

Date: 20th August, 2025

**To,
The Manager,
National Stock Exchange of India Ltd.
Exchange Plaza,
Plot no. C/1, G Block,
Bandra-Kurla Complex
Bandra (E), Mumbai - 400 051.**

NSE Symbol: ARIHANTACA

Subject: Notice of the 18th Annual General Meeting of the Company and submission of Annual Report for the Financial Year 2024-25:

Dear Sir/ Madam,

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the financial year 2024-25 along with the Notice convening the 18th Annual General Meeting scheduled to be held on Saturday, 11th September, 2025 at 11:00 AM. (IST) at Ground Floor, Triveni Sadan, Opp. Ambe Mata Temple Carter Road No. 3, Borivali (East), Mumbai, Maharashtra, India, 400066. The said Annual Report 2024-25 is being sent through electronic mode to the shareholders of the Company.

The aforesaid Annual Report is also available on website of the Company at www.arihantacademy.com and website of stock Exchange i.e. National Stock Exchange of India Limited at <https://www.nseindia.com/>

Kindly take the above information on your records.

Yours faithfully,

FOR ARIHANT ACADEMY LIMITED

**ANIL SURESH KAPASI
MANAGING DIRECTOR
DIN: 03524165**

Registered Office

Ground Floor, Triveni Sadan, Opp. Ambe Mata Mandir, 3rd Carter Road, Borivali (E), Mumbai - 66.

🌐 www.arihantacademy.com | ☎ 9819 888 999 | ✉ info@arihantacademy.com

Enlightening
Minds

Fuelling
Ambitions

Inspiring
Growth

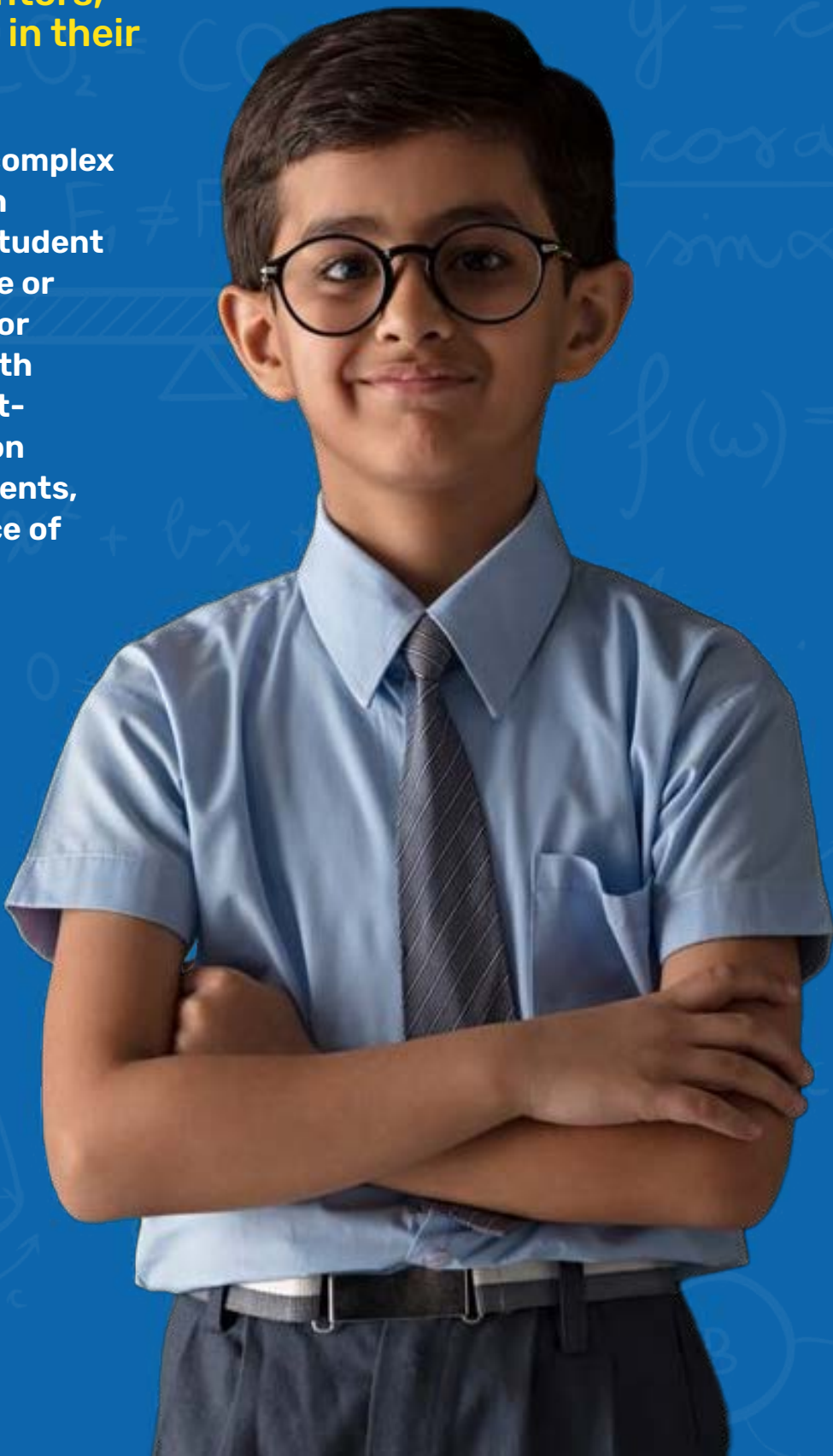
At Arihant Academy, education is not just about marks, it is about moments of discovery, clarity and confidence that shape a student's future. Since 1998, we have been walking alongside students in Mumbai, not just as educators but as mentors, motivators and companions in their academic journey.

We help students make sense of complex concepts, not by rote but through curiosity. Whether it is a Class 8 student exploring algebra for the first time or a high school student preparing for NEET or JEE, we light up minds with knowledge and skills. With subject-specific experts, thoughtful lesson planning and consistent assessments, we turn the classroom into a space of exploration and empowerment.

Every student comes to us with a dream, some clear and some still forming. Our job is to help those dreams take shape. We combine board and entrance preparation so students are not forced to choose or compromise and through the Arihant EDGE App, learning continues beyond the classroom.

We believe that growth is not just seen in results. It is felt in the confidence to ask a question, the discipline to show up and the courage to try again. At Arihant, we nurture that kind of growth. With regular feedback, open communication and a two-tier faculty system, students are never alone in their learning. They build habits, gain perspective and slowly, steadily, become more than they thought they could be.

This is what sets Arihant apart. Not just what we teach but how we care, how we guide and how we believe in every student's potential, even before they believe in it themselves. So, as we continue to expand, evolve and innovate, our purpose remains rooted in the same truth i.e., every student deserves the chance to rise and we are here to make sure they do.



What's Inside

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To know more about us visit our website : <https://arihantacademy.com/>

Forward-looking statements

Some information in this report may contain forward-looking statements which include statements regarding Company's expected financial position and results of operations, business plans and prospects etc. and are generally identified by forward-looking words such as "believe," "plan," "anticipate," "continue," "estimate," "expect," "may," "will" or other similar words. Forward-looking statements are dependent on assumptions or basis underlying such statements. We have chosen these assumptions or basis in good faith, and we believe that they are reasonable in all material respects. However, we caution that actual results, performances or achievements could differ materially from those expressed or implied in such forward-looking statements. We undertake no obligation to update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Building futures

We operate across five key academic programmes, each thoughtfully designed to support students through different phases of their academic journey. Whether they are preparing for school board exams or gearing up for higher studies in Science or Commerce, every programme emphasises thorough syllabus coverage, focused exam preparation and consistent mentoring. With a classroom-first model, students benefit from scheduled lectures, regular assignments, periodic tests and academic support systems.

Courses offered

Arihant Academy provides structured coaching programs across multiple academic streams. Each course is designed to balance board exam preparation with a clear focus on competitive entrances where applicable. Faculty support, planned schedules, and academic tools are aligned to help students build strong subject foundations and perform consistently.



School Boards

Class 8,9,10

(SSC, ICSE, CBSE)

Concept clarity, revision
schedules, test series

Science

IIT-JEE/NEET(UG)/ MHT-CET

Board syllabus + entrance preparation

Commerce

Class 11 and 12

(State Board)

CAFC, CA-INTER, CSEET, CS-EXEC
and FINTECH CERTIFICATION

Business segments

Foundation years (Class 8 to 10)

SSC course details

- The SSC program is offered from Class 8 to 10 under the Maharashtra State Board
- It focuses on building strong subject clarity through scheduled lectures, chapter-wise tests and pre-board assessments
- Students receive guidance on effective writing techniques and time management to prepare well for their board exams
- The program includes regular PTMs and consistent communication to keep parents updated on student progress.

ICSE course details

- The ICSE division covers Class 8 to 10 and follows a subject-specific plan designed for in-depth understanding
- Faculty prioritise clear concept explanation and problem-solving, with special emphasis on application-based questions
- Regular test series, feedback sessions and assignments are part of the learning routine
- The schedule is aligned with ICSE exam timelines and evaluation patterns.

CBSE course details

- Coaching for CBSE students from Class 8 to 10
- The course structure follows NCERT guidelines and aligns with board expectations
- A two-teacher model is used to provide additional in-class support and attention
- Students benefit from regular assignments, assessments and revision sessions
- The programme also includes preparation for school-level exams such as periodic assessments and prelims.

Senior Years and Entrance Preparation (Class 11 and 12)

The Science course prepares students for both Class XII boards and competitive entrance exams like JEE, NEET and MHT-CET. Study modules are mapped with syllabus requirements and delivered by full-time faculty. Students receive ongoing support through regular tests, remedial sessions and academic counselling.

The Commerce division offers coaching for Classes XI and XII, with a focus on CA, CS and business management. Students are introduced to foundational concepts early, supported by regular assignments and mock tests. The programme also features guest lectures and career guidance sessions to help students explore future opportunities and make informed academic choices.

Science course details

- Science coaching begins in Class 11 and continues through Class 12, with dedicated preparation for JEE, NEET and MHT-CET
- The programme covers board syllabus instruction, along with entrance exam modules, supported by doubt-solving sessions and regular mock tests
- Students benefit from long-term academic planning, career guidance sessions and daily academic tracking through the Arihant Edge App.

Commerce course details

- The Commerce stream offers coaching for XI and XII under the State Board coaching, with an added focus on career paths such as CA, CS and management studies
- In addition to subject coaching, students benefit from guest lectures, bridge sessions and mock tests aligned with the university exam patterns
- The programme also includes career interest tests and academic counselling to support informed decision-making.

Where learning begins and success takes flight

Since 1998, Arihant Academy has been helping students in Mumbai navigate their academic journeys with confidence. We offer coaching in Science, Commerce and State board, ICSE board and CBSE board but more than that, we provide a space where students feel supported, not just taught. Our approach combines classroom teaching with guided assessments, digital support tools and practical guidance. Whether it is board exams or entrance tests, we are here to support every step of your journey, as mentors, motivators and partners in progress.



A deep dive into Arihant academy

We deliver structured academic programmes across three core verticals: Science and Commerce. Within the School Boards segment, we provide dedicated coaching for SSC, ICSE and CBSE students, tailored to the specific requirements of each curriculum. We leverage subject-wise expertise, systematic lesson planning and regular performance assessment to ensure consistent academic progress. To enhance the learning experience, we integrate technology through the Arihant Edge App, a platform that offers access to study material, performance analytics and real-time updates for students and parents.



Vision

We want to help over a million students across India to unleash their true potential and realize their dreams through proper coaching, timely guidance and a friendly behaviour.



Mission

Our mission is to empower students through a transformative educational experience that combines hybrid learning, expert guidance, and personalized coaching. By blending traditional instruction with digital tools, we aim to foster academic excellence and holistic growth, helping each student achieve their full potential.



Values

Our building blocks are the same as that of a wall-

- B** — Best people
- R** — Respect
- I** — Integrity
- C** — Creativity
- K** — Knowledge
- S** — Superior quality

23

Total operating centres

1,80,000+
(Current Year: 14,000+)

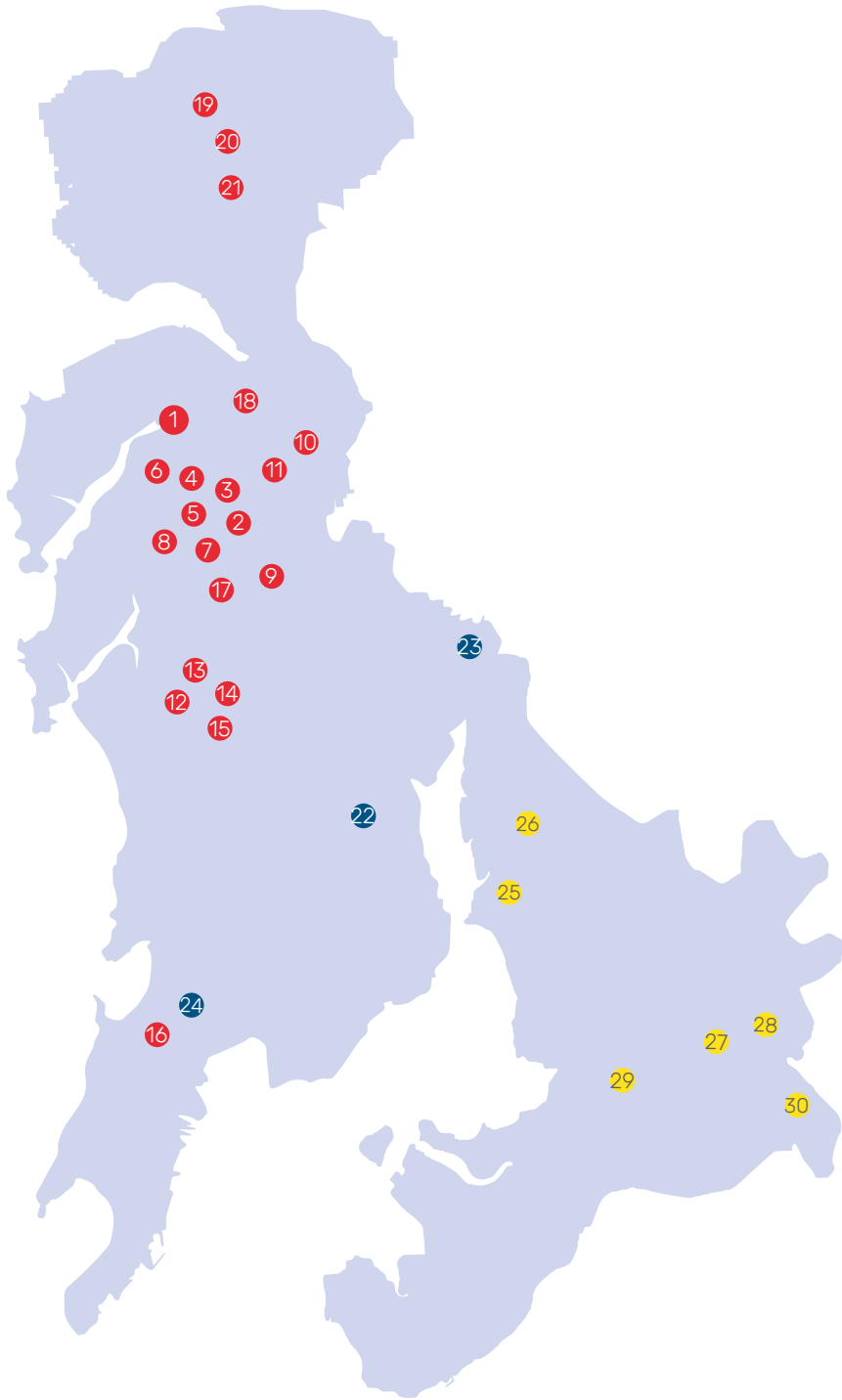
Total no of students

500+

Teaching and non-teaching staff

Growing footprints

Arihant Academy operates primarily across Mumbai and the Mumbai Metropolitan Region (MMR), with over 20 centres spread across major zones.



Study centers

| | | |
|--|--|--|
| <p>● Western Suburbs</p> <p>BORIVALI</p> <p>❶ I.C. Colony, Borivali (W) 9920781704</p> <p>❷ Chamunda Circle, Borivali (W) 9152031680</p> <p>❸ Carter Road No. 3, Borivali (E) 7045949691</p> <p>❹ Saibaba Nagar, Borivali (W) 9152031682</p> <p>❺ S. V. Road, Borivali (W)</p> <p>❻ Yogi Nagar, Borivali (W)</p> <p>KANDIVALI</p> <p>❼ S.V. Road, Kandivali (W) 9167995104</p> <p>❽ Charkop, Kandivali (W) 9920781703</p> <p>❾ Thakur Complex, Kandivali (E) 9930496183</p> <p>DAHISAR</p> <p>❿ Anand Nagar, Dahisar (E) 930496184</p> <p>⓫ Ashokvan, Dahisar (E)</p> <p>ANDHERI</p> <p>⓬ S.V. Road, Andheri (W) 8591927946</p> <p>⓭ D.N. Nagar, Andheri (W) 9930496188</p> <p>⓮ Sher-E-Punjab, Andheri (E) 9619883443</p> <p>⓯ J.B. Nagar, Andheri (E)</p> | <p>DADAR</p> <p>⓯ Brahman Seva Mandal, Dadar (W) 8591927944</p> <p>GOREGAON</p> <p>⓰ M.G. Road, Goregaon (W) 9619883441</p> <p>MIRA ROAD</p> <p>⓱ Beverly Park, Mira Road (E) 9321982835</p> <p>VIRAR</p> <p>⓲ Opp. Old Viva College, Virar (W) 8591927943</p> <p>⓳ Station Road, Virar (W)</p> <p>VASAI</p> <p>⓴ Ambadi Road, Vasai (W)</p> <p>Central Suburbs</p> <p>GHATKOPAR</p> <p>⓴ Patel Chowk, Ghatkopar (E) 8657004273</p> <p>THANE</p> <p>⓵ (Pokhran Road),</p> <p>MATUNGA</p> <p>⓶ Bhandarkar Road, Matunga Central 8657004274</p> | <p>● Navi Mumbai</p> <p>VASHI</p> <p>⓶ Vashi</p> <p>KOPARKHAIRANE</p> <p>⓶ Sector 14</p> <p>KHARGHAR</p> <p>⓷ Sector 21</p> <p>⓸ Sector 7</p> <p>NERUL</p> <p>⓸ Seawoods</p> <p>PANVEL</p> <p>⓸ Sector 19</p> <p>Registered Office</p> <p>Borivali East, Mumbai</p> |
|--|--|--|

The path we have lit

2025

Acquired Arihant Carmel
Launched
1 more center

2024

Acquisition of Zeal
Academy Launched
3 additional centres
1,80,000+ students

2023

Launched CBSE education
Launched 4 more
additional centres

2017

Crossed successful
coaching of
50,000+ students
across 16 branches

2020

First to start Live Online
lectures during lockdown
ensuring phenomenal
performance in all sections

2022

Successfully listed
the company on
National stock
exchange

2011

Launched
dedicated Science

2007

Crossed successful
coaching of **30,000+**
students across 9
branches

2004

Launched **5** new
branches in
Western suburbs
of Mumbai

1998

Established **1st** branch
in Mumbai with 80
students

2001

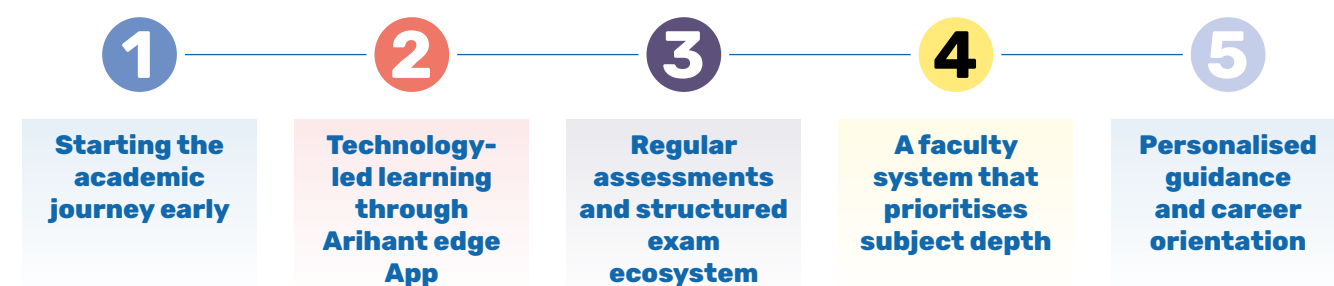
Crossed successful
coaching of **1000** students
across 2 branches

2004

Launched **5** new branches in
Western suburbs of Mumbai

Reimagining learning

At Arihant Academy, education is considered as a continuous journey rather than isolated classroom experiences. Recognising that academic success is built over time, we support students from the foundational years of school through junior college. This includes early-stage preparation, integration of digital learning tools and a consistent assessment system that helps students measure progress regularly.



2

Technology-led learning through Arihant edge App

Learning at Arihant does not stop when class is over. With the Arihant Edge App, students carry their classroom in their pocket, revisiting lessons through video lectures, keeping up with their assignments and reviewing test scores anytime they need. For parents, the app offers updates on attendance, performance and teacher feedback. The app makes education more connected, transparent and accessible.

1

Starting the academic journey early

Arihant Academy believes in laying a strong foundation well before the important years begin. With programmes designed from Class 8 onward, the Academy nurtures gradual, in-depth understanding across subjects, helping them grow with confidence into their board and stream-specific studies. The curriculum is thoughtfully developed to integrate board and entrance exam preparation, removing the confusion of juggling between different coaching classes and making the path ahead smoother and more manageable.



3

Regular assessments and structured exam ecosystem

Instead of cramming at the last minute, students are given regular chances to test themselves through chapter-wise tests, mock board exams and entrance-style evaluations. These assessments help students understand where they stand, what needs work and how to study smarter. With honest feedback and guidance, students gain confidence and learn to manage exam pressure better.

5

Personalised guidance and career orientation

Beyond classroom learning, Arihant Academy provides personalized guidance to help students navigate their academic and career paths with confidence. Through career interest assessments, post-test counselling sessions, and structured academic planning, both students and parents gain a clearer understanding of future options.

4

A faculty system that prioritises subject depth

Each subject is taught by educators who specialise in their field. In certain streams, assistant teachers are also present to provide extra support. This two-layer teaching model improves in-class engagement and allows real-time doubt resolution. Students benefit from learning with the same teachers throughout the year, which builds familiarity, trust and a clear understanding of their academic journey.

MD Message



We strive to provide the ideal balance between knowledge and wisdom, between individual attention and collective growth, transforming students through our child-centric and results-focused approach.



Mr. Anil Suresh Kapasi

Managing Director

The Indian education landscape continues to evolve, shaped by increasing demand for structured learning, regulatory maturity, and a growing aspiration for academic excellence. At this crucial juncture, we at Arihant Academy remain committed to nurturing the leaders of tomorrow. We strive to provide the ideal balance between knowledge and wisdom, between individual attention and collective growth, transforming students through our child-centric and results-focused approach.

Aligning Performance with Progress

Our approach remains centred on enhancing students' academic development, while also prioritising organisational scale, good governance and sustainable long-term growth. As a result of our concerted efforts, this financial year proved to be one of significant growth. Across our verticals—School, Junior College, Professional Courses and Competitive Exams—we maintained robust academic outcomes, with continued success in board results and competitive exam selections. These outcomes uphold the efficacy of our teaching methods, the depth of our faculty bench strength and the structured support systems we have invested in over the years.

Notably, our student base grew to over 14,506 learners across academic streams. The SSC and HSC segments provided stability, while enrolments in the Commerce stream also increased. This can be primarily attributed to enhanced academic delivery and better student retention. The Science vertical, especially JEE and NEET, witnessed a growth supported by improved curriculum planning, strengthened faculty support and targeted engagement.

Delivering on Our Promise

As students invest in the pursuit of knowledge, we remain steadfast in advancing our core competencies to deliver the highest standards of education. Our commitment extends beyond academic excellence; we strive to ensure that every child who enters our institution is equipped with the skills, values and mindset required to navigate and contribute meaningfully in this fast-paced era.

To this end, we refined our lesson plans, strengthened academic audits and implemented structured feedback loops for students. These initiatives were underpinned by analytics and performance tracking systems, enabling our academic teams to make timely and effective interventions.

At the same time, we bolstered our back-end operations, including HR, IT and governance systems. Improved cross-functional coordination and regular reviews enabled us to respond quickly to academic and operational requirements, fostering greater accountability across all functions.

Unleashing growth through technological efficiency

In today's learning environment, effective technology and robust infrastructure are essential to maximising student learning and supporting educators in achieving their educational objectives. Our academic ecosystem continues to evolve with the integration of technology into learning and operational processes.

The Arihant Edge App, developed to provide parents and students with real-time academic insights, has become a cornerstone of our feedback and monitoring framework. Further, our hybrid learning model

has become increasingly structured and intuitive, enabling our faculty to support classroom sessions with digital modules and assignments. Additionally, faculty training has been streamlined across branches, leading to standardisation in content delivery and academic monitoring.

To ensure the benefits of quality education reach a broader audience, we have expanded our academic footprint into new regions and communities, while prioritising affordability and accessibility.

Charting the Course for Limitless Growth

Our path for the future encompasses vertical scaling, geographic deepening and sustained technology empowerment. We see significant opportunity in expanding our Science offerings, with a particular focus on MHT-CET, NEET and JEE. With Pune and Mumbai identified as key target zones, our expansion will be deliberate, quality-driven and aligned with our core values.

I would like to conclude by expressing my sincere gratitude to our dedicated team of educators, administrators and centre staff for their diligent efforts. I am equally thankful to our students and parents for placing their trust in us to guide their academic journey. Together, we remain steadfast in our pursuit of excellence, scale and stability.

Regards,

Mr. Anil Suresh Kapasi

Managing Director

Chairman's Message



Our model remains rooted in a simple but powerful belief: success in today's competitive academic environment must be accompanied by adaptability, emotional resilience and clarity of purpose.



Mr. Umesh Anand Pangam

Chairman & Whole - Time Director

Over the years, Arihant Academy has forged its identity on a foundation of integrity, academic discipline and personalised mentorship. As we reflect on the year gone by, it is encouraging to witness how we upheld these guiding tenets as we continued to scale new heights in student reach, operational strength and explore fresh avenues of educational innovation. Our model remains rooted in a simple but powerful belief: success in today's competitive academic environment must be accompanied by adaptability, emotional resilience and clarity of purpose.

Our industry is at the cusp of a new phase, where technology, the calibre of faculty and student-centricity will emerge as primary differentiators. In an environment shaped by rising competition and rapidly shifting learner aspirations, we recognise that scale must be pursued in tandem with quality. We remain mindful of this balance and are advancing with prudence, prioritising long-term impact over short-term volume.

FY25 was marked by disciplined performance and financial stability. We closed the year with consolidated revenue of ₹ 42.57 Crores, 35 % increase over the previous year. Profit After Tax stood at ₹ 4.44 Crores with a margin of 10.96 %. EBITDA reached ₹ 7.61 Crores, maintaining a healthy 18.27 % margin. Return on Equity was 19.22 %, demonstrating efficient capital allocation and prudent financial management.

As an organisation, we remained focused on strengthening our governance and compliance frameworks. FY25 saw further institutionalisation of our internal systems and reporting protocols. The Board continued to play an active role in steering our strategic direction, performance targets and ensuring regulatory alignment. Our objective is to build a future-ready institution, which is anchored in trust, guided by responsibility and is dedicated to creating value for every stakeholder we serve.

Strategic Expansion and Integration

Our expansion during the year was guided by strategic prudence and measured execution. A significant milestone was the 100% acquisition of Arihant Carmel, a reputed science coaching institute in Vasai. Renowned for its results in XI-XII Science, MHT-CET, NEET and JEE (Main), Arihant Carmel adds academic credibility, operational rigour and regional depth to our portfolio. The acquisition further bolsters our Science vertical and augments our reach in the Vasai-Virar region.

By accruing a 51% stake in Zeal Academy, we broadened our academic canvas and strategically entered the entrance exam preparation space. This move further enables us to cross-leverage our academic content and faculty capabilities, thereby elevating

learning outcomes. In parallel, we continued to direct our investments towards strengthening our academic infrastructure, faculty development and student-centric initiatives. We integrated technology deeper into the classroom, with focus on analytics-backed interventions to improve outcomes. Operational efficiency was further supported by systems alignment and a focus on academic excellence.

The Promise of What Lies Beyond

We anticipate a sustained demand for hybrid learning formats, deeper skills integration and career-linked curriculum customisation in the years ahead. We are also preparing to strengthen our regional presence, deepen technology adoption and explore new partnerships that align with our long-term purpose.

As we embark on the next phase of our journey, I would like to express my heartfelt appreciation to all our stakeholders. Your trust and continued support sustains our journey. Together, we will continue to kindle curiosity, fuel ambitions and build futures that shine brighter.

Sincerely,

Mr. Umesh Anand Pangam

Chairman & Whole - Time Director

SSC results



Samara T.
99.60%



Rucha T.
98.80%



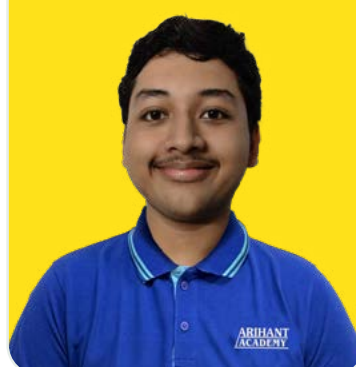
Aarya M.
98.60%



Mughadha L.
98.60%



Neevi J.
98.60%



Suraj J.
98.40%

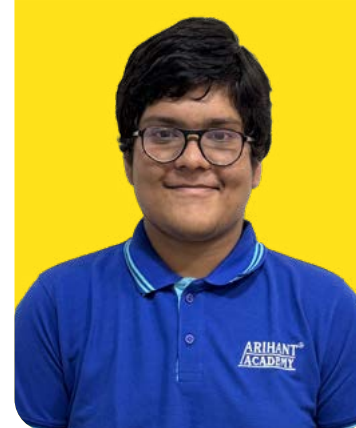


Yash S.
98.40%



Avani K.
98.20%

ICSE results



Deep K.
98.40%



Aayushi C.
98.20%



Keya D.
98.00%

CBSE results



Shubhankar. B
98.40%



Sonal.S
98.00%



Anannya.N
97.60%

Science

JEE Advanced



Chinmay Salunkhe
AIR-15



Darshan Ahire
AIR-74



Ayush Rajesh
AIR-78



Aritra Bhaumik
AIR-107

CET



Seshadri Iyer
100%



Samruddhi Ombase
100%



Adwait Mandge
99.99%



Soham Mishra
99.99%

JEE Mains



Surhud Naik
99.97%



Arnav Aggrawal
99.94%



Arpit Gupta
99.92%



Dhruv Parsewar
99.90%

NEET



Pranav Jagdale
695/720



Raed Kalsekar
690/720



Sanika Sabne
690/720



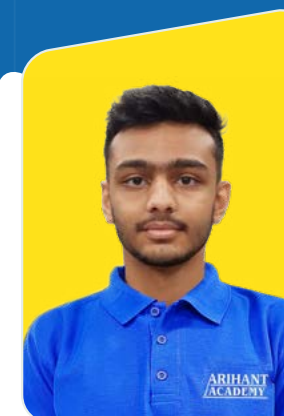
Adwait Bhosale
680/720

Commerce

CSEET



Vasudhra Shreedhar
176/200

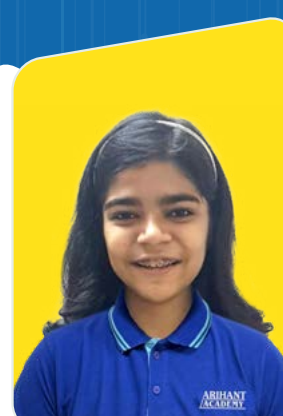


Nemil Shah
169/200

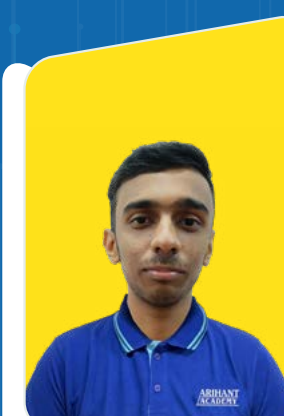


Renee Choksi
162/200

CAFC



Ananya Patne
311/400



Atharva Bhosale
308/400



Arjun Gopalakrishna
300/400

HSC



Jaya Sharma
95.33%



Priyanka Aggrawal
95.33%

CS-EXE



Bhoomi Mehta
AIR-1

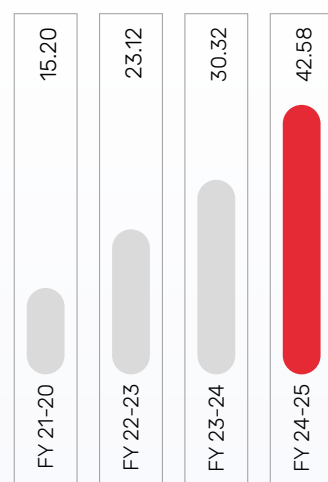
Key highlights of the year

Arihant Academy experienced consistent financial progress this year, driven largely by its college-level programmes in Science and Commerce. Higher enrolments, coupled with reliable academic outcomes, played a key role in boosting revenues. The expansion of these offerings, along with a broader footprint across the Mumbai Metropolitan Region reinforced its financial stability.

