



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: July 02, 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”)

- a) Safari Digital Education Initiatives Private Limited [wholly owned subsidiary of the Company (“Safari”)] has acquired 90,000 equity shares of face value of Rs. 10/- each of Convergia Digital Education Private Limited (“Convergia”) against the cash consideration of Rs. 9,00,000/- (Rupees Nine Lakhs only) on July 01, 2021. Post this acquisition, Safari is holding 90% of total paid up share capital of Convergia and consequent to this, Convergia has become a subsidiary of Safari and will also be classified as a subsidiary of the Company with effect from 1st July, 2021. The complete details of said transaction as per schedule III of Listing Regulations read with SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015 is mentioned in **Annexure 1**.
- b) In reference to the disclosure under Regulation 30 of Listing Regulations submitted by the Company on January 20, 2021 regarding approval of the Board of Directors for the transfer of Mylestone and Learnflix businesses of the Company [presently owned by Safari and DS Digital Private Limited (subsidiary of the Company [“DS Digital”]), respectively, to a newly formed SPV i.e. Convergia, this is to inform you that the shareholders of the Company by passing special resolution by way of postal ballot on February 26, 2021 approved the said transaction under Regulation 24(6) of Listing Regulations. In furtherance of these approvals, DS Digital and Safari have entered into separate business transfer agreements with Convergia on July 01, 2021 for transfer of their respective aforesaid businesses.

The complete details of said transaction as per schedule III of Listing Regulations read with SEBI Circular CIR/CFD/CMD/4/2015 dated September 09, 2015 is mentioned in **Annexure 2**.

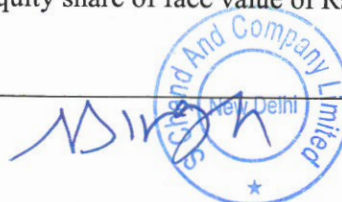
Thanking You,
For S Chand And Company Limited

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

Details of acquisition

Name of the target entity, details in brief such as size, turnover etc.	<p>Name: Convergia Digital Education Private Limited</p> <p>Convergia is a special purpose vehicle formed to house the school solution business “Milestone” and Student Solution business “Learnflix”. Convergia was incorporated on September 04, 2020 and financial year 2020-21 was the first year of operations. Details of Size and turnover of Convergia are given below:</p> <ul style="list-style-type: none"> - Total Assets as on March 31, 2021 - Rs. 0.07 millions - Turnover during the Financial Year 2020-21 - Nil
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 “arms length”	<p>Yes, this transaction would fall within the purview of related party transaction since Mr. Saurabh Mittal, Director and Mr. Vinay Sharma, Chief Executive Officer of Safari are Directors in Convergia. Before acquisition, Mr. Vinay Sharma was holding 60% of total paid up share capital of Convergia.</p> <p>Post the acquisition, Mr. Vinay Sharma is holding 6% of total paid up share capital of Convergia.</p> <p>Yes, the transaction is being done at arm’s length.</p>
Industry to which the entity being acquired belongs	Digital Education
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)	<p>As stated above, the Mylestone and Learnflix businesses of the Company (presently owned by Safari and DS Digital, respectively) are being transferred to Convergia to enable the businesses to raise growth capital from Private Equity Investors to enhance growth of these verticals. Accordingly, the acquisition was made to have control over the Convergia and make Convergia as the subsidiary of the Company prior to the transfer of businesses.</p>
Brief details of any governmental or regulatory approvals required for the acquisition	No governmental or regulatory approvals required for the acquisition
Indicative time period for completion of the acquisition	July 01, 2021
Nature of consideration - whether cash consideration or share swap and details of the same	Cash Consideration – Rs. 9,00,000 for 90,000 Equity shares of Rs. 10/- each
Cost of acquisition or the price at which the shares are acquired	Rs. 10/- per equity share of face value of Rs. 10/- each.

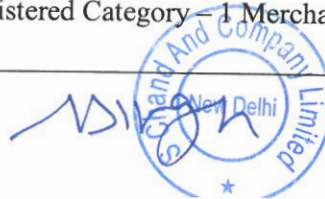


Percentage of shareholding / control acquired and / or number of shares acquired	90,000 Equity Shares of face value of Rs. 10/- each constituting 90% of total post acquisition paid up share capital of Convergia.
Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief)	<p>Convergia Digital Education Private Limited is an SPV formed to house the school solution business “Mylestone” and Student Solution business “Learnflix”.</p> <p>Convergia was incorporated under The Companies Act, 2013 on 04th September, 2020.</p> <p>The first financial year of Convergia is from 04th September, 2020 to 31st March, 2021. There was no operations during the said financial year.</p>




