defined benefit plan and long term employment benefits: Gratuity (Defined benefit plan):

The holding Company and subsidiaries, where gratuity liability is funded, makes annual contribution to the employee group gratuity scheme of the Life Insurance Corporation of India's funded defined benefits plan for qualified employees. The scheme provided for lump sum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service in accordance with Payment of Gratuity Act, 1972.

The Company has provided for gratuity based on the actuarial valuation done as per Project Unit Credit Method. The following table sets out for the status of gratuity plan:

(₹ in Lakhs)

Particulars	Gratuity (Funded)		Gratuity (Non Funded) (Refer note below)	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
Change in Obligation				
Opening Present Value of Accrued Gratuity	4,738	4,322	126	103
Service Cost	346	318	30	26
Actuarial (Gain)/ Loss on Obligation	272	116	10	(9)
Interest Cost	318	284	7	7
Less :Benefits paid	(157)	(301)	(24)	(1)
Closing Present Value of Accrued Gratuity	**5,517**	**4,739**	**148**	**126**

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(₹ in Lakhs)

Particulars	Gratuity (Funded)		Gratuity (Non Funded) (Refer note below)	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
Change in Plan Asset				
Opening Fund Balance	4,950	4,582	-	-
Interest Income	331	(35)	-	-
Adjustment to Opening balance	-	-	-	-
Return on the plan asset	17	311	-	-
Contribution	239	393	24	1
Less: Benefits paid	(157)	(301)	(24)	(1)
Closing Fund Balance	**5,379**	**4,950**	**-**	**-**
Reconciliation of present value of obligation and the plan asset				
Closing Fund Balance	5,379	4,950	-	-
Closing present value of Accrued Gratuity	5,517	4,739	148	126
Included in 'Payables to employees' in note 33	-	-		8
Net Liability	**138**	**(211)**	**148**	**118**
Asset recognised in balance sheet	144	(217)	-	-
Liability recognised in balance sheet	(6)	6	148	126
Net Liability	**138**	**(211)**	**148**	**126**
Expenses recognised in the Statement of Profit & Loss				
Current Service Cost	346	318	30	26
Interest Cost	318	284	7	7
Return on Plan Assets	(331)	35	10	(9)
Less: Capitalised to contents / technology platform	-	-	-	-
Expenses recognised in the Statement of Profit & Loss	**333**	**637**	**47**	**24**
Expenses recognised in the other comprehensive income				
Net Actual (Gain) / Loss recognised	273	116	10	(9)
Return on the plan asset	(17)	(311)	-	-
Expenses recognised in the other comprehensive income	**256**	**(195)**	**10**	**(9)**

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Gratuity (Funded)		Gratuity (Non Funded) (Refer note below)	
	31st March, 2022	31st March, 2021	31st March, 2022	31st March, 2021
Movement in the Liability recognised in Balance Sheet				
Opening Net Liability	(211)	(260)	126	103
Adjustment to Opening balance	-	-	-	-
Expenses recognised in the Statement of Profit & Loss	333	637	37	33
Capitalised to contents / technology platform	-	-	-	-
Contribution paid	(239)	(393)	(25)	(1)
Expenses recognised in the other comprehensive income	255	(195)	10	(9)
Closing Net Liability	**138**	**(211)**	**148**	**126**
Experience adjustment:				
Experience adjustment on plan liability	-	-	-	-
Experience adjustment on plan asset	(14)	(307)	-	-
Net experience adjustment	**(14)**	**(307)**	**-**	**-**

Sensitivity analysis:

Sensitivity analysis are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be co-related. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method (present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period) has been applied as when calculating the defined benefit liability recognised in the Balance Sheet.

(₹ in Lakhs)

Defined benefit obligation	Discount rate	Salary escalation rate
Effect on defined benefit obligation due to increase by 100 basis point	5,031	6,172
Effect on defined benefit obligation due to decrease by 100 basis point	6,193	5,037

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

Assumptions		
Return on plan assets	Ranging from 6.28% to 7.26%	Ranging from 6.53% to 6.80%
Salary escalation rate	Ranging from 6.00% to 9.00%	Ranging from 6.00% to 9.00%
Discounting rate	Ranging from 6.28% to 7.26%	Ranging from 6.53% to 6.80%
Employee attrition rate (other than one subsidiary Company)	0.80% to 8% for all ages	0.80% to 8% for all ages
Employee attrition rate (in case of one subsidiary Company):		
Ages: up to 30 years	20.00%	20.00%
From 31 to 44 years	15.00%	15.00%
Above 44 years	10.00%	10.00%
Mortality rate (other than one subsidiary Company)	Indian Assured Lives Mortality (2012-14)	Indian Assured Lives Mortality (2006-08) Ultimate
Mortality rate (in case of one subsidiary Company)		Indian Assured Lives Mortality (2012-14)
Composition of plan assets	100% with Life Insurance Corporation (LIC)	100% with Life Insurance Corporation (LIC)

Note : Gratuity (Non-funded) amounts are pertaining to one subsidiary 'Navneet Futuretech Limited'.