Looking ahead, Arihant Academy aims to deepen its regional presence. With growing enrolments, the priority will be to balance new investments without compromising on financial prudence. Strategic investments will be made, ensuring that expansion is sustainable and value-driven over the long-term.

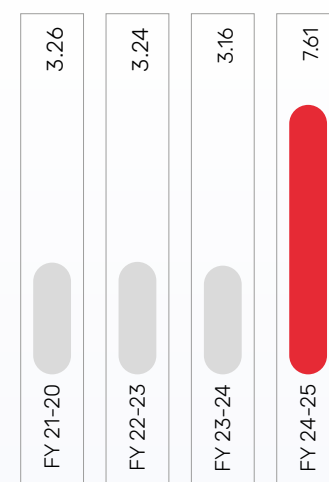
Gross sales

(₹ in Crores)



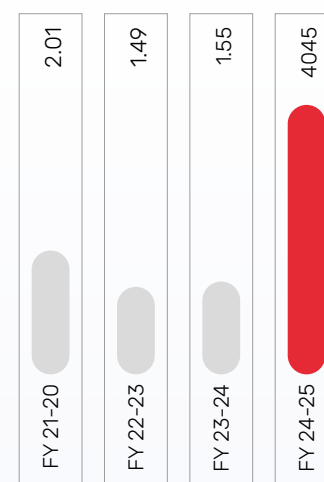
EBITDA

(₹ in Crores)

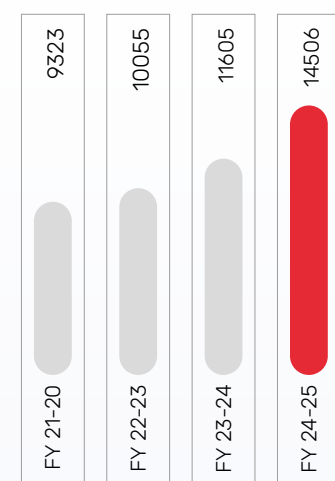


Net Profit

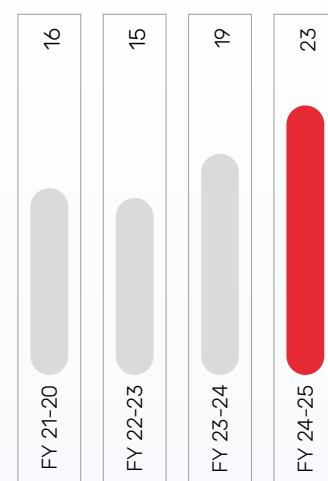
(₹ in Crores)



No of Students



No of Centers



Shaping connections

We undertook a multi-pronged marketing approach to enhance brand presence, drive admissions and extend its reach into new regions. Campaigns were carefully timed around academic and seasonal touchpoints, aligning with specific objectives such as admissions awareness, promoting new centres and academic offerings.

Key Campaigns and Objectives

With the Academy expanding into new regions and achieving academic benchmarks, marketing efforts were designed to support institutional goals. A series of advertising campaigns were rolled out throughout the year, each with a clear purpose.

Admissions campaigns were timed around peak enrolment periods to maximise leads and conversions. Regional outreach initiatives focused on building brand visibility in new areas. Among these, the Science Career Fair Campaign stood out in terms of performance and lead generation.

Platform Strategy and Channel Selection

Arihant Academy's marketing strategy focused on using a balanced mix based of platforms to achieve specific campaign objectives. Social media was the primary channel, where the Academy engaged with its audience through regular updates, interactive content and live sessions.

Print media was used selectively but impactfully to reinforce campaign messages. Outdoor advertising, including billboards and bus panels was strategically placed during the admission season to maximise visibility. Webinars played a key role in connecting with the audience, offering valuable content such as career guidance and board exam preparation. These online sessions were promoted through targeted social media campaigns.



Throughout its campaigns, Arihant Academy highlighted student success stories, personalised academic support and the importance of parental involvement in education. This helped

the Academy stand out in a competitive educational landscape by meeting the growing expectations of both students and parents.

Beyond the classroom

We organise our events to enhance the academic experience and create a well-rounded learning environment. Each event has a clear purpose, whether it is to inform, guide, connect or recognise. These activities offer students, parents and faculty the chance to interact beyond regular academics, making the learning journey more enriching. From orientation sessions to recognition ceremonies, each event provides opportunities for meaningful interactions through their academic journey.

Career Interest Test (CIT)

All students are offered scientifically developed aptitude test identifies their strength and suggests potential career directions. This early insight plays a key role in guiding academic decisions and future planning.



Career counselling sessions

Following the CIT, we conduct one-on-one sessions, with students and parents to interpret the results and offer suitable academic guidance. These discussions help clarify uncertainties and establish realistic expectations.



1-1 Counselling

We provide personalised counselling throughout the year to support students facing academic or personal challenges that may affect their performance. These sessions are confidential, practical and focused on finding constructive solutions.



Parent orientation program

At the start of each academic year, we engage with parents to present our teaching methodology, academic plans and student support systems.

These sessions create alignment between home and institution, enabling a more informed and collaborative approach to the student's educational journey.



Open house

Through quarterly open house sessions, we offer a platform for parents and faculty to review student progress and discuss any concerns.

These interactions promote transparency and ensure that all stakeholders remain informed and connected throughout the year.



Talk show series

We regularly professionals from diverse fields to speak with students, providing valuable insight into career paths and current industry trends. These sessions help students connect academic learning to real-world applications and expand their understanding of opportunities beyond the classroom.



Felicitation ceremony

We conduct an annual felicitation event to celebrate outstanding student achievements and acknowledge the invaluable support of faculty and parents. This event reflects our commitment to honouring consistent effort and collective contribution.



Arihant Premier League (Cricket Tournament)


We organise a friendly in-house cricket tournament to promote recreation, teamwork and healthy competition. The event gives students an opportunity to unwind while reinforcing the importance of maintaining balance in academic life.



The pillars of our success

We regard our people as the foundation of everything we do, from classroom learning to operational excellence. In FY 2024-25, we deepened our investment in expanding and supporting our workforce, aligning our people practices with our evolving academic footprint.

Five pillars

1  **Team Composition and Growth**

2  **Hiring and Talent Acquisition**

3  **Training and Onboarding**

4  **Engagement and belonging**

5  **Retention and recognition**

1  **Team Composition and Growth**

Our workforce now comprises over 500 teaching professionals, supported by a dedicated non-teaching team responsible for academic coordination, administration and branch operations. This growth reflects our commitment to upholding instructional quality and ensuring operational stability across all our centres. The evolving team structure is designed to facilitate smoother delivery, enhance academic oversight and optimise branch-level operations.



2  **Hiring and Talent Acquisition**

Throughout the year, we refined our recruitment strategy by leveraging digital platforms, implementing structured screening processes and expanding our outreach efforts. We introduced a minimum experience criterion to better align with the needs of our academic infrastructure. These measures enabled us to attract candidates who were not only highly skilled but also aligned with the Academy's values of discipline, planning and collaboration.



3  **Training and Onboarding**

To ensure seamless integration, training modules were introduced for non-teaching staff through the Arihant Edge App. These sessions enabled new team members to quickly adapt to branch-level systems and processes, improving clarity and reducing early-stage attrition. This digital onboarding framework has established a foundation for more scalable and consistent training across all branches.



4  **Engagement and belonging**

To foster a strong sense of connection, we organised events such as the Arihant Premier League and Freshers' Party, which encouraged cross-team interaction. Structured feedback mechanisms and counselling support further promoted a culture of openness and engagement. These initiatives played a key role in creating a more collaborative environment, especially for newly inducted staff integrating into the system.



5  **Retention and recognition**

Employee retention was strengthened through ongoing career development opportunities, internal summits and recognition that went beyond financial incentives. We focused on cultivating a positive, inclusive environment where efforts are acknowledged and supported. We remained focused on creating a workplace where contributions are valued and employees feel appreciated for their dedication.



Looking Ahead: FY 2025-26 Focus Areas

In the coming year, our HR priorities will focus on enhancing peer-to-peer appreciation, expanding non-monetary recognition programmes and promoting initiatives that balance performance with empathy. As we scale operations, we will also concentrate on strengthening team alignment and enabling a more inclusive employee experience. These efforts aim to shape a workplace culture that is responsive, inclusive and aligned with long-term institutional goals.

Building foundations, ensuring success

Our operational strategy is centred on providing a seamless academic experience by ensuring that all centres are well-equipped, responsive and aligned with institutional goals. In FY 2024–25, we made consistent efforts to enhance infrastructure quality, improve classroom functionality, strengthen safety measures and ensure overall centre readiness.

We work closely with the academic and IT departments to implement upgrades that enhance the comfort of both students and staff. Emphasis was placed on proactive planning, swift issue resolution and optimising physical spaces for practical use. Below are the key focus areas and how they translated into improvements across our locations.

Shaping the space



Purpose driven layouts



Power backup
Installations



Cleanliness and
hygiene protocols



Safety preparedness



Support staff system



Technology readiness

Shaping the space

Classrooms have been upgraded with deeper seating, improved partitioning for better sound control and LED lighting. New centres are designed with a space optimisation approach to accommodate teaching, support, and study areas without overcrowding.

Inverters have been installed at locations with frequent power outages to ensure uninterrupted lectures and exams. Quick-response measures are in place to address any disruptions caused by technical issues or external factors.

Centres follow a three-times-a-day cleaning schedule, managed by trained housekeeping staff. Hygiene and maintenance is standardised to ensure a consistent experience across all locations.

All centres are equipped with CCTV surveillance and fire safety equipment is strategically placed at key locations. On-site staff are trained to respond effectively to emergency situations using these resources.

Operational staff undergo training after appointment, with structured reporting through digital complaint forms. This ensures real-time issue resolution and standardises operations at the branch level.

The IT team conducted site surveys during the initial stages to determine optimal placement of tech hardware. Projectors, cabling and Wi-Fi infrastructure were installed in coordination with facility timelines to ensure readiness by the start of the academic year.

Administration benefits

These initiatives delivered several operational benefits. Academic planning became more standardised, reducing last-minute scheduling changes. Administrative tasks, including payroll, expense tracking and academic reporting experienced a significant reduction in manual dependencies. Most importantly, the tech ecosystem enabled uniformity across locations, allowing each branch to operate with clarity and consistency.

Unlocking new opportunities

We took significant steps to expand our academic presence and diversify our offerings through the **strategic acquisition of a 51% stake in ZEAL Academy**. This move was not merely a growth initiative it marked a pivotal step in strengthening Arihant Academy's position as a comprehensive, multi-stream, and multi-format academic institution within the Mumbai Metropolitan Region

The acquisition of ZEAL Academy significantly enhanced our capabilities in JEE and NEET preparation, two of the most competitive and sought-after streams in higher secondary education. ZEAL's integration supports our objective of offering entrance exam coaching with greater depth and specialisation. This addition brings several key strengths to Arihant Academy

Specialised pedagogy

ZEAL's established approach in high-stakes exam preparation adds subject-specific expertise to Arihant's Science stream offerings

Academic focus

Strengthens our ability to support engineering and medical aspirants through targeted content, mentorship and exam simulations

Regional penetration

Deepens our footprint in Mumbai's competitive exam coaching, enabling access to a highly dedicated student base

Faculty synergy

Integrates specialised subject matter experts into our teaching pool, enhancing cross-branch knowledge-transfer and elevating the quality of mentorship.

As we move forward, these partnerships will serve as a foundation for building a more comprehensive, tech-integrated education ecosystem, one that adapts to the evolving academic needs of students while remaining anchored in structured delivery and outcome-focused planning.

Zeal Education academy

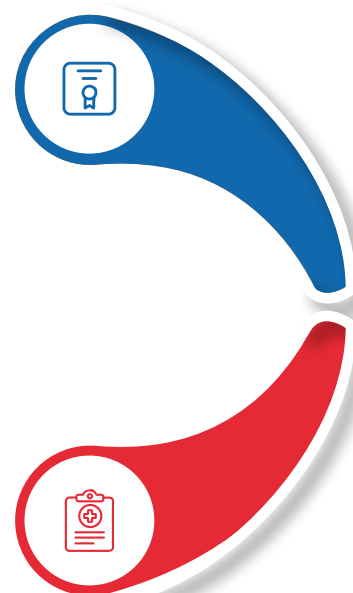
Courses offered

At Zeal Academy, our students consistently achieve strong outcomes in IIT JEE and other competitive exams, with a selection rate significantly above the norm. This is made possible through well-structured academic resources, personalized mentoring, and a faculty team committed to both subject mastery and all-round development – equipping students for long-term academic success.

Foundation

We believe that a strong foundation is the first step toward academic excellence and a fulfilling career in science.

Our Science Foundation program for Classes 8–10 is crafted to nurture curiosity, deepen conceptual clarity, and gradually prepare students for higher studies and competitive exams like JEE, NEET, and beyond.



Medical

Success in medical entrance exams like NEET, AIIMS, and state-level tests goes beyond hard work – it calls for structured guidance, the right resources, and a focused strategy. Backed by a student-first approach and consistent outcomes, our program is designed to support aspiring medical professionals in securing admission to leading medical institutions across the country.

Engineering

Preparing for engineering entrance exams is not just about clearing a hurdle – it is a meaningful step toward long-term academic and career goals.

Our focused coaching program offers structured support and academic clarity, helping students build the skills and confidence needed to succeed in exams like JEE (Main & Advanced), MHT-CET, BITSAT, and others.



Olympiads

Excelling in Olympiads requires more than subject knowledge – it demands analytical thinking, consistent practice, and early academic exposure. Our Olympiad coaching program is structured to nurture problem-solving skills and conceptual depth from an early stage, enabling students to approach national and international Olympiads with clarity and confidence.



Arihant Academy acquires 51% stake in ZEAL Academy

PTI
MUMBAI

Coaching institute Arihant Academy on Thursday said it has acquired a 51 per cent stake in Zen Educational and Learning (ZEAL Academy) at a valuation of Rs 17 crore.

The acquisition will enable Arihant Academy to expand its academic portfolio in the Mumbai Metropolitan Region and cater to a larger student base with top-notch learning pedagogy, the company, which is listed on NSE SME platform, said in a filing.

The company did not reveal the acquisition cost but stated that ZEAL Academy's valuation is priced at Rs 17 crore.

"This also expands Arihant's presence across Navi Mumbai," it said.

"By merging ZEAL Academy's local expertise with our teaching methods, we aim to create a more comprehensive learning experience and a stronger educational framework for students across the metropolitan region. We believe this move will not only enhance our offerings but also broaden our impact on the educational landscape," Arihant Academy Managing Director Anil Kapasi added.



Arihant Carmel

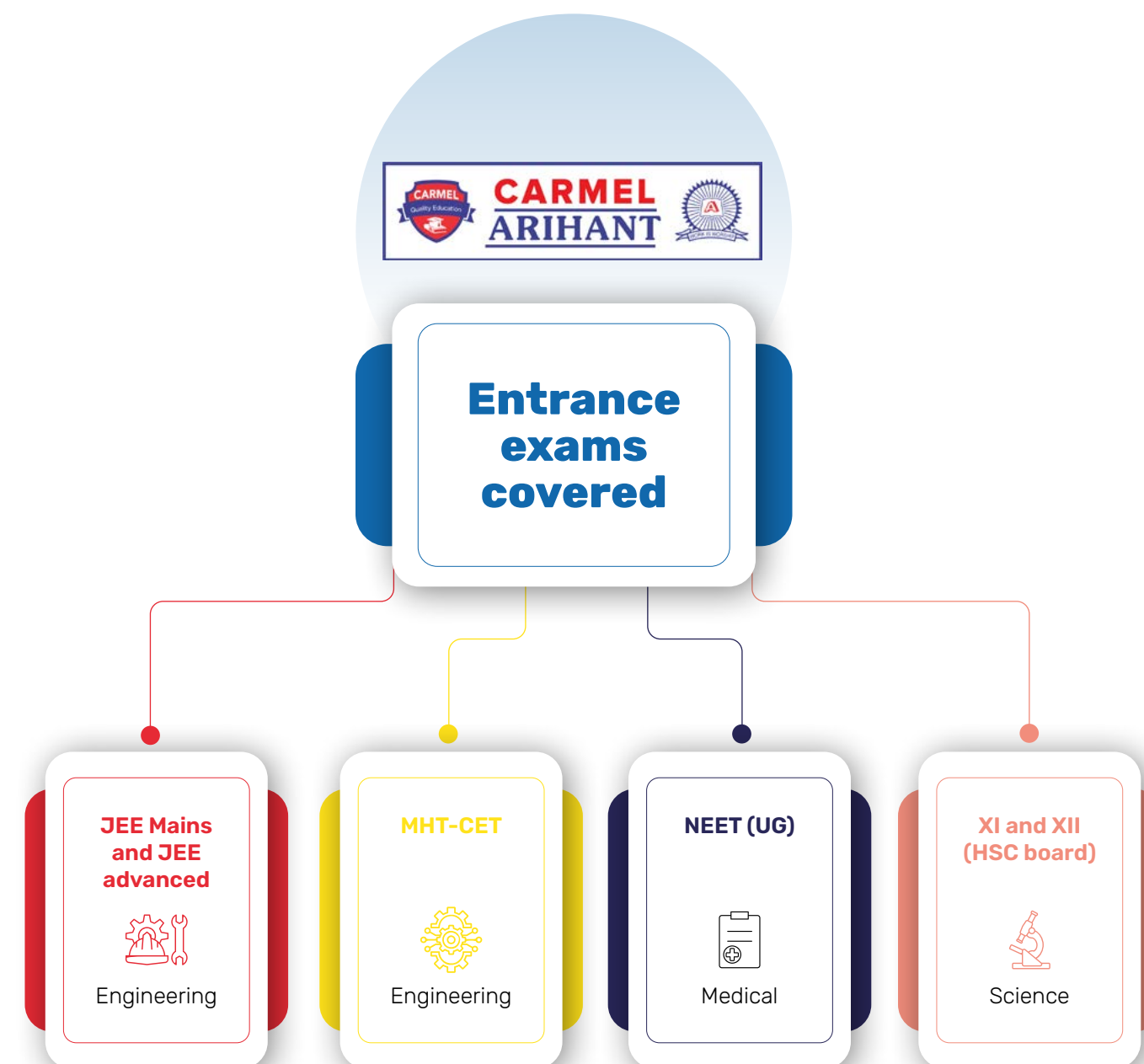


Arihant Carmel: Consistent Excellence in Science Coaching

Arihant Carmel has established itself as a leading centre for XI–XII Science coaching, with a proven track record in both board and entrance examinations. With consistent results in HSC Board, MHT-CET, NEET, and JEE (Main), the centre emphasizes a balanced blend of academic discipline, conceptual clarity, and individualised attention.

Our student-centric teaching approach, backed by continuous assessment and feedback mechanisms, ensures that learners not only understand their subjects but are also exam-ready. Whether through structured classroom programs or flexible online learning modules, the focus remains on delivering outcomes that align with students' aspirations.

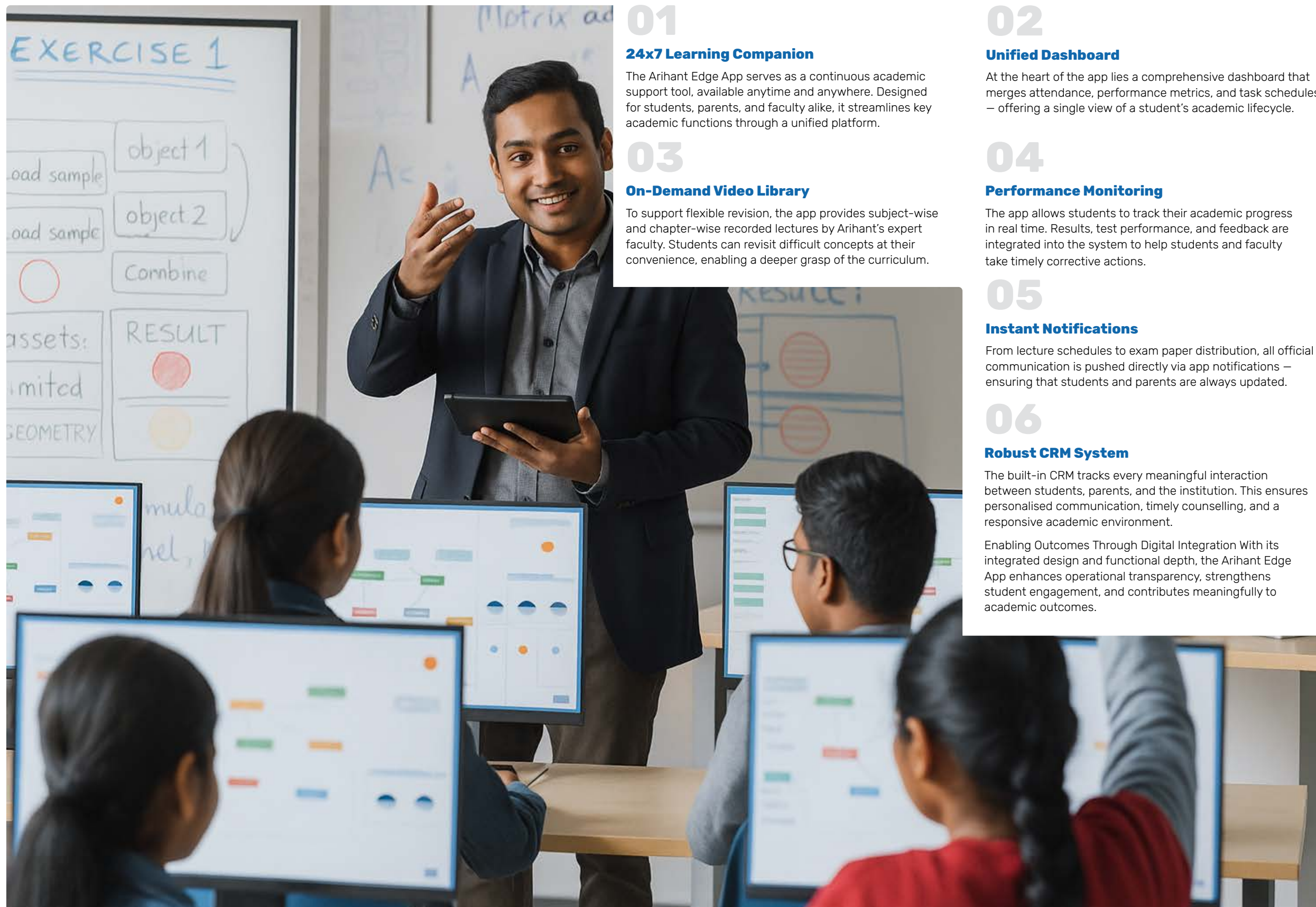
Courses Offered at Arihant Carmel



Following its **100% acquisition by Arihant Academy**, Arihant Carmel continues to be recognised as one of Vasai's most trusted science coaching institutes, backed by a consistent track record and a personalised support structure

Enlightening minds with cutting-edge technology

Technology continues to play a vital role in enabling Arihant Academy to scale its operations while maintaining consistency across academic and administrative functions. Our approach has gone beyond simply adopting digital tools; we have ensured that each technological integration delivers measurable improvements in internal efficiency and enhances the student experience. From academic platforms to backend systems, every tech initiative has been thoughtfully aligned with our operational needs.



01

24x7 Learning Companion

The Arihant Edge App serves as a continuous academic support tool, available anytime and anywhere. Designed for students, parents, and faculty alike, it streamlines key academic functions through a unified platform.

03

On-Demand Video Library

To support flexible revision, the app provides subject-wise and chapter-wise recorded lectures by Arihant's expert faculty. Students can revisit difficult concepts at their convenience, enabling a deeper grasp of the curriculum.

02

Unified Dashboard

At the heart of the app lies a comprehensive dashboard that merges attendance, performance metrics, and task schedules – offering a single view of a student's academic lifecycle.

04

Performance Monitoring

The app allows students to track their academic progress in real time. Results, test performance, and feedback are integrated into the system to help students and faculty take timely corrective actions.

05

Instant Notifications

From lecture schedules to exam paper distribution, all official communication is pushed directly via app notifications – ensuring that students and parents are always updated.

06

Robust CRM System

The built-in CRM tracks every meaningful interaction between students, parents, and the institution. This ensures personalised communication, timely counselling, and a responsive academic environment.

Enabling Outcomes Through Digital Integration With its integrated design and functional depth, the Arihant Edge App enhances operational transparency, strengthens student engagement, and contributes meaningfully to academic outcomes.

Arihant EDGE – A platform that connects everyone

Our proprietary learning management system, Arihant Edge continued to be the anchor of our digital interface. Designed for multi-user access, the platform seamlessly connects students, parents, teachers and administrative staff. Students benefit from features such as recorded lectures, test schedules, digital notes and real-time performance updates. Parents receive timely notifications on attendance, academic progress and key communication. Faculty teams leverage the platform to plan lessons and track student progress. This ecosystem ensures that all stakeholders stay informed, engaged and connected in real time.

01

Onboarding through digital modules

New hires were onboarded using standardised digital modules, ensuring consistent training across all locations. These modules streamlined the orientation process for non-teaching staff by covering essential operational workflows, introducing internal systems and facilitating a smoother, more informed transition into their roles.



03

Digitising support functions

Beyond academic platforms, efforts were made to streamline backend operations through targeted digital tools. A complaint redressal system was implemented to manage housekeeping and maintenance issues more efficiently, significantly reducing turnaround times at the branch level.

02

Pilot tools for future rollout

Additional tools for academic scheduling, branch-level task tracking and feedback collection were piloted during the year. These systems are currently being evaluated for wider implementation based on their performance and feedback.

04

Smart integrations for operational efficiency

A major advancement this year was the integration of Arihant Edge with our accounting platform, Tally ERP. This integration between academic and financial data enabled real-time tracking of fee payments, automated payroll updates and improved audit readiness. The result was reduced data duplication, accelerated record reconciliation and enhanced overall data accuracy.



Awards and accolades



Our leadership team

Board of Directors

Mr. Anil Suresh Kapasi

Managing Director

Mr. Umesh Anand Pangam

Chairman & Whole - Time Director

Mr. Manish Khodidas Desai

Non-Executive Independent Director

Ms. Kirti Umesh Pangam

Non-Executive Director

Mr. Himanshu Rajanikant Mody

Non-Executive Independent Director

Mr. Chintan Sureshbhai Shah

Non-Executive Independent Director

Key Managerial Personnel

Mr. Shirish Pandurang Kumbhar

Chief Financial Officer

Ms. Garima Shrivastava

Company Secretary & Compliance Officer

Statutory Auditors

M/s G. P. Kapadia and Co.,
Chartered Accountants, Firm
Registration No. 104768W

Secretarial Auditors

M/s. Dilip Swarnkar & Associates,
Company Secretary

Internal Auditor

M/s. Shailesh Kamdar & Co., Chartered
Accountants, (Firm Reg. No 117899W)

Registered Office

Ground Floor, Triveni Sadan, Opp.
Ambe Mata Temple Carter Road No. 3,
Borivali (East) Mumbai MH 400066

Registrar & Share Transfer Agent

Bigshare Services Pvt Ltd Pinnacle
Business Park, Office No S6-2, 6th,
Mahakali Caves Rd, next to Ahura
Centre, Andheri East, Mumbai,
Maharashtra 400093

Contact Us

Investors Email-Id: investors@
arihantacademy.com

Website:

www.arihantacademy.com

Corporate Identification No.

L80903MH2007PLC175500

18th Annual General Meeting

Date: 11th September, 2025

Day: Thursday

Venue: Ground Floor, Triveni
Sadan, Opp. Ambe Mata Temple
Carter Road No. 3, Borivali
(East) Mumbai 400066

Notice of Annual General Meeting

Notice is hereby given that the 18th Annual General Meeting of the Members of Arihant Academy Limited ("Company") Will be held on Thursday, 11th September, 2025 at 11:00 AM at Ground Floor, Triveni Sadan, Opp. Ambe Mata Temple Carter Road No. 3, Borivali (East) Mumbai 400066 to transact the following business:

ORDINARY BUSINESS:

1. ADOPTION OF AUDITED FINANCIAL STATEMENTS OF COMPANY

To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon.

2. APPOINTMENT OF MS. KIRTI UMESH PANGAM (DIN 09742752) AS NON-EXECUTIVE DIRECTOR, LIABLE TO RETIRE BY ROTATION:

To appoint a Director in place of Ms. Kirti Umesh Pangam (DIN 09742752) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, seeks re-appointment.

"RESOLVED THAT pursuant to the provisions of section 152 of the Companies Act, 2013, Ms. Kirti Umesh Pangam (DIN 09742752) who retires by rotation and being eligible offers herself for reappointment, be and is hereby re-appointed as a Non-Executive Director of the Company.

3. DECLARATION OF FINAL DIVIDEND OF RS. 1.00/- PER EQUITY SHARE (10%) FOR THE FINANCIAL YEAR 2024-25:

To declare final dividend of ₹ 1.00/- per equity share (10%) for the financial year ended on 31st March, 2025.

SPECIAL BUSINESS:

4. APPROVE THE APPOINTMENT OF M/S DILIP SWARNKAR & ASSOCIATES, PRACTICING COMPANY SECRETARIES AS SECRETARIAL AUDITOR OF THE COMPANY FROM FINANCIAL YEAR 2025-26 TO 2029 - 30 FOR A PERIOD OF FIVE YEARS:

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

"RESOLVED THAT pursuant to the provisions of Section 204 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014, [including any statutory modification(s) or re-enactment(s) thereof, for the time being in force], and Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, and based on the recommendation of the Audit Committee and the approval of the Board of Directors of the Company, consent of the Company be and is hereby accorded for

appointment of Dilip Swarnkar And Associates Company Secretaries (Membership no. 47600 and CP no. 26253), as the Secretarial Auditor of the Company for a period of five (5) consecutive years, commencing on April 1, 2025, until March 31, 2030, to conduct Secretarial Audit of the Company and to furnish the Secretarial Audit Report

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorized to fix the annual remuneration plus applicable taxes and out-of pocket expenses payable to them during their tenure as the Secretarial Auditors of the Company, as determined by the Audit Committee in consultation with the said Secretarial Auditors.

RESOLVED FURTHER THAT the Board of Directors be and are hereby authorized to take such steps and do all such acts, deeds, matters, and things as may be considered necessary, proper, and expedient to give effect to this Resolution."

By Order of the Board of Directors
For **Arihant Academy Limited**

Sd/-

Anil Suresh Kapasi

Managing Director
DIN: 03524165

Date: 11th August, 2025
Place: Mumbai

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

A person can act as a Proxy on behalf of Members not exceeding fifty (50) and holding in aggregate not more than ten percent (10%) of the total share capital of the Company. A Member holding more than ten percent (10%) of the total share capital of the Company may appoint a single person as Proxy and such Proxy shall not act as a Proxy for any other Member.

The Proxy form is annexed with this Notice. The instrument appointing the Proxy, in order to be effective, should be deposited at the Registered Office of the Company, duly completed, stamped and signed, not less than 48 hours before the commencement of the Meeting.

Corporate Members intending to send their authorized representatives to attend the Annual General Meeting ("the Meeting") are requested to send to the Company a certified true copy of the Board Resolution authorizing their representatives to attend and vote on their behalf at the Meeting.

During the period beginning 24 hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting, a Member is entitled to inspect the Proxies lodged, at any time during the business hours of the Company, provided that not less than 3 days of notice in writing is given to the Company by such Member.

2. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
3. The Members/Proxies are requested to bring the attendance slip duly filled in for attending the Meeting.
4. The Register of Directors and Key Managerial Personnel and their Shareholding, the Register of Contracts or Arrangements in which Directors are interested will be available for inspection at the Meeting.
5. All the documents referred to in the Notice are annexed thereto including the Annual Report for the financial year 2024-25 and Notice of the 18th Annual General Meeting are open for inspection by the Members, without any fees, at the Registered Office of the Company at Ground Floor, Triveni Sadan, Opp. Ambe Mata Temple Carter Road No. 3, Borivali (East) Mumbai 400066 between 11.00 a.m. and 01.00 p.m. on all working days except Saturday and Sunday up to the date of the Meeting and the same shall also be made available for inspection by Members at the Meeting.

Members holding shares in physical form are requested to approach, Bigshare Services Private Limited the Registrar and Share Transfer Agents of the Company situated at Pinnacle Business Park, Office No S6-2, 6th, Mahakali Caves Rd, next to Ahura Centre, Andheri East, Mumbai, Maharashtra 400093 for:

- (a) intimating any change in their address and/or bank mandate;
- (b) submitting requests for transfer, transmission, name change, split, consolidation, etc.;
- (c) nominating any person to whom the shares shall vest in the event of death;
- (d) updating/registering their e-mail address for correspondence; and
- (e) any other queries with respect to shares held by them.

