



S Chand And Company Limited

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Date: November 22, 2021

To Listing Department BSE Limited 25 th Floor, 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: Transcript of conference call for the Analysts and Investors

The Company had organized a conference call for the Analysts and Investors on Monday, November 15, 2021 at 1:00 P.M. to discuss the financial results for the quarter and half year ended September 30, 2021. The transcript of the said conference call held with the Analysts and Investors is enclosed herewith.

The Company shall also disseminate the above information on the website of the Company- www.schandgroup.com.

Request you to kindly take note of the same.

Thanking You.

Yours Sincerely,

For S Chand And Company Limited

Jagdeep Singh

Company Secretary

Membership No: A15028

Address: A-27, 2nd Floor,

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New Delhi-110044

Encl: as above

S Chand Ltd – Q2 FY22 Earnings Conference Call

Hosted by Prabhudas Lilladher Pvt Ltd

15th November 2021

Operator:

Ladies and gentlemen, good day and welcome to the Q2 FY22 earnings conference call of S Chand and Co. hosted by Prabhudas Lilladher Pvt Ltd. As a reminder, all participant lines will be in the listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing * and 0 on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Ms. Shweta Shekhawat from Prabhudas Lilladher Pvt. Ltd. Thank you and over to you ma'am.

Ms. Shweta Shekhawat – Prabhudas Lilladher Pvt Ltd:

Hi! On behalf of Prabhudas Lilladher, I welcome you all to the 2nd quarter FY22 earnings call of S Chand Ltd. We have with us the management represented by Mr. Saurabh Mittal – Group CFO and Mr. Atul Soni – Head Investor Relations, Strategy and M&A. I would now like to handover the call to the management for opening remarks, after which we can open up the floor for Q&A. Thank you and over to you sir.

Mr. Saurabh Mittal - Group CFO, S Chand Group:

Thank you, Shweta. Thank you. Good afternoon ladies and gentlemen. I am Saurabh Mittal, the Group CFO of S. Chand & Company Limited. I would like to welcome you all to our second quarter result conference call for FY2022 and thank you all for taking the time-out and joining us here today. I trust each one of you and your loved ones are safe in these times.

On the business front, Q2 saw good traction in Higher Education and Test Preparation segment with examinations being held for various admission and job vacancies.

We are also seeing school opening across all states in the country for the senior classes. We expect primary classes to open during Q3 across the country as well. The pace of school openings is heartening, and we expect higher volumes for the coming season. We would be going into the upcoming sales season on back of strong tailwinds of school re-openings, especially with students in rural areas going back to school after a gap of almost 2 years and we also expect an increased price realization across our product portfolio.

On the Higher Education front, Engineering and Medical colleges are seeing admissions for the 1st year happen during Q3. We saw 2nd Year students starting their new sessions during Q2 itself. This is different from the usual cycle of Higher Education where colleges

used to start new sessions in July/August vs. October/November. Please see slide no 5 and 6 for details around the opening of educational institutes across the country.

On the digital front, we have launched “S Chand Academy”, a new Youtube channel focused on Engineering and Test Prep segment to help students bridge the gap on difficult concepts. The present day needs of the learner have been considered for this. We are looking to increase the numbers of videos in the channel multifold in coming months to ensure we reach our student community through this medium as well.

We also launched a new and revamped eCommerce website for S Chand during the quarter. This should be helpful in increasing direct customer sales and engagement for us. Additionally, we would be launching Learnflix Bangla during the current quarter in West Bengal and Tripura. We expect to onboard atleast 100k users by March 2022.

Madhubun Educate 360 - Our K12 Learning Management System has now gotten implemented in 25 schools post a successful pilot. We expect more schools to use this product as the year goes by.

In terms of numbers for the 2nd quarter, our consolidated operating revenues came at Rs518 million. Our Gross margins stood at 56% and our net loss came in at Rs412 million. On a YoY basis, we have increased sales by 42%, reduced EBITDA losses by 40% and reduced PAT losses by 13% from the same quarter last year.

