



S Chand And Company Limited

Registered Office: A-27, 2nd Floor, Mohan Co-Operative Industrial Estate, New Delhi - 110044, India.

P: +91 11 4973 1800 | F: +91 11 4973 1801 | E: info@schandgroup.com | www.schandgroup.com

Date: December 01, 2021

To Listing Department BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai, Maharashtra 400001	To Listing Department, National Stock Exchange of India Limited Exchange Plaza, C-1, Block G, Bandra Kurla Complex, Bandra (E), Mumbai, Maharashtra 400051
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Dear Sir,

Re: Disclosure under Regulation 30 of The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations")

The Board of Directors at its meeting held on November 13, 2021 had approved the investment in iNeuron Intelligence Private Limited ("iNeuron") together with its wholly owned subsidiaries namely, Vikas Publishing House Private Limited and Chhaya Prakashani Limited upto an amount of Rs. 7.50 crores (Rupees Seven Crores and Fifty Lakhs Only) in two tranches. The Company will be acquiring minority stake in iNeuron.

For the said investment in iNeuron, the Company has executed the definitive agreements on November 30, 2021. Further, subject to fulfilment of the conditions precedent, the first tranche investment will be made within 60 days from the date of execution of definitive agreements or such extended period as may be agreed between the parties.

The details of the aforesaid investment required as per schedule III of the Listing Regulations read with SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015 is enclosed herewith as **Annexure-I**. The press release for this investment is attached as **Annexure-II**.

Request you to take note of the same.

Thanking You.

Yours sincerely,

For S Chand And Company Limited

Jagdeep Singh

Company Secretary & Compliance Officer

Membership No. A15028

Address: A-27, 2nd Floor,

Mohan Co-operative Industrial Estate,

New Delhi-110044

Encl: as above

Annexure-I

Details of acquisition

Name of the target entity, details in brief such as size, turnover etc.	iNeuron Intelligence Private Limited , Bangalore FY 20-21 Revenues Rs. 7.2 Crores 60 Employees
Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at "arm's length"	This is not a related party transaction and none of the promoter / promoter group/ group companies have any interest in iNeuron;
Industry to which the entity being acquired belongs	EdTech
Objects and effects of acquisition (including but not limited to, disclosure of reasons for acquisition of target entity, if its business is outside the main line of business of the listed entity)	Strategic Investment in EdTech which benefits a) iNeuron as it provides it with a B2B distribution partner and content partner. b) The Company gets access to content for future technologies which it can leverage for its School and Higher Education business
Brief details of any governmental or regulatory approvals required for the acquisition	No
Indicative time period for completion of the acquisition	Within 60 days from the date of execution of definitive agreements for the first tranche investment or such extended period as may be agreed between the parties
Nature of consideration - whether cash consideration or share swap and details of the same	Cash Consideration Rs. 5.67 crores (through the Company and subsidiaries) in First Tranche with additional Rs. 2.80 crores in Second Tranche in June 2022 subject to terms of agreement
Cost of acquisition or the price at which the shares are acquired	Rs. 8,000 per share [equity shares and Series A Compulsory convertible preference shares]
Percentage of shareholding / control acquired and / or number of shares acquired	5.98% in first tranche with option of up to a maximum of an additional 4.16% in second tranche in June 2022 (including Conversion on fully diluted basis)
Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	As stated in the Press Release in Annexure-II





PRESS RELEASE

S Chand to acquire minority stake in AI/Data Sciences focussed Ed Tech Startup – iNeuron Intelligence

New Delhi, December 1, 2021. S Chand And Company Limited (“S Chand”) along with its subsidiaries has agreed to acquire a minority stake in iNeuron Intelligence Private Limited. The round also includes investments from Mukesh Sharma Family Trust, Directors of S Chand, Key Managerial Personnel of S Chand and others. The co-Investor Mr. Mukesh Sharma is a serial entrepreneur and educationist who has founded multiple companies including QA InfoTech (now a Qualitest company), one of the leading software testing and quality assurance companies. His latest endeavour in the field of education includes Prometheus School, a state-of-the-art education facility located in the heart of Noida which is an authorized IB World School for Primary Years, Middle Years and Diploma Programmes.