6. Members holding shares in electronic form are hereby informed that the Company or its Registrar cannot act on any request received directly from them for any change of address and/or bank mandate or change in e-mail address. Such changes are to be intimated only to the Depository Participants of the Members.
7. Details of Directors retiring by rotation at the ensuing Meeting are provided in the explanatory statement annexed to the Notice pursuant to the provisions of (i) Regulation 36(3) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standard on General Meetings (SS-2), issued by the Institute of Company Secretaries of India, forms integral part of the notice.
8. Members who have not registered their e-mail address for receiving all communications including Annual Report, Notices and Circulars, etc. from the Company electronically, are requested to register the same with their Depository Participants (for shares held in electronic form) and with Bigshare Services Private Limited, the Registrar and Share Transfer Agents of the Company (for shares held in physical form). Members, who have registered their e-mail address, are also entitled to receive such communication in physical form, upon request.
9. Payment of Dividend as recommended by the Directors, if approved at the meeting, will be made to those members whose names are on the Company's Register of Members on Thursday, 04th September, 2025 and those whose names appear as Beneficial Owner (in case shares in held in Demat) as at the close of the business hours on Thursday, 04th September, 2025 as per the details to be furnished by the Depositories, viz. National Securities Depository Limited and Central Depository Services (India) Limited for this purpose.

10. Pursuant to Finance Act 2020, dividend income will be taxable in the hands of shareholders w.e.f. 1st April, 2020 and the Company is required to deduct tax at source from dividend paid to shareholders at the prescribed rates. For the prescribed rates for various categories, the shareholders are requested to refer to the Finance Act, 2020 and amendments thereof. The shareholders are requested to update their PAN with the Company/ Link intime Private Limited (in case of shares held in physical mode) and depositories (in case of shares held in demat mode).

A Resident individual shareholder with PAN and who is not liable to pay income tax can submit a yearly declaration in Form No. 15G/15H, to avail the benefit of non-deduction of tax at source by email to investors@arihantacademy.com and tds@bigshareonline.com. Shareholders are requested to note that in case their PAN is not registered, the tax will be deducted at a higher rate of 20%.

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other document which may be required to avail the tax treaty benefits by sending an email to the RTA / Company.

Link for uploading forms/documents 15G, 15H and 10F – Click here fill in the details and upload the required documents and submit.

11. The Board of Director has appointed M/s Dilip Swarnkar & Associates, Practicing Company Secretaries as scrutinizer for the Annual General Meeting of the Company.
12. Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 states that the e-voting facility shall be provided to shareholders in compliance with the conditions specified under Companies (Management and Administration) Rules, 2014, or amendments thereto. However, the Company, being listed on the EMERGE platform of NSE, has been exempted from complying with e-voting requirements vide MCA Notification dated 19th March, 2015 by amendment in Rule 20 of the Companies (Management and Administration) Rules, 2014. Hence pursuant to the notification, the e-voting facility has not been provided.
13. The Annual Report for the financial year 2024-25 and Notice of the 18th Annual General Meeting, inter- alia, indicating the process and manner of voting along with Attendance Slip and Proxy Form are being sent in electronic mode to all the Members holding shares in dematerialized form and having their e-mail address registered with their Depository Participants and such other Members who have positively consented in writing to receive the same by electronic mode. Members, who have received the above documents in electronic mode, are entitled to receive the same, free of cost, in physical form, upon making a request in this regard to Bigshare Services Private Limited, the Registrar and Share Transfer Agents

of the Company or to the Company. The abovementioned documents are also available for download on the Company's website i.e. www.arihantacademy.com and on the websites of the Stock Exchanges i.e. NSE Limited at www.nseindia.com

14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participant(s). Members holding shares in physical form are required to submit their PAN details to the Company.
15. Only bonafide members of the Company whose names appear on the Register of Members/Register of Beneficial Owners/Proxy holders, in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves its right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.

Explanatory statement pursuant to the provisions of Section 102 of the Companies Act, 2013 and other applicable provisions:

Agenda No. 4:

In accordance with the provisions of Section 204 and other applicable provisions of the Companies Act, 2013, read with Rule 9 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) ('the Act'), every listed company and certain other prescribed categories of companies are required to annex a Secretarial Audit Report, issued by a Practicing Company Secretary, to their Board's report, prepared under Section 134(3) of the Act.

Furthermore, pursuant to recent amendments to Regulation 24A of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI Listing Regulations'), a listed entity must appoint a Secretarial Audit firm for a maximum of two terms of five consecutive years, with shareholders' approval to be obtained at the Annual General Meeting.

Accordingly, based on the recommendation of the Audit Committee, the Board of Directors at its meeting held on May 29, 2025, has approved the appointment of M/s. Dilip Swarnkar & Associates, Company Secretaries, (Membership No. 47600 and CP No. 26253) as the Secretarial Auditors of the Company for a period of five (5) consecutive years, commencing from April 1, 2025 to March 31, 2030 subject to approval of the Members at the Annual General Meeting.

Furthermore, in terms of the amended regulations, M/s Dilip Swarnkar & Associates, has provided a confirmation that they have subjected themselves to the peer review process of the Institute of Company Secretaries of India and hold a valid peer review certificate. M/s Dilip Swarnkar & Associates has

confirmed that they are not disqualified from being appointed as Secretarial Auditors and that they have no conflict of interest. M/s Dilip Swarnkar & Associates has further furnished a declaration that they have not taken up any prohibited non secretarial audit assignments for the Company, its holding and subsidiary companies.

While recommending M/s Dilip Swarnkar & Associates for appointment, the Board and the Audit Committee evaluated various factors, including the firm's capability to handle a diverse and complex business environment, its existing experience in the Company's business segments, its industry standing, the clientele it serves, and its technical expertise. M/s Dilip Swarnkar & Associates was found to be well-equipped to manage the scale, diversity, and complexity associated with the Secretarial Audit of the Company.

M/s Dilip Swarnkar & Associates is a peer reviewed and well-established firm of Practicing Company Secretaries, registered with the Institute of Company Secretaries of India, Mumbai. The firm is led by experienced team members, all of whom are distinguished professionals in the field of corporate governance and compliance. Their collective expertise spans corporate advisory and Secretarial Compliances. The firm also

has good team with strong professional credentials who align with its core values of character, competence, and commitment. M/s Dilip Swarnkar & Associates specializes in compliance audit and assurance services, advisory and corporate compliances.

The terms and conditions of the appointment of M/s Dilip Swarnkar & Associates include a tenure of five (5) consecutive years, commencing from April 1, 2025 upto March 31, 2030 at a remuneration as may be mutually agreed between the Board and the Secretarial Auditors for subsequent years.

M/s Dilip Swarnkar & Associates has provided its consent to act as the Secretarial Auditors of the Company and has confirmed that the proposed appointment, if made, will be in compliance with the provisions of the Act and the SEBI Listing Regulations. Accordingly, approval of the shareholders is sought for appointment of M/s Dilip Swarnkar & Associates as the Secretarial Auditors of the Company.

The Board recommends the Ordinary Resolution set out at Item No. 4 of the accompanying Notice for approval by the Members.

None of the Directors, Key Managerial Personnel or their relatives are, in any way, concerned or interested, financially or otherwise, in the said Resolution.

Form No. MGT-11

Proxy Form

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L80903MH2007PLC175500

Name of the Company: ARIHANT ACADEMY LIMITED

Registered Office: Ground Floor, Triveni Sadan, Opp. Ambe Mata Temple Carter Road No. 3, Borivali (East) Mumbai 400066.

E-mail Id:

Folio No./Client Id:

DP. Id:

I/We, being the Member(s) of.....Shares of the above-named Company, hereby appoint

1.

Name:

Address:

E-mail Id:

Signature, or failing him

2.

Name:

Address:

E-mail Id:

Signature, or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 18th Annual General Meeting of the Company, to be held on Thursday, 11th September, 2025, at Ground Floor, Triveni Sadan, Opp. Ambe Mata Temple Carter Road No. 3, Borivali (East) Mumbai 400066 at 11:00 AM and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.

1. To receive, consider and adopt the Audited Financial Statements of the Company for the financial year ended March 31, 2025, together with the Reports of the Board of Directors and Auditors thereon.
2. To Appoint a Director in place of Ms. Kirti Umesh Pangam (DIN: 09742752) who seeks to retire by Rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible seeks Reappointment
3. Deceleration of Final Dividend of ₹ 1.00/- per Equity Share (10%) for the Financial Year 2024-25
4. Approve the appointment of M/S Dilip Swarnkar & Associates, Practicing Company Secretaries as secretarial auditor of the Company from financial year 2025-26 to 2029 – 30 for a period of five years.

Signed this 11th August, 2025

Signature of shareholder Signature of Proxy holders(s)

Affix
Revenue
Stamp

Notes:

- 1) This Form of the proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
- 2) A proxy need not be a member of the Company.
- 3) A person can act as a proxy on behalf of the members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company carry voting rights.
- 4) If a member holding more than 10% of the total share capital carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other member.
- 5) In case of Joint holder, the vote of the senior who tender as vote, whether in person or by proxy, shall be accepted to the exclusion to the vote of other joint holders. Seniority shall be determined by the order in which the name stand in the register of members.
- 6) The submission by a member of this form of proxy will not preclude such member from attending in person and voting at the Meeting.
- 7) This is optional please put a tick mark () in appropriate column against the resolution indicated above. In case of members wishes his/her vote to be used differently, he/she should indicate the number of shares under the columns "For", "Against". In case the members leave the column(s) blank, the proxy will be entitled to vote in the manner he/she thinks appropriate.
- 8) An instrument of Proxy duly filled, stamped and signed, is valid only for the Meeting to which it relates including any adjournment thereof.
- 9) An instrument of Proxy is valid only if it is properly stamped. Unstamped or inadequately stamped Proxies or Proxies upon which the stamps have not been cancelled are invalid.
- 10) The Proxy-holder should prove his identity at the time of attending the meeting.
- 11) An authorised representative of a body corporate or of the President of India or of the Governor of a State, holding shares in a company, may appoint a Proxy under his signature.
- 12) A proxy form which does not state the name of the Proxy should not be considered valid.
- 13) If an undated Proxy, which is otherwise complete in all respects, is lodged within the prescribed time limit, it should be considered valid.
- 14) If a Company receives multiple Proxies for the same holdings of a member, the proxy which is dated last is considered valid; if they are not dated or bear the same date without specific mention of time, all such multiple Proxies should be treated as invalid.
- 15) If a Proxy had been appointed for the original Meeting and such Meeting is adjourned, any Proxy given for the adjourned Meeting revokes the Proxy given for the original Meeting.
- 16) A Proxy later in date revokes any Proxy/Proxies dated prior to such Proxy.
- 17) A Proxy is valid until written notice of revocation has been received by the company before the commencement of the Meeting or adjourned Meeting, as the case may be. A Proxy need not be informed of the revocation of the Proxy issued by the Member. Even an undated letter of revocation of Proxy should be accepted. Unless the Articles provide otherwise, a notice of revocation should be signed by the same person who had signed the Proxy.
- 18) Requisitions, if any, for inspection of Proxies should be received in writing from a Member at least three days before the commencement of the Meeting.
- 19) Proxies should be made available for inspection during the period beginning twenty-four hours before the time fixed for the commencement of the Meeting and ending with the conclusion of the Meeting.

Attendance Slip

To be surrendered at the time of entry

Folio No. / Client ID:

No. of Shares:

Name of Member/Proxy:

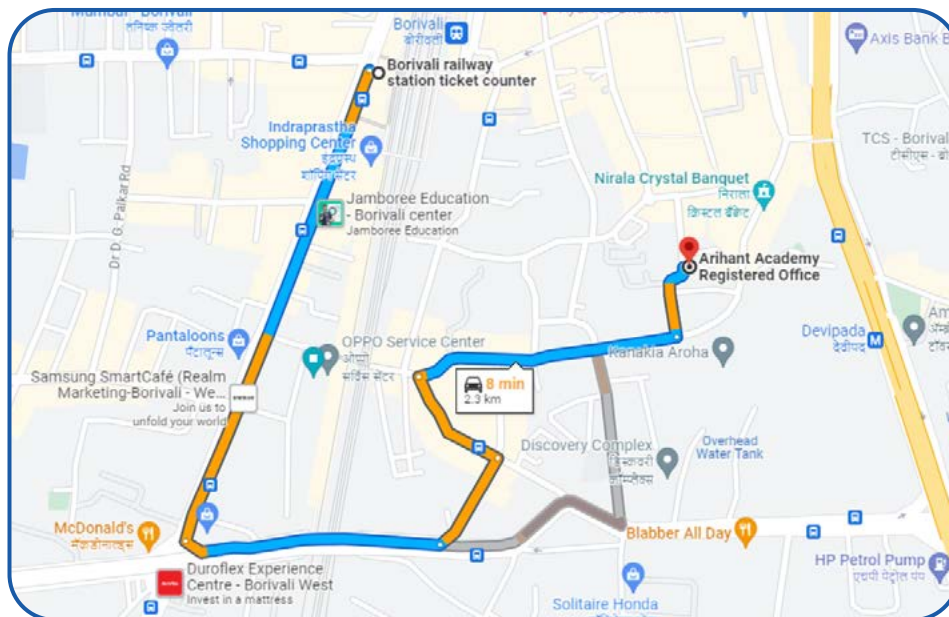
I hereby record my presence at the 18th Annual General Meeting of the Company on 11th September, 2025, at Ground Floor, Triveni Sadan, Opp. Ambe Mata Temple Carter Road No. 3, Borivali (East) Mumbai 400066 at 11:00 A.M.

Member's/Proxy's Signature

Notes:

1. Please refer to the instructions printed under the Notes to the Notice of the 18th Annual General Meeting.
2. Shareholders/Proxy holders are requested to bring the attendance Slip with them when they come to the meeting.
3. No attendance slip will be issued at the time of meeting.
4. Shareholders who come to attend the meeting are requested to bring their copies of the Annual Report with them, as spare copies will not be available at the meeting.

ROUTE MAP TO THE VENUE OF THE 18TH ANNUAL GENERAL MEETING ON 11th SEPTEMBER, 2025, 2025 AT 11.00 A.M.



Annexure – A

The relevant details of Directors who is proposed to be re-appointed Directors of the Company, as required under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SS-2 issued by the Company Secretaries of India are as under;

| PARTICULARS | KIRTI UMESH PANGAM (DIN 09742752) |
|--|--|
| Brief Resume of Director | Kirti Umesh Pangam, aged 45 years, is the Non-Executive Director of our Company. She is qualified as a Double Post Graduate in Language and Literature. She has 14 years of experience in the field of education, and a year of experience as Head of Department of History of a premier school in Mumbai. Being well-versed on the new methodologies required to operate schools, she is a consultant, trainer, and advisor to many schools. She is recognized by many reputed organizations like Education World, Digital India etc. as a reputed class educational leader. She is an English and Social Studies teacher with an outstanding track record of teaching students of higher secondary board. She is skilled in integrating relevant technology to support classroom instruction and learning activities. She has hands-on experience in developing curriculum to accommodate different learning styles and maximising students' comprehension. She has developed a high sense of creating positive environment for students. She is a quick learner with exposure to cross-culture work environments. |
| Current Position | Non-Executive Director (Liable to retire by rotation) |
| Age | 45 Years |
| Qualification & Experience | She is qualified as a Double Post Graduate in Language and Literature. She has 14 years of experience in the field of education, and a year of experience as Head of Department of History of a premier school in Mumbai |
| Expertise in Specific functional areas | She is skilled in integrating relevant technology to support classroom instruction and learning activities. She has hands-on experience in developing curriculum to accommodate different learning styles and maximising students' comprehension. She has developed a high sense of creating positive environment for students. She is a quick learner with exposure to cross-culture work environments. |
| Date of first Appointment | 24/09/2022 |
| Terms and Conditions of Appointment | Appointed as Non-Executive Director w.e.f. September 24, 2022 and liable to retire by rotation. |
| Number of Board Meetings attended during the year | 2 Board Meetings |
| Shareholding in the Company | 3.36 % (As on March 31, 2025) |
| Relationship with Other Directors | Wife of Whole Time Director, Mr. Umesh Anand Pangam |
| Other Directorships | NA |
| Memberships / Chairmanship of Committees | Nomination and Remuneration Committee - Member Stakeholders Relationship Committee - Member |
| Listed Entity from which he has resigned in the past three years | NA |

Board's Report

To,
The Members,
Arihant Academy Limited

The Board of Directors of the Company have great pleasure in presenting the 18th Board's Report of the Company together with Audited Financial Results for the year ended March 31, 2025. This report states compliance as per the requirements of the Companies Act, 2013 ("the Act"), the Secretarial Standards, the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other rules and regulations as applicable to the Company.

1. FINANCIAL PERFORMANCE:

The highlight of the financial performance of the Company for the year ended March 31, 2025 is summarized as follows:

| (Amount in lakhs) (Standalone) | | |
|---|----------------|-----------------|
| Particulars | FY 2024-25 | FY 2023-24 |
| Revenue from Operations | 4055.71 | 3,032.35 |
| Other Income | 202.10 | 123.11 |
| Total Income | 4257.81 | 3,155.46 |
| Employee Benefit Expenses | 746.22 | 642.92 |
| Financial Cost | 2.60 | 0.82 |
| Depreciation and amortisation expenses | 187.16 | 135.84 |
| Other Expenses | 2750.93 | 2,196.67 |
| Total Expenses | 3686.91 | 2,976.25 |
| Profit/(Loss) before Tax | 570.90 | 179.21 |
| Less: Exceptional items | - | - |
| Profit/(Loss) before Tax | 570.90 | 179.21 |
| Provision for Taxation (Net) | 126.39 | 24.41 |
| Profit/(Loss) after tax | 444.51 | 154.80 |
| Other Comprehensive income for the financial year | - | - |
| Total Comprehensive income/(loss) for the financial year | - | - |
| Earnings per Equity Share (₹) - Face value of 10/- each | 7.34 | 2.56 |

| (Amount in lakhs) (Consolidated) | |
|---|----------------|
| Particulars | FY 2024-25 |
| Revenue from Operations | 4055.71 |
| Other Income | 196.08 |
| Total Income | 4257.79 |
| Employee Benefit Expenses | 746.22 |
| Financial Cost | 2.60 |
| Depreciation and amortisation expenses | 187.16 |
| Other Expenses | 2750.93 |
| Total Expenses | 3686.91 |
| Profit/(Loss) before Tax | 564.88 |
| Less: Exceptional items | - |
| Profit/(Loss) before Tax | 564.88 |
| Provision for Taxation (Net) | 126.39 |
| Add: Share of Profit or Loss from Associate | 6.02 |
| Profit/(Loss) after tax | 444.51 |
| Other Comprehensive income for the financial year | - |
| Total Comprehensive income/(loss) for the financial year | - |
| Earnings per Equity Share (₹) - Face value of 10/- each | 7.34 |

2. BUSINESS AND FINANCIAL PERFORMANCE OVERVIEW:

BUSINESS OVERVIEW

With the motto of building the nation through education, your Company is constantly contributing in the field of

education across age groups, all the while maintaining its core values of integrity, ownership, leadership, trust and continuous learning. We believe that every child has a unique and infinite potential and we are committed to help children realise their capabilities.

FINANCIAL PERFORMANCE OVERVIEW

During the year under review, the Company has earned a total standalone revenue of ₹ **4257.81 Lakhs** for the year ended March 31, 2025 as against ₹ 3155.46 Lakhs in the previous financial year.

The Company has recorded a standalone profit (PBT) of ₹ **570.90 Lakhs** for the year ended March 31, 2025 as compared to ₹ 179.21 Lakhs in the previous financial year.

The Company has recorded a standalone Profit/ (Loss) after Tax (PAT) for the year ended March 31, 2025 stood at ₹ **444.51 Lakhs** as compared to ₹ 154.80 Lakhs in the previous financial year.

During the year under review, the Company has earned a total consolidated revenue of ₹ **4257.81 Lakhs** for the year ended March 31, 2025.

The Company has recorded a consolidated profit (PBT) of ₹ **564.88 Lakhs** for the year ended March 31, 2025.

The Company has recorded a consolidated Profit/ (Loss) after Tax (PAT) of ₹ **444.51 Lakhs** for the year ended March 31, 2025.

3. DIVIDEND/ TRANSFER TO RESERVES:

The Board of directors of the company recommended Dividend @10% (₹ 1/- per equity share) for the financial year 2024-25.

In Financial year 2024-25 the reserve maintained with the Company is ₹ 1898.62 lakhs while in the year 2023-24 reserve was ₹ 1,514.66 Lakhs.

Your Company has not transferred the profits for year ended March 31, 2025 to Reserves and Surplus.

4. MATERIAL CHANGES AND COMMITMENTS BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENT RELATE AND THE DATE OF THIS REPORT:

The board of directors of the Company recommended dividend @ 10% (₹ 1/- per equity share) for the financial

year 2024-25 subject to approval of shareholders at the ensuing Annual General Meeting of the company.

5. DEPOSITS:

The Company has neither accepted nor renewed any deposits falling within the purview of Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules 2014 as amended from time to time, during the year under review.

6. CHANGE IN THE NATURE OF BUSINESS:

There has been no change in the Business of the Company during the financial year ended March 31, 2025.

7. CAPITAL STRUCTURE:

AUTHORIZED SHARE CAPITAL

The Authorized Share Capital of the Company as on March 31, 2025 was ₹ 10,00,00,000/- (Rupees Ten Crore) divided into 10,000,000 shares of ₹ 10/- each.

ISSUED AND PAID-UP CAPITAL

The paid-up Equity Share Capital as on March 31, 2025 was ₹ 6,05,52,000/- (Rupees Six Crore Five Lakhs Fifty-Two Thousand Only) divided into 60,55,200 Shares of ₹ 10/- each.

CHANGES IN SHARE CAPITAL: There is no change in share capital of Company during the financial year.

8. DISCLOSURES RELATING TO HOLDING, SUBSIDIARY, ASSOCIATE COMPANY AND JOINT VENTURES:

On 24th October, 2024, the company has acquired 25.50% stake in "Zen Education and Learning Partnership Firm, hence the entity has become as associate company of "Arihant Academy Limited"

Further except above, As on March 31, 2025 the Company has no holding, Subsidiary, Associate Company and Joint Ventures.

9. DIRECTORS & KEY MANAGERIAL PERSONNEL:

The composition of Board of Directors and Key Managerial Personnel (KMP) of the Company as on March 31, 2025 were as follows:

| Sr. No. | Name of Director | Designation | Appointment/ Resignation | Date of Appointment/ Cessation/ Change in Designation |
|---------|--------------------------|-------------------------------------|--------------------------|---|
| 1. | Anil Suresh Kapasi | Managing Director | No Change | 25/09/2022 |
| 2. | Umesh Anand Pangam | Whole-Time Director | No Change | 25/09/2022 |
| 3. | Kirti Umesh Pangam | Non-Executive Director | No Change | 24/09/2022 |
| 4. | *Harsh Anil Kapasi | Non-Executive Director | No Change | 24/09/2022 |
| 5. | Himanshu Rajanikant Mody | Non-Executive, Independent Director | No Change | 25/09/2022 |

| Sr. No. | Name of Director | Designation | Appointment/Resignation | Date of Appointment/Cessation/ Change in Designation |
|---------|---------------------------|--|-------------------------|--|
| 6. | Chintan Sureshbhai Shah | Non-Executive, Independent Director | No Change | 25/09/2022 |
| 7. | Manish Khodidas Desai | Non-Executive, Independent Director | No Change | 25/09/2022 |
| 8. | Shirish Pandurang Kumbhar | Chief Financial Officer | No Change | 23/08/2022 |
| 9. | Garima Shrivastava | Company Secretary & Compliance Officer | No Change | 11/10/2023 |

*Resigned from the post of Non-Executive Director w.e.f. June 04, 2025.

10. STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

Pursuant to the provisions of sub-section (7) of Section 149 of the Companies Act, 2013, the Company has received individual declarations from all the Independent Directors confirming that they fulfil the criteria of Independence as specified in Section 149(6) of the Companies Act, 2013.

The Independent Director have complied with the Code of Conduct for Independent Directors prescribed in Schedule IV of the Act. In view of the available time limit, those Independent Director who are required to undertake the online proficiency self-assessment test as contemplated under Rule 6(4) of the Companies (Appointment and Qualification of Directors) Rules, 2014, had committed to perform the test within time limit stipulated under the act. All the Independent directors have completed the online proficiency self-assessment test as per the prescribed time. The Company has received declarations from all Independent Directors of the Company confirming that they continue to meet the criteria of Independence as prescribed under Section 149 of the Companies Act 2013.

11. BOARD AND COMMITTEE MEETING:

Number of Board Meetings

The Board of Directors met 7 times during the financial year ended March 31, 2025 on 28-05-2024, 14-08-2024, 12-09-2024, 19-10-2024, 12-11-2024, 28-12-2024, 08-02-2025 in accordance with the provisions of the Companies Act, 2013 and rules made there under. The intervening gap between two Board Meeting was within the period prescribed under the Companies Act, 2013 and as per Secretarial Standard-1. The prescribed quorum was presented for all the Meetings and Directors of the Company actively participated in the meetings and contributed valuable inputs on the matters brought before the Board of Directors from time to time.

12. COMMITTEES OF THE BOARD:

The Company has three committees viz; Audit Committee, Nomination and Remuneration Committee, Stakeholders Relationship Committee which has been established as a part of the better Corporate Governance practices and

is in compliance with the requirements of the relevant provisions of applicable laws and statutes.

I. Audit Committee:

The Audit Committee of the Company is constituted under the provisions of section 177 of the Companies Act, 2013.

Composition of the Committee:

| Sr. No. | Name | Designation |
|---------|-----------------------------|-------------|
| 1. | Mr. Manish Khodidas Desai | Chairman |
| 2. | Mr. Chintan Sureshbhai Shah | Member |
| 3. | Mr. Anil Suresh Kapasi | Member |

All the recommendation made by the Audit Committee in the financial year 2024-25 was approved by the Board.

Meeting of Audit Committee and Relevant Quorum:

The Audit Committee shall meet at least four times in a year and not more than one hundred and twenty days shall elapse between two meetings. The quorum for Audit Committee meeting shall either be two members or one third of the members of the Audit Committee, whichever is greater, with at least two Independent Directors.

The Chairman of the Committee must attend the Annual General Meetings of the Company to provide clarifications on matters relating to the audit.

During the year under review, the Company held 6 (Six) Audit Committee meetings.

The Company Secretary acts as the secretary to the Committee.

II. Nomination & Remuneration Committee:

The Nomination & Remuneration Committee of the Company is constituted under the provisions of section 177 of the Companies Act, 2013.

Composition of the Committee:

| Sr. No. | Name | Designation |
|---------|-----------------------------|-------------|
| 1. | Mr. Chintan Sureshbhai Shah | Chairman |
| 2. | Mr. Himanshu Rajnikant Mody | Member |
| 3. | Ms. Kirti Umesh Pangam | Member |

Meeting of Nomination and Remuneration Committee and Relevant Quorum:

The quorum necessary for a meeting of the Nomination and Remuneration Committee shall be two members or one third of the members, whichever is greater. The Committee is required to meet at least once a year.

During the year under review, the Company held 1 (One) Nomination and Remuneration Committee meetings.

The Company Secretary acts as the secretary to the Committee.

III. Stakeholder Relationship Committee

The Stakeholder Relationship Committee of the Company is constituted under the provisions of section 177 of the Companies Act, 2013.

Composition of the Committee:

| Sr. No. | Name | Designation |
|---------|-----------------------------|-------------|
| 1. | Mr. Himanshu Rajnikant Mody | Chairman |
| 2. | Mr. Manish Khodidas Desai | Member |
| 3. | Ms. Kirti Umesh Pangam | Member |

Meeting of Stakeholder's Relationship Committee and Relevant Quorum:

The Stakeholder's Relationship Committee shall meet once in a year. The quorum for a meeting of the Stakeholder's Relationship Committee shall be two members present.

During the year under review, the Company held 1 (one) Stakeholders Relationship Committee meeting.

The Company Secretary acts as the secretary to the Committee.

13. NOMINATION AND REMUNERATION POLICY:

The Company believes that building a diverse and inclusive culture is integral to its success. A diverse Board, among others, will enhance the quality of decisions by utilizing different skills, qualifications, professional experience and

knowledge of the Board members necessary for achieving sustainable and balanced development. In terms of SEBI Listing Regulations and Act, the Company has in place Nomination & Remuneration Policy.

The said policy of the Company, inter alia, provides that the Nomination and Remuneration Committee shall formulate the criteria for appointment of Executive, Non-Executive and Independent Directors on the Board of Directors of the Company and persons in the Senior Management of the Company, their remuneration including determination of qualifications, positive attributes, independence of directors and other matters as provided under sub-section (3) of Section 178 of the Act (including any statutory modification(s) or re-enactment(s) thereof for the time being in force). The Policy also lays down broad guidelines for evaluation of performance of Board as a whole, Committees of the Board, Individual Directors including the Chairperson and the Independent Directors. The aforesaid Nomination and Remuneration Policy has been uploaded on the website of your Company www.arihantacademy.com

14. CORPORATE GOVERNANCE REPORT:

Since the Company is listed on EMERGE platform of National Stock Exchange of India Ltd., the provisions of Corporate Governance are not applicable on the Company.

15. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:

The Board members are provided with necessary documents/ brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices, the website link is www.arihantacademy.com

16. ANNUAL EVALUATION:

Pursuant to the provisions of the Companies Act and the SEBI Listing Regulations, a structured questionnaire was prepared for evaluating the performance of Board, its Committees and Individual Director including Independent Directors. The questionnaires were prepared after taking into consideration the various facets related to working of Board, its committee and roles and responsibilities of Director. The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors including Independent Directors on the basis of the criteria and framework adopted by the Board. Further, the performance of Board as a whole and committees were evaluated by the Board after seeking inputs from all the Directors on the basis of various criteria. The Board of Directors expressed their satisfaction with the evaluation process. In a separate meeting of Independent Directors, the performance of Non-Independent Directors, performance of Board as a whole and performance of the Chairman was evaluated, taking into account the views of the Executive Directors and Non-Executive Directors.

17. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:

CSR provides an opportunity to the Companies to effectively align its values and strategy for the benefits of the society, by contributing to the social, economic and environmental development of the society at large.

The provisions of Section 135 of the Companies Act, 2013 read with Companies (Corporate Social Responsibility Policy) Rules, 2014 are applicable to the Company on the basis latest Audited financial Result as on 31st March, 2025. Hence the Company is required to adopt the CSR Policy or constitute CSR Committee in the financial year 2024-25.

Since the Board of Directors in their meeting held on 11th August, 2025, has constituted the Corporate Social Responsibility Committee of the Company as per the above provisions of the Companies Act, 2013. The composition of Committee is as follow:

| Sr. No. | Name | Designation |
|---------|---------------------------|-------------|
| 1. | Mr. Manish Khodidas Desai | Chairman |
| 2. | Mr. Anil Suresh Kapasi | Member |
| 3. | Mr. Umesh Anand Pangam | Member |

Further the Board of directors has also approved the CSR policy formulated in accordance with the Act (as amended from time to time), guides the Company to serve the society.

The CSR policy may be accessed under the Investor section on the website of the Company at link www.arihantacademy.com/corporate-policies/

Since the Provisions of Section 135 of Companies Act, 2013 applicable on the basis of latest Audited financial Result as on 31st March, 2025, the Company will comply all the compliances and spent the required amount in CSR activities from F.Y. 2025-26. Further the Annual Report on CSR activities forming part of this Report is attached as **Annexure – E**.

18. VIGIL MECHANISM FOR THE DIRECTORS AND EMPLOYEES:

The Company has established a vigil mechanism, through a Whistle Blower Policy, where Directors and employees can voice their genuine concerns or grievances about any unethical or unacceptable business practice. A whistle-blowing mechanism not only helps the Company in detection of fraud, but is also used as a corporate governance tool leading to prevention and deterrence of misconduct.

It provides direct access to the employees of the Company to approach the Compliance Officer or the Chairman of the Audit Committee, where necessary. The Company

ensures that genuine Whistle Blowers are accorded complete protection from any kind of unfair treatment or victimization. The Whistle Blower Policy is disclosed on the website of the Company at www.arihantacademy.com

19. RISK MANAGEMENT:

The Board of the Company has evaluated a risk management to monitor the risk management plan for the Company. The Audit Committee has additional oversight in the area of financial risk and controls. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on continuing basis.

20. PARTICULARS OF LOANS, GURANTEES OR INVESTMENTS UNDER SECTION 186:

The details of loans, guarantees or investments covered under Section 186 of the Companies Act, 2013 are given in the Note to the Financial Statements.

21. MATERIAL ORDERS OF JUDICIAL BODIES/ REGULATORS

No order, whether significant and/or material has been passed by any regulators, courts, tribunals impacting the going concern status and Company's operations in future.

22. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES UNDER SECTION 188 OF THE ACT

All related party transactions that were entered into during the Period under review, were on arm's length basis and in the ordinary course of business. No materially significant related party transactions which required the approval of members, were entered into by the Company during the Period under review. Further, all related party transactions entered into by the Company are placed before the Audit Committee for its approval.

The particulars of the contracts or arrangements entered into by the Company with related parties as referred to in Section 134(3)(h) read with section 188(1) of the Act and rules framed thereunder, in the **Form No. AOC-2** are annexed and marked as **Annexure – A**.