The Group contributes all ascertained liabilities towards gratuity to the Life Insurance Corporation of India under their Group Gratuity Scheme. The reimbursement is subject to insurer's Surrender Policy.

As at 31st March 2022 and 31st March 2021, the plan assets have been primarily invested in Government securities. The Group expects to contribute 2,84,74,000 to the gratuity scheme during the next financial year.

Expected maturity analysis of defined benefit obligation

(₹ in Lakhs)

Period	2021-22	2020-21
With in 1 year	449	418
From 1 year to 2 years	500	166
From 2 years to 3 years	240	514
From 3 years to 4 years	224	260
From 4 years to 5 years	259	239
From 5 years to 10 years	1,570	1,504

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

(ii) Defined benefit plan and long term employment benefits: compensated absences

In respect of Compensated absences benefit, accrual is made on the basis of a year-end actuarial valuation in pursuance of the Group's leave rules.

The Group has provided for leave benefits based on the actuarial valuation done as per Project Unit Credit Method. The following table sets out for the status of leave encashment plan:

(₹ in Lakhs)

Particulars	Compensated absences (Non Funded)	
	31st March, 2022	31st March, 2021
Change in Obligation		
Opening Present Value of Accrued Gratuity	2,029	1,877
Addition due to subsidiary	-	-
Service Cost	870	905
Actuarial (Gain)/ Loss on Obligation	(339)	(758)
Interest Cost	133	124
Less :Benefits paid	(152)	(119)
Closing Present Value of Accrued Gratuity	**2,541**	**2,029**
Change in Plan Asset		
Opening Fund Balance	-	-
Addition due to subsidiary	-	-
Interest Income	-	-
Return on the plan asset	-	-
Contribution	152	119
Less :Benefits paid	(152)	(119)
Closing Fund Balance	**-**	**-**
Reconciliation of present value of obligation and the plan asset		
Closing Fund Balance	-	-
Closing present value of Accrued Gratuity	2,541	2,029
Net Liability recognised in balance sheet	**2,541**	**2,029**
Expenses recognised in the Statement of Profit & Loss		
Current Service Cost	870	905
Interest Cost	133	124
Return on Plan Assets	-	-
Net Actual (Gain) / Loss recognised	(339)	(758)
	663	271
Less: Capitalised to contents / technology platform	-	(1)
Encashment other than full & final settlement	-	-
Expense recognised in the statement of P&L	**663**	**270**

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Compensated absences (Non Funded)	
	31st March, 2022	31st March, 2021
Movement in the Liability recognised in Balance Sheet		
Opening Net Liability	2,029	1,877
Addition due to subsidiary	-	-
Expenses as above	664	271
Contribution paid	(152)	(119)
Closing Net Liability	**2,541**	**2,029**

Sensitivity analysis:

(₹ in Lakhs)

Defined benefit obligation	Discount rate	Salary escalation rate
Effect on defined benefit obligation due to increase by 100 basis point	2,186	2,707
Effect on defined benefit obligation due to decrease by 100 basis point	2,705	2,198

<table>
<tr><th>Assumptions</th><th>2021-22</th><th>2020-21</th></tr>
<tr><td>Salary escalation rate</td><td>Ranging from 6.00% to 9.00%</td><td>Ranging from 6.00% to 9.00%</td></tr>
<tr><td>Discounting rate</td><td>Ranging from 6.28% to 7.26%</td><td>Ranging from 6.53% to 6.80%</td></tr>
<tr><td>Employee attrition rate</td><td>0.80% to 8% for all ages</td><td>0.80% to 8% for all ages</td></tr>
<tr><td>Mortality rate (in case of holding and one subsidiary Company)</td><td rowspan="2">Indian Assured Lives Mortality (2012-14) Ultimate</td><td>Indian Assured Lives Mortality (2006-08) Ultimate</td></tr>
<tr><td>Mortality rate (in case of one subsidiary Company)</td><td>Indian Assured Lives Mortality (2012-14)</td></tr>
<tr><td>Composition of plan assets</td><td>Not funded</td><td>Not funded</td></tr>
</table>

62 Related Party Transactions

I) List of related parties with whom transactions have taken place and relationships:

(a) Associates:

K12 Techno Services Private Limited

Carveniche Technologies Private Limited (w.e.f. 16.07.2021)

(b) Enterprises owned or significantly influenced by key management personnel or their relatives:

Navneet Prakashan Kendra

Vikas Prakashan

Gala Publishers

Sandeep Agency

Allcargo Logistics Limited

The Flagship Advertising Private Limited.