On a 1st half basis, H1FY22 is not comparable with H1FY21 since H1FY21 had sales overflow from Q4FY20 which was impacted by the national lockdown in March 2020. In our opinion, H1FY22 should be compared with H1FY20 where we had equivalent sales but lower EBITDA losses by 58% and lower PAT losses by 26%. This shows the impact of our S Chand 3.0 implementation and focus on cash flows during the last 24 months.

I am happy to share that we have continued our good work on the working capital and Debt front. In terms of working capital, receivable days stood at 182 days (vs. 192 days in the same quarter last year. Our Net Working capital days also decreased by 16 days on a YoY basis to 250 days (vs. 266 days in Q2FY21). Do keep in mind that this improvement is despite having lock downs across the country for during Covid Wave 2.

In terms of debt, we ended the quarter with gross debt of Rs 1952m and Net debt of Rs1,356 million. We have moved to a fundamentally lower debt profile for the company. Our Gross Debt has reduced by Rs319m on a YoY basis and our Net Debt has reduced by Rs653m on a YoY basis. I would like to reiterate that we are looking to reach net debt zero levels by Q4FY23 on back of increased cash flow generation and higher sales.

On the inventory front, we are moving to a structurally lower inventory levels in the company. We ended the quarter with inventory of Rs1,476million vs Rs1,785m during the same quarter last year. This is a reduction of 17% on a YoY basis. This improvement in inventory is driven by various steps that we took in controlling print runs and optimizing book titles. We are targeting Rs800m-Rs1,000m inventory by FY22 year end.

In terms of Cash Flows, we generated operating cash flows of Rs122m (vs. Rs130m at the same time last year). I want to highlight the strong reduction in Trade Receivables in H1

of Rs1,114million vs 822 million last year. This is in spite of covid challenges that we have faced in the past 18 months. This also represents better quality of sales achieved in FY21.

As we move through FY22, I would like to call out a few highlights for this year-:

- Firstly, we would be taking a price hike across our product portfolio to the tune of 5%-10%. We are also mapping our books as per the New Education Policy 2020 and are also preparing for the NCF which may be announced in the coming months.
- Secondly, with the increased number of vaccinations and lower covid cases being currently reported, we expect schools and colleges to fully re-open by year end and this will lead to higher volumes during January, 2022 to March, 2022. Thus, if the covid situation holds up, then we can get the dual benefit of higher product prices and a normal sales season in FY22.
- Thirdly, on the debt front, we aim to become net debt free by 4QFY23 and further optimize working capital going ahead.
- Fourthly, the biggest growth driver for our print business would come from the introduction of the new syllabus post the announcement of the NCF. This should lead to strong revenue and profitability growth for 2-3 years period. As of now, our base case is that NCF should impact financials from FY23 onwards.
- Finally, the focus on cost and working capital has ensured that we have stronger liquidity than a lot of our peers and we are poised to take advantage of the disruption that Covid has brought.

With this, I would like to open the call for your questions. Thank you.

Operator:

Thank you. We will now begin the Question & Answer session. Anyone who wishes to ask a question may press * and 1 on your touchtone telephone. If you wish to remove yourself from the question queue, you may press * and 2. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Dipan Shankar from TrustLine PMS. Please go ahead.

Mr. Dipan Shankar – TrustLine PMS:

Good afternoon everyone and congratulations to the entire team of S Chand for continuous improvement in balance sheet. Firstly, we wanted to understand, now with schools opening across the country and also you told in the presentation that we are looking for normal sale season in FY22, so are we seeing our revenue run rate coming back to Rs600-700 crore sales with strong Q4 numbers expected this year?

Mr. Saurabh Mittal - Group CFO, S Chand Group:

We're still targeting between Rs500crores and Rs550crores, because again, we're looking at quality sales for the current year. We would not be pushing too hard because there is still a lot of stress in the system. We do not want to supply to certain customers because they've not liquidated past outstanding. So, we will be a bit conservative as far as that is concerned, but we'll continue to work with our premium channel partners and ensure that we keep our working capital and cash flow efficiency going. We're targeting between Rs500crores and Rs550crores but if things really open up well enough and everything goes back to normal, then of course we can see higher numbers as well.