23. AUDITORS:

STATUTORY AUDITORS

M/s. G. P. Kapadia and Co., Chartered Accountants (Firm Registration No. 104768W) were appointed as the statutory auditors of the Company at the 16th Annual General Meeting of the Company for a term of five consecutive years i.e. from F.Y. 2023- 24 to 2027-28, who shall hold office from the conclusion of 16th Annual General Meeting till the conclusion of the 21st Annual General Meeting to be held in the year 2028, in terms of provisions of section 139 of the Act.

Further the Statutory Auditors have submitted their Report on the Financial Statements for the financial year ended March 31, 2025, which forms part of this Report. Also, there is no qualifications, reservations or adverse remarks made by the M/s. G. P. Kapadia and Co. Statutory Auditor of Company in their Audit Report for the year under review.

SECRETARIAL AUDITORS

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board of Directors has appointed M/s. Dilip Swarnkar & Associates, Practicing Company Secretary, as Secretarial Auditors of the Company for the year 2025-26 to 2029-30 under review. The Secretarial Audit report received from the Secretarial Auditors is annexed to this report marked as **Annexure - B** and forms part of this report.

INTERNAL AUDITORS

The Board of Directors, based on the recommendation of the Audit Committee and pursuant to the provisions of section 138 of the Act read with the Companies (Accounts) Rules, 2014, has appointed M/s. Shailesh Kamdar & Co., Chartered Accountants, (Firm Reg. No 117899W) as the Internal Auditor of your Company for the year under review. The Internal Auditor conducts the internal audit of the functions and operations of the Company.

AUDITOR'S REPORT AND SECRETARIAL AUDIT REPORT

Statutory Auditor's Report: There are no qualifications, reservations or adverse remarks made by Statutory Auditors in the Auditor's report. The Statutory Auditors have not reported any incident of fraud to the Audit Committee of the Company under subsection (12) of section 143 of the Companies Act, 2013, during the year under review.

The notes on accounts referred to the Auditors' Report are self-explanatory and therefore, do not call for any further explanation.

Secretarial Auditor's Report: There are no qualifications, reservations or adverse remarks made by Statutory Auditors in the Auditor's report.

24. EXTRACTS OF ANNUAL RETURN:

In accordance with Section 92(3) and Section 134(3) (a) of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Annual Return as on March 31, 2025 is available on the Company's website www.arihantacademy.com

25. MANAGEMENT DISCUSSION & ANALYSIS REPORTS:

A detailed report on Management Discussion and Analysis (MDA) Report is included in this Report as **Annexure - C**.

26. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The provisions of Section 134(3)(m) of the Companies Act, 2013 regarding the conservation of energy, technology absorption, foreign exchange earnings and outgo are not applicable to the Company considering the nature of activities undertaken by the Company during the year under review.

27. STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014:

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is provided in this Report as **Annexure - D** which forms part of this Report.

28. HUMAN RESOURCES

The relations with the employees and associates continued to remain cordial throughout the year. The Directors of your Company wish to place on record their appreciation for the excellent team spirit and dedication displayed by the employees of the Company.

29. NON-APPLICABILITY OF THE INDIAN ACCOUNTING STANDARDS:

As per provision to regulation Rule 4(1) of the companies (Indian Accounting Standards) Rules, 2015 notified vide Notification No. G.S.R 111 (E) on 16th February, 2015, Companies whose shares are listed on NSE EMERGE as referred to in Chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009, are exempted from the compulsory requirements of adoption of IND-AS w.e.f. 1st April, 2017.

30. DISCLOSURES UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013:

The Company is committed to provide a safe and conducive work environment to its employees. There exist at the group level an Internal Complaints Committee ('ICC') constituted under The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The group is strongly opposed to sexual harassment and employees are made aware about the consequences of such acts and about the constitution of ICC. During the year under review, no complaints were filed with the Committee under the provisions of the said Act in relation to the workplace/s of the Company.

31. COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND ANNUAL GENERAL MEETINGS:

The Company has complied with Secretarial Standards issued by the Institute of Company Secretaries of India on Board meetings and Annual General Meetings.

The Directors have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.

32. MAINTENANCE OF COST RECORD:

The provisions relating to maintenance of cost records as specified by the Central Government under sub section (1) of section 148 of the Companies Act, 2013, are not applicable to the Company as on March 31, 2025.

33. ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO FINANCIAL STATEMENTS:

The Company has in place adequate Internal Financial Controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weakness in the design or operation was observed.

34. GREEN INITIATIVES

In compliance with Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Notice of the AGM along with the Annual Report 2024-25 is being sent only through electronic mode to those Members whose email addresses are registered with the Company/ Depositories. Members may note that the Notice and Annual Report 2024-25 will also be available on the Company's website www.arihantacademy.com

35. INSOLVENCY AND BANKRUPTCY CODE 2016:

No application or proceeding was initiated in respect of the Company in terms of Insolvency and Bankruptcy Code 2016.

36. THE DETAILS OF DIFFERENCE BETWEEN AMOUNT OF THE VALUATION DONE AT THE TIME OF ONE TIME SETTLEMENT AND THE VALUATION DONE WHILE TAKING LOANS FROM BANKS OR FINANCIAL INSTITUTIONS ALONG WITH THE REASONS THEREOF:

During the year under review, there were no transactions or events with respect to the one-time settlement with any bank or financial institution; hence no disclosure or reporting is required.

37. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013 ('the Act'), with respect to Directors Responsibility Statement it is hereby confirmed:

- a) The Financial Statements of the Company - comprising of the Balance Sheet as at March 31, 2025 and the Statement of Profit & Loss for the year ended as on that date March 31, 2025 have been prepared on a going concern basis following applicable accounting standards and that no material departures have been made from the same;
- b) Accounting policies selected were applied consistently and the judgments and estimates related to these financial statements have been made on a prudent and reasonable basis, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025, and, of the profits and loss of the Company for the year ended on that date;
- c) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- d) Requisite Internal Financial Controls to be followed by the Company were laid down and that such internal financial controls are adequate and operating effectively; and
- e) Proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

38. ACKNOWLEDGEMENTS:

Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your directors also Acknowledge gratefully the shareholders for their support and confidence reposed on your Company.

For and on behalf of the Board
Arihant Academy Limited

Sd/-
Umesh Anand Pangam
Whole- Time Director
DIN - 03524171

Place: Mumbai
Date: 11th August, 2025

Sd/-
Anil Suresh Kapasi
Managing Director
DIN - 03524165

Annexure – A to Board Report

Form No. AOC-2

[Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014]

1. Details of contracts or arrangements or transactions not at arm's length basis:

There were no contracts or arrangements or transactions entered into during the year ended March 31, 2025, which were not at arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis:

Except below transaction, there were no material contracts or arrangements or transactions during the financial year ended on March 31, 2025:

| Particulars | Details of Transaction |
|--|---|
| Name(s) of the related party and nature of relationship | Team Arihant Carmel Academy LLP (Mr. Anil Suresh Kapasi and Mr. Umesh Anand Pangam, Directors of Company, are designated Partners of LLP) |
| Nature of contracts / arrangements / transactions | Business Transfer Agreement approved in the Board of directors meeting held on 28th December, 2024. |
| Duration of the contracts /arrangements / transactions | One time event |
| Salient terms of the contracts or arrangements or transactions including the value, if any | The Company acquired whole business including all its Assets, liabilities, rights, and obligations on going concern basis through slump sale by way of lumpsum consideration amount of INR 3,00,00,000/- (Indian Rupees Three Crores only) of M/s. Team Arihant Carmel Academy LLP as per terms and conditions mentioned in the Business Transfer Agreement approved in the meeting of Board of directors held on 28th December, 2024. Company received approval of shareholders in the EGM held on 23rd January, 2025. |
| Date of approval by the Board | 28th December, 2024 |
| Amount paid as advances, if any | NIL |

For and on behalf of the Board

Arihant Academy Limited

Sd/-

Umesh Anand Pangam

Whole- Time Director

DIN - 03524171

Sd/-

Anil Suresh Kapasi

Managing Director

DIN - 03524165

Place: Mumbai

Date: 11th August, 2025

Annexure – B to Board Report

Form No. MR-3

SECRETARIAL AUDIT REPORT OF ARIHANT ACADEMY LIMITED FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2025

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

Arihant Academy Limited

**GROUND FLOOR, TRIVENISADAN, OPP. AMBEMATATEMPLE,
CARTER ROAD NO. 3, BORIVALI (EAST)
MUMBAI MH 400066 IN**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **ARIHANT ACADEMY LIMITED (CIN: L80903MH2007PLC175500)** (hereinafter called the Company) for financial year ended March 31, 2025 (hereinafter referred to as **"the Audit Period"**). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our 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 authorized representatives during the conduct of secretarial audit and as per the explanations given to us and the representations made by the Management of the Company, we hereby report that in our opinion, the Company had during the Audit Period complied with the statutory provisions listed hereunder and also that the Company had proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. We have examined the books, papers, minute books, forms, and returns filed during the Audit Period and other records maintained by the Company for the Audit Period, according to the provisions of the following laws:
 - I. The Companies Act, 2013 and the Rules made there under and the applicable provisions of the Companies Act, 1956;
 - II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
 - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - IV. 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 (Listing Obligation and Disclosure Requirements) Regulations, 2015;
 - b. The Securities and 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; **(Not applicable to the Company during the audit period)**
 - d. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
 - e. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder **(Not applicable to the Company during the audit period)**
 - f. The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021; **(Not applicable to the Company during the audit period)**
 - g. The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021; **(Not applicable to the Company during the audit period)**
 - h. 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; **(Not applicable to the Company during the audit period)**
 - i. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; **(Not applicable to the Company during the audit period)**
 - j. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018; **(Not applicable to the Company during the audit period)**
 - V. Compliances/ processes/ systems under other specific applicable Laws (as applicable to the industry) are being relied based on Internal Report maintained by Company under internal Compliance system submitted to the Board of Directors of the Company.

We have also examined compliance with the applicable clauses of Secretarial Standards issued by the Institute of Company Secretaries of India and Listing Agreement entered by the Company with stock Exchange i.e. NSE during the Audit Period. Further the Company has also complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We 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 audit period were carried out in compliance with the provisions of the Act.

Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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 Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committee of the Board, as the case may be.

We further report that as per the explanations given to us and the representations made by the management and relied upon by us, 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.

We further report that during the period under review, the Company has undertaken specific events/ actions that can have a major bearing on the Company's compliance responsibility in pursuance of the above referred laws, rules, regulations, guidelines, standards and such events are as follows;

- The Company in their Board Meeting held on Saturday, October 19, 2024, has approved the proposal of investment by acquiring substantial management power and control for the inorganic growth of the Company in M/s. Zen Education and Learning (ZEAL), Partnership Firm. The Company has acquired 25.50% stake ZEAL and thereby making it an associate company of "Arihant Academy Limited". The Acquisition Agreement has been executed on 24th October, 2024.
- The Company in their Board Meeting held on Saturday, December 28, 2024 has approved the proposal of investment by acquisition of the whole business on going

concern basis through slump sale of related party entity i.e. M/s. TEAM ARIHANT CARMEL ACADEMY LLP, a Limited Liability Partnership registered under Limited Liability Partnership Act, 2008 bearing LLPIN AAQ-6673 on the terms and conditions as mentioned in Business Transfer Agreement (BTA) for the lump sum cash consideration of ₹ 3,00,00,000/- (Rupees Three Crores only).

Further the Shareholders of Company has approved the related party transaction in the Extra-ordinary General Meeting held on 23rd January, 2025 has approved the said transaction and authorised the Company to give effect of the acquisition w.e.f. 1st January, 2025.

- The Board of Directors in the meeting held on Saturday, February 08, 2025 has approved the proposal of investment by acquiring whole business on going concern basis for the inorganic growth of the Company in M/s Carmel Classes, Proprietorship Firm owned by Mrs. Shijimol Nair by way of lump sum consideration amount of ₹ 3,44,00,000/- (₹ Three Crore Forty-Four Lakhs only) as per valuation report dated 24th January, 2025 of IBBI Registered Valuer.

Further in same meeting, the Board has also approved the proposal of investment by acquiring whole business on going concern basis for the inorganic growth of the Company in M/s Carmel Tuition, Proprietorship Firm owned by Mr. Shibu Nair, by way of lump sum consideration amount of ₹ 3,56,00,000/- (₹ Three Crore Fifty-Six Lakhs only) as per valuation report dated 24th January, 2025 of IBBI Registered Valuer. Both the above acquisition was come in effect w.e.f. 01st April, 2025.

FOR DILIP SWARNKAR & ASSOCIATES COMPANY SECRETARIES

Sd/-
DILIP KUMAR SWARNKAR
PROPRIETOR
ACS 47600 & CP 26253
UDIN: A047600G000819283

PLACE: MUMBAI
DATE: 19th July, 2025

This report is to be read with our letter of even date which is annexed as 'ANNEXURE - I' and forms an integral part of this report.

Annexure – I

(To the Secretarial Audit Report of Arihant Academy Limited for the financial year ended March 31, 2025)

To,

The Members,

ARIHANT ACADEMY LIMITED

**Ground Floor, Triveni Sadan, Opp. Ambe Mata Temple,
Carter Road No. 3, Borivali (East) Mumbai MH 400066**

Our Secretarial Audit Report for the financial year 31st March, 2025 is to be read along with this letter.

Management's Responsibility: -

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility: -

2. Our responsibility is to express an opinion on these secretarial records, standards and procedures followed by the Company with respect to secretarial compliances.
3. We believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for our opinion.
4. Wherever required, we have obtained the management's representation about the compliance of laws, rules and regulations and happening of events etc.

Disclaimer: -

5. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.
6. We have not verified the correctness and appropriateness of financial records and books of account of the Company.

**FOR DILIP SWARNKAR & ASSOCIATES
COMPANY SECRETARIES**

Sd/-

DILIP KUMAR SWARNKAR

PROPRIETOR

ACS 47600 & CP 26253

UDIN: A047600G000819283

PLACE: MUMBAI

DATE: 19th July, 2025

Annexure C - Management Discussion & Analysis

Global Economic Review¹

The global economy continued to move forward in CY 2024, registering a growth rate of 3.3%, despite facing several headwinds such as geopolitical tensions, supply chain disruptions, new trade policies and elevated borrowing costs. This growth was driven by steady consumer spending, easing of inflation in developed countries and strong economic momentum in emerging markets. A key highlight of the year was the recovery seen in many emerging and developing economies, which grew at a steady pace of 4.3%, driven by resilient domestic demand and improving manufacturing activity. Meanwhile, advanced economies recorded a modest growth of 1.8%, due to a combination of factors like diminishing post-pandemic stimulus, ongoing challenges in the real estate sector and a slowdown in consumer spending.

Inflation, which had been a global concern in recent years showed signs of easing. The global headline inflation rate came down from 6.7% in CY 2023 to 5.8% in CY 2024. This decline was largely due to stabilising energy prices, improved global supply chains and tighter monetary policies by central banks.

As inflation receded, many countries began reducing interest rates to encourage investments and ease financial conditions.

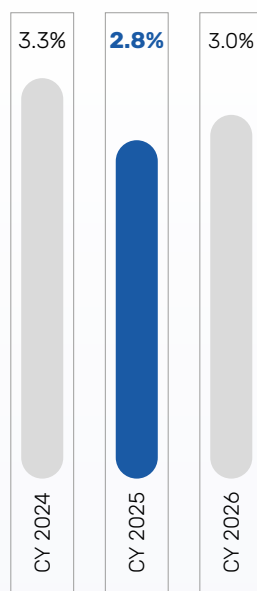
Outlook

The global economic outlook for upcoming year remains cautiously optimistic. The IMF expects global GDP growth to hold steady at 2.8% for CY 2025 and 3.0% for CY 2026. This growth will be supported by recovery in advanced economies and healthy consumer demand. Inflation is projected to decline further to 4.3% in CY 2025 and 3.6% in CY 2026, creating more room for central banks to ease monetary policies. Stable oil prices and easing food inflation are creating a more favourable environment for business activity and international trade.

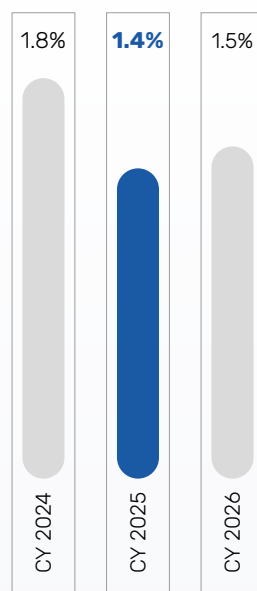
However, businesses worldwide are expected to remain cautious, as trade tensions, financial market volatility and geopolitical developments continue to pose as potential threats. Going forward, countries that prioritise innovation, implement strong policy frameworks and promote regional partnerships, will be better equipped to navigate uncertainties and tap into new opportunities.

Growth in the Global GDP

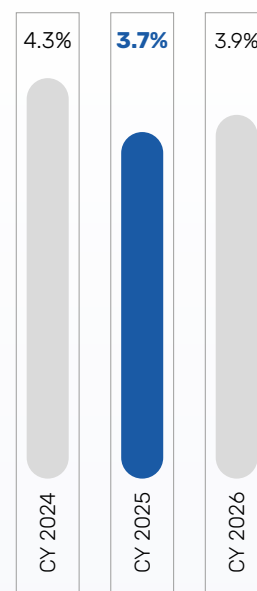
Global Economy



Advanced Economies



Emerging Market & Developing Economies



Source: IMF World Economic Outlook

Indian Economic Review

India stood out once again as one of the fastest-growing major economies in the world in FY 2024-25, with GDP growth estimated at 6.5%.² This growth was powered by strong domestic demand, increasing infrastructure investment and a robust services sector. A good monsoon helped improve rural consumption, while urban demand remained steady throughout the year.

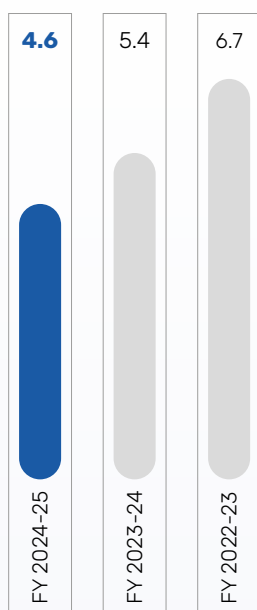
¹<https://www.imf.org/en/Publications/WEQ/Issues/2025/04/22/world-economic-outlook-april-2025>

²<https://pib.gov.in/PressReleasePage.aspx?PRID=2113316>

Inflation continued its downward trend, decreasing from 5.4% in FY 2023-24 to an encouraging 4.6% in FY 2024-25, creating a more stable economic environment.³ This was made possible by relatively stable food prices and proactive steps taken by the Reserve Bank of India (RBI), including a reduction in the repo rate to 6%. The cut in interest rates helped boost liquidity and reduce borrowing costs for both consumers and businesses.

The government's focus on capital expenditure remained strong, with 11.2 lakh crore allocated in the Union Budget 2025-26 for infrastructure development, which is expected to provide long-term support to India's growth momentum. Also, the reduction in unemployment rate to 3.2% in FY 2023-24 from 6% in FY 2017-18 potentially supported the growth of the nation. This decrease in unemployment rate can be attributed to the several initiatives undertaken by the Government of India that played a pivotal role in providing skill training, fostering entrepreneurship and supporting the individuals in creating self-reliant and sustainable livelihoods.⁴

Inflation over the years



Source: PIB press release

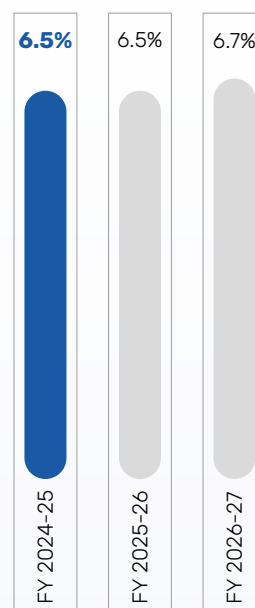
Outlook

The outlook for the Indian economy remains positive, with GDP growth expected to stay at 6.5% for FY 2025-26. Inflation is likely to ease further to 4% in FY 2025-26, which can boost

consumer confidence and help sustain economic activity.⁵ The Government of India's emphasis on deregulation, infrastructure and private sector participation is vital for continued growth.

India is also seeing increasing investments in manufacturing, digitisation and exports along with a steady policy environment. Initiatives such as Make in India and Skill India have improved ease of doing business and a rising global interest in India as a supply chain alternative are contributing to a stable and promising growth story.

India's GDP Growth



Source: PIB press release

Industry Overview

Global Education Market⁶

The global education industry is undergoing a transformation, fuelled primarily by technological advancements. The industry is expected to grow from \$6 trillion in CY 2022 to around \$8 trillion in CY 2030. The integration of digital tools is not only increasing the accessibility of information but also democratising learning across geographies and socio-economic classes. This has the potential to address long-standing disparities in educational access, which have contributed to global inequalities in wealth and development. The education technology (EdTech) sector is expected to be the fastest-growing segment within the education space, driven by increasing internet penetration, mobile access and the scalability of digital platforms.

³<https://pib.gov.in/PressReleasePage.aspx?PRID=2122148>

⁴<https://pib.gov.in/PressReleasePage.aspx?PRID=2097899>

⁵<https://pib.gov.in/PressReleasePage.aspx?PRID=2120509>

⁶<https://www.morganstanley.com/ideas/education-system-technology-reboot>

Unique mobile subscribers

CY 2024 - 5.8 billion

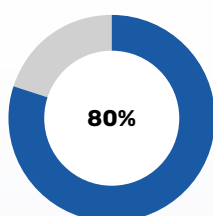
(71% penetration rate)

CY 2030 - 6.5 billion

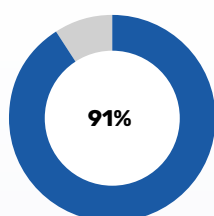
(76% penetration rate)

Source: <https://www.gsma.com/solutions-and-impact/connectivity-for-good/mobile-economy/>

Smartphones (percentage of connections)



CY 2024



CY 2030

Source: <https://www.gsma.com/solutions-and-impact/connectivity-for-good/mobile-economy/>

Mobile internet subscribers

CY 2024 - 4.7 billion

(58% penetration rate)

CY 2030 - 5.5 billion

(64% penetration rate)

Source: <https://www.gsma.com/solutions-and-impact/connectivity-for-good/mobile-economy/>

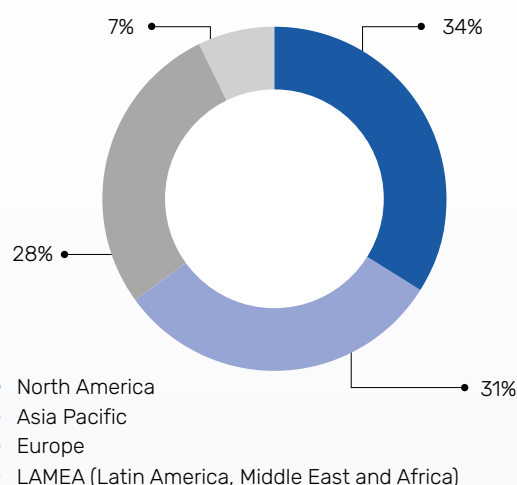
Global Higher Education Market⁷

The global higher education market was valued at approximately \$828.85 billion in CY 2024 and is projected to grow to around \$929.47 billion by CY 2025. Looking ahead, the market is expected to witness substantial growth, reaching an estimated \$2,557.93 billion by 2034, reflecting a strong CAGR of 11.93%.

The market is growing due to several reasons, technology playing a crucial role, by making learning more flexible and accessible. Innovative technologies such as augmented,

mixed and virtual reality (AR, MR, VR) and blockchain are being integrated into learning. Online education platforms are becoming more popular as they offer flexible and accessible learning opportunities, eliminating geographical barriers. Governments across the world are taking steps to strengthen the education sector, by launching new policies, offering financial support and building infrastructure for education. Public and private investments are increasing as well, helping colleges grow and improve their quality. More scholarships are now available, which allows more students to pursue higher education. The Asia Pacific region is expected to be the fastest-growing area during the forecast period, primarily driven by a surge in demand for bachelor's and master's degrees, as individuals seek to secure high-paying jobs.

Higher Education Market Share by Region in CY 2024



Source: Precedence Research

Global K-12 Education Market⁸

The global K-12 education market was valued at \$2.79 trillion in CY 2024 from \$2.50 trillion in CY 2023. This is projected to grow at a CAGR of 12.5% from CY 2024 to CY 2030, reaching \$5.66 trillion. The market is growing due to the rising use of game-based learning, making education more engaging and motivating students by offering personalised experiences. The method helps them build important skills like problem-solving and critical thinking. Advanced technologies like artificial intelligence (AI) are making it possible to give students real-time feedback and personalised support. Virtual and augmented reality are creating more immersive and interactive learning environments.

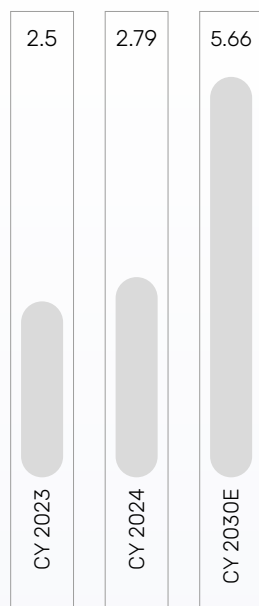
Governments around the world are increasing their focus on education by investing more in K-12 and STEM (Science, Technology, Engineering and Mathematics) education and introducing reforms to improve teaching methods and overall education quality. These efforts are further boosting the growth of the education market.

⁷<https://www.precedenceresearch.com/higher-education-market>

⁸<https://www.grandviewresearch.com/industry-analysis/k-12-education-market-report>

Growth Projection of Global K-12 Education Market

(\$ in trillion)



Source: Grand View Research

Indian Education Market

India has one of the largest networks of higher education institutions in the world, making it a key contributor to global learning and knowledge development. With about 24% of its population aged between 0 to 14⁹, India has a young demographic structure.¹⁰ This creates strong growth opportunities for the education sector, as the demand for quality education is expected to rise steadily in the coming years. The Indian education system is serving approximately 24.8 crore students across 14.72 lakh schools and it is supported by a dedicated workforce of around 98.08 lakh teachers.¹¹

14.72 Lakhs

Total Schools

24.80 Crores

Total Students

10.18 Lakhs

Government Schools

98.08 Lakhs

Total Teachers

The National Education Policy 2020 (NEP 2020) targets a 100% gross enrolment ratio (GER) by 2030. While enrolment at the primary level

is nearly at 93%, efforts are being made to improve access at the secondary (77.4%) and higher secondary levels (56.2%), moving the country closer to its goal of inclusive and equitable education for all.

The growth in online education in India is expected to grow by CAGR 29% from 2024 to 2029 to reach \$8.53 billion, powered by incorporation of high-quality software and strong accreditation standards. Licensing systems help build trust and safety, while digital platforms make it easier for students and teachers to connect. Developing a mindset through online education not only promotes personal growth but also has substantial implications for India's global standing.

Indian Higher Education Market

India has one of the world's largest higher education systems, ranking second in terms of its vast institutional network. Higher education in India begins after 12 years of schooling which comprises of 10 years of primary and 2 years of secondary education. Today, the country is home to over 1,100 universities and more than 45,000 colleges. All these institutes are overseen by the Ministry of Education, offering students a wide range of academic opportunities.¹³

1,100+

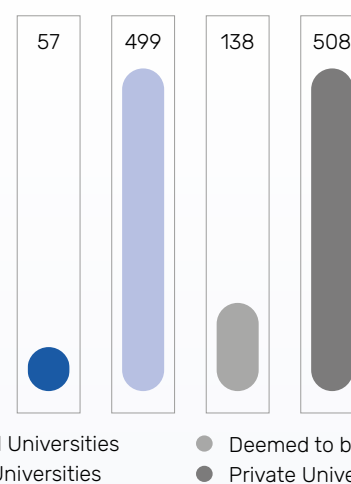
Universities

45,000+

Colleges

State public universities (SPUs) play a vital role in expanding access to education, particularly in remote regions. Today, they serve over 3.25 crore students across the country. As NEP 2020 sets the goal of doubling enrolment by 2035, SPUs are expected to play a pivotal role in educating the majority of India's student population.¹⁴

University Mix



● Central Universities
 ● State Universities
 ● Deemed to be Universities
 ● Private Universities

Source: UGC

⁹<https://pib.gov.in/PressNoteDetails.aspx?NotelD=151925&ModuleId=3®=3&lang=1>

¹⁰<https://pib.gov.in/PressNoteDetails.aspx?NotelD=151925&ModuleId=3®=3&lang=1>

¹¹<https://udiseplus.gov.in/#/en/home>

¹²<https://www.technavio.com/report/online-education-market-in-india-market-size-industry-analysis>

¹³<https://studyinindia.gov.in/about-indian-higher-education->

¹⁴<https://www.niti.gov.in/sites/default/files/2025-02/Expanding-Quality-Higher-Education-through-SPUs.pdf>

Indian K-12 Education Market¹⁵

Indian K-12 education market was valued at \$50.31 billion in 2024 and is expected to grow with a CAGR of 10.13% till 2030. India's K-12 education market is evolving rapidly, driven by a growing population, higher disposable incomes and growing awareness of the value of quality education. From kindergarten to 12th grade, this segment serves a wide and diverse population across both urban and rural regions.

One of the main growth drivers is the rise of private schools offering a range of curricula such as national, international and specialised educational approaches. Government initiatives like the 'Right to Education Act' have further supported this growth by improving access and enrolment to institutions. The surge in digital learning tools and e-platforms, post-pandemic has made education more accessible and personalised. The growing reliance on technology has also augmented the demand for better infrastructure, including smart classrooms and digital learning resources.

Indian Test Preparation Market

The Indian test preparation market is a dynamic and highly competitive zone, offering a wide range of courses and services for different learner segments. This market is expected to grow at a CAGR of 18.5%, reaching \$17.21 billion by 2029. The growing enrolment in courses catering to competitive examinations is a major driver of India's test prep market, as more students look for structured guidance to succeed in exams. A new trend in test preparation is the growing use of analytics to personalise learning experiences and help students perform better with data-driven insights.

Some of the highest taking tests in India are as follows:

SSC (Secondary School Certificate)

SSC exams are conducted by various state boards and education councils across India, assessing students' academic proficiency across core subjects. In Maharashtra, the Maharashtra State Board of Secondary and Higher Secondary Education (MSBSHSE) administers the SSC examination. In 2024, around 16.09 lakhs students registered for the Maharashtra SSC exam.¹⁶

16.09 lakhs

Students registered for SSC exam

ICSE (Indian Certificate of Secondary Education)

ICSE, conducted by the Council for the Indian School Certificate Examinations (CISCE), assesses students' knowledge and application across a broad range of subjects at the end of Class 10. The exam is known for its comprehensive and rigorous curriculum. In 2024, approximately 2.43 lakhs students registered for the ICSE examination.¹⁷

2.43 lakhs

Students registered for ICSE exam

CBSE (Central Board of Secondary Education)

Conducted by the Central Board of Secondary Education (CBSE), the exam evaluates students' understanding across a wide range of subjects at the end of 10th grade. It is recognised for its standardised curriculum and is accepted across India and internationally. In 2024, 22.51 lakhs students registered for the CBSE Class 10 Board Exam.

22.51 lakhs

Students registered for CBSE exam

MHSSCE (Maharashtra Higher Secondary School Certificate Examination)

The HSC exam, conducted by the Maharashtra State Board of Secondary and Higher Secondary Education (MSBSHSE), evaluates students' knowledge across streams like Science, Commerce and Arts at the end of Class 12. It serves as a crucial qualification for undergraduate education. In 2024, around 15.05 lakhs students registered for the HSC exam under the Maharashtra State Board.¹⁸

15.05 lakhs

Students registered for HSC exam

7.68 lakhs

Students registered from Science stream

3.80 lakhs

Students registered for Arts stream

3.19 lakhs

Students registered for Commerce stream

JEE (Joint Entrance Examination)

India's top undergraduate engineering entrance exams include JEE (Main) and JEE (Advanced). JEE Main, conducted by the National Testing Agency (NTA), is used for admission to B.E./B.Tech programs at institutions like IITs, NITs and other centrally funded technical institutes (CFTIs). It also serves as a qualifying exam for JEE Advanced. In 2025, approximately 13.78 lakh students registered for JEE Main.¹⁹

¹⁵<https://www.techsciresearch.com/report/india-k-12-market/4182.html>

¹⁶<https://www.hindustantimes.com/cities/pune-news/1609445-students-to-appear-for-class-10-board-exams-from-today-101709268232757.html>

¹⁷<https://indianexpress.com/education/exams/icse-10th-isc-12th-result-2024-declared-cisce-overall-pass-percentage-toppers-list-cisce-org-9211524/>

¹⁸<https://indianexpress.com/article/cities/pune/maharashtra-hse-board-exam-beginning-today-15-lakh-students-9829421/>

¹⁹<https://engineering.careers360.com/articles/record-breaking-total-registration-for-jee-main-2025>

13.78 lakhs

Students registered for JEE Main 2025

MHT-CET (Maharashtra Health and Technical Common Entrance Test)

MHT-CET is conducted by the State Common Entrance Test Cell, Maharashtra for admission to B.E./B.Tech programs at various government, government-aided and private engineering institutions across the state. The exam assesses candidates on Physics, Chemistry and Mathematics. In 2025, nearly 7.25 lakh students registered for MHT-CET.²⁰

7.25 lakhs

Students registered for MHT-CET 2025

CA (Chartered Accountancy)

The CA course is regulated by the Institute of Chartered Accountants of India (ICAI). The course comprises three stages: CA Foundation, CA Intermediate and CA Final. Each stage progressively evaluates students' knowledge in accounting, law, taxation, finance and ethics. In 2024, approximately 1.62 lakhs students appeared for the CA foundation exam, while lakhs for CA Intermediate.^{21 22}

1.62 lakhs

Students appeared for CA Foundation exam 2024

3.92 lakhs

Students appeared for CA Intermediate exam 2024

CS (Company Secretary)

The CS course is regulated by the Institute of Company Secretaries of India (ICSI). The course is structured across three stages namely, CS Executive Entrance Test (CSEET),

CS Executive and CS Professional. The course trains students in corporate laws, governance, compliance and secretarial practices. In 2024, approximately 56,857 students registered for CSEET and around 1.42 lakhs for CS Executive.