Navneet Foundation

Navneet Trust

Qualis Ventures LLP

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

(c) Key Management Personnel & Relatives of the group:

Shri Bipin A. Gala
Shri Anil D. Gala
Shri Gnanesh D. Gala
Shri Raju H. Gala
Shri Shailendra J. Gala
Shri Sanjeev J. Gala
Shri Kalpesh H. Gala
Shri Ketan B. Gala
Smt Pooja Ketan Gala
Shri Devish G. Gala
Shri Aditya S. Gala
Smt Krisha Archit Gala
Smt Henal T. Mehta
Shri Siddhant S. Gala
Shri Kamlesh S. Vikamsey
Shri Nilesh S. Vikamsey
Smt Usha Laxman
Shri Tushar K. Jani
Shri Mohinder P. Bansal
Dr. Vijay B. Joshi
Shri Anil Swarup
Shri Archit R. Gala

(D) Key Management Personnel & Relatives as per the Companies Act 2013:

Shri Kalpesh D. Dedhia (Chief Financial Officer) wef 1st Feb 2022
Shri Deepak L. Kaku (Chief Financial Officer of Parent Company) upto 31st Jan 2022
Shri Amit D. Buch (Company Secretary of Parent Company and one subsidiary)

(E) Post employment Benefit Plan

Employees' Gratuity scheme

II) Disclosure in respect of transactions with related parties during the year.

(₹ in Lakhs)

Sr. No.	Nature of Transaction/ Relationship/Major Parties	2021-22		2020-21	
		Amount	Amounts for material transactions	Amount	Amounts for material transactions
1	**Royalty Expense**				
	Enterprises owned or significantly influenced by KMP or their relatives:	1,681		1,380	
	Navneet Prakashan Kendra		898		849
	Vikas Prakashan		510		328
	Gala Publishers		273		204
2	**Lease payment (Refer note 49)**				
	Enterprises owned or significantly influenced by KMP or their relatives:	1,204		1,113	
	Navneet Prakashan Kendra		900		823
	Vikas Prakashan		76		72
	Gala Publishers		37		35
	Sandeep Agency		192		182

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

(₹ in Lakhs)

Sr. No.	Nature of Transaction/ Relationship/Major Parties	2021-22		2020-21	
		Amount	Amounts for material transactions	Amount	Amounts for material transactions
3	**Electricity Expense**				
	Enterprises owned or significantly influenced by KMP or their relatives:	#		#	
	Navneet Prakashan Kendra		#		#
4	**Legal and Professional fees**				
	Enterprises owned or significantly influenced by KMP or their relatives:	7		3	
	Smt Henal T. Mehta		7		3
	Consultancy fees paid to non-executive director:	18		16	
	Shri Anil Swarup		18		16
5	**Repair and Maintenance Computer-Consumables**				
	Enterprises owned or significantly influenced by KMP or their relatives:	#		-	
	The Flagship Advertising Private Limited.		#		-
6	**Asset Sales**				
	Enterprises owned or significantly influenced by KMP or their relatives:	7,000		-	
	Qualis Ventures LLP		7,000		-
7	**Corporate Social Responsibility expenses**				
	Enterprises owned or significantly influenced by KMP or their relatives:	457		544	
	Navneet Foundation		457		544
8	**Remuneration / Salary Paid to (Refer footnote (i) below)**				
	KMP & their Relative:	1,115		925	
	Shri Bipin A. Gala		139		117
	Shri Anil D. Gala		139		117
	Shri Gnanesh D. Gala		139		117
	Shri Shailendra J. Gala		128		107
	Shri Raju H. Gala		139		117
	Shri Sanjeev J. Gala		128		107
	Shri Ketan Bipin Gala		128		107
	Shri Kalpesh H. Gala		128		107
	Smt Pooja Ketan Gala		6		4
	Shri Archit R. Gala		11		8
	Shri Devish G. Gala		11		9
	Shri Aditya S. Gala		5		1
	Shri Siddhant S. Gala		6		3
	Smt Krisha Archit Gala		8		5

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

(₹ in Lakhs)

Sr. No.	Nature of Transaction/ Relationship/Major Parties	2021-22		2020-21	
		Amount	Amounts for material transactions	Amount	Amounts for material transactions
	KMP & their Relative as per the Companies Act 2013:	123		88	
	Shri Deepak L. Kaku (upto 31st January, 2022)		77		53
	Shri Amit D. Buch		35		35
	Shri Kalpesh Dedhia (wef 1st February, 2022)		11		-
	Sitting fees paid to non-executive director:	23		23	
	Shri Kamlesh S. Vikamsey		3		3
	Shri Nilesh S. Vikamsey		4		4
	Smt Usha Laxman		3		3
	Shri Tushar K. Jani		3		3
	Shri Mohinder Pal Bansal		4		4
	Dr. Vijay B. Joshi		4		4
	Shri Anil Swarup		2		2
9	**Investment in Shares**				
	Preference Shares				
	Associate:	-		640	
	K12 Techno Services Private Limited.		-		640
	Equity Shares				
	Associate:	1,867		60	
	K12 Techno Services Private Limited.		1,867		60
10	**Interest Income**				
	Enterprises owned or significantly influenced by KMP or their relatives, including:	-		17	
	Allcargo Logistics Limited		-		17
11	**Recovery of expenses**				
	Enterprises owned or significantly influenced by KMP or their relatives:	131		-	
	Qualis Ventures LLP		131		-
12	**Sales of Finished Goods / services**				
	Enterprises owned or significantly influenced by KMP or their relatives:	54		-	
	Navneet Foundation		54		-
13	**Contribution to post-employment benefit scheme**	239		393	
	Employees' Gratuity scheme		239		393