Mr. Atul Soni - Head Investor Relations, Strategy and M&A, S Chand Group:

Dipan as of now, the data points that we have in our hands are as follows, (1) COVID cases are low as of now, however we cannot pre-empt the situation in Feb and March, (2) We have taken a price hike that will definitely reflect in the numbers (3) We are going to work with our premium channel partners, we are not going to dilute our stand on that.

So, I mean, there are a couple of moving parts there. We don't want to give you a higher number just for the sake of higher number. We would like to be conservative at this point of time. Probably, when we interact next in Feb, at that time we would have had some idea about how the season is panning out or how the initial feelers are for the season. I think that probably will be a better time to give this kind of a prediction whether it's Rs500crores or Rs600crores or Rs700crores. Right now I don't think we will be doing a right thing by calling out a number.

Mr. Dipan Shankar – TrustLine PMS:

Definitely. That is helpful. And secondly, during the last few quarters, we have been discussing that lot of rural schools are under stress and they're not able to conduct online classes. And therefore, our revenue is also getting impacted. So are we seeing the trend reversing now that they're able to open schools, they're conducting classes or online classes, they're able to receive fees? So any updates on that?

Mr. Atul Soni - Head Investor Relations, Strategy and M&A, S Chand Group:

See Dipan, rural schools are schools which were charging Rs. 10,000 to Rs. 12,000 annual school fees. They may not be doing any online classes because of financial consideration. Yes, over there when the schools actually open, which we are currently seeing that they are actually opening up, that means that students will be starting to come into the physical schools. So once that happens, then obviously it's good news for us. So in that segment, let's say there is a school which is charging Rs. 1,000 a month, they do not do online classes. And because of government restrictions, those schools were not allowed to be open. But now, you can see in our investor presentation also, that barring primary classes, class 6th onwards majority of the state governments have allowed physical classes to open. So we definitely expect traction to happen in that segment in the coming months.

Mr. Dipan Shankar – TrustLine PMS:

Okay. And also, what are the challenges we are facing in terms of fund raising for our digital initiatives. We have been hearing it for quite some time, but we're not able to crack through anything on the fund-raising side. So, is there any challenges that we're facing in that side?

Mr. Saurabh Mittal - Group CFO, S Chand Group:

Yes, I'll take this one. See, what has happened is, our structure was not ready last year. And the structure has just gotten ready in July this year, and this has just been the 1st quarter for us, right? We will start the process now, probably in December, and let's see what we can come up with. Currently with our own cash flow situation, we're not facing that kind of challenge. Currently we're able to fund it internally. So, with the kind of growth that we are getting right now, we don't want to dilute at a lower price. Maybe, 6-7 months down the line when things are a bit better, we will get higher valuations as well. So, let us get some more traction on this, and once Learnflix has more traction with B2B in Feb and March once schools open, then I think we're better poised to pick it up then. So no challenges on cash flows, hence, we're taking it slow at this point of time.

Mr. Atul Soni - Head Investor Relations, Strategy and M&A, S Chand Group:

And we're launching Learnflix Bangla by this month end. So, what we think is that, let's say by March of next year when schools are fully open across the country, then you will see strong numbers from both Bangla Learnflix as well as the normal Learnflix. So, I think once we have that kind of a tailwind behind us, the numbers will be much better for us to get us a higher valuation for that business.

Mr. Dipan Shankar – TrustLine PMS:

You were saying that paying subscribers will also increase post March, right, for Learnflix?

Mr. Atul Soni - Head Investor Relations, Strategy and M&A, S Chand Group:

Yeah, that's the target.

Mr. Dipan Shankar – TrustLine PMS:

Okay, because that has been flat for the last 2-3 quarters.

Mr. Atul Soni - Head Investor Relations, Strategy and M&A, S Chand Group:

If you look at it, whatever paying subscribers we got, we basically got that many paying subscribers just after the launch, right? So bulk of them came during those initial days only.