56,857

Students appeared for CSEET exam 2024

1.42 lakhs

Students appeared for CS Executive 2024

NEET-UG (National Eligibility Cum Entrance Test - Undergraduate)

NEET UG, conducted by the National Testing Agency (NTA), is used for admission to MBBS, BDS, AYUSH and other medical programs in government and private medical colleges across India. It is the sole entrance exam for undergraduate medical education in the country. In 2024, more than 24 lakhs students registered for NEET UG.²³

24 lakhs+

Students registered for NEET-UG 2024

Budget Allocation to India's Education Sector

The Government of India has allocated ₹128,650 crore for Ministry of Education in Union budget 2025-26, which is 6.22% greater than the previous budget. The government has launched several initiatives to improve access to education and enhance its quality. Key programmes include the PM Schools for Rising India (PM SHRI) Yojana, Samagra Shiksha Abhiyan and Sarva Shiksha Abhiyan. These initiatives, coupled with infrastructure development in higher education and the integration of skill development, aim to increase both school and college enrolment by making education more accessible, affordable and relevant to future opportunities.

Allocations to different bodies under Ministry of Education

(in INR crore)

| Body | Allocations | Increase (%) |
|---|-------------|--------------|
| Central Universities | 16,691.31 | 4.79% |
| UGC | 3335.97 | 33.44% |
| IITs (Indian Institute of Technology) | 11,349 | 9.92% |
| NITs (National Institute of Technology) | 5687.47 | 12.85% |
| Deemed Universities | 604 | 1.34% |
| IIMs (Indian Institute of Management) | 251.89 | 18.70% |
| Department of School Education & Literacy | 78,572 | - |
| Kendriya Vidyalaya Sangathan (KVS) | 9503 | 9% |

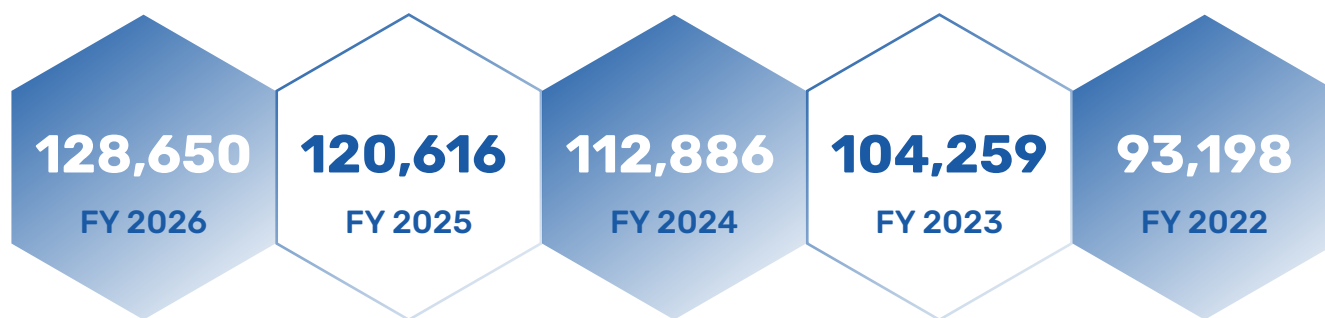
²⁰<https://cetcell.mahacet.org/cet-2/>

²¹<https://resource.cdn.icai.org/71540exam57581.pdf>

²²https://resource.cdn.icai.org/18062key_statistics.pdf

²³https://nta.ac.in/Download/Notice/Notice_20240606205923.pdf

Budget allocation on education (in INR crore)



Source: https://www.indiabudget.gov.in/previous_union_budget.php

Company Overview

The Company was originally incorporated under the name 'India Tutorials Private Limited' under the provisions of the Companies Act, 1956 and a Certificate of Incorporation was issued by the Registrar of Companies, Mumbai, on October 30, 2007. Subsequently, the name was changed to 'Arihant Academy Private Limited' via a shareholders' resolution dated September 18, 2012, pursuant to which a fresh Certificate of Incorporation dated October 31, 2012, was issued by the Registrar of Companies, Mumbai. Consequently, the status was changed to public limited, with the name being changed to 'Arihant Academy Limited' vide a Special Resolution passed by the Shareholders at the Extra Ordinary General Meeting held on September 09, 2022. A fresh certificate of incorporation consequent to the conversion was issued on September 19, 2022, by the Registrar of Companies, Mumbai. The Corporate Identification Number of the Company is L80903MH2007PLC175500. Further, the Company issued shares through an initial public offer (IPO) and was listed on the SME platform of NSE on December 29, 2022. The institution provides coaching services primarily in western suburbs of Mumbai. The revenue is generated from fees for coaching programs catering to SSC, ICSE, CBSE (classes 8-10) and higher secondary (classes 11-12), entrance exams (JEE, NEET) and Commerce (CA, CS) streams. The institution utilises a hybrid learning model, integrating classroom teaching with the 'Arihant Edge' digital platform.

SWOT Analysis

Strength

Extensive Physical Network

The strategic deployment of over 20 coaching centres across the western suburbs of Mumbai, provides a significant competitive edge in terms of accessibility and local market penetration. This widespread network not only caters to a large student demographic but also fosters a sense of familiarity and convenience for students residing in different localities, making quality coaching readily available within reach. Each centre becomes a local hub for academic support and peer interaction.

Hybrid Learning Model

The thoughtful integration of traditional classroom-based teaching with the 'Arihant Edge' digital learning platform represents a forward-thinking approach to deliver education. This hybrid model caters to diverse learning styles, allowing students to benefit from direct interaction with experienced faculty while also providing the flexibility and self-paced learning opportunities offered by digital resources such as recorded lectures, e-notes and online assessments. This combined approach enhances comprehension and retention.

Experienced Faculty

The Company's success lies in its dedicated team of highly qualified and experienced educators. These faculty members possess extensive subject matter expertise and employ effective pedagogical techniques tailored to diverse curricula and competitive entrance examinations. The institution's commitment to preparing its students for success and mentorship encourages a positive and conducive learning environment, contributing significantly to the academy's reputation for academic excellence.

Collaboration with NSE Academy

The strategic alliance with the National Stock Exchange (NSE) Academy to launch the Fintech Analytics Professionals (FAP) programme represents a significant step towards diversification and expansion into a specialised educational segment. By leveraging the established brand and expertise of NSE Academy, Arihant Academy can attract a new cohort of students seeking careers in the fintech sector, enhancing its program portfolio and revenue streams.

Weakness

Geographical Concentration

While the strong focus on the western suburbs of Mumbai has allowed for deep market penetration and brand recognition within this region, it also inherently limits the Company's overall market size and potential for growth in other significant educational hubs across Mumbai or other parts of the country.

This regional concentration makes the Company more susceptible to local economic fluctuations and competitive pressures within this specific area.

Reliance on Traditional Coaching

Despite the implementation of a hybrid learning model, a significant portion of the Company's revenue and operational structure is still anchored in physical coaching centres and classroom-based learning. This reliance on traditional methods might limit scalability compared to fully digital online platforms and could require significant capital expenditure for expansion into new locations.

Opportunities

Expansion into New Geographies

A strategic and well-planned expansion into other promising educational markets beyond the western suburbs of Mumbai presents a significant opportunity to diversify revenue streams and tap into a larger pool of potential students. This involves establishing new physical centres, leveraging online platforms to reach students in different regions, or a combination of both approaches.

Further Digitalisation of Offerings

Enhancing the 'Arihant Edge' platform with more interactive features, comprehensive online course content, personalised learning paths and robust assessment tools can attract a wide population of tech-savvy students and improve the scalability and accessibility of Arihant Academy's programmes, beyond geographical limitations.

Strategic Partnerships and Acquisitions

The Company can grow faster by partnering with diverse schools, edTech companies and other service providers and by acquiring smaller coaching centres or education platforms. By combining

the resources and expertise of different institutions, the Company can create a comprehensive and effective learning environment.

Untapped Potential in Entrance Exam Segments

By conducting detailed market research, the Company can identify emerging or underserved segments in the competitive entrance exam space. This would help in designing specialised coaching programmes that meet specific needs, thereby opening new revenue generating opportunities.

Threats

Increasing Competition

The coaching market is becoming increasingly crowded with the rise of online platforms offering flexible and often cheaper alternatives, alongside the expansion of well-established national coaching chains. This intensified competition could put pressure on Arihant Academy's enrolment numbers and pricing strategies, requiring them to continuously innovate and differentiate their offerings to maintain a competitive edge.

Changing Educational Policies

Shifts in school curricula by educational boards or significant reforms in the structure and syllabus of crucial entrance examinations could necessitate substantial and potentially costly adjustments to the Company's teaching methodologies and study materials. The need to adapt quickly to these changes is vital for ensuring the continued relevance and effectiveness of the programmes.

Faculty Attrition

The loss of experienced and skilled teachers to competitors or other opportunities can negatively impact the quality of coaching provided at Arihant Academy. Retaining qualified faculty is crucial for maintaining the institute's academic standards and reputation.

Internal Control Systems and their Adequacy

The Company has an effective and reliable internal control system commensurate with the size of its operations. At the same time, it adheres to local statutory requirements for orderly and efficient conduct of business, safeguarding of assets, the detection and prevention of frauds and errors, adequacy and completeness of accounting records and timely preparation of reliable financial information. The efficacy of the internal checks and control systems is validated by self-audits and internal as well as statutory auditors.

Financial Performance

During the reporting year, Arihant Academy Limited delivered strong financial performance across various financial parameters, including revenue, gross margin and EBITDA.

(figure in lakhs)

| Particulars | FY 2024-25 | FY 2023-24 |
|-----------------------------|------------|------------|
| Revenue | 4257.81 | 3155.46 |
| EBITDA | 778.16 | 347.33 |
| Profit Before Tax | 570.9 | 179.21 |
| Profit for the Year | 444.51 | 154.8 |
| Net Worth | 2504.14 | 2120.18 |
| Operating Profit Margin (%) | 18.69% | 10.39% |
| Net Profit Margin (%) | 10.96 | 5.11 |
| Reserves and Surplus | 1898.62 | 1514.66 |

Human Resources

Arihant Academy Limited believes that its people are its greatest strength and remains focused on building strong teams of talented professionals. Employees are recognised as the most valuable asset and it places a strong emphasis on employee engagement, growth and well-being. The Company creates a positive work environment, encourages collaboration, recognises achievements and promotes a culture of growth and motivation.

Key Financial Ratio

| Particulars | FY 2024-25 | FY 2023-24 | Variance | Remark |
|----------------------------------|------------|------------|----------|---|
| Debtors Turnover Ratio | 97.23% | 127.50% | -23.74% | NA |
| Inventory Turnover Ratio | NA | NA | NA | NA |
| Interest Coverage Ratio | - | - | - | - |
| Current Ratio | 1.04% | 1.68% | -38.01% | Reduction in current liabilities as compared to previous year. |
| Debt-Equity Ratio | - | - | - | NA |
| Operating Profit Margin (%) | 14.14% | 5.94% | 138.05% | Increased due to increment in turnover of Company |
| Net Profit Margin (%) | 10.96% | 5.10% | 114.48% | Increased due to increment in turnover of Company |
| Debt Service Coverage Ratio | - | - | - | NA |
| Return on Equity | 19.22% | 7.58% | 153.62% | Due to increase in profit. |
| Trade Receivables Turnover Ratio | 97.23% | 127.50% | -23.74% | NA |
| Trade Payables Turnover Ratio | 58.67% | 59.40% | -1.23% | NA |
| Net Capital Turnover Ratio | 1.58% | 2.76% | -42.88% | Due to new branches capitalised during the year, the company is in the expansion phase. |
| Net Profit Ratio | 10.96% | 5.11% | 114.48% | Due to increase in profit. |
| Return on Capital Employed | 22.90% | 19.20% | 19.29% | NA |
| Return on Investment | 1.64% | - | - | NA |

Change in Return on Net Worth Compared to the Previous Financial Year along with a Detailed Explanation and Analysis

The Return on Net Worth for FY 2024-25 was 17.75% and for FY 2023-24 was 7.30%. The Company is in the growth phase and therefore has incurred substantial expenses towards the business growth and for the purpose of fund raising by getting listed on the NSE EMERGE stock exchange.

Forward-Looking Statement

Certain statements made in the Management Discussion and Analysis Report relating to the Company's objectives, projections, outlook, expectations, estimates and others may constitute forward-looking statements within the meaning of applicable laws and regulations. Actual results may differ from such expectations, whether expressed or implied. Several factors could make a significant difference to our operations. These include climatic and economic conditions affecting demand and supply, government regulations and taxation, any epidemic or pandemic and natural calamities, over which we do not have any direct/indirect control.

Annexure – D to Board Report

Details pertaining to remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2024-25 and the Remuneration paid in the year 2024-25:

| Sr. No. | Name of the Director / Key Managerial Person (KMP) and Designation | Remuneration paid in the financial year 2024-25 (Rs. In Lakhs) | Professional Fees paid in the Financial Year 2024-25 (Rs in Lakhs) | Ratio of remuneration of each Director/KMP to median remuneration of employees |
|---------|--|--|--|--|
| 1 | Anil Suresh Kapasi – Managing Director | 27.00 | - | 15.81 |
| 2 | Umesh Anand Pangam – Chairman & Whole - Time Director | 29.22 | - | 17.11 |
| 3 | Himanshu Rajanikant Mody – Non-Executive Independent Director | NA | - | NA |
| 4 | Chintan Sureshbhai Shah – Non-Executive Independent Director | NA | - | NA |
| 5 | Harsh Anil Kapasi – Non-Executive Director | 3.75 | 11.25 | 2.20 |
| 6 | Manish Khodidas Desai – Non-Executive Independent Director | NA | - | NA |
| 7 | Kirti Umesh Pangam – Non-Executive Director | NA | 4.80 | NA |
| 8 | Garima Shrivastava – CS | 1.99 | - | 1.17 |
| 9 | Shirish Pandurang Kumbhar – CFO | 8.72 | - | 5.10 |

2. The percentage increase in the median remuneration of employees of the Company in the financial year:

During the financial year 2024-25 the median remuneration of employees of the Company was increased by 64%.

3. The number of permanent employees on the rolls of Company:

As on March 31, 2025, there were 254 permanent employees on the rolls of the Company.

4. Average percentile increase made in the salaries of employees other than managerial personnel in the last financial year i.e. 2023-24 was 37.80% and percentile increases in the managerial remuneration in the last financial year i.e. 2024-25 was 7.65%.

5. It is affirmed that the remuneration paid is as per the remuneration policy of the Company.

Annexure – E to Board Report

FORMAT FOR THE ANNUAL REPORT ON CSR ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT FOR FINANCIAL YEAR COMMENCING ON OR AFTER THE 1ST DAY OF APRIL, 2020

1. Brief outline on CSR Policy of the Company: The Company has set high ethical standards for all its dealings and believes in inspiring trust and confidence. We strongly believe that, we exist not only for doing good business, but equally for the betterment of the Society. The Company has implemented its CSR policy / charter to focus inter-alia on the following areas:

2. Composition of CSR Committee:

| Sr. No. | Name of Director | Designation/ Directorship | Nature of | Number of meetings of CSR Committee held during the year | Number of meetings of CSR Committee attended during the year |
|---------|-----------------------|---------------------------|-----------|--|--|
| 1 | Manish Khodidas Desai | Chairman | | N. A | N. A |
| 2 | Umesh Anand Pangam | Member | | N. A | N. A |
| 3 | Anil Suresh Kapasi | Member | | N. A | N. A |

3. Provide the web-link(s) where Composition of CSR Committee, CSR Policy and CSR Projects approved by the board are disclosed on the website of the company www.arihantacademy.com

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable.

5. (a) Average net profit of the company as per sub-section (5) of section 135. N. A

(b) Two percent of average net profit of the company as per sub-section (5) of section 135. N. A

(c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years. N. A

(d) Amount required to be set-off for the financial year, if any. N. A

(e) Total CSR obligation for the financial year [(b)+(c)-(d)]. N. A

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project). N. A

(b) Amount spent in Administrative Overheads. N. A

(c) Amount spent on Impact Assessment, if applicable. N. A

(d) Total amount spent for the Financial Year [(a)+(b)+(c)]. N. A

(e) CSR amount spent or unspent for the Financial Year:

| Total Amount Spent for the Financial Year. (in ₹) | Amount Unspent (in ₹) | | | | |
|---|--|-------------------|--|---------|-------------------|
| | Total Amount transferred to Unspent CSR Account as per sub-section (6) of section 135. | | Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135. | | |
| | Amount. | Date of transfer. | Name of the Fund | Amount. | Date of transfer. |
| N. A | N. A | N. A | N. A | N. A | N. A |

(f) Excess amount for set-off, if any:

| Sr. No. | Particular | Amount (in ₹) |
|---------|---|---------------|
| (1) | (2) | (3) |
| (i) | Two percent of average net profit of the company as per sub-section (5) of section 135 | N. A |
| (ii) | Total amount spent for the Financial Year | N. A |
| (iii) | Excess amount spent for the Financial Year [(ii)-(i)] | N. A |
| (iv) | Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any | N. A |
| (v) | Amount available for set off in succeeding Financial Years [(iii)-(iv)] | N. A |

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

| 1 | 2 | 3 | 4 | 5 | 6 | | 7 | 8 |
|---------|-----------------------------|---|---|---|--|------------------|---|--------------------|
| Sl. No. | Preceding Financial Year(s) | Amount transferred to Unspent CSR Account under sub-section (6) of section 135 (in ₹) | Balance Amount in Unspent CSR Account under sub-section (6) of section 135 (in ₹) | Amount Spent in the Financial Year (in ₹) | Amount transferred to a Fund as specified under Schedule VII as per second proviso to sub-section (5) of section 135, if any | | Amount remaining to be spent in succeeding Financial Years (in ₹) | Deficiency, if any |
| | | | | | Amount (in ₹) | Date of Transfer | | |
| 1 | FY-1 | N. A | N. A | N. A | N. A | N. A | N. A | N. A |
| 2 | FY-2 | N. A | N. A | N. A | N. A | N. A | N. A | N. A |
| 3 | FY-3 | N. A | N. A | N. A | N. A | N. A | N. A | N. A |

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

No

If yes, enter the number of Capital assets created/ acquired

Furnish the details relating to such asset(s) so created or acquired through Corporate Social Responsibility amount spent in the Financial Year:

| Sr. No. | Short particulars of the property or asset(s) [including complete address and location of the property] | Pincode of the property or asset(s) | Date of creation | Amount of CSR amount spent | Details of entity/ Authority/ beneficiary of the registered owner | | |
|---------|--|-------------------------------------|------------------|----------------------------|---|------|--------------------|
| (1) | (2) | (3) | (4) | (5) | (6) | | |
| | | | | | CSR Registration Number, if applicable | Name | Registered address |
| | N. A | N. A | N. A | N. A | N. A | N. A | N. A |
| | N. A | N. A | N. A | N. A | N. A | N. A | N. A |

(All the fields should be captured as appearing in the revenue record, flat no, house no, Municipal Office/Municipal Corporation/ Gram panchayat are to be specified and the area of the immovable property as well as boundaries)

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135 – **Not Applicable since it is applicable from the financial year 2025-26.**

Sd/-

Anil Suresh Kapasi Managing Director

Sd/-

Mr. Manish Khodidas Desai Chairman.

Sd/-

[Person specified under clause (d) of sub-section (1) of section 380]
(Wherever applicable)."**Note:** CSR provisions are applicable to the Company based on latest Audited financial Result as on 31st March, 2025, Hence the Company has constituted CSR Committee and adopt CSR Policy in the financial year 2025-26.

Independent Auditor's Report

To
the Members of
Arihant Academy Limited
(formerly known as Arihant Academy Private Limited)

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of **Arihant Academy Limited (the "Company")**, which comprises the Balance Sheet as at March 31, 2025, the Statement of Profit and Loss, Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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 March 31, 2025, the profit, 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 SAs are further described in the Auditor's Responsibilities for the Audit of the Standalone 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 financial statements under the provisions of the Act and the Rules 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 opinion on the standalone 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 financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's management and Board of Directors are responsible for the preparation of the other information. The other information comprises the information included in the

Director's Report including Annexures to Director's Report, but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone 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 financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone 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, 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.

Management's and Board of Director's Responsibility for the Standalone Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, profit/loss, change in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone 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 financial statements, management and Board of Directors are 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 Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone 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 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 standalone 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 has adequate internal financial controls with reference to standalone financial statements 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 in the standalone financial statement made by management and Board of Directors.
- 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 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 financial statements, including the disclosures, and whether the standalone financial

statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the standalone financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the standalone 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 standalone 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 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

As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) As required by Section 143(3) of the Act, we report that:

- 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.
- 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.
- The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account.
- In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

- On the basis of the written representations received from the directors as on 31st March 2025, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164(2) of the Act;
 - 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 B"**.
- (B) 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 a pending litigation as disclosed with impact as at 31st March 2025 on its financial position in its standalone financial statements refer Note No.26 to the standalone 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) (a) On the basis of written representations received and taken on record from the management, no funds other than as disclosed in the notes to the accounts have been advanced or loaned or invested by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - (b) further, management has represented that no funds other as disclosed in the notes to the accounts have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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; and
 - (c) Based on our audit procedures nothing has come to our notice that can cause us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
 - (v) As stated in Note No 35 to the standalone financial statements, the board of Directors of the company has proposed final dividend for the year which is subject to the approval of the members at the ensuring Annual General Meeting. The dividend declared is in accordance with section 123 of the act to the extent it applies to declaration of dividend.
 - (vi) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, managerial remuneration paid is as per the limits prescribed by Section 197(5).
 - (vii) Based on our examination which included test checks the company have used an accounting software/other software for maintaining its books of account which has a feature of recording audit trail (edit log) facility but the same has not operated throughout the year for all relevant transactions recorded in the software.

For **G. P. KAPADIA & CO.**
Chartered Accountants
(Firm Registration No. 104768W)

Atul B. Desai
Partner

Place: Mumbai
Date: 29th May, 2025

Membership No.: 030850
UDIN: 25030850BMGXVS2778

Annexure A to the Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Arihant Academy Limited**, on the standalone financial statements for the year ended March 31, 2025]

- i. In respect of the Company's Property, Plant and Equipment and Intangible asset:
- a) (A) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Property, Plant and Equipment;
- (B) The Company is maintaining proper records showing full particulars of intangible assets;
- b) The Company has not carried out physical verification of Property, Plant and Equipment during the year.
- c) The Company do not hold any immovable properties in its name, so this paragraph 3(i)(c) is not applicable.
- d) The Company has not revalued its Property, Plant and Equipment or intangible assets or both during year;
- e) No proceedings have been initiated or are pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.
- ii. (a) As per information provided and explained to us by company, the company does not have any inventories during the year and hence the paragraph 3(ii)(a) of the Order is not applicable to the company.
- (b) As per information provided and explained to us by company, the company does not have any working capital hence the paragraph 3(ii)(b) of the Order is not applicable to the Company.
- iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company has not made investments in, provided any guarantee or security or granted any loans or advances in the nature of loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or any other parties except as below:
- (a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided loans or provided advances in the nature of loans, or stood guarantee, or provided security to any other entity as below:

- (A) The company has not provided any loans or advances and guarantees or security to subsidiaries, joint ventures and associates. The aggregate amount during the year, and balance outstanding at the balance sheet date with respect to such loans or advances and guarantees or security to parties other than subsidiaries, joint ventures and associates;

(₹ In Lakhs)

| Particulars | Amount (₹) outstanding as on 31 st March, 2024 | Aggregate Amount paid/ (received) (₹) during the year | Interest Accrued during the year | Amount (₹) outstanding as on 31 st March, 2025 |
|-----------------|--|--|--|--|
| Related Parties | 86.30 | (86.30) | - | - |
| Others | 198.24 | 157.30 | 22.72 | 378.26 |
| Total | 284.54 | 71.00 | 22.72 | 378.26 |

- (b) As per information provided and explained to us by the company, the terms and conditions of the grant of all loans and advances in the nature of loans and guarantees provided are not prejudicial to the company's interest.
- (c) According to the information and explanation given to us, the repayment of principal and payment of interest has not been stipulated and the repayments or receipt have been regular.
- (d) According to the information and explanation given to us, there is no overdue amount for more than ninety days in respect of loans given.
- (e) According to the information and explanation given to us, there is no loan or advances in nature of loans granted falling due during the year, which has been renewed or extended or fresh loans granted to settle the overdue of existing loans given to same parties.

- (f) According to the information and explanation given to us, the company has granted any loans or advances in the nature of loans either repayable on demand or without specifying any terms or period of repayment are detailed below:

(₹ In Lakhs)

| Particulars | Related Parties | Others |
|---|-----------------|---------------|
| Repayable on demand (A) | - | 378.26 |
| Agreement does not specify any terms or period of Repayment (B) | - | - |
| Total (A+B) | - | 378.26 |

- iv. In our opinion and according to the information and explanations given to us, the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security are not applicable. Accordingly, paragraph 3(iv) of the order is not applicable to the Company.
- v. The company has not accepted any deposits from public during the year in terms of the provisions of sections 73 to 76 or any other relevant provisions of the Companies Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- vi. As the company is not a manufacturing concern, the maintenance of cost records as prescribed by the Central Government under Sub Section (1) of Section 148 of the Companies Act, 2013 is not applicable to the company.
- vii. (a) According to information and explanation given to us, the company is generally regular in depositing undisputed statutory dues including Goods and Service tax, Provident fund, Employees' state Insurance, Income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and any other statutory dues to the appropriate authorities during the year and no such dues are outstanding for more than six months from the date they became payable except as given below:

(₹ In Lakhs)

| Nature of Statute | Nature of Dues | Amount (₹) | Period for which the amount relates |
|--------------------------|----------------|------------|-------------------------------------|
| The Income Tax Act, 1961 | Income Tax | 4.41 | AY 2012-13 |

- (b) According to the information and explanation given to us, there are no dues of sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute. There is an Income tax and a Goods and Service tax due pending on account of dispute which has not been deposited with the appropriate authorities as follows:

(₹ In Lakhs)

| Nature of Statute | Nature of Dues | Amount (₹) | Period for which the amount relates | Forum where the dispute is pending | Remarks, if any |
|--------------------------|----------------|------------|-------------------------------------|------------------------------------|----------------------|
| The Income Tax Act, 1961 | Income Tax | 3.57 | AY 2023-2024 | Income Tax Officer | Rectification filled |
| Good and Service Tax Act | GST | 8.33 | FY 2018-2019 | Deputy Commissioner of State Tax | Appeal Pending |

- viii. In our opinion and according to the information and explanations given to us, the company does not have 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, 1961 (43 of 1961).
- ix. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or other borrowings or in the payment of interest thereon to any lender during the year. Accordingly, the provisions of paragraph 3(ix)(b) to (f) of the Order are not applicable to the Company and hence not commented upon.
- x. In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment or private placement of shares or convertible debentures (fully, partially or optionally convertible) during the year. Accordingly, the paragraph 3(x)(b) of the Order is not applicable to the Company.
- xi. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees or whistle-blower complaints nor have we been informed of such case by the management.

- xii. The Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. In our opinion and according to the information and explanations given to us and based on examination of records, transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Standalone Financial Statements as required by the applicable accounting standards.
- xiv. Based on information and explanations provided to us and our audit procedures, in our opinion, the Company has an internal audit system commensurate with the size and nature of its business. We have considered the internal audit reports of the Company issued till date for the period under audit.
- xv. According to the information and explanations given to us and based on examination of records, the company has not entered into any non-cash transactions with directors or persons connected with its directors and hence provisions of section 192 of the Companies Act, 2013 are not applicable to the company. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. In our opinion, the company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of paragraph 3(xvi) of the Order are not applicable to the Company and hence not commented upon.
- xvii. The Company has not incurred any cash losses in the financial year and in the immediately preceding financial year.
- xviii. The company is audited by its previous auditor only in the current year, hence clause 3(xviii) of the Order is not applicable to the company.
- xix. According to the information and explanations given to us and on the basis of the financial ratios, ageing and expected dates of realisation of financial assets and payment of financial liabilities, other information accompanying the standalone 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 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. As per information and explanation provided to us, section 135 of Companies Act, 2013 is not applicable to the company. Accordingly, paragraph 3(xx) is not applicable.

For **G. P. Kapadia & Co.**
Chartered Accountants
Firm Registration No.104768W

Atul B. Desai
Partner

Place: Mumbai
Date: 29th May, 2025

Membership No. 030850
UDIN: 25030850BMGXVS2778

Annexure 'B' to the Independent Auditor's Report

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Arihant Academy Limited** on the standalone financial statements for the year ended March 31, 2025]

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Arihant Academy Limited** as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on 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). 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 Companies Act, 2013.

Auditors' 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, to the extent applicable to an audit of internal financial controls, 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 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 Company's 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 standalone 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:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone 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
- 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 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.

Opinion

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 March 31, 2025, based on 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).