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

(₹ in Lakhs)

Sr. No.	Nature of Transaction/ Relationship/Major Parties	2021-22		2020-21	
		Amount	Amounts for material transactions	Amount	Amounts for material transactions
14	**Dividend Paid (including Interim Dividend)**				
	KMP & their Relative:	274		-	
	Shri Bipin A. Gala		22		-
	Shri Anil D. Gala		33		-
	Shri Gnanesh D. Gala		32		-
	Shri Shailendra J. Gala		35		-
	Shri Raju H. Gala		20		-
	Shri Sanjeev J. Gala		35		-
	Shri Ketan Bipin Gala		25		-
	Shri Kalpesh H. Gala		43		-
	Smt Pooja Ketan Gala		3		-
	Shri Archit R. Gala		9		-
	Smt Henal T. Mehta		1		-
	Shri Devish G. Gala		14		
	Shri Aditya S.Gala		1		
	Shri Siddhant S Gala		1		
	Dividend paid to non-executive director:	#		-	-
	Dr. Vijay B. Joshi		#		-
	Enterprises owned or significantly influenced by KMP or their relatives:	914		-	
	Navneet Trust		914		-
15	**Advance received against asset held for sale**				
	Enterprises owned or significantly influenced by KMP or their relatives, including:	-		700	
	Qualis Ventures LLP		-		700
16	**Payment received towards asset sales**				
	Enterprises owned or significantly influenced by KMP or their relatives:	6,300		-	
	Qualis Ventures LLP		6,300		-
17	**Loan Repayment**				
	Enterprises owned or significantly influenced by KMP or their relatives:	-		3,000	
	Allcargo Logistics Limited		-		3,000

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

III) Related Parties Account balances as on 31st March, 2022

(₹ in Lakhs)

Sr. No.	Nature of Transaction/ Relationship/Major Parties	2021-22		2020-21	
		Amount	Amounts for major parties	Amount	Amounts for major parties
1	**Investments**				
	In Equity Shares & preference shares (including Goodwill & net of Group's share of loss)				
	Associates:	17,536		13,806	
	K12 Techno Services Private Limited.		15,750		13,806
	Carveniche Technologies Private Limited		1,786		-
2	**Trade Payables**			-	
	Smt. Henal T. Mehta		#		-
3	**Balance with post employment benefit Fund**	**5,378**		**4,949**	
	Employees' Gratuity scheme		5,378		4,949
4	**Advance received towards asset sale**				
	Enterprises owned or significantly influenced by KMP or their relatives, including:	-		700	
	Qualis Ventures LLP		-		700
5	**Advances received from customers**	**34**		-	
	Navneet Foundation		34		-
6	**Short term employee benefits (Remuneration / Salary) payable**				
	KMP & their Relative:	32		44	
	Shri Bipin A. Gala		4		6
	Shri Anil D. Gala		4		6
	Shri Gnanesh D. Gala		4		6
	Shri Shailendra J. Gala		4		6
	Shri Raju H. Gala		4		3
	Shri Sanjeev J. Gala		4		6
	Shri Ketan Bipin Gala		4		6
	Shri Kalpesh H. Gala		3		3
	Smt Pooja Ketan Gala		-		0
	Shri Archit R. Gala		0		1
	Shri Devish G. Gala		1		1
	Shri Aditya S. Gala		0		0
	Shri Siddhant S. Gala		0		0
	Smt Krisha Archit Gala		0		0
	KMP & their Relative as per the Companies Act 2013:	6		6	
	Shri Deepak L. Kaku		-		2
	Shri Amit D. Buch		2		4
	Shri Kalpesh D. Dedhia		4		-

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

(i) The above figure excludes provision for gratuity and compensated absences which have been actuarially determined on overall basis.

(ii) Transactions with related parties in the nature of sale of goods, rendering of services, purchase of goods, procurement of services, investments made are at arm's length price. The related party transactions and year end balances do not include expenses paid on behalf of related parties and its recovery.

(iii) Above amounts are including taxes (wherever applicable) except Dividend paid.