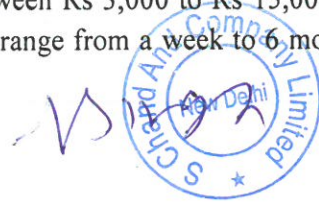
iNeuron Intelligence Private Limited was founded on August 2019 in Bangalore, India. The Company offers affordable online courses, live projects, support, and placements for college students and working professionals in the field of Data Sciences, Artificial Intelligence, Machine Learning, Cloud etc. They are also expanding Tech and other courses in K-12 segment with the motto “Education as a Service”.

The **Investment Rationale** for the investment is as follows:-

- a. **Addressable market opportunity is large.** The online education space is exploding in a post covid world. The courses are for **emerging technologies** which will make the learners more employable now and in future.
- b. **Experienced team with a proven business model.** The team is pedigreed and has done well to scale business to this level with minimum investments and has been profitable for the first two years of operation. There is no cash burn in the business.
- c. **The Company** has a low customer acquisition cost (CAC) and investments in new courses / team / marketing / support and placements would increase enrollments.
- d. **Strategic collaboration with S Chand** for B2B distribution in both Higher Education and School segment for emerging technologies.

Some of the key strengths for iNeuron Intelligence are as follows:-

1. **Pricing.** Most of their courses are priced between Rs 3,000 to Rs 15,000 + GST which makes them affordable vs. competition. The courses range from a week to 6 months with live projects and placements.



2. **Highly Scalable Model.** This model is hugely scalable since once the course is prepared there is no incremental costs based on the number of enrollments.
3. **Founding team.** iNeuron was founded by Mr Sudhanshu Kumar and Mr Krish C. Naik who have strong professional experience in well-known companies like Wipro, HCLT, Sapient, Honeywell, E&Y etc. They have a strong presence on social media as well.
 - a. **LinkedIn**
 - i. <https://www.linkedin.com/in/-sudhanshu-kumar/>
 - ii. <https://www.linkedin.com/in/naikkrish/>
 - b. **Youtube**
 - i. <https://www.youtube.com/user/krishnaik06>
 - ii. <https://www.youtube.com/c/sudhanshukumarall>
4. **Robust Social Media Presence.** iNeuron has over 46K LinkedIn followers, 36K YouTube subscribers and a Google review rating of 4.9/5. One of the founders, Krish C Naik, has over 450K subscribers on Youtube with over 37m views for his content.
5. **Strong Financials.** The Financials for last two years are as under:

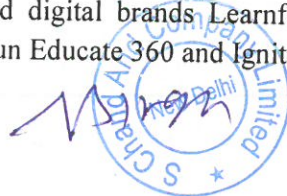
(In Rs Cr)	FY 19-20	FY 20-21
Revenues	1.5	7.2
PAT	0.3	1.8
Net Worth	0.5	2.3

6. **Usage of Fund raise.** The team is looking to expand by launching new Tech courses and the fund raised would be utilized for content creation, marketing, incubation center etc.

About S Chand

S Chand is one of the leading education content companies delivering content across the length and breadth of the country. The Company provides content, solutions, and services across the education lifecycle through its presence in three business segments – Early Learning, K- 12 and Higher Education. The Company has a strong foothold in the CBSE/ICSE affiliated schools, WBSE affiliated schools with increasing presence in the state board affiliated schools across India. The Company develops and nurtures its relationships with customers by developing quality content and educational innovations, and in recent years have increased focus on investing and improving the digital product offerings in each of the business segments.

The Company has presence and extensive distribution system across India through over 3000+ channel partners. The Company also exports print content to over 20 countries and digital content to 5 countries in SAARC, South Asia, the Middle East, Africa, and other parts of the world. The strength lies in the efforts of its 1900+ dedicated team, some having more than 20 years of experience, who help in reaching out to our customers and maintaining market share. Some of the well-known brands include S Chand, Vikas, Madhubun, New Saraswati House and Chhaya Prakashani and digital brands Learnflix, Mylestone, SmartK, Testcoach, Destination Success, myStudygear, Madhubun Educate 360 and Ignitor.



The Company has minority investments in two other successful EdTech start-ups Testbook Edu Solutions Private Limited and Smartivity Labs Private Limited which have businesses in Online Test Preparation and STEM Learning.

For more information please contact:

Saurabh Mittal Chief Financial Officer Contact No : +91 11 4973 1800 Email : investorrelations@schandgroup.com	Atul Soni Head – Investor Relations, Strategy and M&A Contact Number: +91 11 4973 1800 Email: asoni@schandgroup.com
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