For **G. P. Kapadia & Co.**
Chartered Accountants
(Firm Registration No. 104768W)

Atul B. Desai

Partner

Place: Mumbai
Date: 29th May, 2025

Membership No.: 030850
UDIN: 25030850BMGXVS2778

Standalone Balance Sheet

as at 31st March, 2025

(₹ In Lakhs)

| Particulars | Note No. | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|----------|---------------------------------------|---------------------------------------|
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholder's Funds | | | |
| (a) Share Capital | 2 | 605.52 | 605.52 |
| (b) Reserves and Surplus | 3 | 1,898.62 | 1,514.66 |
| (c) Money received against share warrants | | - | - |
| (2) Share application money pending allotment | | - | - |
| (3) Non-Current Liabilities | | | |
| (a) Long-term borrowings | | - | - |
| (b) Deferred tax liabilities (Net) | | - | - |
| (c) Other Long Term Liabilities | | - | - |
| (d) Long term provisions | 4 | 46.20 | 41.66 |
| (4) Current Liabilities | | | |
| (a) Short-term borrowings | | - | - |
| (b) Trade payables | | | |
| (i) Total outstanding dues of micro enterprise and small enterprise | 5 | 10.78 | 4.83 |
| (ii) Total outstanding dues of creditors other than micro enterprise and small enterprise | | 20.75 | 57.43 |
| (c) Other current liabilities | 6 | 1,728.50 | 1,245.00 |
| (d) Short-term provisions | 7 | 29.72 | 24.85 |
| Total | | 4,340.09 | 3,493.94 |
| II. ASSETS | | | |
| (1) Non-current assets | | | |
| (a) Property, Plant and Equipment and Intangible Asset | | | |
| (i) Property, Plant and Equipment | 8 | 668.25 | 460.42 |
| (ii) Intangible assets | 8 | 325.10 | 36.14 |
| (iii) Capital work-in-progress | 8 | 253.81 | 92.84 |
| (iv) Intangible assets under development | | - | - |
| (b) Non-current investments | 9 | 643.68 | - |
| (c) Deferred tax assets (net) | 32 | 79.77 | 62.29 |
| (d) Long term loans and advances | 10 | 505.65 | 572.41 |
| (e) Other non-current assets | 11 | 68.98 | - |
| (2) Current assets | | | |
| (a) Current investments | 12 | 335.00 | - |
| (b) Inventories | | - | - |
| (c) Trade receivables | 13 | 77.03 | 6.40 |
| (d) Cash and cash equivalents | 14 | 827.25 | 1,988.63 |
| (e) Short-term loans and advances | 15 | 256.69 | 63.04 |
| (f) Other current assets | 16 | 298.88 | 211.76 |
| Total | | 4,340.09 | 3,493.94 |
| Significant Accounting Policies | 1 | | |
| Notes on Financial Statements | 2-44 | | |

As per our report of even date attached

For **G. P. Kapadia & Co**
Chartered Accountants
Firm's Registration No: 104768W

Atul B Desai
Partner
Membership No. : 030850

Place : Mumbai
Date: 29/05/2025

For and on behalf of the Board of Directors
Arihant Academy Limited

Umesh Anand Pangam
Whole Time Director
DIN: 03524171

Shirish Kumbhar
Chief Financial Officer

Anil Suresh Kapasi
Managing Director
DIN: 03524165

Garima Shrivastava
Company Secretary

Standalone Statement of Profit and Loss

for the year ended 31st March, 2025

(₹ In Lakhs)

| Particulars | Note No. | Year Ended 31 st March 2025 | Year Ended 31 st March 2024 |
|--|----------|---|---|
| A) REVENUE | | | |
| a) Revenue from operations | 17 | 4,055.71 | 3,032.35 |
| b) Other Income | 18 | 202.10 | 123.11 |
| Total Income | | 4,257.81 | 3,155.46 |
| B) EXPENSES | | | |
| a) Cost of Material Consumed | | - | - |
| b) Purchase of Stock-in-Trade | | - | - |
| c) Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade | | - | - |
| d) Employee Benefit Expenses | 19 | 746.22 | 642.92 |
| e) Financial costs | 20 | 2.60 | 0.82 |
| f) Depreciation and amortization expense | 8 | 187.16 | 135.84 |
| g) Other expenses | 21 | 2,750.93 | 2,196.67 |
| Total Expense | | 3,686.91 | 2,976.25 |
| C) Profit before exceptional and extraordinary items and tax | | 570.90 | 179.21 |
| D) Exceptional items | | - | - |
| E) Profit before extraordinary items and tax | | - | - |
| F) Extraordinary Items | | - | - |
| G) Profit before tax | | 570.90 | 179.21 |
| H) Tax Expense: | | | |
| a) Current tax | | 146.50 | 56.70 |
| b) Short / (Excess) Provision of earlier year | | (2.64) | - |
| c) Deferred tax | 32 | (17.47) | (32.29) |
| I) PROFIT AFTER TAX | | 444.51 | 154.80 |
| J) Earning per equity share: | | | |
| a) Basic (in ₹) | 31 | 7.34 | 2.56 |
| a) Diluted (in ₹) | 31 | 7.34 | 2.56 |
| Significant Accounting Policies | 1 | | |
| Notes on Financial Statements | 2-44 | | |

As per our report of even date attached

For **G. P. Kapadia & Co**

Chartered Accountants

Firm's Registration No: 104768W

Atul B Desai

Partner

Membership No. : 030850

Place : Mumbai

Date: 29/05/2025

For and on behalf of the Board of Directors

Arihant Academy Limited

Umesh Anand Pangam

Whole Time Director

DIN: 03524171

Shirish Kumbhar

Chief Financial Officer

Anil Suresh Kapasi

Managing Director

DIN: 03524165

Garima Shrivastava

Company Secretary

Standalone Cash Flow Statement

for the year ended 31st March, 2025

(₹ In Lakhs)

| Particulars | For the year ended 31 st March, 2025 | For the year ended 31 st March, 2024 |
|--|--|--|
| A Cash Flow from Operating Activities | | |
| Net Profit / (Loss) Before tax | 570.90 | 179.21 |
| Adjusted for : | | |
| Depreciation and Amortisation | 187.16 | 135.84 |
| Bank Charges | 2.60 | 0.82 |
| Interest Income | (139.32) | (121.59) |
| Premium/(Discount) on Purchase of Bond | 4.46 | - |
| Sub-Total | 625.80 | 194.28 |
| (Increase) / Decrease in Trade receivables | (70.62) | 34.76 |
| (Increase) / Decrease in Short-term loans and advances | (193.65) | 212.25 |
| (Increase) / Decrease in Long-term loans and advances | 66.77 | (87.00) |
| (Increase) / Decrease in Other current assets | (87.12) | (7.12) |
| (Increase) / Decrease in Other non-current assets | (68.98) | - |
| Increase / (Decrease) in Trade payables | (30.73) | 50.55 |
| Increase / (Decrease) in Other current liabilities | 483.50 | 564.65 |
| Increase / (Decrease) in Long-term provisions | 4.54 | 4.42 |
| Increase / (Decrease) in Short-term provisions | 4.87 | (0.19) |
| Sub-Total | 108.58 | 772.32 |
| Income Tax Paid | (143.86) | (141.12) |
| Net Cash Flow from/(used in) Operating activities | 590.52 | 825.48 |
| B Cash Flow from Investing Activities | | |
| Investment in Bonds | (335.00) | - |
| Investment in Associate Enterprise | (439.52) | - |
| Investment in Fixed Deposits | (204.16) | - |
| Premium/(Discount) on Purchase of Bond | (4.46) | - |
| Purchase of asset | (844.93) | (497.33) |
| Interest Income | 139.32 | 139.39 |
| Net Cash Flow from/(used in) Investing activities | (1,688.75) | (357.94) |
| C Cash Flow from Financing Activities | | |
| Interest expense | - | - |
| Bank charges | (2.60) | (0.82) |
| Dividend Paid | (60.55) | - |
| Net Cash Flow from/(used in) Financing activities | (63.15) | (0.82) |
| Net increase/(decrease) in Cash or Cash Equivalents | (1,161.38) | 466.72 |
| Cash and Cash Equivalents at the beginning of the year | 1,988.63 | 1,521.91 |
| Cash and Cash Equivalents at the end of the year | 827.25 | 1,988.63 |

Note: The cash flow statement has been prepared in accordance with the requirements of Accounting standard - 3 - Cash flow Statement.

As per our report of even date attached

For **G. P. Kapadia & Co**
Chartered Accountants
Firm's Registration No: 104768W

For and on behalf of the Board of Directors
Arihant Academy Limited

Atul B Desai
Partner
Membership No. : 030850

Umesh Anand Pangam
Whole Time Director
DIN: 03524171

Anil Suresh Kapasi
Managing Director
DIN: 03524165

Place : Mumbai
Date : 29/05/2025

Shirish Kumbhar
Chief Financial Officer

Garima Shrivastava
Company Secretary

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

Corporate Information:

Arihant Academy Limited (formerly known as Arihant Academy Private Limited) (**"the Company"**) is a Public Limited Company incorporated in India having its registered office at Mumbai, Maharashtra, India. The Company is an education support and coaching services provider for students in the secondary and higher secondary school and for students pursuing graduation degree in commerce, preparing for various competitive examinations and undertaking chartered accountancy examinations.

The Company is listed on the Small and Medium Enterprise (**"SME"**) platform of National Stock Exchange (**NSE**).

1. Significant Accounting Policies:

A. Basis of Accounting and Preparation of Financial Statements:

The Standalone Financial Statements of the Company are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Companies Act, 2013 (to the extent notified). The standalone financial statements are prepared on accrual basis under the historical cost convention.

All assets and liabilities have been classified as current and non-current as per the Companies normal operating cycle and other criteria set out in the Schedule III to the Companies Act 2013. The Company has ascertained its operating cycle as 12 months for the purpose of classification of assets and liabilities into current and non current.

B. Revenue Recognition:

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Revenue from the total fees received is recognized over the period of service provided.

C. Other Income:

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

D. Use of Estimates:

The preparation of financial statement in conformity with the Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of the assets and liabilities and disclosure of contingent liabilities as at the date of financial statement

and the result of operations during the reporting period. Although these estimates are made on reasonable and prudent basis based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

E. Property, Plant & Equipment (PPE):

Property, plant and equipment are stated at acquisition or construction cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

The cost of an item of PPE is recognized as an asset if, and only if, it is probable that economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Profit and Loss Statement during the period in which they are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Profit and Loss Statement.

All cost, including pre-operative overheads till the branch opening date attributable to fixed assets and relevant branch are capitalized. The Company follows a consistent process of capitalizing all the fixed assets of particular branch till the opening date.

F. Depreciation and Amortization:

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation is provided on WDV basis over the useful life of the asset. Depreciable amount for assets is the cost of PPE less its estimated residual value.

The useful life of an asset is the period over which a PPE is expected to be available for use by an entity, or the number of production or similar units expected to be obtained from the asset by the entity. Depreciation on additions is provided on a pro-rata basis from the date of installation or acquisition and in case of projects from the date of commencement of commercial production.

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

The Company has used following useful lives of the property, plant and equipment to provide depreciation.

Major assets class where useful life considered is as provided in Schedule II:

| Sr. No. | Nature of Asset | Estimated Useful life of the assets |
|---------|-------------------------------------|-------------------------------------|
| 1 | Leasehold Improvement | Based on the Lease agreement |
| 2 | Computers and data processing units | 3 years |
| 3 | Electrical Installation & Equipment | 10 years |
| 4 | Furniture Fixtures | 10 years |
| 5 | Office Equipments | 5 years |
| 6 | Vehicles | 10 years |

Amortisation is recognised on a written down value over their estimate useful life.

Intangible Assets and their useful lives are as under:

| Sr. No. | Nature of Asset | Estimated Useful life of the assets |
|---------|-------------------|-------------------------------------|
| 1 | Computer Software | 3 years |

The estimated useful lives, residual values and the depreciation and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

G. Intangible Assets:

An intangible asset is recognized, where it is probable that future economic benefits attributable to the asset will flow to the enterprise and where the cost can be reliably ascertained. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

H. Investments:

Investments which are readily realisable and is intended to be held for not more than one year are classified as current investments. Current investment is valued at lower of cost or realizable value. All other investments are classified as long term investments / non-current investments.

Long term investments are carried at cost after deducting provisions made, if any, for diminution in value of investments other than temporary, determined separately for each individual investment.

Investment in Associates is accounted for using the equity method and is classified as long-term investments. The share of the profits or losses of such investment is disclosed separately in other income and added in the carrying amount of investment.

Any discount or premium on acquisition of bonds are recognized in Profit and Loss account as such bonds are Available for sale (AFS). The broken period interest at the time of acquisition of bonds are recognized as accrued interest and is not included in cost of acquisition.

I. Leases:

Operating Leases

Leases where the Lessor effectively retains substantially all risks and benefits of ownership of the leased premises during the lease term are classified as operating leases. Operating lease payments are recognized as an expense in the Profit & Loss Account on a monthly accrual basis as per agreements.

J. Employee Benefits:

Short term Employee Benefits

Employee benefit payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries, wages and bonus. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Provident Fund

As per the Employees Provident Funds and Miscellaneous Provision Act, 1952 employees of the Company are entitled to receive benefits under the provident fund & family pension fund which is a defined contribution plan. These contributions are made to the fund administered and managed by Government of India. The Company's contribution to the schemes is recognized as expense in the profit and loss account during the period in which the employee renders the related services. The Company has no other obligation to the plans beyond its monthly compensations.

Defined benefits plan

The company's gratuity benefit scheme is a unfunded defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value.

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

The calculation of company's obligation is performed annually by qualified actuary using the projected unit credit method.

K. Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to fulfill the obligation and in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the Standalone Financial Statements.

L. Taxation:

Current tax is determined on the basis of the amount of tax payable on taxable income for the year.

Deferred tax is in accordance with the Accounting Standard 22 – "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

M. Cash And Cash Equivalents:

Cash and cash equivalents comprises of Cash in hand, Balances with banks and fixed deposits less than twelve months with banks.

N. Cash flow statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax

is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

O. Borrowing Costs:

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

P. Earnings per share:

Basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for bonus shares.

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders is divided by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares and is adjusted for the bonus shares held by the Company.

Q. Exceptional Items:

Exceptional items are those items that in management's judgment are material items which derive from events or transactions that fall outside the ordinary activities of the company and which individually or, if of a similar type, in aggregate, need to be disclosed separately by virtue of their size or incidence.

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

Note 2: Share capital

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | | As at 31 st March, 2024 | |
|--|------------------------------------|---------------|------------------------------------|---------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| (i) Authorised Share Capital | | | | |
| Equity shares of ₹ 10/- each | 1,00,000 | 1,000 | 1,00,000 | 1,000 |
| | 1,00,000 | 1,000 | 1,00,000 | 1,000 |
| (ii) Issued, subscribed and paid up share capital | | | | |
| Equity shares of ₹ 10/- each fully paid up | 60,55,200 | 605.52 | 60,55,200 | 605.52 |
| TOTAL | 60,55,200 | 605.52 | 60,55,200 | 605.52 |

2.1 Reconciliation of number of Equity shares outstanding at the beginning and at the end of the year:

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | | As at 31 st March, 2024 | |
|---|------------------------------------|---------------|------------------------------------|---------------|
| | No. of Shares | Amount | No. of Shares | Amount |
| Shares outstanding at the beginning of the year | 60,55,200 | 605.52 | 60,55,200 | 605.52 |
| Add: Shares issued during the year | - | - | - | - |
| Less: Shares bought back and extinguished during the year | - | - | - | - |
| Shares outstanding at the end of the year | 60,55,200 | 605.52 | 60,55,200 | 605.52 |

2.2 Details of equity shares held by each shareholder holding more than 5% shares

(₹ In Lakhs)

| Shareholder holding equity shares with voting rights | As at 31 st March, 2025 | | As at 31 st March, 2024 | |
|--|------------------------------------|---------------|------------------------------------|---------------|
| | No. of Shares | % of Holding | No. of Shares | % of Holding |
| (i) Mr. Anil Kapasi | 15,82,801 | 26.14% | 15,82,801 | 26.14% |
| (ii) Mr. Umesh Pangam | 15,27,994 | 25.23% | 15,27,994 | 25.23% |
| (iii) Mrs. Hiral Kapasi | 5,88,302 | 9.72% | 5,88,302 | 9.72% |
| TOTAL | 36,99,097 | 61.09% | 36,99,097 | 61.09% |

2.3 Shareholding of Promoters and Promoter Group

(₹ In Lakhs)

| Name of the Promoter | As at 31 st March, 2025 | | As at 31 st March, 2024 | |
|--------------------------|------------------------------------|---------------|------------------------------------|---------------|
| | No. of Shares | Percentage | No. of Shares | Percentage |
| (i) Mr. Anil Kapasi | 15,82,801 | 26.14% | 15,82,801 | 26.14% |
| (ii) Mr. Umesh Pangam | 15,27,994 | 25.23% | 15,27,994 | 25.23% |
| (iii) Mrs. Hiral Kapasi | 5,88,302 | 9.72% | 5,88,302 | 9.72% |
| (iv) Mrs. Kirti Pangam | 2,03,502 | 3.36% | 2,57,902 | 4.26% |
| (v) Mr. Harsh Kapasi | 66,300 | 1.09% | 66,300 | 1.09% |
| (vi) Mrs. Rishika Pangam | 66,300 | 1.09% | 66,300 | 1.09% |
| (vii) Mrs. Sharda Shah | 1 | 0.00% | 1 | 0.00% |
| TOTAL | 40,35,200 | 66.63% | 40,89,600 | 67.53% |

Note 3: Reserves & Surplus

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|-------------------------------------|------------------------------------|------------------------------------|
| | | |
| (i) Profit and Loss Account | | |
| At the beginning of the year | 1,514.66 | 1,359.86 |
| Add: Profit/ (Loss) during the year | 444.51 | 154.80 |
| Less: Dividend Paid FY 2023-24 | (60.55) | - |
| Closing balance for the year | 1,898.62 | 1,514.66 |

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

Note 3: Reserves & Surplus (Contd..)

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|---------------------------------------|---------------------------------------|
| (ii) Securities Premium Reserve | | |
| At the beginning of the year | - | - |
| Add: Addition during the year | - | - |
| Less: Utilized during the year | - | - |
| Closing balance for the year | - | - |
| Total | 1,898.62 | 1,514.66 |

Note 4: Long Term Provisions

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|---------------------------------------|---------------------------------------|
| (i) Provision for Employee benefits | | |
| (a) Gratuity | 46.20 | 41.66 |
| Total | 46.20 | 41.66 |

Note 5: Trade Payables*

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|---------------------------------------|---------------------------------------|
| (i) Trade Payables | | |
| (a) Due to Micro and Small Enterprises | 10.78 | 4.83 |
| (b) Other Payable | 20.75 | 57.43 |
| Total | 31.53 | 62.26 |

*Refer Note 23 for Trade Payables Ageing Schedule

Note 6: Other Current Liabilities

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|------------------------------|---------------------------------------|---------------------------------------|
| (i) Outstanding Expenses | | |
| (a) Salary and Reimbursement | 59.62 | 41.38 |
| (b) Contributin to PF | 4.20 | 3.65 |
| (c) Rent Payable | 9.63 | 15.81 |
| (d) Statutory Dues Payable | 72.92 | 43.19 |
| (e) Others Payable | 69.71 | 27.43 |
| (ii) Advance Fees Received | 1,512.42 | 1,113.54 |
| Total | 1,728.50 | 1,245.00 |

Note 7: Short Term Provision

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|------------------------------------|---------------------------------------|---------------------------------------|
| (i) Provision For Employee Benefit | | |
| (a) Gratuity | 3.76 | 2.43 |
| (b) Leave Encashment | 10.28 | 18.58 |
| (ii) Provision For Taxation | 15.68 | 3.84 |
| Total | 29.72 | 24.85 |

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

Note 8: Property, Plant and Equipment and Intangible Assets

As at 31st March, 2025

| Sr. No. | | Particulars | GROSS BLOCK AT COST | | | DEPRECIATION | | | NET BLOCK | | |
|---|--|------------------------|---------------------|-----------------|---------------|---------------------|---------------------|-----------------|-----------|---------------------|---------------------|
| | | | AS ON 01-04-2024 | ADDITION | DELETION | AS ON 31-03-2025 | AS ON 01-04-2024 | FOR THE YEAR | DELETION | AS ON 31-03-2025 | AS ON 31-03-2024 |
| (A) Property, Plant and Equipments | | | | | | | | | | | |
| 1 | | Electrical Equipment | 270.95 | 108.11 | - | 379.06 | 162.71 | 40.66 | - | 175.69 | 108.24 |
| 2 | | Furnitures & Fixtures | 777.94 | 137.66 | - | 915.60 | 521.60 | 79.53 | - | 314.47 | 256.34 |
| 3 | | Computer | 116.95 | 18.38 | - | 135.33 | 98.91 | 19.47 | - | 16.95 | 18.04 |
| 4 | | Vehicle | 1.70 | - | - | 1.70 | 1.45 | 0.06 | - | 0.19 | 0.25 |
| 5 | | Office Equipment | 101.96 | 19.65 | - | 121.61 | 76.35 | 14.62 | - | 30.64 | 25.61 |
| 6 | | Leasehold Improvements | 64.06 | 111.08 | - | 175.14 | 12.12 | 32.71 | - | 130.31 | 51.94 |
| TOTAL (A) | | | 1,333.56 | 394.88 | - | 1,728.44 | 873.14 | 187.05 | - | 668.25 | 460.42 |
| (B) Intangible Assets | | | | | | | | | | | |
| 1 | | Computer Software | 0.35 | - | - | 0.35 | 0.21 | 0.11 | - | 0.03 | 0.14 |
| 2 | | Goodwill | 36.00 | 289.07 | - | 325.07 | - | - | - | 325.07 | 36.00 |
| TOTAL (B) | | | 36.35 | 289.07 | - | 325.42 | 0.21 | 0.11 | - | 325.10 | 36.14 |
| (C) Capital Work In Progress | | | | | | | | | | | |
| | | CWIP - New Branch | 92.84 | 535.86 | 374.89 | 253.81 | - | - | - | 253.81 | 92.84 |
| TOTAL (C) | | | 92.84 | 535.86 | 374.89 | 253.81 | - | - | - | 253.81 | 92.84 |
| TOTAL (A+B+C) | | | 1,462.75 | 1,219.81 | 374.89 | 2,307.67 | 873.35 | 187.16 | - | 1,247.16 | 589.40 |

* Refer Note 25 for CWIP Ageing Schedule.

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

Note 8: Property, Plant and Equipment and Intangible Assets (Contd..)

As at 31st March, 2024

| Sr. No. | Particulars | GROSS BLOCK AT COST | | | DEPRECIATION | | | NET BLOCK | | |
|---|------------------------|---------------------|---------------|----------|---------------------|---------------------|-----------------|-----------|---------------------|---------------------|
| | | AS ON 01-04-2023 | ADDITION | DELETION | AS ON 31-03-2024 | AS ON 01-04-2023 | FOR THE YEAR | DELETION | AS ON 31-03-2024 | AS ON 31-03-2023 |
| (A) Property, Plant and Equipments | | | | | | | | | | |
| 1 | Electrical Equipment | 168.05 | 102.90 | - | 270.95 | 131.91 | 30.80 | - | 108.24 | 36.14 |
| 2 | Furnitures & Fixtures | 614.66 | 163.28 | - | 777.94 | 464.59 | 57.01 | - | 256.34 | 150.07 |
| 3 | Computer | 93.79 | 23.16 | - | 116.95 | 76.86 | 22.05 | - | 18.04 | 16.93 |
| 4 | Vehicle | 1.70 | - | - | 1.70 | 1.37 | 0.08 | - | 0.25 | 0.33 |
| 5 | Office Equipment | 82.59 | 19.37 | - | 101.96 | 61.54 | 14.81 | - | 25.61 | 21.05 |
| 6 | Leasehold Improvements | 4.28 | 59.78 | - | 64.06 | 1.11 | 11.01 | - | 51.94 | 3.17 |
| | TOTAL (A) | 965.07 | 368.49 | - | 1,333.56 | 737.38 | 135.76 | - | 460.42 | 227.69 |
| (B) Intangible Assets | | | | | | | | | | |
| 1 | Computer Software | 0.35 | - | - | 0.35 | 0.12 | 0.09 | - | 0.14 | 0.23 |
| 2 | Goodwill | - | 36.00 | - | 36.00 | - | - | - | 36.00 | - |
| | TOTAL (B) | 0.35 | 36.00 | - | 36.35 | 0.12 | 0.09 | - | 36.14 | 0.23 |
| (C) Capital Work In Progress | | | | | | | | | | |
| | CWIP - New Branch | - | 92.84 | - | 92.84 | - | - | - | 92.84 | - |
| | TOTAL (C) | - | 92.84 | - | 92.84 | - | - | - | 92.84 | - |
| | TOTAL (A+B+C) | 965.42 | 497.33 | - | 1,462.75 | 737.50 | 135.85 | - | 589.40 | 227.92 |

* Refer Note 25 for CWIP Ageing Schedule.

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

Note 9: Non - Current Investments

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|---------------------------------------|---------------------------------------|
| (i) Trade Investment | - | - |
| (ii) Other Investment | | |
| (a) Investment in Associate Enterprise - 25.50% (Zen Education and Learning) | 439.52 | - |
| (b) Fixed Deposit more than 12 months | 204.16 | - |
| Total | 643.68 | - |

Note 10: Long Term Loans and Advances

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|---------------------------------------|---------------------------------------|
| (i) Security Deposits | 243.38 | 287.88 |
| (ii) Loans and Advances to Related Parties | | |
| (a) Secured, Considered good | - | - |
| (b) Unsecured, Considered good | - | 86.30 |
| (c) Considered Doubtful | - | - |
| Less : Provision for doubtful related parties | - | - |
| (ii) Others Loans and Advances | - | - |
| (a) Secured, Considered good | - | - |
| (b) Unsecured, Considered good | 262.27 | 198.23 |
| (c) Considered Doubtful | - | - |
| Total | 505.65 | 572.41 |

Note 11: Other Non - Current Assets

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|----------------------|---------------------------------------|---------------------------------------|
| (i) Capital Advances | 68.98 | - |
| Total | 68.98 | - |

Note 12: Current Investments

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|---------------------------------------|---------------------------------------|
| (i) Trade Investment | | |
| 8.27% HDB Financial Services Limited | 50.00 | - |
| 8.28% Axis Finance Limited | 10.00 | - |
| 8.31% Aditya Birla Finance Limited | 20.00 | - |
| 8.85% Shriram Finance Limited | 20.00 | - |
| 9.00% Shriram Finance Limited | 30.00 | - |
| 9.10% Cholamandalam Investment & Finance Limited | 50.00 | - |
| 9.35% Telangana State Industrial Infrastructure Corporation Limited | 50.00 | - |
| 9.49% Kerala Infrastructure Investment Fund Board Limited | 65.00 | - |
| 9.50% Hinduja Leyland Finance Limited | 20.00 | - |
| 9.95% U.P. Power Corporation Limited | 20.00 | - |
| (ii) Other Investment | - | - |
| Total | 335.00 | - |

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

Note 12: Current Investments (Contd..)

The aggregate book value and market value of investment is as follows:

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|-----------------------------|---------------------------------------|---------------------------------------|
| Quoted investments in Bonds | | |
| - Aggregate book value | 335.00 | - |
| - Aggregate market value | 335.00 | - |

Note 13: Trade Receivable*

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|---------------------------------------|---------------------------------------|
| (i) Outstanding for less than 6 months | | |
| (a) Secured, considered good | - | - |
| (b) Unsecured, considered good | - | 6.40 |
| (c) Unsecured, considered doubtful | - | - |
| (ii) Outstanding for more than 6 months | | |
| (a) Secured, considered good | - | - |
| (b) Unsecured, considered good | 77.03 | 27.07 |
| (c) Unsecured, considered doubtful | - | - |
| Less : Bad Debts | - | (27.07) |
| Total | 77.03 | 6.40 |

*Refer Note 24 for Trade Receivables Ageing Schedule

Note 14: Cash & Cash Equivalents

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|---------------------------------------|---------------------------------------|
| (i) Balance with banks in Current Account | 149.31 | 41.34 |
| (ii) Deposits with banks | 666.90 | 1,943.14 |
| (iii) Cash on Hand | 11.04 | 4.15 |
| Total | 827.25 | 1,988.63 |

Note 15: Short Term Loans and Advances

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|---------------------------------------|---------------------------------------|
| (i) Security Deposit | 73.36 | 0.77 |
| (ii) Loans and Advances to Employees | | |
| (a) Secured, Considered good | - | - |
| (b) Unsecured, Considered good | 24.20 | 5.72 |
| (c) Considered Doubtful | - | - |
| Less : Provision for doubtful related employees | - | - |
| (iii) Advances to Creditors | | |
| (a) Secured, Considered good | - | - |
| (b) Unsecured, Considered good | 43.14 | 56.55 |
| (c) Considered Doubtful | - | - |
| (iv) Others Loans and Advances | | |
| (a) Secured, Considered good | - | - |
| (b) Unsecured, Considered good | 116.00 | - |
| (c) Considered Doubtful | - | - |
| Less : Provision for doubtful security deposits | - | - |
| Total | 256.69 | 63.04 |

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

Note 16: Other Current Assets

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|---------------------------------------|---------------------------------------|
| (i) Prepaid Expenses | 24.04 | 13.42 |
| (ii) Interest Receivable | 15.00 | 6.69 |
| (iii) Balance with Government Authorities | 259.84 | 191.65 |
| Total | 298.88 | 211.76 |

Note 17: Revenue from Operation

(₹ In Lakhs)

| Particulars | Year Ended 31 st March, 2025 | Year Ended 31 st March, 2024 |
|-------------------|--|--|
| Services Rendered | 4,055.71 | 3,032.35 |
| Total | 4,055.71 | 3,032.35 |

Note 18: Other Income

(₹ In Lakhs)

| Particulars | Year Ended 31 st March, 2025 | Year Ended 31 st March, 2024 |
|--------------------------------|--|--|
| Interest Income | 139.32 | 121.59 |
| Share of Profit from Associate | 6.02 | - |
| Other Income | 56.76 | 1.52 |
| Total | 202.10 | 123.11 |

Note 19: Employee Benefit Expenses

(₹ In Lakhs)

| Particulars | Year Ended 31 st March, 2025 | Year Ended 31 st March, 2024 |
|---|--|--|
| Salaries to Staff | 637.79 | 570.14 |
| Directors' Remuneration | 56.22 | 42.00 |
| Contribution to PF, Gratuity & Other Fund | 38.23 | 22.46 |
| Staff Welfare Expenses | 13.98 | 8.32 |
| Total | 746.22 | 642.92 |

Note 20: Finance Costs

(₹ In Lakhs)

| Particulars | Year Ended 31 st March, 2025 | Year Ended 31 st March, 2024 |
|------------------|--|--|
| Interest Expense | - | - |
| Bank charges | 2.60 | 0.82 |
| Total | 2.60 | 0.82 |

Note 21: Other Expense

(₹ In Lakhs)

| Particulars | Year Ended 31 st March, 2025 | Year Ended 31 st March, 2024 |
|---------------------------------------|--|--|
| Advertisement Expenses | 124.60 | 125.17 |
| Audit Fees (Refer Note No. 30) | 12.50 | 8.30 |
| Brokerage & Commission | 0.18 | 0.56 |
| Computer Expenses | 51.62 | 44.33 |
| Conveyance & Transport | 12.62 | 13.52 |

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

Note 21: Other Expense (Contd..)

(₹ In Lakhs)

| Particulars | Year Ended 31 st March, 2025 | Year Ended 31 st March, 2024 |
|--------------------------------------|--|--|
| Donation | 2.00 | 12.22 |
| Electricity Expenses | 115.23 | 87.41 |
| Entertainment Expenses | 34.59 | 67.41 |
| Insurance Charges | 0.06 | 0.01 |
| Legal Expenses | 5.91 | 4.80 |
| Membership & Subscription | 0.98 | 0.23 |
| MSME Interest | 0.06 | - |
| Office Expenses | 20.89 | 6.80 |
| Paper Checking Charges | 31.89 | 22.93 |
| Printing & Stationary Expenses | 60.88 | 43.16 |
| Premium/Discount on Purchase of Bond | 4.46 | - |
| Interest on Statutory Liability | 1.41 | 3.18 |
| Professional Charges | 1,318.94 | 897.83 |
| Rent | 626.36 | 509.57 |
| Repairs & Maintenance | 60.25 | 59.86 |
| Seminars & Functions | 35.43 | 23.44 |
| Students Bags | 15.97 | 20.48 |
| Students Books & Notes | 147.02 | 146.78 |
| Subject Co-ordination | 12.15 | 5.68 |
| Sundry Expenses | 9.64 | 14.75 |
| Supervisors Charges | 30.62 | 20.70 |
| Telephone & Internet Expenses | 7.10 | 7.60 |
| Sundry Balance Written Off | 6.23 | 22.90 |
| Bad Debts | 1.34 | 27.07 |
| Total | 2,750.93 | 2,196.67 |

22) Analytical Ratios:

(₹ In Lakhs)

| Description | As at 31 st March, 2025 | As at 31 st March, 2024 | Variance | Remark |
|-------------------------------------|---------------------------------------|---------------------------------------|----------|---|
| a) Current Ratio | 1.04 | 1.68 | -38.01% | Reduction in current liabilities as compared to previous Year |
| b) Debt-Equity Ratio | - | - | - | NA |
| c) Debt Service Coverage Ratio | - | - | - | NA |
| d) Return on Equity | 19.22% | 7.58% | 153.62% | Due to increase in profit. |
| e) Inventory turnover ratio | - | - | - | NA |
| f) Trade Receivables turnover ratio | 97.23 | 127.50 | -23.74% | NA |
| g) Trade Payables turnover ratio | 58.67 | 59.40 | -1.23% | NA |
| h) Net capital turnover ratio | 1.58 | 2.76 | -42.88% | Due to new branches capitalised during the year, the company is in the expansion phase. |
| i) Net profit ratio | 10.96% | 5.11% | 114.48% | Due to increase in profits |
| j) Return on Capital employed | 22.90% | 19.20% | 19.29% | NA |
| k) Return on investment | 1.64% | - | - | NA |

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

23) Trade Payable Ageing:

As at 31st March, 2025

(₹ In Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | |
|-----------------------------|--|-----------|-----------|-------------------|--------------|
| | Less than 1 Year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 10.78 | - | - | - | 10.78 |
| (ii) Others | 20.75 | - | - | - | 20.75 |
| (iii) Disputed Dues - MSME | - | - | - | - | - |
| (iv) Disputed Dues - Others | - | - | - | - | - |
| Total | 31.53 | - | - | - | 31.53 |

As at 31st March, 2024

(₹ In Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | |
|-----------------------------|--|-----------|-------------|-------------------|--------------|
| | Less than 1 Year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 4.83 | - | - | - | 4.83 |
| (ii) Others | 56.06 | - | 0.59 | 0.78 | 57.43 |
| (iii) Disputed Dues - MSME | - | - | - | - | - |
| (iv) Disputed Dues - Others | - | - | - | - | - |
| Total | 60.89 | - | 0.59 | 0.78 | 62.26 |

(a) Micro, Small and Medium enterprises have identified by the company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosure as per Micro, Small and Medium Enterprises Development Act, 2006 (MEMED Act) are given below:

(₹ In Lakhs)

| Sr No | Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|-------|--|------------------------------------|------------------------------------|
| 1 | Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end | 10.78 | 4.83 |
| 2 | Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end | - | - |
| 3 | Principal amounts paid during the year to suppliers registered under the MSMED Act, beyond the appointed day during the year | 11.69 | 14.55 |
| 4 | Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| 5 | Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - | - |
| 6 | Interest due and payable towards suppliers registered under MSMED Act, for payments already made | 0.06 | 0.31 |
| 7 | Further interest remaining due and payable for earlier years | - | - |

24) Trade Receivable Ageing:

As at 31st March, 2025

(₹ In Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | |
|---|--|-------------------|-----------|-----------|-------------------|-------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) Undisputed Trade Receivables – considered good | 77.03 | - | - | - | - | 77.03 |
| (ii) Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | - |

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

24) Trade Receivable Ageing: (Contd..)