63 Operating Segments

The Group's operations relates to publication of knowledge based information in educational and general books form as well as electronic media and manufacturing of paper and other stationery items. It caters to the educational need of Indian as well as Global market. The Company is organised into business units based on its products and services and has three reportable segments as follows

i) Publication
ii) Stationery
iii) Others comprises of revenue from generation of power by windmill, trading items etc.

The accounting principles and policies used in the preparation of the Standalone Financial Statements, as set out in the note on significant accounting policies, are also consistently applied to record assets, liabilities, revenue and expenditure, in individual segments.

[A] The following summary describes the operations in each of the reportable segments

(₹ in Lakhs)

Particulars	Publication		Stationery		Others		Total	
	31-03-2022	31-03-2021	31-03-2022	31-03-2021	31-03-2022	31-03-2021	31-03-2022	31-03-2021
Revenue	42,529	32,623	68,459	50,675	714	296	1,11,702	83,594
Less : Inter Segment Revenue	-	-	-	-	(272)	(137)	(272)	(137)
Net Revenue	42,529	32,623	68,459	50,675	441	159	1,11,430	83,457
Other Income	45	(8)	1,026	488	#	#	1,071	480
Segment Revenue	**42,573**	**32,615**	**69,485**	**51,162**	**441**	**159**	**1,12,500**	**83,937**
Segment Results	**4,233**	**53**	**11,315**	**7,645**	**261**	**98**	**15,809**	**7,796**
Add:Unallocated Other Income / (Expense)							907	886
Less: Financial Expenses							(286)	(582)
Less:Unallocable Expenditures							(3,878)	(3,758)
Profit before share of profit/ (loss) of an associate, Exceptional items and tax							**12,552**	**4,342**
Provision for Taxation (Income tax and Deferred tax)							(5,986)	(3,284)
Share in Profit/(Loss) of associate							1090	281
Exceptional items (Net)							7,523	4,252
Profit after taxation							**12,999**	**5,591**
Segment Assets	48,274	49,302	55,262	44,785	20,363	14,399	1,23,899	1,08,486

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	Publication		Stationery		Others		Total	
	31-03-2022	31-03-2021	31-03-2022	31-03-2021	31-03-2022	31-03-2021	31-03-2022	31-03-2021
Unallocated Assets							8,496	9,566
Total Assets							**1,32,395**	**1,18,052**
Segment Liabilities	15,404	12,966	6,612	7,786	7	4	22,023	20,756
Unallocated Liabilities							10,020	4,249
Total Liabilities							**32,043**	**25,005**
Capital Expenditure	6,144	7,643	1,379	2,221	-	-	7,524	9,864
Unallocated Capital Expenditure							163	66
Depreciation and amortisation on Segmental Assets	3,302	2,933	975	1,057	61	70	4,339	4,060
Unallocated Depreciation and amortisation expense							628	652
Non cash items- Allowances for bad and doubtful debts	280	116	5	1,137	-	-	285	1,252

Notes : (i) Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the respective segment, however, revenue and expenses which can not be identified or allocated reasonably to a segment being related to the enterprise as a whole have been grouped as unallocable.

(ii) Segment assets and segment liabilities represent assets and liabilities of respective segments, however the assets and liabilities not identifiable or allocable on reasonable basis being related to enterprise as a whole have been grouped as unallocable.

(iii) The business which have been grouped under "Others" segment comprises of revenue from generation of power by Windmill, Pre School and Trading items etc.

(iv) In publication segment, concentration of revenues from one customer of the Company were Nil and Nil of total publication revenue for the year ended 31st March, 2022 and 31st March, 2021 respectively and in stationery segment, concentration of revenues from one customer of the Company were 37.12% and 43.24% of total stationery revenue for the year ended 31st March, 2022 and 31st March, 2021 respectively.

[B]. Geographical Segments

Particulars	Outside India				India	Total
	North & Central America	Africa	Europe	Others		
Segment Revenue from operations	32,109	1,907	5,658	7,003	64,753	1,11,430
	(27,825)	(1,048)	(3,644)	(5,130)	(45,810)	(83,457)
Non-current assets	-	-	-	-	43,888	43,888
	(-)	(-)	(-)	(-)	(43,057)	(43,057)

(Previous year figures are in bracket)

Note: As per IND AS 108, 'Operating Segment', non-current assets considered above are other than financial instruments, deferred tax assets, post-employment benefit assets etc.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

64 Additional Information as required by para 2 of General Instructions for preparation of Consolidated Financial Statements as per Schedule III of the Companies Act 2013.