Mr. Dipan Shankar – TrustLine PMS:

Okay. So with schools opening up and schools starting to subscribe further, the subscriber base also will grow substantially?

Mr. Atul Soni - Head Investor Relations, Strategy and M&A, S Chand Group:

Yes, absolutely.

Mr. Dipan Shankar – TrustLine PMS:

Okay, got it. Thanks a lot and all the best.

Operator:

A reminder to all participants, you may enter * and 1 to ask a question. The next question is from the line of Nitin Dharmawat from Aurum Capital. Please go ahead.

Mr. Nitin Dharmawat – Aurum Capital:

Thank you for the opportunity. I hope I'm audible.

Mr. Atul Soni - Head Investor Relations, Strategy and M&A, S Chand Group:

Yes you are.

Mr. Nitin Dharmawat – Aurum Capital:

Okay, thank you. So, instead of question, let me first share some of the observation that I have and then I'll ask the question. Regarding this funding part for our digital initiatives, what I gather from the market or from the people with whom you were interacting is as follows. Independently when I was talking to few of those VC companies, the feedback that I got, I don't know if they shared that with you or they intend to share that with you that frankly, and it's very private feedback that I got. They feel that S Chand is confused as far as the strategy is concerned. What they feel is, you are attempting both retail as well as B2B side, which is not workable. They feel that it has to be B2B, while the presentations that you share has the B2C component as well. My personal experience, we bought S Chand subscription for my daughter from the retail category. I see the kind of efforts your team has put in, which is phenomenal. Rs. 1,800 I'm sure you made a loss in that despite having very good content; it was very good content, no doubt about it. We did not renew the subscription. Next year our subscription was with a company which is there in the school of my daughter, Mindspark which is from Ahmedabad. And it is not great content compared to S Chand, but we have gone to someone who is already present in the school. So you know, that is one part of it.

The second part is from the S Chand investor like me, who has come into the company for overall S Chand business, and I felt that you would go for digital initiative funding from the other sources and not from your internal sources. You're now saying that you'll be funding from your internal accruals for the digital initiatives. So, VCs are scared because you're putting in money for the retail side, and they feel that you're not going to compete with the world of Byju's. And for investors like us who are for S Chand business, they feel that you may end up diverting money for digital initiatives. So, both sides there is a loss-loss kind of scenario. So, you'll have to take a call on that. Maybe you're in a better position to take that call. I just wanted to highlight that.

Mr. Saurabh Mittal - Group CFO, S Chand Group:

Nitin, I think we've been very very clear on our strategy in terms of what we want to do. I think there is absolutely no confusion from our side and our communication. B2B is our strategy, we're going to schools for Learnflix and that is something that we're doing from day 1. We do not want to spend much. However, we had specified that in case there is a large fundraise, then we would look at the B2C market. But till the time no fundraise happens, we would not be investing either internal money or any other money onto the B2C promotions. So that strategy is very clear, without external funding B2C is not going to be done.

Mr. Nitin Dharmawat – Aurum Capital:

So that is what I am saying the VC people are saying that it would be better to have only B2B rather than going for B2C. So when you tell them B2C they step back, you know they are not interested, that is what I got as feedback from them.

Mr. Saurabh Mittal - Group CFO, S Chand Group:

See both have to work together because what is the point in having S Chand brand name and not pushing our product as a B2C, right. We do have, we have good products, we have good content in them, it is only about promotion, now promotion requires a push.

Mr. Nitin Dharmawat – Aurum Capital:

Sir, ultimately, we want funds, if our strategy is not working out for raising those funds it may not work, so what I would say that instead of stressing and harping upon B2C while going for the funds I would say that let's concentrate on B2B and then whenever you feel a reason to have B2C you introduce that as well. It is your call, I don't want to you know infringe on that, but just the feedback that I got I wanted to share with you.

Mr. Saurabh Mittal - Group CFO, S Chand Group:

That conversation we have had with the investors because the numbers that we can project on a B2B basis and on a B2C basis of course are completely different.