(₹ In Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|---|--|-------------------|-----------|-----------|-------------------|--------------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (iii) Disputed Trade Receivables – considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables – considered doubtful | - | - | - | - | - | - |
| Total | 77.03 | - | - | - | - | 77.03 |

As at 31st March, 2024

(₹ In Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|---|--|-------------------|-----------|-----------|-------------------|-------------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade Receivables – considered good | 6.40 | - | - | - | - | 6.40 |
| (ii) Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade Receivables – considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables – considered doubtful | - | - | - | - | - | - |
| Total | 6.40 | - | - | - | - | 6.40 |

25) Capital Work in Progress (CWIP) Ageing:

As at 31st March, 2025

(₹ In Lakhs)

| Particulars | Amount in CWIP for a period of | | | | Total |
|--------------------------------|--------------------------------|--------------|-----------|-------------------|---------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Branch Development | 217.36 | 36.45 | - | - | 253.81 |
| (ii) Branch Temporarily Closed | - | - | - | - | - |
| Total | 217.36 | 36.45 | - | - | 253.81 |

As at 31st March, 2024

(₹ In Lakhs)

| Particulars | Amount in CWIP for a period of | | | | Total |
|--------------------------------|--------------------------------|-----------|-----------|-------------------|--------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Branch Development | 92.84 | - | - | - | 92.84 |
| (ii) Branch Temporarily Closed | - | - | - | - | - |
| Total | 92.84 | - | - | - | 92.84 |

26) Commitments and Contingencies :

(₹ In Lakhs)

| Sr. No. | Particulars | FY 2024-25 | FY 2023-24 |
|----------|------------------------------------|--------------|--------------|
| 1 | Capital Commitments | 68.98 | - |
| 2 | Contingent Liabilities | | |
| | Income Tax – AY 2023-24 | 3.57 | 3.57 |
| | Goods and Service Tax – FY 2018-19 | 8.33 | 8.33 |
| | Total | 80.88 | 11.90 |

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

27) Investment in Associate Enterprise:

The Company has entered into an agreement with Zen Education and Learning ("ZEAL") dated 24th October, 2024 to acquire 51.00% stake which has been approved in the board dated 19th October, 2024 for ₹ 867 Lakhs (Indian Rupees Eight Crores Sixty Seven Lakhs only). The company has acquired 25.50% stake, profit sharing and voting rights in Zen Education and Learning ("ZEAL") for ₹ 433.50 Lakhs (Indian Rupees Four Crores Thirty Three Lakhs Fifty Thousand only) (comprising of ₹ 83.50 Lakhs towards contribution amount and ₹ 350 Lakhs towards goodwill amount) with effect from 24th October, 2024 and the remaining 25.50% stake, profit sharing and voting rights will be acquired upon fulfilment of prescribed conditions mentioned in the agreement on or before 30th October, 2025.

28) Slump Sale by Team Arihant Carmel Academy LLP:

On 21st January, 2025 Arihant Academy Limited incorporated a Business Transfer Agreement with Team Carmel Academy LLP to acquire its undertaking which is Education Services on a slump sale basis. The appointed date for the said agreement is 01st January, 2025.

The company valued the asset taken over including student contract/relationship, goodwill valued by the registered valuer. Aggregate consideration paid for acquiring the above stated assets and liabilities have been determined based on the independent valuer report as per the detailed below:

| | Amount in Lakhs |
|-------------------------------------|-----------------|
| Non Current Assets | |
| Property, Plant & Equipment | 38.64 |
| Current Assets | |
| Cash & Cash Balances | 37.46 |
| Loans, Advances & Deposits | 51.38 |
| Sub Total (A) | 127.48 |
| Current Liabilities | |
| Provision for Expenses | 25.57 |
| Provision for Taxation | 1.51 |
| Sundry Creditors | 2.63 |
| Advance Coaching Fees | 86.84 |
| Sub Total (B) | 116.55 |
| Total Net Assets (A-B) | 10.93 |
| Less: Consideration Paid | 300.00 |
| Capital Reserve / (Goodwill) | (289.07) |

29) On 27th February, 2025 (the appointed date) Arihant Academy Limited incorporated a Business Transfer Agreement with Carmel Tuitions and Carmel Classes to acquire its undertaking which is Education Services on a slump sale basis. The appointed date for the said agreement is 01st April, 2025.

The company has paid advance amounting to ₹ 50 Lakhs (Indian Rupees Fifty Lakhs only) each to Carmel Tuitions and Carmel Classes.

30) Auditor's Remuneration:

| | (₹ In Lakhs) | |
|----------------------|--------------|-------------|
| Particulars | FY 2024-25 | FY 2023-24 |
| Statutory Audit Fees | 10.00 | 7.00 |
| Tax Audit Fees | 1.50 | - |
| Other Services | 1.00 | 1.30 |
| Total | 12.50 | 8.30 |

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

31) Earnings per share:

Earnings per Share are calculated by dividing the profit attributable to the equity shareholders by the average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per share are as stated below:

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--------------------------------|---------------------------------------|---------------------------------------|
| Profit after tax (₹ In Lakhs) | 444.51 | 154.80 |
| Weighted number of Shares | 60,55,200 | 60,55,200 |
| Basic & Diluted EPS | 7.34 | 2.56 |

32) Deferred Tax Asset (Net):

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | | As at 31 st March, 2024 | |
|---|------------------------------------|--------------|------------------------------------|--------------|
| Deferred Tax Asset | | | | |
| Difference of depreciation as per books and as per Income Tax Law | 16.00 | | 8.56 | |
| Earlier Year Adjustment | - | 16.00 | 24.31 | 32.87 |
| Deferred Tax Liabilities | | | | |
| Provision for Gratuity | | 1.47 | | (0.58) |
| Total | | 17.47 | | 32.29 |

33) Employee Benefit:

Details of Gratuity Plan is as follows:

| Particulars | Assumptions (Closing Period) | |
|----------------------------------|--|--|
| | As at 31 st March, 2025 | As at 31 st March, 2024 |
| Expected Return on Plan Assets | N.A. | N.A. |
| Rate of Discounting | 6.79% | 7.22% |
| Rate of Salary Increase | 3.50% | 5.00% |
| Rate of Employee Turnover | 5.00% | 5.00% |
| Mortality Rate During Employment | Indian Assured Lives Mortality 2012-14 (Urban) | Indian Assured Lives Mortality 2012-14 (Urban) |

Table Showing Change in the Present Value of Defined Benefit Obligation

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|---------------------------------------|---------------------------------------|
| Present Value of Benefit Obligation at the Beginning of the Period | 44.09 | 46.36 |
| Interest Cost | 3.18 | 3.26 |
| Current Service Cost | 8.70 | 7.61 |
| Past Service Cost - Non-Vested Benefit Incurred During the Period | - | - |
| Past Service Cost - Vested Benefit Incurred During the Period | - | - |
| Liability Transferred In/ Acquisitions | - | - |
| (Liability Transferred Out/ Divestments) | - | - |
| (Gains)/ Losses on Curtailment | - | - |
| (Liabilities Extinguished on Settlement) | - | - |
| (Benefit Paid Directly by the Employer) | (9.72) | (6.62) |

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

33) Employee Benefit: (Contd..)

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|---------------------------------------|---------------------------------------|
| (Benefit Paid From the Fund) | - | - |
| The Effect Of Changes in Foreign Exchange Rates | - | - |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions | - | - |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions | (4.47) | 0.99 |
| Actuarial (Gains)/Losses on Obligations - Due to Experience | 8.17 | (7.51) |
| Present Value of Benefit Obligation at the End of the Period | 49.96 | 44.09 |

Actuarial (Gains)/ losses recognized in the Statement of Profit or Loss for Current Period

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|---------------------------------------|---------------------------------------|
| Actuarial (Gains)/Losses on Obligation For the Period | 3.70 | (6.51) |
| Actuarial (Gains)/Losses on Plan Asset For the Period | - | - |
| Subtotal | 3.70 | (6.51) |
| Actuarial (Gains)/Losses Recognized in the Statement of Profit or loss | 3.70 | (6.51) |

Amount Recognized in the Balance Sheet

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|--|---------------------------------------|---------------------------------------|
| (Present Value of Benefit Obligation at the end of the Period) | (49.96) | (44.09) |
| Fair Value of Plan Assets at the end of the Period | - | - |
| Funded Status (Surplus/ (Deficit)) | (49.96) | (44.09) |
| Unrecognized Past Service Cost at the end of the Period | - | - |
| Net (Liability)/Asset Recognized in the Balance Sheet | (49.96) | (44.09) |

Expense Recognized in the Statement of Profit or Loss

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | As at 31 st March, 2024 |
|---|---------------------------------------|---------------------------------------|
| Current Service Cost | 8.70 | 7.61 |
| Net Interest Cost | 3.18 | 3.26 |
| Actuarial (Gains)/Losses | 3.70 | (6.51) |
| Past Service Cost - Non-Vested Benefit Recognized During the Period | - | - |
| Past Service Cost - Vested Benefit Recognized During the Period | - | - |
| (Expected Contributions by the Employees) | - | - |
| (Gains)/Losses on Curtailments And Settlements | - | - |
| Net Effect of Changes in Foreign Exchange Rates | - | - |
| Change in Asset Ceiling | - | - |
| Expenses Recognized in the Statement of Profit or Loss | 15.58 | 4.35 |

34) In the opinion of the Board of Directors the current assets, loan and advances are approximately of the value stated, if realised in the ordinary course of business. The provisions for all known liabilities is adequate and not in excess of the amount reasonably necessary.

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

35) Related party disclosure as required by Accounting Standard-18 is given below:

1. Relationships:

- a. Entities where control exist:
- Team Arihant Carmel Academy LLP
(Upto 31st December 2024)
Arihant Academy Ventures Pvt Limited
(Upto 12th July 2023)
- b. Directors:
- Mr. Anil Suresh Kapasi
Mr. Umesh Anand Pangam
Ms. Kirti Pangam
Mr. Harsh Kapasi
Mr. Manish Khodidas Desai
Mr. Himanshu Rajnikant Mody
Mr. Chintan Suresh shah
- c. Key Managerial Personnel:
- Mr. Shirish Pandurang Kumbhar
Ms. Garima Srivastava
Mr. Sumeet Bhawe
(Upto 16th September, 2023)
- d. Relatives of Director:
- Ms. Hiral Kapasi
Ms. Rishika Pangam
Ms. Sejal Shah
- e. Associate Enterprise:
- Zen Education and Learning
(w.e.f. 24th October, 2024)

2. Transactions carry out with Related Parties in ordinary course of business:

(₹ In Lakhs)

| Sr. No. | Particulars | Relationship | Remuneration | Professional Fees | Loan and Advances | Investment | Outstanding Loan and Advances |
|---------|-------------------------------|--|------------------|-------------------|-------------------|------------|-------------------------------|
| 1 | Mr. Anil Suresh Kapasi | Managing Director | 27.00 (20.00) | - | - | - | - |
| 2 | Mr. Umesh Anand Pangam | Chairperson & Whole Time Director | 29.22 (22.00) | - | - | - | - |
| 3 | Mr. Harsh Anil Kapasi | Non-Executive Director | 3.75 (12.00) | 11.25 | - | - | - |
| 4 | Ms. Kirti Umesh Pangam | Non-Executive Director | - | 4.80 (6.50) | - | - | - |
| 5 | Mr. Shirish Pandurang Kumbhar | Chief Financial Officer | 8.72 (8.54) | - | - | - | - |
| 6 | Ms. Garima Srivastava | Company Secretary and Compliance Officer | 1.99 (0.77) | - | - | - | - |

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

35) Related party disclosure as required by Accounting Standard-18 is given below: (Contd..)

(₹ In Lakhs)

| Sr. No. | Particulars | Relationship | Remuneration | Professional Fees | Loan and Advances | Investment | Outstanding Loan and Advances |
|---------|--|--|------------------|-------------------|-------------------|------------|-------------------------------|
| 7 | Mr.Sumeet Bhave | Company Secretary and Compliance Officer | - (2.04) | - | - | - | - |
| 8 | Ms. Hiral Kapasi | Employee | 15.00 (12.00) | - | - | - | - |
| 9 | Mr. Anand Pangam | Employee | - (0.35) | - | - | - | - |
| 10 | Ms. Rishika Pangam | Employee | 6.00 (2.80) | - | - | - | - |
| 11 | Ms. Sejal Shah | Employee | 9.00 (4.00) | - | - | - | - |
| 12 | Arihant Academy Ventures Private Limited | Related Party | - | - | - | - | - |
| | | | - | - | - | - | (86.30) |
| 13 | Team Arihant Carmel Academy LLP | Related Party | - | - | 0.03 (0.03) | - | - |
| 14 | Zen Education and Learning | Related Party | - | 46.20 | - | 433.50 | - |
| | | | - | - | - | - | - |

(Current year figures are shown in bold & comparative figures for previous year are shown in bracket below the current year)

36) Initial Public Offer:

The company has issued and allotted 16,35,200 equity shares of ₹ 10 each at premium of ₹ 80 per Share through Initial Public Offer, aggregating to ₹ 605.52 Lakhs. The Net issue expenses are ₹ 112.91 Lakhs. The details of utilization of the net IPO proceeds is mentioned below:

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | | As at 31 st March, 2024 | |
|---|------------------------------------|----------|------------------------------------|---------------|
| Opening Balance of unutilized amount | | 591.14 | | 1187.22 |
| Amount received from IPO | | | | |
| Less: Deployment of funds Received from IPO: | | | | |
| For Working Capital | 591.14 | | 439.56 | |
| Issue Expenses | - | | - | |
| General Corporate Purposes | - | | 156.52 | |
| Total Deployment of funds till 31 st March, 2025 | | (591.14) | | (596.08) |
| Balance Amount to be Unutilized | | - | | 591.14 |

37) Events occurring after the balance sheet date

Proposed Dividend

The Board of Directors at their meeting held on 29th May 2025 has recommended final dividend of ₹ 1.00/- per equity share for the financial year ended 31st March, 2025 which is subject to the approval of the members at the annual general meeting. Cash outflow will be ₹ 60.55 Lakhs.

Notes on Standalone Financial Statements

for the year ended 31st March, 2025

38) The Company does not have any earnings in foreign currency.

39) The company operates only in one business segment which is coaching services. Further, the company operates and controls its business activities within India. Hence disclosure of segment wise information is not applicable under Accounting Standard-17 "Segment Reporting" (AS-17).

40) During the year, the company has not executed any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

41) There are no transactions which were not recorded in books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

42) No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

43) The Company has neither traded nor invested in crypto currency or virtual currency during the year.

44) Previous year's figures have been regrouped, rearranged or recast to make them comparable wherever necessary.

As per our report of even date attached

For **G. P. Kapadia & Co**

Chartered Accountants

Firm's Registration No: 104768W

Atul B Desai

Partner

Membership No. : 030850

Place : Mumbai

Date : 29/05/2025

For and on behalf of the Board of Directors

Arihant Academy Limited

Umesh Anand Pangam

Whole Time Director

DIN: 03524171

Shirish Kumbhar

Chief Financial Officer

Anil Suresh Kapasi

Managing Director

DIN: 03524165

Garima Shrivastava

Company Secretary

Independent Auditor's Report

To
the Members of
Arihant Academy Limited
(formerly known as Arihant Academy Private Limited)

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of **Arihant Academy Limited (herein after referred to as the "Holding Company")** and its associate enterprise, which comprises the Consolidated Balance Sheet as at March 31, 2025, the Consolidated Statement of Profit and Loss and Consolidated Cash flow Statement for the year then ended on that date, and notes to the consolidated financial statements including a summary of significant accounting policies (herein after referred to as "the Consolidated Financial Statement").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 consolidated state of affairs of the Company, its associate enterprise as at March 31, 2025, the consolidated profit and consolidated cash flow statement 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 SAs are further described in the Auditor's Responsibilities for the Audit of the consolidated 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 consolidated financial statements under the provisions of the Act and the Rules 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 opinion on the consolidated 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 consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Management are responsible for the preparation of the other information. The other information comprises the information included in the Director's Report including Annexures to Director's Report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated 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 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 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, 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 Financial Statements

The Company's management are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated profit/loss, change in equity and consolidated cash flow statement of the Company and its associate enterprise in accordance with the accounting principles generally accepted in India, including the Accounting Standards (AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 its associate enterprise 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the

preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management are responsible for assessing the Company's and its associate enterprise 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 respective Board of Directors of the Company and its associate enterprise are also responsible for overseeing the Company's financial reporting process of the Company and its associate enterprise.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated 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 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 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 has adequate internal financial controls with reference to consolidated financial statements 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 in the consolidated financial statement 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 consolidated 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 consolidated financial statements, including the disclosures, and whether the consolidated 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 Company and its associate enterprise to express an opinion on the Consolidated Financial Statements. For the entities included in the Consolidated Financial Statements which have been audited by the other auditors, such other auditors remain responsible for the directors, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in paragraph (a) of the section titled "Other Matters" in this audit report.

Materiality is the magnitude of misstatements in the consolidated financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated 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 consolidated 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

- We did not audit the financial statements of associate included in the consolidated financial statement, whose financial statement reflect profit of ₹ 6.02 lakhs, as considered in the audited consolidated financial statements. These financial statements have been audited by other auditors and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of this associate is based solely on the financial statements of the associate as referred aforesaid. Our opinion is not modified in respect of the above matter.

Report on Other Legal and Regulatory Requirements

(A) As required by the Companies (Auditors' Report) Order, 2020 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, to be included in the Auditor's report, according to the information and explanations given to us, and based on the CARO reports issued by us for the Parent Company and by the auditors of the associate enterprise incorporated in India, included in the consolidated financial statements of the Parent Company, to which reporting under CARO is applicable, we report that there are no qualifications or adverse remarks in these CARO reports.

(B) As required by Section 143(3) of the Act, we report that:

- 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 the aforesaid consolidated financial statements.
- In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors.
- The Consolidated Balance Sheet, the consolidated statement of profit and loss and consolidated cash flow statement dealt with by this report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements.
- In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014.

- On the basis of the written representations received from the directors as on 31st March 2025, and taken on record by the Board of Directors of the Holding Company and its associate, none of the directors is disqualified as on 31st March 2025 from being appointed as a director in terms of Section 164(2) of the Act;
- 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 A**".

(C) 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:

- The consolidated financial statement discloses the impact of pending litigation on the consolidated financial position of the Group and its associate enterprise as at 31st March 2025 refer Note No.26 to the consolidated financial statements;
- The Company and its associate enterprise did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
- On the basis of written representations received and taken on record from the management, no funds other than as disclosed in the notes to the accounts have been advanced or loaned or invested by the company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, whether, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;
 - further, management has represented that no funds other as disclosed in the notes to the accounts have been received by the company from any person(s) or entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the 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; and
- (c) Based on our audit procedures that have been considered reasonable and appropriate in the circumstances, nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) contain any material misstatement.
- (v) As stated in Note No 37 to the consolidated financial statements, the board of Directors of the company has proposed final dividend for the year which is subject to the approval of the members at the ensuring Annual General Meeting. The dividend declared is in accordance with section 123 of the act to the extent it applies to declaration of dividend.
- (vi) With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act, in our opinion and according to the information and explanations given to us, managerial remuneration paid is as per the limits prescribed by Section 197(5).
- (vii) Based on our examination which included test checks the company have used an accounting software/other software for maintaining its books of account which has a feature of recording audit trail (edit log) facility but the same has not operated throughout the year for all relevant transactions recorded in the software.
- Place: Mumbai
Date: 29th May, 2025

For **G. P. KAPADIA & CO.**
Chartered Accountants
(Firm Registration No. 104768W)

Atul B. Desai
Partner

Membership No.: 030850
UDIN: 25030850BMGXVT9780

Annexure 'A' to the Independent Auditor's Report

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **Arihant Academy Limited** on the consolidated financial statements for the year ended March 31, 2025]

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **Arihant Academy Limited ("the Holding Company")** and its associate enterprise as of March 31, 2025 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Company's management are responsible for establishing and maintaining internal financial controls with reference to Consolidated Financial Statements based on 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 ('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 Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting with reference to Consolidated financial Statements 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, to the extent applicable to an audit of internal financial controls, 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 with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls over financial reporting with reference to consolidated financial statements includes

obtaining an understanding of internal financial controls over financial reporting with reference to consolidated financial statements, 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 consolidated 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 Company's internal financial controls system over financial reporting with reference to these Consolidated Financial Statements.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting with reference to Consolidated Financial Statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial control over financial reporting with reference to consolidated financial statements includes those policies and procedures that:

- Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- Provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated 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
- 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 financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting with reference to consolidated financial statements, 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 with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control over financial reporting with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting with reference to these consolidated financial statements and such internal financial controls over financial reporting were operating effectively as at March 31, 2025, 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).

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements of the Holding Company, in so far as it relates associate enterprise to the extent applicable, which are enterprise incorporated in India, is based on the corresponding reports of the auditors of such associate enterprise incorporated in India.

For **G. P. Kapadia & Co.**
Chartered Accountants
(Firm Registration No. 104768W)

Atul B. Desai
Partner

Place: Mumbai
Date: 29th May, 2025

Membership No.: 030850
UDIN: 25030850BMGXVT9780

Consolidated Balance Sheet

as at 31st March, 2025

(₹ In Lakhs)

| Particulars | Note No. | As at 31 st March, 2025 |
|---|----------|------------------------------------|
| I. EQUITY AND LIABILITIES | | |
| (1) Shareholder's Funds | | |
| (a) Share Capital | 2 | 605.52 |
| (b) Reserves and Surplus | 3 | 1,898.62 |
| (c) Money received against share warrants | | - |
| (2) Share application money pending allotment | | - |
| (3) Non-Current Liabilities | | |
| (a) Long-term borrowings | | - |
| (b) Deferred tax liabilities (Net) | | - |
| (c) Other Long Term Liabilities | | - |
| (d) Long term provisions | 4 | 46.20 |
| (4) Current Liabilities | | |
| (a) Short-term borrowings | | - |
| (b) Trade payables | | |
| (i) Total outstanding dues of micro enterprise and small enterprise | 5 | 10.78 |
| (ii) Total outstanding dues of creditors other than micro enterprise and small enterprise | | 20.75 |
| (c) Other current liabilities | 6 | 1,728.50 |
| (d) Short-term provisions | 7 | 29.72 |
| Total | | 4,340.09 |
| II. ASSETS | | |
| (1) Non-current assets | | |
| (a) Property, Plant and Equipment and Intangible Asset | | |
| (i) Property, Plant and Equipment | 8 | 668.25 |
| (ii) Intangible assets | 8 | 325.10 |
| (iii) Capital work-in-progress | 8 | 253.81 |
| (iv) Intangible assets under development | | - |
| (b) Non-current investments | 9 | 643.68 |
| (c) Deferred tax assets (net) | 34 | 79.77 |
| (d) Long term loans and advances | 10 | 505.65 |
| (e) Other non-current assets | 11 | 68.98 |
| (2) Current assets | | |
| (a) Current investments | 12 | 335.00 |
| (b) Inventories | | - |
| (c) Trade receivables | 13 | 77.03 |
| (d) Cash and cash equivalents | 14 | 827.25 |
| (e) Short-term loans and advances | 15 | 256.69 |
| (f) Other current assets | 16 | 298.88 |
| Total | | 4,340.09 |
| Significant Accounting Policies | 1 | |
| Notes on Financial Statements | 2-44 | |

As per our report of even date attached

For **G. P. Kapadia & Co**
Chartered Accountants
Firm's Registration No: 104768W

Atul B Desai
Partner
Membership No. : 030850

Place : Mumbai
Date: 29/05/2025

For and on behalf of the Board of Directors
Arihant Academy Limited

Umesh Anand Pangam
Whole Time Director
DIN: 03524171

Shirish Kumbhar
Chief Financial Officer

Anil Suresh Kapasi
Managing Director
DIN: 03524165

Garima Shrivastava
Company Secretary

Consolidated Statement of Profit and Loss

for the year ended 31st March, 2025

(₹ In Lakhs)

| Particulars | Note No. | Year Ended 31 st March 2025 |
|--|----------|---|
| A) REVENUE | | |
| a) Revenue from operations | 17 | 4,055.71 |
| b) Other Income | 18 | 196.08 |
| Total Income | | 4,251.79 |
| B) EXPENSES | | |
| a) Cost of Material Consumed | | - |
| b) Purchase of Stock-in-Trade | | - |
| c) Changes in Inventories of Finished goods, Work-in-progress and Stock-in-Trade | | - |
| d) Employee Benefit Expenses | 19 | 746.22 |
| e) Financial costs | 20 | 2.60 |
| f) Depreciation and amortization expense | 8 | 187.16 |
| g) Other expenses | 21 | 2,750.93 |
| Total Expense | | 3,686.91 |
| C) Profit before exceptional and extraordinary items and tax | | 564.88 |
| D) Exceptional items | | - |
| E) Profit before extraordinary items and tax | | - |
| F) Extraordinary Items | | - |
| G) Profit before tax | | 564.88 |
| H) Tax Expense: | | |
| a) Current tax | | 146.50 |
| b) Short / (Excess) Provision of earlier year | | (2.64) |
| c) Deferred tax | | (17.47) |
| I) Profit for the period before share of profit or loss from associate | | 438.49 |
| J) Add: Share of Profit or Loss from Associate | | 6.02 |
| K) Profit for the Year | | 444.51 |
| L) Earning per equity share: | | |
| a) Basic (in ₹) | 33 | 7.34 |
| a) Diluted (in ₹) | 33 | 7.34 |
| Significant Accounting Policies | 1 | |
| Notes on Financial Statements | 2-44 | |

As per our report of even date attached

For **G. P. Kapadia & Co**

Chartered Accountants

Firm's Registration No: 104768W

Atul B Desai

Partner

Membership No. : 030850

Place : Mumbai

Date: 29/05/2025

For and on behalf of the Board of Directors

Arihant Academy Limited

Umesh Anand Pangam

Whole Time Director

DIN: 03524171

Shirish Kumbhar

Chief Financial Officer

Anil Suresh Kapasi

Managing Director

DIN: 03524165

Garima Shrivastava

Company Secretary

Consolidated Cash Flow Statement

for the year ended 31st March, 2025

(₹ In Lakhs)

| Particulars | For the year ended 31 st March, 2025 |
|--|--|
| A Cash Flow from Operating Activities | |
| Net Profit / (Loss) Before tax | 570.90 |
| Adjusted for : | |
| Depreciation and Amortisation | 187.16 |
| Bank Charges | 2.60 |
| Interest Income | (139.32) |
| Premium/(Discount) on Purchase of Bond | 4.46 |
| Sub-Total | 625.80 |
| (Increase) / Decrease in Trade receivables | (70.62) |
| (Increase) / Decrease in Short-term loans and advances | (193.65) |
| (Increase) / Decrease in Long-term loans and advances | 66.77 |
| (Increase) / Decrease in Other current assets | (87.12) |
| (Increase) / Decrease in Other non-current assets | (68.98) |
| Increase / (Decrease) in Trade payables | (30.73) |
| Increase / (Decrease) in Other current liabilities | 483.50 |
| Increase / (Decrease) in Long-term provisions | 4.54 |
| Increase / (Decrease) in Short-term provisions | 4.87 |
| Sub-Total | 108.58 |
| Income Tax Paid | (143.86) |
| Net Cash Flow from/(used in) Operating activities | 590.52 |
| B Cash Flow from Investing Activities | |
| Investment in Bonds | (335.00) |
| Investment in Associate Enterprise | (439.52) |
| Investment in Fixed Deposits | (204.16) |
| Premium/(Discount) on Purchase of Bond | (4.46) |
| Purchase of asset | (844.93) |
| Interest Income | 139.32 |
| Net Cash Flow from/(used in) Investing activities | (1,688.75) |
| C Cash Flow from Financing Activities | |
| Interest expense | - |
| Bank charges | (2.60) |
| Dividend Paid | (60.55) |
| Net Cash Flow from/(used in) Financing activities | (63.15) |
| Net increase/(decrease) in Cash or Cash Equivalents | (1,161.38) |
| Cash and Cash Equivalents at the beginning of the year | 1,988.63 |
| Cash and Cash Equivalents at the end of the year | 827.25 |

Note: 1 The cash flow statement has been prepared in accordance with the requirements of Accounting standard - 3 - Cash flow Statement.

2 Previous year cash flow statement is not available hence the consolidated cash flow statement is the same as standalone cash flow statement.

As per our report of even date

For **G. P. Kapadia & Co**
Chartered Accountants
Firm's Registration No: 104768W

For and on behalf of the Board of Directors
Arihant Academy Limited

Atul B Desai
Partner
Membership No. : 030850

Umesh Anand Pangam
Whole Time Director
DIN: 03524171

Anil Suresh Kapasi
Managing Director
DIN: 03524165

Place : Mumbai
Date: 29/05/2025

Shirish Kumbhar
Chief Financial Officer

Garima Shrivastava
Company Secretary

Notes on Consolidated Financial Statements

for the year ended 31st March, 2025

Corporate Information:

Arihant Academy Limited (formerly known as Arihant Academy Private Limited) (**"the Company"**) is a Public Limited Company incorporated in India having its registered office at Mumbai, Maharashtra, India. The Company is an education support and coaching services provider for students in the secondary and higher secondary school and for students pursuing graduation degree in commerce, preparing for various competitive examinations and undertaking chartered accountancy examinations.

The holding company has one associate company i.e Zen Education and Learning.

Proportionate of ownership of interest in Associate Company included in consolidation

| Name of the Company | Nature of Interest | Date of Investment | Proportion of Ownership Interest |
|----------------------------|--------------------|--------------------------------|----------------------------------|
| Zen Education and Learning | Associate | 24 th October, 2024 | 25.50% |

1. Significant Accounting Policies:

A. Basis of Accounting and Preparation of Financial Statements:

The financial statements of the Group are prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Companies Act, 2013 (to the extent notified). The consolidated financial statements are prepared on accrual basis under the historical cost convention.

All assets and liabilities have been classified as current and non-current as per the Companies normal operating cycle and other criteria set out in the Schedule III to the Companies Act 2013. The Company has ascertained its operating cycle as 12 months for the purpose of classification of assets and liabilities into current and non current.

B. Principle of Consolidation

The accompanying consolidated financial statements have been prepared in accordance with Accounting Standard 21 'Consolidated Financial Statements'. The Standalone financial statements of "Zen Education and Learning" have been prepared under the historical cost convention and Accounting Standards, as applicable.

Investment in Associates is accounted for using the equity method (As per AS-23) and is classified as long-term investments. The share of the profits or losses of such investment is disclosed separately in the consolidated financial statements and added in the carrying amount of investment.

C. Revenue Recognition:

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be reliably measured.

Revenue from the total fees received is recognized over the period of service provided.

D. Other Income:

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

E. Use of Estimates:

The preparation of financial statement in conformity with the Indian GAAP requires the management to make estimates and assumptions that affect the reported amounts of the assets and liabilities and disclosure of contingent liabilities as at the date of financial statement and the result of operations during the reporting period. Although these estimates are made on reasonable and prudent basis based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

F. Property, Plant & Equipment (PPE):

Property, plant and equipment are stated at acquisition or construction cost less accumulated depreciation and impairment loss, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

The cost of an item of PPE is recognized as an asset if, and only if, it is probable that economic benefits associated with the item will flow to the Company in future periods and the cost of the item can be measured reliably. Expenditure incurred after the PPE have been put into operations, such as repairs and maintenance expenses are charged to the Profit and Loss Statement during the period in which they are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

An item of PPE is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the assets. Any gain or loss arising on

Notes on Consolidated Financial Statements

for the year ended 31st March, 2025

the disposal or retirement of an item of PPE is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in the Profit and Loss Statement.

All cost, including pre-operative overheads till the branch opening date attributable to fixed assets and relevant branch are capitalized. The Company follows a consistent process of capitalizing all the fixed assets of particular branch till the opening date.

G. Depreciation and Amortization:

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation is provided on WDV basis over the useful life of the asset. Depreciable amount for assets is the cost of PPE less its estimated residual value.

The useful life of an asset is the period over which a PPE is expected to be available for use by an entity, or the number of production or similar units expected to be obtained from the asset by the entity. Depreciation on additions is provided on a pro-rata basis from the date of installation or acquisition and in case of projects from the date of commencement of commercial production.

The Company has used following useful lives of the property, plant and equipment to provide depreciation.

Major assets class where useful life considered is as provided in Schedule II:

| Sr. No. | Nature of Asset | Estimated Useful life of the assets |
|---------|-------------------------------------|-------------------------------------|
| 1 | Leasehold Improvement | Based on the Lease agreement |
| 2 | Computers and data processing units | 3 years |
| 3 | Electrical Installation & Equipment | 10 years |
| 4 | Furniture Fixtures | 10 years |
| 5 | Office Equipments | 5 years |
| 6 | Vehicles | 10 years |

Amortisation is recognised on a written down value over their estimate useful life.

Intangible Assets and their useful lives are as under:

| Sr. No. | Nature of Asset | Estimated Useful life of the assets |
|---------|-------------------|-------------------------------------|
| 1 | Computer Software | 3 years |

The estimated useful lives, residual values and the depreciation and amortization method are reviewed at the end of each reporting period, with the effect of any changes in estimate accounted for on a prospective basis.

H. Intangible Assets:

An intangible asset is recognized, where it is probable that future economic benefits attributable to the asset will flow to the enterprise and where the cost can be reliably ascertained. Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any.

I. Investments:

Investments which are readily realisable and is intended to be held for not more than one year are classified as current investments. Current investment is valued at lower of cost or realizable value. All other investments are classified as long term investments / non-current investments.

Long term investments are carried at cost after deducting provisions made, if any, for diminution in value of investments other than temporary, determined separately for each individual investment.