Details of transfer of business

The amount and percentage of the turnover or revenue or income and net worth contributed by such unit or division of the listed entity during the last financial year	Revenue during financial year 2020-21		Net worth as on March 31, 2021		
	Amount of Revenue	% of total consolidated revenue of the Company and its subsidiaries	Amount of net worth	% of total consolidated net worth of the Company and its subsidiaries	
	Milestone	Rs. 130 Millions	3.06 %	Rs. 287 Millions	3.51%
	Learnflix	Rs. 8 Millions	0.19%	Rs. 56 Millions	0.68%
Date on which the agreement for sale has been entered into	July 01, 2021				
The expected date of completion of sale	July 01, 2021				
Consideration received from such sale	Rs. 701.72 millions of which Rs. 701.60 millions in the form of Compulsory Convertible Debentures ("CCDs") and remaining to be received in cash.				
	Milestone	Rs. 483.18 millions			
	Learnflix	Rs. 218.54 millions			
Brief details of buyers and whether any of the buyers belong to the promoter / promoter group / group companies, If yes, details thereof	The Buyer Company namely Convergia Digital Education Private Limited is a SPV formed by the CEO of the Digital and Services Business of the Company, Mr. Vinay Sharma and CMO, Mr. Kapil Khurana. The SPV has been created to house the school and student solutions business with the objective of raising Equity for the business. Currently, the Company through its subsidiary i.e. Safari is holding 90% of total paid up share capital of Buyer. Accordingly, the Buyer is a subsidiary of the Company.				
Whether the transaction would fall within related party transactions? If yes, whether the same is done at "arms length"	Yes, the transaction would fall within the purview of related party transaction for Safari since Mr. Saurabh Mittal, Director and Mr. Vinay Sharma, Chief Executive Officer of Safari are Directors in Convergia. Further, the Convergia is a subsidiary of the Company. Yes, the transaction is being done at arm's length and the Valuation has been determined by Turnaround Corporate Advisors Private Limited, a SEBI Registered Category - 1 Merchant Banker.				



<p>Name of the entities forming part of the slump sale, details in brief such as, size, turnover etc.</p>	<p>Safari Digital Education Initiatives Private Limited (Wholly Owned Subsidiary of the Company)</p> <ul style="list-style-type: none"> - Total Assets as on 31st March 2021 - Rs. 1196 Millions - Turnover during the Financial Year 2020-21 - Rs. 181 Millions <p>DS Digital Private Limited (99.9% Subsidiary of the Company)</p> <ul style="list-style-type: none"> - Total Assets as on 31st March 2021 – Rs. 529 Millions - Turnover during the Financial Year 2020-21 - Rs. 83 Millions <p>Convergia Digital Education Private Limited (a subsidiary of the Company)</p> <ul style="list-style-type: none"> - Total Assets as on 31st March 2021 - Rs, 0.07 Millions - Turnover during the Financial Year 2020-21 - Nil 				
<p>Area of business of the entities</p>	<p>Safari Digital Education Initiative Private Limited (wholly owned subsidiary) – is presently in the School Solutions business under the brand name “Mylestone”, sale of e-books, providing data management and other technology services to group companies.</p> <p>DS Digital Private Limited (99.9% subsidiary) - is presently in the Student Solutions business under the brand name “Learnflix ”, Interactive Class solutions under the brand name “Destination Success” and running Pre Schools under the brand “Risekids”</p> <p>Convergia Digital Education Private Limited (90% subsidiary) –is an SPV formed to house the school solution business “Mylestone” and Student Solution business “Learnflix”, post the slump sale.</p>				
<p>Rationale for slump sale</p>	<p>The two Edtech businesses “Mylestone” and “Learnflix” are being transferred into a Special Purpose Vehicle to enable the businesses to raise growth capital from Private Equity Investors to enhance growth of these vertical. This would also enable value assessment and creation for the shareholders of the Company, from these Edtech verticals.</p>				
<p>In case of cash consideration – amount or otherwise share exchange ratio</p>	<p>Rs. 701.72 millions of which Rs. 701.60 millions in the form of Compulsory Convertible Debentures (“CCDs”) and remaining to be received in cash.</p> <table border="1" data-bbox="646 1787 1417 1870"> <tr> <td>Mylestone</td> <td>Rs. 483.18 Millions</td> </tr> <tr> <td>Learnflix</td> <td>Rs. 218.54 Millions</td> </tr> </table>	Mylestone	Rs. 483.18 Millions	Learnflix	Rs. 218.54 Millions
Mylestone	Rs. 483.18 Millions				
Learnflix	Rs. 218.54 Millions				
<p>Brief details of change in shareholding pattern, if any, of listed entity</p>	<p>No Change in shareholding pattern of the Company.</p>				