(a) As at and for the year ended 31st March, 2022

(₹ in Lakhs)

Sr. No.	Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive income (OCI)		Share in Total Comprehensive income (OCI)	
		%	Amount	%	Amount	%	Amount	%	Amount
A	**Parent**								
	1. Navneet Education Limited	112.11%	1,12,714	135.43%	17,605	105.66%	(351)	136.22%	17,253
B	**Subsidiaries**								
	Indian								
	1. Navneet Futuretech Limited	1.91%	1,923	-14.63%	(1,902)	3.03%	(10)	-15.09%	(1,912)
	2. Navneet Learning LLP	11.80%	11,860	0.00%	#	0.00%	-	0.00%	#
	3. Indiannica Learning Private Limited	0.85%	860	-4.70%	(610)	-5.65%	19	-4.67%	(592)
	4. Navneet Edutech LLP	0.00%	-	0.00%	-	0.00%	-	0.00%	-
	5. Navneet Tech Ventures Private Limited	2.37%	2,382	-0.34%	(45)	0.17%	(1)	-0.36%	(45)
	6. Genext Students Private Limited	0.30%	305	-1.94%	(252)	0.00%	-	-1.99%	(252)
	Foreign								
	1. Navneet (HK) Limited	0.02%	15	0.01%	1	0.00%	-	0.01%	1
	Non Controlling Interest in all subsidiaries	0.19%	188	0.00%	-	0.00%	-	0.00%	-
C	**Associates (Investment as per the equity method)**								
	Indian								
	1. K12 Techno Services Private Limited	0.00%	-	-7.76%	(1,009)	-3.21%	11	-7.88%	(998)
	2. Carveniche Technologies Private Limited		-	-0.63%	(81)		-		(81)
D	Inter-company Elimination & Consolidation Adjustments	-29.55%	(29,706)	-5.44%	(707)	0.00%	-	-5.58%	(707)
		100%	**1,00,540**	**100%**	**12,999**	**100%**	**-333**	**100%**	**12,666**

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

(b) As at and for the year ended 31st March, 2021

(₹ in Lakhs)

Sr. No.	Name of the Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive income (OCI)		Share in Total Comprehensive income (OCI)	
		%	Amount	%	Amount	%	Amount	%	Amount
A	**Parent**								
	1. Navneet Education Limited	111.60%	1,03,886	186.28%	10,415	97.83%	1,151	170.91%	11,567
B	**Subsidiaries**								
	Indian								
	1. Navneet Futuretech Limited	-0.58%	(540)	-25.53%	(1,428)	0.73%	9	-20.97%	(1,419)
	2. Navneet Learning LLP	12.74%	11,860	0.00%	#	0.00%	0	0.00%	-
	3. Indiannica Learning Private Limited	1.56%	1,450	-46.27%	(2,587)	1.39%	16	-37.98%	(2,571)
	4. Navneet Edutech LLP	0.00%	#		0		0		-
	Foreign								
	1. Navneet (HK) Limited	0.02%	14	-0.12%	(7)	0.05%	1	-0.09%	(6)
	Non Controlling Interest in all subsidiaries	**0.04%**	**39**	**0.00%**	**0**	**0.00%**	**0**	**0.00%**	**-**
C	**Associates (Investment as per the equity method)**								
	Indian								
	1. K12 Techno Services Private Limited	0.00%	0	5.03%	281	0.00%	0	4.16%	281
D	**Inter-company Elimination & Consolidation Adjustments**	**-25.38%**	**(23,623)**	**-19.38%**	**(1,083)**	**0.00%**	**0**	**-16.01%**	**(1,083)**
		100%	**93,086**	**100%**	**5,591**	**100%**	**1,177**	**100%**	**6,768**

65 Disclosures as required by Ind AS 103 for Goodwill

a. Movement of Goodwill:

(₹ in Lakhs)

Particulars	For the year ended 31st March, 2022	For the year ended 31st March, 2021
Balance at the begining of the year:	4,331	4,567
Add: goodwill on acquisition of a subsidiary	297	-
Less: Impairment of goodwill (refer point (d) below)	(2,233)	(237)
Balance at end of the year	**2,394**	**4,331**

b. Goodwill was created in financial year 2021-22 on acquisition of a subsidiary Genext Students Private Limited. In the opinion of management no impairment provision in the investment value is required as at 31 March, 2022 based on the estimate of future profitability and business prospects.

c. Goodwill was created in financial year 2016-17 on acquisition of a subsidiary 'Indiannica Learning Private Limited'. Impairment test has been carried out by the management based on the projections as approved by the Managing Director and Chairman of the subsidiary. Some of the assumptions based on which projections are prepared based on market estimates and management judgements which have been relied upon by the auditors.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

d. Impairment test for goodwill on acquisition of a subsidiary generated in earlier years:

The Group tests goodwill for impairment annually. During the year ended 31st March, 2022 and 31st March, 2021, the management of the holding company has tested carrying amount of Goodwill for impairment and according to such impairment test, provision for impairment of ₹ 2,233 Lakhs and ₹ 237 Lakhs respectively has been made.

Impairment testing was carried on by the management based on the future projections as approved by the Managing director and Chairman of subsidiary. Key assumptions used in projections are:

- Earnings before interest and taxes (EBIT) margins,
- Growth rate,
- Discount rates etc.

EBIT margins: The margins have been estimated based on past experience after considering various factors like market share, new publications etc.