Any discount or premium on acquisition of bonds are recognized in Profit and Loss account as such bonds are available for sale. The broken period interest at the time of acquisition of bonds are recognized as accrued interest and is not included in the cost of acquisition.

J. Leases:

Operating Leases

Leases where the Lessor effectively retains substantially all risks and benefits of ownership of the leased premises during the lease term are classified as operating leases. Operating lease payments are recognized as an expense in the Profit & Loss Account on a monthly accrual basis as per agreements.

K. Employee Benefits:

Short term Employee Benefits

Employee benefit payable wholly within twelve months of receiving employee services are classified as short-term employee benefits. These benefits include salaries, wages and bonus. The undiscounted amount of short-term employee benefits to be paid in exchange for employee services is recognised as an expense as the related service is rendered by employees.

Provident Fund

As per the Employees Provident Funds and Miscellaneous Provision Act, 1952 employees of the Company are entitled to receive benefits under the provident fund & family pension fund which is a defined contribution plan. These contributions are made to the fund administered and managed by Government of India. The Company's contribution to the schemes is recognized as expense in the profit and loss account during the period in

Notes on Consolidated Financial Statements

for the year ended 31st March, 2025

which the employee renders the related services. The Company has no other obligation to the plans beyond its monthly compensations.

Defined benefits plan

The company's gratuity benefit scheme is a unfunded defined benefit plan. The Company's net obligation in respect of a defined benefit plan is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods, that benefit is discounted to determine its present value.

The calculation of company's obligation is performed annually by qualified actuary using the projected unit credit method.

L. Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to fulfill the obligation and in respect of which a reliable estimate can be made. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Contingent Liabilities are not recognised but are disclosed in the notes. Contingent Assets are neither recognised nor disclosed in the Consolidated Financial Statements.

M. Taxation:

Current tax is determined on the basis of the amount of tax payable on taxable income for the year.

Deferred tax is in accordance with the Accounting Standard 22 – "Accounting for Taxes on Income", issued by the Institute of Chartered Accountants of India. Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized unless there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

N. Cash And Cash Equivalents:

Cash and cash equivalents comprises of Cash in hand, Balances with banks and fixed deposits less than twelve months with banks.

O. Cash flow statement:

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

P. Borrowing Costs:

General and specific borrowing costs that are attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of such asset till such time the asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing costs are recognized as an expense in the period in which they are incurred.

Borrowing cost includes interest expense, amortization of discounts, hedge related cost incurred in connection with foreign currency borrowings, ancillary costs incurred in connection with borrowing of funds and exchange difference arising from foreign currency borrowings to the extent they are regarded as an adjustment to the Interest cost.

Q. Earnings per share:

Basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year are adjusted for bonus shares.

For the purpose of calculating diluted earnings per share, net profit / (loss) after tax for the year attributable to the equity shareholders is divided by the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares and is adjusted for the bonus shares held by the Company.

R. Exceptional Items:

Exceptional items are those items that in management's judgment are material items which derive from events or transactions that fall outside the ordinary activities of the company and which individually or, if of a similar type, in aggregate, need to be disclosed separately by virtue of their size or incidence.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2025

Note 2: Share capital

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | |
|--|------------------------------------|---------------|
| | No. of Shares | Amount |
| (i) Authorised Share Capital | | |
| Equity shares of ₹ 10/- each | 1,00,000 | 1,000 |
| | 1,00,000 | 1,000 |
| (ii) Issued, subscribed and paid up share capital | | |
| Equity shares of ₹ 10/- each fully paid up | 60,55,200 | 605.52 |
| TOTAL | 60,55,200 | 605.52 |

2.1 Reconciliation of number of Equity shares outstanding at the beginning and at the end of the year:

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 | |
|---|------------------------------------|---------------|
| | No. of Shares | Amount |
| Shares outstanding at the beginning of the year | 60,55,200 | 605.52 |
| Add: Shares issued during the year | - | - |
| Less: Shares bought back and extinguished during the year | - | - |
| Shares outstanding at the end of the year | 60,55,200 | 605.52 |

2.2 Details of equity shares held by each shareholder holding more than 5% shares

(₹ In Lakhs)

| Shareholder holding equity shares with voting rights | As at 31 st March, 2025 | |
|--|------------------------------------|---------------|
| | No. of Shares | % of Holding |
| (i) Mr. Anil Kapasi | 15,82,801 | 26.14% |
| (ii) Mr. Umesh Pangam | 15,27,994 | 25.23% |
| (iii) Mrs. Hiral Kapasi | 5,88,302 | 9.72% |
| TOTAL | 36,99,097 | 61.09% |

2.3 Shareholding of Promoters and Promoter Group

(₹ In Lakhs)

| Name of the Promoter | As at 31 st March, 2025 | |
|--------------------------|------------------------------------|---------------|
| | No. of Shares | Percentage |
| (i) Mr. Anil Kapasi | 15,82,801 | 26.14% |
| (ii) Mr. Umesh Pangam | 15,27,994 | 25.23% |
| (iii) Mrs. Hiral Kapasi | 5,88,302 | 9.72% |
| (iv) Mrs. Kirti Pangam | 2,03,502 | 3.36% |
| (v) Mr. Harsh Kapasi | 66,300 | 1.09% |
| (vi) Mrs. Rishika Pangam | 66,300 | 1.09% |
| (vii) Mrs. Sharda Shah | 1 | 0.00% |
| TOTAL | 40,35,200 | 66.63% |

Note 3: Reserves & Surplus

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 |
|-------------------------------------|------------------------------------|
| | |
| (i) Profit and Loss Account | |
| At the beginning of the year | 1,514.66 |
| Add: Profit/ (Loss) during the year | 444.51 |
| Less: Dividend Paid FY 2023-24 | (60.55) |
| Closing balance for the year | 1,898.62 |

Notes on Consolidated Financial Statements

for the year ended 31st March, 2025

Note 3: Reserves & Surplus (Contd..)

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 |
|--|---------------------------------------|
| (ii) Securities Premium Reserve | |
| At the beginning of the year | - |
| Add: Addition during the year | - |
| Less: Utilized during the year | - |
| Closing balance for the year | - |
| Total | 1,898.62 |

Note 4: Long Term Provisions

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 |
|-------------------------------------|---------------------------------------|
| (i) Provision for Employee benefits | |
| (a) Gratuity | 46.20 |
| Total | 46.20 |

Note 5: Trade Payables*

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 |
|--|---------------------------------------|
| (i) Trade Payables | |
| (a) Due to Micro and Small Enterprises | 10.78 |
| (b) Other Payable | 20.75 |
| Total | 31.53 |

*Refer Note 23 for Trade Payables Ageing Schedule.

Note 6: Other Current Liabilities

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 |
|------------------------------|---------------------------------------|
| (i) Outstanding Expenses | |
| (a) Salary and Reimbursement | 59.62 |
| (b) Contributin to PF | 4.20 |
| (c) Rent Payable | 9.63 |
| (d) Statutory Dues Payable | 72.92 |
| (e) Others Payable | 69.71 |
| (ii) Advance Fees Received | 1,512.42 |
| Total | 1,728.50 |

Note 7: Short Term Provision

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 |
|------------------------------------|---------------------------------------|
| (i) Provision For Employee Benefit | |
| (a) Gratuity | 3.76 |
| (b) Leave Encashment | 10.28 |
| (ii) Provision For Taxation | 15.68 |
| Total | 29.72 |

Notes on Consolidated Financial Statements

for the year ended 31st March, 2025

Note 8: Property, Plant and Equipment and Intangible Assets As at 31st March, 2025

| Sr. No. | Particulars | GROSS BLOCK AT COST | | | DEPRECIATION | | | NET BLOCK | |
|---------|--------------------------------|---------------------|----------|----------|---------------------|---------------------|-----------------|-----------|---------------------|
| | | AS ON 01-04-2024 | ADDITION | DELETION | AS ON 31-03-2025 | AS ON 01-04-2024 | FOR THE YEAR | DELETION | AS ON 31-03-2025 |
| (A) | Property, Plant and Equipments | | | | | | | | |
| 1 | Electrical Equipment | 270.95 | 108.11 | - | 379.06 | 162.71 | 40.66 | - | 175.69 |
| 2 | Furnitures & Fixtures | 777.94 | 137.66 | - | 915.60 | 521.60 | 79.53 | - | 314.47 |
| 3 | Computer | 116.95 | 18.38 | - | 135.33 | 98.91 | 19.47 | - | 16.95 |
| 4 | Vehicle | 1.70 | - | - | 1.70 | 1.45 | 0.06 | - | 0.19 |
| 5 | Office Equipment | 101.96 | 19.65 | - | 121.61 | 76.35 | 14.62 | - | 30.64 |
| 6 | Leasehold Improvements | 64.06 | 111.08 | - | 175.14 | 12.12 | 32.71 | - | 130.31 |
| | TOTAL (A) | 1,333.56 | 394.88 | - | 1,728.44 | 873.14 | 187.05 | - | 668.25 |
| (B) | Intangible Assets | | | | | | | | |
| 1 | Computer Software | 0.35 | - | - | 0.35 | 0.21 | 0.11 | - | 0.03 |
| 2 | Goodwill | 36.00 | 289.07 | - | 325.07 | - | - | - | 325.07 |
| | TOTAL (B) | 36.35 | 289.07 | - | 325.42 | 0.21 | 0.11 | - | 325.10 |
| (C) | Capital Work In Progress | | | | | | | | |
| | CWIP - New Branch | 92.84 | 535.86 | 374.89 | 253.81 | - | - | - | 253.81 |
| | TOTAL (C) | 92.84 | 535.86 | 374.89 | 253.81 | - | - | - | 253.81 |
| | TOTAL (A+B+C) | 1,462.75 | 1,219.81 | 374.89 | 2,307.67 | 873.35 | 187.16 | - | 1,247.16 |

*Refer Note 25 for CWIP Ageing Schedule.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2025

Note 9: Non - Current Investments

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 |
|--|---------------------------------------|
| (i) Trade Investment | - |
| (ii) Other Investment | |
| (a) Investment in Associate Enterprise - 25.50% (Zen Education and Learning) | 439.52 |
| (b) Fixed Deposit more than 12 months | 204.16 |
| Total | 643.68 |

Note 10: Long Term Loans and Advances

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 |
|---|---------------------------------------|
| (i) Security Deposits | 243.38 |
| (ii) Loans and Advances to Related Parties | |
| (a) Secured, Considered good | - |
| (b) Unsecured, Considered good | - |
| (c) Considered Doubtful | - |
| Less : Provision for doubtful related parties | - |
| (ii) Others Loans and Advances | - |
| (a) Secured, Considered good | - |
| (b) Unsecured, Considered good | 262.27 |
| (c) Considered Doubtful | - |
| Total | 505.65 |

Note 11: Other Non - Current Assets

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 |
|----------------------|---------------------------------------|
| (i) Capital Advances | 68.98 |
| Total | 68.98 |

Note 12: Current Investments

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 |
|---|---------------------------------------|
| (i) Trade Investment | |
| 8.27% HDB Financial Services Limited | 50.00 |
| 8.28% Axis Finance Limited | 10.00 |
| 8.31% Aditya Birla Finance Limited | 20.00 |
| 8.85% Shriram Finance Limited | 20.00 |
| 9.00% Shriram Finance Limited | 30.00 |
| 9.10% Cholamandalam Investment & Finance Limited | 50.00 |
| 9.35% Telangana State Industrial Infrastructure Corporation Limited | 50.00 |
| 9.49% Kerala Infrastructure Investment Fund Board Limited | 65.00 |
| 9.50% Hinduja Leyland Finance Limited | 20.00 |
| 9.95% U.P. Power Corporation Limited | 20.00 |
| (ii) Other Investment | - |
| Total | 335.00 |

Notes on Consolidated Financial Statements

for the year ended 31st March, 2025

Note 12: Current Investments (Contd..)

The aggregate book value and market value of investment is as follows:

| | | (₹ In Lakhs) |
|-----------------------------|---------------------------------------|--------------|
| Particulars | As at 31 st March, 2025 | |
| Quoted investments in Bonds | | |
| - Aggregate book value | | 335.00 |
| - Aggregate market value | | 335.00 |

Note 13: Trade Receivable*

| | | (₹ In Lakhs) |
|---|---------------------------------------|--------------|
| Particulars | As at 31 st March, 2025 | |
| (i) Outstanding for less than 6 months | | |
| (a) Secured, considered good | | - |
| (b) Unsecured, considered good | | - |
| (c) Unsecured, considered doubtful | | - |
| (ii) Outstanding for more than 6 months | | |
| (a) Secured, considered good | | - |
| (b) Unsecured, considered good | | 77.03 |
| (c) Unsecured, considered doubtful | | - |
| Less : Bad Debts | | - |
| Total | | 77.03 |

*Refer Note 24 for Trade Receivables Ageing Schedule.

Note 14: Cash & Cash Equivalents

| | | (₹ In Lakhs) |
|---|---------------------------------------|---------------|
| Particulars | As at 31 st March, 2025 | |
| (i) Balance with banks in Current Account | | 149.31 |
| (ii) Deposits with banks | | 666.90 |
| (iii) Cash on Hand | | 11.04 |
| Total | | 827.25 |

Note 15: Short Term Loans and Advances

| | | (₹ In Lakhs) |
|---|---------------------------------------|---------------|
| Particulars | As at 31 st March, 2025 | |
| (i) Security Deposit | | 73.36 |
| (ii) Loans and Advances to Employees | | |
| (a) Secured, Considered good | | - |
| (b) Unsecured, Considered good | | 24.20 |
| (c) Considered Doubtful | | - |
| Less : Provision for doubtful related employees | | - |
| (iii) Advances to Creditors | | |
| (a) Secured, Considered good | | - |
| (b) Unsecured, Considered good | | 43.14 |
| (c) Considered Doubtful | | - |
| (iv) Others Loans and Advances | | |
| (a) Secured, Considered good | | - |
| (b) Unsecured, Considered good | | 116.00 |
| (c) Considered Doubtful | | - |
| Less : Provision for doubtful security deposits | | - |
| Total | | 256.69 |

Notes on Consolidated Financial Statements

for the year ended 31st March, 2025

Note 16: Other Current Assets

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 |
|---|---------------------------------------|
| (i) Prepaid Expenses | 24.04 |
| (ii) Interest Receivable | 15.00 |
| (iii) Balance with Government Authorities | 259.84 |
| Total | 298.88 |

Note 17: Revenue from Operation

(₹ In Lakhs)

| Particulars | Year Ended 31 st March 2025 |
|-------------------|---|
| Services Rendered | 4,055.71 |
| Total | 4,055.71 |

Note 18: Other Income

(₹ In Lakhs)

| Particulars | Year Ended 31 st March 2025 |
|-----------------|---|
| Interest Income | 139.32 |
| Other Income | 56.76 |
| Total | 196.08 |

Note 19: Employee Benefit Expenses

(₹ In Lakhs)

| Particulars | Year Ended 31 st March 2025 |
|---|---|
| Salaries to Staff | 637.79 |
| Directors' Remuneration | 56.22 |
| Contribution to PF, Gratuity & Other Fund | 38.23 |
| Staff Welfare Expenses | 13.98 |
| Total | 746.22 |

Note 20: Finance Costs

(₹ In Lakhs)

| Particulars | Year Ended 31 st March 2025 |
|------------------|---|
| Interest Expense | - |
| Bank charges | 2.60 |
| Total | 2.60 |

Note 21: Other Expense

(₹ In Lakhs)

| Particulars | Year Ended 31 st March 2025 |
|----------------------------|---|
| Advertisement Expenses | 124.60 |
| Audit Fees (Refer Note 32) | 12.50 |
| Brokerage & Commission | 0.18 |
| Computer Expenses | 51.62 |
| Conveyance & Transport | 12.62 |
| Donation | 2.00 |
| Electricity Expenses | 115.23 |

Notes on Consolidated Financial Statements

for the year ended 31st March, 2025

Note 21: Other Expense (Contd..)

(₹ In Lakhs)

| Particulars | Year Ended 31 st March 2025 |
|--------------------------------------|---|
| Entertainment Expenses | 34.59 |
| Insurance Charges | 0.06 |
| Legal Expenses | 5.91 |
| Membership & Subscription | 0.98 |
| MSME Interest | 0.06 |
| Office Expenses | 20.89 |
| Paper Checking Charges | 31.89 |
| Printing & Stationary Expenses | 60.88 |
| Premium/Discount on Purchase of Bond | 4.46 |
| Interest on Statutory Liability | 1.41 |
| Professional Charges | 1,318.94 |
| Rent | 626.36 |
| Repairs & Maintenance | 60.25 |
| Seminars & Functions | 35.43 |
| Students Bags | 15.97 |
| Students Books & Notes | 147.02 |
| Subject Co-ordination | 12.15 |
| Sundry Expenses | 9.64 |
| Supervisors Charges | 30.62 |
| Telephone & Internet Expenses | 7.10 |
| Sundry Balance Written Off | 6.23 |
| Bad Debts | 1.34 |
| Total | 2,750.93 |

22) Analytical Ratios:

(₹ In Lakhs)

| Description | As at 31 st March, 2025 | Variance | Remark |
|-------------------------------------|---------------------------------------|----------|--|
| a) Current Ratio | 1.04 | - | Since, Consolidation is applicable from FY 2024-25, comparative figures are not available. |
| b) Debt-Equity Ratio | - | - | |
| c) Debt Service Coverage Ratio | - | - | |
| d) Return on Equity | 17.75% | - | |
| e) Inventory turnover ratio | - | - | |
| f) Trade Receivables turnover ratio | 52.65 | - | |
| g) Trade payables turnover ratio | 87.26 | - | |
| h) Net capital turnover ratio | 1.58 | - | |
| i) Net profit ratio | 10.96% | - | |
| j) Return on Capital employed | 22.90% | - | |
| k) Return on investment | 1.64% | - | |

23) Trade Payable Ageing:

As at 31st March, 2025

(₹ In Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | |
|-----------------------------|--|-----------|-----------|----------------------|--------------|
| | Less than 1 Year | 1-2 years | 2-3 years | More than 3 years | Total |
| (i) MSME | 10.78 | - | - | - | 10.78 |
| (ii) Others | 20.75 | - | - | - | 20.75 |
| (iii) Disputed Dues - MSME | - | - | - | - | - |
| (iv) Disputed Dues - Others | - | - | - | - | - |
| Total | 31.53 | - | - | - | 31.53 |

Notes on Consolidated Financial Statements

for the year ended 31st March, 2025

23) Trade Payable Ageing: (Contd..)

(a) Micro, Small and Medium enterprises have identified by the company on the basis of the information available. Total outstanding dues of Micro and Small enterprises, which are outstanding for more than the stipulated period and other disclosure as per Micro, Small and Medium Enterprises Development Act, 2006 (MEMED Act) are given below:

(₹ In Lakhs)

| Sr No | Particulars | As at 31 st March, 2025 |
|-------|--|---------------------------------------|
| 1 | Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end | 10.78 |
| 2 | Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end | - |
| 3 | Principal amounts paid during the year to suppliers registered under the MSMED Act, beyond the appointed day during the year | 11.69 |
| 4 | Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - |
| 5 | Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year | - |
| 6 | Interest due and payable towards suppliers registered under MSMED Act, for payments already made | 0.06 |
| 7 | Further interest remaining due and payable for earlier years | - |

24) Trade Receivable Ageing:

As at 31st March, 2025

(₹ In Lakhs)

| Particulars | Outstanding for following periods from due date of payment | | | | | Total |
|---|--|----------------------|-----------|-----------|----------------------|--------------|
| | Less than 6 months | 6 months - 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Undisputed Trade Receivables – considered good | 77.03 | - | - | - | - | 77.03 |
| (ii) Undisputed Trade Receivables – considered doubtful | - | - | - | - | - | - |
| (iii) Disputed Trade Receivables – considered good | - | - | - | - | - | - |
| (iv) Disputed Trade Receivables – considered doubtful | - | - | - | - | - | - |
| Total | 77.03 | - | - | - | - | 77.03 |

25) Capital Work in Progress (CWIP) Ageing:

As at 31st March, 2025

(₹ In Lakhs)

| Particulars | Amount in CWIP for a period of | | | | Total |
|--------------------------------|--------------------------------|--------------|-----------|----------------------|---------------|
| | Less than 1 year | 1-2 years | 2-3 years | More than 3 years | |
| (i) Branch Development | 217.36 | 36.45 | - | - | 253.81 |
| (ii) Branch Temporarily Closed | - | - | - | - | - |
| Total | 217.36 | 36.45 | - | - | 253.81 |

Notes on Consolidated Financial Statements

for the year ended 31st March, 2025

26) Commitments and Contingencies:

(₹ In Lakhs)

| Sr. No. | Particulars | FY 2024-25 |
|---------|------------------------------------|--------------|
| 1 | Capital Commitments | 68.98 |
| 2 | Contingent Liabilities | |
| | Income Tax - AY 2023-24 | 3.57 |
| | Goods and Service Tax - FY 2018-19 | 8.33 |
| | Total | 80.88 |

27) Investment in Associate Enterprise:

The Company has entered into an agreement with Zen Education and Learning ("ZEAL") dated 24th October, 2024 to acquire 51.00% stake which has been approved in the board dated 19th October, 2024 for ₹ 867 Lakhs (Indian Rupees Eight Crores Sixty Seven Lakhs only). The company has acquired 25.50% stake, profit sharing and voting rights in Zen Education and Learning ("ZEAL") for ₹ 433.50 Lakhs (Indian Rupees Four Crores Thirty Three Lakhs Fifty Thousand only) (comprising of ₹ 83.50 Lakhs towards contribution amount and ₹ 350 Lakhs towards goodwill amount) with effect from 24th October, 2024 and the remaining 25.50% stake, profit sharing and voting rights will be acquired upon fulfilment of prescribed conditions mentioned in the agreement on or before 30th October, 2025.

28) On 27th February, 2025 (the appointed date) Arihant Academy Limited incorporated a Business Transfer Agreement with Carmel Tuitions and Carmel Classes to acquire its undertaking which is Education Services on a slump sale basis. The appointed date for the said agreement is 01st April, 2025.

The company has paid advance amounting to ₹ 50 Lakhs (Indian Rupees Fifty Lakhs only) each to Carmel Tuitions and Carmel Classes.

29) Slump Sale by Team Arihant Carmel Academy LLP:

On 21st January, 2025 Arihant Academy Limited incorporated a Business Transfer Agreement with Team Carmel Academy LLP to acquire its undertaking which is Education Services on a slump sale basis. The appointed date for the said agreement is 01st January, 2025.

The company valued the asset taken over including student contract/relationship, goodwill valued by the registered valuer. Aggregate consideration paid for acquiring the above stated assets and liabilities have been determined based on the independent valuer report as per the detailed below:

| | Amount in Lakhs |
|-------------------------------------|-----------------|
| Non Current Assets | |
| Property, Plant & Equipment | 38.64 |
| Current Assets | |
| Cash & Cash Balances | 37.46 |
| Loans, Advances & Deposits | 51.83 |
| Sub Total (A) | 127.48 |
| Current Liabilities | |
| Provision for Expenses | 25.57 |
| Provision for Taxation | 1.51 |
| Sundry Creditors | 2.63 |
| Advance Coaching Fees | 86.84 |
| Sub Total (B) | 116.55 |
| Total Net Assets (A-B) | 10.93 |
| Less: Consideration Paid | 300.00 |
| Capital Reserve / (Goodwill) | (289.07) |

30) In the opinion of the Board of Directors the current assets, loan and advances are approximately of the value stated, if realised in the ordinary course of business. The provisions for all known liabilities is adequate and not in excess of the amount reasonably necessary.

Notes on Consolidated Financial Statements

for the year ended 31st March, 2025

31) Related party disclosure as required by Accounting Standard-18 is given below:

1. Relationships:

- a. Entities where control exist: Team Arihant Carmel Academy LLP
(Upto 31st December 2024)
- b. Directors: Mr. Anil Suresh Kapasi
Mr. Umesh Anand Pangam
Ms. Kirti Pangam
Mr. Harsh Kapasi
Mr. Manish Khodidas Desai
Mr. Himanshu Rajnikant Mody
Mr. Chintan Suresh shah
- c. Key Managerial Personnel: Mr. Shirish Pandurang Kumbhar
Ms. Garima Srivastava
- d. Relatives of Director: Ms. Hiral Kapasi
Ms. Rishika Pangam
Ms. Sejal Shah
- e. Associate Enterprise Zen Education and Learning
(w.e.f. 24th October, 2024)

2. Transactions carry out with Related Parties in ordinary course of business:

(₹ In Lakhs)

| Sr. No. | Particulars | Relationship | Remuneration | Professional Fees | Loan and Advances | Investment | Outstanding Loan and Advances |
|---------|---------------------------------|--|--------------|-------------------|-------------------|------------|-------------------------------|
| 1 | Mr. Anil Suresh Kapasi | Managing Director | 27.00 | - | - | - | - |
| 2 | Mr. Umesh Anand Pangam | Chairperson & Whole Time Director | 29.22 | - | - | - | - |
| 3 | Mr. Harsh Anil Kapasi | Non-Executive Director | 3.75 | 11.25 | - | - | - |
| 4 | Ms. Kirti Umesh Pangam | Non-Executive Director | - | 4.80 | - | - | - |
| 5 | Mr. Shirish Pandurang Kumbhar | Chief Financial Officer | 8.72 | - | - | - | - |
| 6 | Ms. Garima Srivastava | Company Secretary and Compliance Officer | 1.99 | - | - | - | - |
| 7 | Ms. Hiral Kapasi | Employee | 15.00 | - | - | - | - |
| 8 | Mr. Anand Pangam | Employee | - | - | - | - | - |
| 9 | Ms. Rishika Pangam | Employee | 6.00 | - | - | - | - |
| 10 | Ms. Sejal Shah | Employee | 9.00 | - | - | - | - |
| 11 | Team Arihant Carmel Academy LLP | Related Party | - | - | 0.03 | - | - |
| 12 | Zen Education and Learning | Related Party | - | 46.20 | - | 433.50 | - |

Notes on Consolidated Financial Statements

for the year ended 31st March, 2025

32) Auditor's Remuneration:

| (₹ In Lakhs) | |
|----------------------|--------------|
| Particulars | FY 2024-25 |
| Statutory Audit Fees | 10.00 |
| Tax Audit Fees | 1.50 |
| Other Services | 1.00 |
| Total | 12.50 |

33) Earnings per share:

Earnings per Share are calculated by dividing the profit attributable to the equity shareholders by the average number of equity shares outstanding during the year. Numbers used for calculating basic and diluted earnings per share are as stated below:

| (₹ In Lakhs) | |
|--------------------------------|---------------------------------------|
| Particulars | As at 31 st March, 2025 |
| Profit after tax (₹ In Lakhs) | 444.51 |
| Weighted number of Shares | 60,55,200 |
| Basic & Diluted EPS | 7.34 |

34) Deferred Tax Asset (Net):

| Particulars | As at 31 st March, 2025 | |
|---|------------------------------------|--------------|
| Deferred Tax Asset | | |
| Difference of depreciation as per books and as per Income Tax Law | 16.00 | |
| Earlier Year Adjustment | - | 16.00 |
| Deferred Tax Liabilities | | |
| Provision for Gratuity | | 1.47 |
| Total | | 17.47 |

35) Employee Benefit:

Details of Gratuity Plan is as follows:

| (₹ In Lakhs) | |
|----------------------------------|--|
| Particulars | Assumptions (Closing Period) As at 31 st March, 2025 |
| Expected Return on Plan Assets | N.A. |
| Rate of Discounting | 6.79% |
| Rate of Salary Increase | 3.50% |
| Rate of Employee Turnover | 5.00% |
| Mortality Rate During Employment | Indian Assured Lives Mortality 2012-14 (Urban) |

Table Showing Change in the Present Value of Defined Benefit Obligation

| (₹ In Lakhs) | |
|--|---------------------------------------|
| Particulars | As at 31 st March, 2025 |
| Present Value of Benefit Obligation at the Beginning of the Period | 44.09 |
| Interest Cost | 3.18 |
| Current Service Cost | 8.70 |

Notes on Consolidated Financial Statements

for the year ended 31st March, 2025

35) Employee Benefit: (Contd..)

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 |
|--|---------------------------------------|
| Past Service Cost - Non-Vested Benefit Incurred During the Period | - |
| Past Service Cost - Vested Benefit Incurred During the Period | - |
| Liability Transferred In/ Acquisitions | - |
| (Liability Transferred Out/ Divestments) | - |
| (Gains)/ Losses on Curtailment | - |
| (Liabilities Extinguished on Settlement) | - |
| (Benefit Paid Directly by the Employer) | (9.72) |
| (Benefit Paid From the Fund) | - |
| The Effect Of Changes in Foreign Exchange Rates | - |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Demographic Assumptions | - |
| Actuarial (Gains)/Losses on Obligations - Due to Change in Financial Assumptions | (4.47) |
| Actuarial (Gains)/Losses on Obligations - Due to Experience | 8.17 |
| Present Value of Benefit Obligation at the End of the Period | 49.96 |

Actuarial (Gains)/ losses recognized in the Statement of Profit or Loss for Current Period

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 |
|--|---------------------------------------|
| Actuarial (Gains)/Losses on Obligation For the Period | 3.70 |
| Actuarial (Gains)/Losses on Plan Asset For the Period | - |
| Subtotal | 3.70 |
| Actuarial (Gains)/Losses Recognized in the Statement of Profit or loss | 3.70 |

Amount Recognized in the Balance Sheet

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 |
|--|---------------------------------------|
| (Present Value of Benefit Obligation at the end of the Period) | (49.96) |
| Fair Value of Plan Assets at the end of the Period | - |
| Funded Status (Surplus/ (Deficit)) | (49.96) |
| Unrecognized Past Service Cost at the end of the Period | - |
| Net (Liability)/Asset Recognized in the Balance Sheet | (49.96) |

Expense Recognized in the Statement of Profit or Loss

(₹ In Lakhs)

| Particulars | As at 31 st March, 2025 |
|---|---------------------------------------|
| Current Service Cost | 8.70 |
| Net Interest Cost | 3.18 |
| Actuarial (Gains)/Losses | 3.70 |
| Past Service Cost - Non-Vested Benefit Recognized During the Period | - |
| Past Service Cost - Vested Benefit Recognized During the Period | - |
| (Expected Contributions by the Employees) | - |
| (Gains)/Losses on Curtailments And Settlements | - |
| Net Effect of Changes in Foreign Exchange Rates | - |
| Change in Asset Ceiling | - |
| Expenses Recognized in the Statement of Profit or Loss | 15.58 |

Notes on Consolidated Financial Statements

for the year ended 31st March, 2025

36) Initial Public Offer:

The company has issued and allotted 16,35,200 equity shares of ₹ 10 each at premium of ₹ 80 per Share through Initial Public Offer, aggregating to ₹ 605.52 Lakhs. The Net issue expenses are ₹ 112.91 Lakhs. The details of utilization of the net IPO proceeds is mentioned below:

| | | (₹ In Lakhs) | |
|---|--|------------------------------------|----------|
| Particulars | | As at 31 st March, 2025 | |
| Opening Balance of unutilized amount | | | 591.14 |
| Amount received from IPO | | | |
| Less: Deployment of funds Received from IPO: | | | |
| For Working Capital | | 591.14 | |
| Issue Expenses | | | |
| General Corporate Purposes | | | |
| Total Deployment of funds till 31 st March, 2025 | | | (591.14) |
| Balance Amount to be Unutilized | | | - |

37) Events occurring after the balance sheet date

Proposed Dividend

The Board of Directors at their meeting held on 29th May 2025 has recommended final dividend of ₹ 1.00/- per equity share for the financial year ended 31st March, 2025 which is subject to the approval of the members at the annual general meeting. Cash outflow will be ₹ 60.55 Lakhs.

38) The Company does not have any earnings in foreign currency.

39) The Company operates only in one business segment which is coaching services. Further, the company operates and controls its business activities within India. Hence disclosure of segment wise information is not applicable under Accounting Standard-17 "Segment Reporting" (AS-17).

40) During the year, the company has not executed any transaction with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

41) There are no transactions which were not recorded in books of accounts and have been surrendered or disclosed as income during the year in the tax assessments under Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961).

42) No proceeding has been initiated or pending against the company for holding any benami property under the Benami Transactions (Prohibition) Act, 1988 (45 of 1988) and rules made thereunder.

43) The comparative figures for FY 2023-24 are not available since the company has invested in its associate (Zen Education and Learning) on 24th October, 2024.

44) The Company has neither traded nor invested in crypto currency or virtual currency during the year.

As per our report of even date

For **G. P. Kapadia & Co**
Chartered Accountants
Firm's Registration No: 104768W

For and on behalf of the Board of Directors
Arihant Academy Limited

Atul B Desai
Partner
Membership No. : 030850

Umesh Anand Pangam
Whole Time Director
DIN: 03524171

Anil Suresh Kapasi
Managing Director
DIN: 03524165

Place : Mumbai
Date: 29/05/2025

Shirish Kumbhar
Chief Financial Officer

Garima Shrivastava
Company Secretary



Registered Office
Arihant Academy Limited

Ground Floor, Triveni Sadan,
Nr. Ambaji Mata Mandir, Carter Rd No 3,
Borivali East, Mumbai 400066.

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