Mr. Nitin Dharmawat – Aurum Capital:

I understand.

Mr. Saurabh Mittal - Group CFO, S Chand Group:

B2B requires a phase which has its own limitations. Lets say one sales person can go upto maximum 80-100 schools promotions in a year, so that's the kind of market that you can maximum get. So you go to 100 schools, you probably end up getting 10 adoptions and that kind of funnel will not take the revenue that high. But B2C with a push will definitely open up much more and having the S Chand brand name that advantage is always going to be there. But having said that we are continuing to relook at our promotion process and we have to rediscover the way we want to promote it.

To reiterate, currently it is more B2B and we are also doing it along with Mylestone. In the schools that Mylestone is going K to 8, Learnflix is also going there so we are trying to do a bundle deal also in those cases. But again since it is a seasonal kind of business the numbers will not throw up in Q3 or Q2, so whatever will come will come in Q4.

Mr. Atul Soni - Head Investor Relations, Strategy and M&A, S Chand Group:

I will also like to add here, see from whatever feedback you have got and what you have shared with us, I would just like to point out that from our perspective we have a very high percentage focus 90% plus kind of our focus is on B2B only.. The moment you say that we are focusing on B2C I mean I would assume you would think that we are focusing let's say 50:50 on B2B and B2C, maybe a higher percentage to B2C, but that is not the case for us.

I mean for us all of our focus, and when I say all, I mean a huge majority probably 80% or 90% kind of focus from a management bandwidth side, from our financial side is on B2B only. So actually, what you are saying we are already doing. But if I have a brand with me then I cannot say that we are not going to take any retail subscription from individuals like you said, that you took a retail subscription. I mean you would have taken a retail subscription for reasons known to you but I am saying it is not as if we would have spent 100 crores on an advertisement spree for launching or for promoting Learnflix that way.

So we are very much going B2B way only. I mean whatever feedback you have got that is exactly what we are doing.

Mr. Nitin Dharmawat – Aurum Capital:

Wonderful and I appreciate your feedback on this. There seems to be a complete communication gap and perception which is built. So it can only be overcome if you are more clear about your communication rather than harping upon B2C which is not your focus area as you mentioned.

Mr. Atul Soni - Head Investor Relations, Strategy and M&A, S Chand Group:

No, we have never focused on B2C. Infact you can have a look at all of our investors' communication across the last 15 odd months and we can assure you that we have never said that we are going to focus on B2C.

Mr. Nitin Dharmawat – Aurum Capital:

You never said but you still include that when it is not a focus why you include that, why you talk about it because that is the perception is formed based on that. What they are saying when I talk to them what they are saying is that they will not be able to compete with the world of BYJU'S if they are having B2C. And company is not clear about what they want to achieve. While you are saying that you are clear and I am sure you are clear about it. But the perception which is formed is just opposite and that's where we are having a struggle.

Mr. Saurabh Mittal - Group CFO, S Chand Group:

So, Nitin, we are sitting in November, the last conversation that we had on fund raising was probably around April, right. We have not had any conversations with any investors post April.

Mr. Nitin Dharmawat – Aurum Capital:

I am talking about that only, I am talking about period before April only.

Mr. Saurabh Mittal - Group CFO, S Chand Group:

We are focusing on B2B and B2C has never been a focus except that we are trying to promote Learnflix through our books and through other various platforms where we are already there. It does not incur any cost for us. We are trying to do tie ups with certain people who further distribute through online channels and all that, so we are doing things on revenue share basis as and where it will work in the B2C segment without any cost to us. So that's one part of it. And our strategy is very clear.

The document that probably the investors that you spoke to is almost more than a year old so I cannot say anything about that because we have no conversations after April. Anyways, we will relook at our documents as and when we meet more investors about this and, your feedback is noted. The other public feedback we did get was that of S Chand owning such a large percentage of the digital business and there being no young founders into the company. Though both the points raised are something that we are not sure how to address, because having invested all the money, to dilute all of it just for the heck of it was not something that we were comfortable with. And of course, that would also not help our equity investors, so that's one thing where we took a step back and we said we will not dilute our investments for the sake of it. People wanted 50% dilution, we said, no, we will take a step back, we will not take funding if we are asked to dilute beyond a certain point of time.