Growth rate: The growth rates used are in line with long-term average growth rates of the respective industry and are consistent with the internal / external sources of information. These assumptions based on past experience, market estimates and management judgements.

Discount rates: Discount rates reflects the current market assessment of the risks specific to a Cash Generating Unit (CGU) and estimated based on weighted average cost of capital for respective CGU / group CGU.

The net present value of the future earnings based on the projections is significantly higher than the carrying value of goodwill, hence sensitivity in projections data will not affect impairment test result materially.

Management of the holding company has also performed sensitivity analysis on the above key assumptions to determine value in use.

66 Disclosures in accordance with Ind AS 112 'Disclosure of Interests in Other Entities'

Information of interest of the Company in its investees are given below:

a) Subsidiaries:

(₹ in Lakhs)

Name of the entity	Place of business / country of incorporation	Principal activities	As at 31st March, 2022	As at 31st March, 2021
i) Ownership interest held by the Group				
Navneet Futuretech Limited	India	e-learning products & services	100.00%	100.00%
Navneet Learning LLP	India	Special Purpose Vehicle (SPV)	93.00%	93.00%
Indiannica Learning Private Limited	India	CBSE Content Publication	100.00%	100.00%
Navneet (HK) Limited	Hong Kong	Stationery trading	70.00%	70.00%
Navneet Edutech LLP (upto 29th June, 2021)	India	Publish educational material and provide tech-based educational platform	-	96.00%
Navneet Tech Ventures Private Limited (w.e.f. 29th June, 2021)	India	Digital Learning Products	100.00%	0.00%

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

Name of the entity	Place of business / country of incorporation	Principal activities	As at 31st March, 2022	As at 31st March, 2021
Genext Students Private Limited (w.e.f. 20th July, 2021)	India	Sale of educational contents in digital form (along with necessary equipments)	51.80%	-
ii) **Ownership interest held by non-controlling interests**				
Navneet Learning LLP	India	Special Purpose Vehicle (SPV)	7.00%	7.00%
Navneet (HK) Limited	Hong Kong	CBSE Content Publication	30.00%	30.00%
Navneet Edutech LLP (upto 29th June, 2021)	India	Publish educational material and provide tech-based educational platform	100.00%	4.00%
Genext Students Private Limited (w.e.f. 20th July, 2021)	India	Sale of educational contents in digital form (along with necessary equipments)	48.20%	-

b) Interest in associates:

i) K12 Techno Services Private Limited

"K12 Techno Services Private Limited is engaged in the business of providing various services to education institutions in India. K12 Techno Services Private Limited is not listed and hence quoted prices are not available.

Investment in entities in which significant influence exists but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill arising at the time of acquisition, as the case may be, which will be inherent in investment.

The following table summarises the financial information of K12 Techno Services Private Limited as included in its financial statements. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in K12 Techno Services Private Limited.

(₹ in Lakhs)

Particulars	31st March, 2022 (Refer note 66.1 below)	31st March, 2021 (Refer note 66.1 below)
Investment in associate (share in % - Equity shares including Compulsorily Convertible Preference Shares into equity) (Refer note 9.1)	25.40%	27.69%
Current assets	36,560	24,580
Non-current assets	41,316	26,401
Current liabilities	16,413	6,550
Non-current liabilities	6,511	1,760
Net Assets	**54,952**	**42,671**

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

(₹ in Lakhs)

Particulars	31st March, 2022 (Refer note 66.1 below)	31st March, 2021 (Refer note 66.1 below)
Proportion of the Group's share of net assets	13,958	11,816
- In equity and preference shares (including securities premium)	11,859	11,859
- Share of profit / (loss) in retained earnings	(3,304)	(2,305)
- Dilution Gain	7,195	4,252
Carrying amount	**15,750**	**13,806**
Total income	16,562	10,821
Profit or loss from continuing operations (after tax)	**(3,215)**	**735**
Other comprehensive income	(42)	5
Total comprehensive income	**(3,257)**	**740**

(₹ in Lakhs)

Particulars	31st March, 2022 (Based on Unaudited)	31st March, 2021 (Based on Unaudited)
Group share in profit / (loss):		
- Current year (based on unaudited)	(1,107)	198
- Previous year (based in audit during the year) (Refer note 66.1 below)	98	83
Group's share of profit / (loss)	**(1,009)**	**281**
Group's share of OCI (including impact for previous year)	11	-
Group's share of total comprehensive income	**(998)**	**281**

During the year ended 31st March, 2022, the Group had made additional investment in associate company 'K12 Techno Services Private Limited' of ₹ NIL (Previous year ₹700 Lakhs) and the said associate has also issued additional convertible securities to existing / new investors leading to dilution of Group's share from 27.69% to 25.40% of the associate on a fully diluted basis. Consequent to the said dilution, gain on deemed disposal of ₹ 2,943 Lakhs was accounted during the year ended 31st March, 2022 in accordance with the requirements of Ind AS 28 and the said gain has been shown as an exceptional item, further the deferred tax liability of ₹ 673 Lakhs on this gain has been considered under serial number X 'Tax Expenses' under the sub-heading deferred tax.