Mr. Nitin Dharmawat – Aurum Capital:

Perfect, got it.

Operator:

Thank you. Ladies and gentlemen, you may enter * and 1 to ask a question. The next question is from the line of Devang Patel from Nafa Capital. Please go ahead.

Mr. Devang Patel – Nafa Capital:

Hi, first I wanted to understand the difference between Educate 360 and Mylestone and why Educate 360 is outside of the entity that you have created.

Mr. Saurabh Mittal - Group CFO, S Chand Group:

See, while both of them are on the same platform the base Edutor platform remains the same in terms of technology. The difference between Mylestone and Educate 360 is that Mylestone is a curriculum product with lesson plans which are fixed. So when a school

adopts Mylestone they get a complete solution with complete handholding from training to lesson plans to content, everything comes in a bundle for them, and they have no other option for the school to take any other books or content except for this. And this is for the K to 8 segments, right. So, this is a complete solution for the school who wants to get its education part outsourced to some third entity to ensure that learning outcomes are improved. Mylestone is about improving outcomes and it is targeted towards the affordable private schools where the quality of teachers is not that great and their management probably has other businesses, they have less focus on their schools, so they want to increase the learning outcome for students, ensure that their standardization in terms of what is taught across various sections in a class. So Mylestone does completely that, tells you when to teach, what to teach, how to teach.

Now Madhubun Educate 360 is basically a Learning Management System (LMS) where the school has an option of taking content from you or not taking content from you. So, it is basically a platform where the school can take e-books from you, it enables assessment, it enables e-books to be online, it enables online classes. So, on that platform, one can go to any kind of school, maybe A category school, or B or a C school, anybody wants to conduct online classes and any kind of content. Educate 360 is a part of Vikas Publishing House, and it is basically being promoted by the team Madhubun which is a subsidiary of S Chand Group.

Mr. Devang Patel – Nafa Capital:

Would it be part of the monetization whenever a fund raise that you do in future because it is a different entity.

Mr. Saurabh Mittal - Group CFO, S Chand Group:

Not yet, because see Mylestone is something that is already gone to 300 odd schools, Learnflix also has got enough traction of 20,000-25,000 students, Educate 360 is still in its initial stages, once it crosses a certain level of maybe 100,000 users then of course, we can look at pushing it down there but currently it is not. Because we like to incubate it till the time it is large enough to monetize.

Mr. Devang Patel – Nafa Capital:

Sir, you said we promote it through Vikas, are you saying a different team has developed this platform compared to Mylestone although they are very similar.

Mr. Saurabh Mittal - Group CFO, S Chand Group:

The technical team is the same, the backend technology is the same and the technology is from our subsidiary, Edutor Technologies which became a subsidiary last year and we had invested in that company in 2014. So the base technology for Educate 360, Learnflix and Mylestone remain the same, it is from the same platform of Edutor. But just the front end and the usage is different.

Mr. Devang Patel – Nafa Capital:

Okay, and from what you said earlier Learnflix also will be a very seasonal business and we will have more subscriptions at the start of the academic year.

Mr. Saurabh Mittal - Group CFO, S Chand Group:

Definitely, because we are focusing on B2B and if you are going to do B2B, then B2B will have to be parallel with the academic year which starts in April. So whatever subscription we will get, probably we will get in March April May June July, upto July only I would mention. Some places the session starts in June and July. So it will largely happen around that period.

Mr. Devang Patel – Nafa Capital:

Okay. On one of the slides there is a minimum target of reaching 5 million users, would that bulk of it come from B2C.

Mr. Saurabh Mittal - Group CFO, S Chand Group:

No, we are trying to do more of it on B2B basis because you know one single school can get you 500 adoptions at a single point of time or a large school can even get you 5000. So that is where we are focusing on, we focus on bulk selling because to sell retail the cost of acquisition is very high. So we are preferring to promote it through our group companies, through the S Chand team, through the Mylestone Team, so multiple teams are already promoting Learnflix across schools.

Mr. Devang Patel – Nafa Capital:

Okay, sir, lastly on the NCF it seems like the curriculum will be in place before the academic year begins or starting April-July '23. What is the risk of this slipping by one more year and things are not in place before that.

Mr. Saurabh Mittal - Group CFO, S Chand Group:

The risk is very real because it is dependent on how fast the government moves, something we cannot control but we have ears to the ground, we are monitoring how the progress is going and accordingly we are working around it. But having said that all the new books, all the books that have come out this year are already made compliant with the recommendation with the New Education Policy in terms of the various facets, you know, NEP has already been mapped to the books, and each of these books are being enabled as per NEP. That differentiation is already starting from this year. Hopefully we will already get some traction. And as when the NCF comes up the books will undergo the kind of change that is required. But we are already preparing for that because a lot of it is already there in the NEP.

Mr. Atul Soni - Head Investor Relations, Strategy and M&A, S Chand Group:

So actually, our turnaround time will be a lot shorter than probably what it would have been let's say 2 years ago or 1 year ago. So because we are already starting to change our content so that it aligns with the NEP which is already out. With the final NCF comes then we would be able to turn back the contents of the books to totally align to the new curriculum in a much shorter time period.

Mr. Devang Patel – Nafa Capital:

Alternately what would be the back start date by when you need clarity on the NCF, so that you are ready for the next academic year.

Mr. Atul Soni - Head Investor Relations, Strategy and M&A, S Chand Group:

So if you are talking for April 23 academic session then it will be great if the NCF is launched by September or October of next year.

Mr. Devang Patel – Nafa Capital:

Okay, and does it seem to be on track for that as of now.

Mr. Atul Soni - Head Investor Relations, Strategy and M&A, S Chand Group:

So I mean this is a government thing, right, we don't have a tracker for it, so I mean that time is also still almost 10-12 months forward, very difficult to give you an answer for that.

Mr. Saurabh Mittal - Group CFO, S Chand Group:

We understand from our various interactions with stakeholders that work has already started but we don't know the extent of work that has started and when the final approvals will come in, I mean it should happen by next year best case scenario. Again, as it is going to be implemented over 2-3 years and it is not going to be a one year thing, so that impact will have to be taken in 2-3 years.

Mr. Devang Patel – Nafa Capital:

Right, sir, that's all from my side, thank you so much.

Operator:

Thank you. Ladies and gentlemen, you may enter * and 1 to ask a question. A reminder to all participants, you may enter * and 1 to ask a question. The next question is from the line of Shweta Shekhawat. Please go ahead.

Ms. Shweta Shekawat – Prabhudas Lilladher Private Limited:

Hello, sir, thank you for the opportunity. So I would like to understand where do we see the debt levels for our company two years from now.

Mr. Saurabh Mittal - Group CFO, S Chand Group:

We have already specified that by the end of March'23 we should be net debt free, so that's our target, we should be minimum say around between Rs. 20 to Rs. 30 crores max at that time point of time, that's what we are looking at right now.

Ms. Shweta Shekawat – Prabhudas Lilladher Pvt. Ltd:

Okay, sir, thank you.

Operator:

A reminder to all participants, you may enter * and 1 to ask a question. As there are no further questions from the participants I now hand the conference over to the management for closing comments.

Mr. Saurabh Mittal - Group CFO, S Chand Group:

Thank you so much for joining us and we hope to continue to do our work on the working capital side and improving the quality of business. We are also poised to do a couple of more things on the digital side which we will be announcing soon enough. And we are seeing traction in a couple of new areas which we would probably like to get back to the shareholders as soon as possible. Thank you so much.

Operator:

Thank you, on behalf of Prabhudas Lilladher Pvt. Ltd. that concludes this conference. Thank you for joining us and you may now disconnect your lines.

End of transcript