Previous Year ended 31st March, 2021, the Group had made additional investment in associate company 'K12 Techno Services Private Limited' of ₹ 700 Lakhs and the said associate has also issued additional convertible securities to existing / new investors leading to dilution of Group's share from 33.45% to 27.69% of the associate on a fully diluted basis. Consequent to the said dilution, gain on deemed disposal of ₹ 4,252 Lakhs was accounted during the year ended 31st March, 2021 in accordance with the requirements of Ind AS 28 and the said gain has been shown as an exceptional item, further the deferred tax liability of ₹ 973 Lakhs on this gain has been considered under serial number X 'Tax Expenses' under the sub-heading deferred tax.

Notes on Consolidated Financial Statements
for the year ended 31st March, 2022

ii) Carveniche Technologies Private Limited

Carveniche Technologies Private Limited is an education technology company engaged in the business of AI based learning platform, interactive content and physical Math & logic boxes for children in the age group of 3-14 years. Carveniche Technologies Private Limited is not listed and hence quoted prices are not available.

Investment in entities in which significant influence exists but not a controlling interest are accounted for under the equity method i.e. the investment is initially recorded at cost, identifying any goodwill arising at the time of acquisition, as the case may be, which will be inherent in investment.

The following table summarises the financial information of Carveniche Technologies Private Limited as included in its financial statements. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in Carveniche Technologies Private Limited.

Particulars	**As at 31st March, 2022**
Investment in associate (share in % - Equity shares (Refer note 9.1)	46.84%
Current assets	605
Non-current assets	738
Current liabilities	58
Non-current liabilities	88
Net Assets	**1,197**
Proportion of the Group's share of net assets	561
- In equity and preference shares (including securities premium)	1,867
- Share of profir/(loss) in retained earnings	81
Carrying amount	**1,786**

Particulars	**As at 31st March, 2022**
Total income	131
Profit or loss from continuing operations (after tax)	**(205)**
Other comprehensive income	-
Total comprehensive income	**(205)**

Particulars	**31st March, 2022 (Based on Unaudited)**
Group share in profit / (loss):	
- Current year (based on unaudited)	(81)
Group's share of profit / (loss)	**(81)**
Group's share of OCI (including impact for previous year)	-
Group's share of total comprehensive income	**(81)**

During the year, Company made investment in Carveniche in September 2021. Above income statement are given from the date of acqisition.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2022

66.1 Above financial information of both the associates for the year ended on 31st March, 2022 are unaudited management approved financial statements and for the year ended on 31st March, 2021 is audited, however in previous year K12 Techno Services Private Limited was consolidated based on unaudited management approved financial statements, impact of difference between audited and unaudited figures is given in current year.

67 Details of the sources of estimation uncertainty in related to significant accounting estimates and judgements:

i) Impairment testing for licenses under intangible assets, internally generated intangible assets and goodwill on consolidation

Refer note 2.4 (b) of significant accounting policies and note 7.2, 7.3 and 65 for significant accounting estimates and judgements used in performing impairment test on licenses under intangible assets, internally generated intangible assets and Goodwill on consolidation.

ii) Provision for employee benefits

Refer note 2.4 (e) of significant accounting policies and note 61(b) for significant accounting estimates and judgements used and it's financial impact of sensitivity of such assumptions.

68 Subsequent to year ended 31st March, 2022, one of the subsidiaries has changed the name from 'eSense Learning Private Limited' to 'eSense Learning Limited' (conversion from private company to a public company) with effect from 27th April, 2022. The subsidiary has applied for further name change from 'eSense Learning Limited' to 'Navneet Futuretech Limited'. All the statutory requirements of the Companies Act, 2013 have been duly complied with.

69 Additional Information as required by para 7 of General Instructions for preparation of Statement of Profit and Loss (other than already disclosed above) are either Nil or Not Applicable.

70 Previous Year Figures have been regrouped/rearranged wherever necessary.

As per our report of even date attached hereto
For N. A. Shah Associates LLP
Chartered Accountants
Firm Registration Number - 116560W / W100149

sd/-
Sandeep Shah
Partner
Membership Number: 37381
Place : Mumbai
Date : 18th May, 2022

For & On behalf of the Board of Navneet Education Limited

sd/-
Kamlesh S. Vikamsey
Chairman
DIN: 00059620

sd/-
Gnanesh D. Gala
Managing Director
DIN: 00093008

sd/-
Kalpesh D. Dedhia
Chief Financial Officer

sd/-
Amit D. Buch
Company Secretary
Mem. No. A15239

Place : Mumbai
Date : 18th May, 2022

Notes

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