

**INDIAN INCOME TAX RETURN ACKNOWLEDGEMENT**

[Where the data of the Return of Income in Form ITR-1(SAHAJ), ITR-2, ITR-3, ITR-4(SUGAM), ITR-5, ITR-6, ITR-7  
filed and verified]  
(Please see Rule 12 of the Income-tax Rules, 1962)

Assessment  
Year  
2025-26

PAN	AAATN1672R		
Name	NARAYANA EDUCATIONAL SOCIETY		
Address	14/72, HARANATHAPURAM , NELLORE , NELLORE , 02-Andhra Pradesh, 91-INDIA, 524003		
Status	05-AOP/BOI	Form Number	ITR-7
Filed u/s	139(1)-On or before due date	e-Filing Acknowledgement Number	294806711271025

Taxable Income and Tax Details			
	Current Year business loss, if any	1	0
	Total Income	1A	0
	Book Profit under MAT, where applicable	2	0
	Adjusted Total Income under AMT, where applicable	3	0
	Net tax payable	4	0
	Interest and Fee Payable	5	0
	Total tax, interest and Fee payable	6	0
	Taxes Paid	7	6,34,90,842
	(+) Tax Payable /(-) Refundable (6-7)	8	(-) 6,34,90,840
Accreted Income and Tax Detail			
	Accreted Income as per section 115TD	9	0
	Additional Tax payable u/s 115TD	10	0
	Interest payable u/s 115TE	11	0
	Additional Tax and interest payable	12	0
	Tax and interest paid	13	0
	(+) Tax Payable /(-) Refundable (12-13)	14	0

This return has been digitally signed by PUNEET KOTHAPA in the capacity of Principal Officer having PAN AWVPK2558G from IP address 103.172.5.24 on 27-Oct-2025 18:57:02 DSC Si.No & Issuer 2949264 & 267392390412CN=Capricorn Sub CA for Individual DSC 2022,OU=Certifying Authority,O=Capricorn Identity Services Pvt Ltd.,C=IN

System Generated

Barcode/QR Code



AAATN1672R072948067112710259c4974d59d727fa6f01600030bbff7fea97e4aaa

**DO NOT SEND THIS ACKNOWLEDGEMENT TO CPC, BENGALURU**

Narayana Educational Society  
Balance Sheet as at March 31, 2025  
(All amounts ₹ in lakhs, unless otherwise stated)


	Note	As at	
		March 31,2025	March 31,2024
<b>Corpus and liabilities</b>			
<b>Corpus</b>			
Capital fund	3	2,394.27	2,394.27
Reserves and surplus	4	4,521.92	(4,570.98)
		<b>6,916.19</b>	<b>(2,176.71)</b>
<b>Non-current liabilities</b>			
Long-term borrowings	5	11,401.57	8,232.89
Long-term provisions	6(a)	3,458.21	3,107.04
Other non-current liabilities	8(a)	6,641.33	10,439.69
		<b>21,501.11</b>	<b>21,779.62</b>
<b>Current liabilities</b>			
Short-term borrowings	7	47,911.67	24,300.24
Trade payables			
- Total outstanding dues of micro and small enterprises		79.27	7.15
- Total outstanding dues of other than micro and small enterprises		35,368.30	49,510.98
Short-term provisions	6(b)	411.43	462.39
Other current liabilities	8(b)	51,598.46	50,004.61
		<b>1,35,369.13</b>	<b>1,24,285.37</b>
		<b>1,63,786.43</b>	<b>1,43,888.28</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Property, plant and equipment			
- Tangible assets	9	45,245.22	46,924.54
Long-term loans and advances	10(a)	20,701.76	11,541.63
Other non-current assets	11(a)	3,470.93	2,714.31
		<b>69,417.91</b>	<b>61,180.48</b>
<b>Current assets</b>			
Trade receivables	12	47,791.81	49,946.54
Inventories	13	1,138.51	1,070.07
Cash and bank balances	14(a)	24,255.40	14,607.77
Other Bank balances	14(b)	11,897.26	1,505.61
Short-term loans and advances	10(b)	8,461.44	14,781.13
Other current assets	11(b)	824.10	796.68
		<b>94,368.52</b>	<b>82,707.80</b>
		<b>1,63,786.43</b>	<b>1,43,888.28</b>

See accompanying notes forming part of the financial statements


1-33


In terms of our report attached

For M S K A & Associates  
Chartered Accountants  
Firm Registration No.: 105047W

  
Ananthakrishnan Govindan  
Partner  
Membership No.: 205226

For and on behalf of the Governing Body of  
Narayana Educational Society

  
Puneet Kothapa  
President

  
V Srinath  
Secretary

  
Sandeep Chaluvadi  
Chief Financial Officer

Place: Hyderabad  
Date: September 23, 2025

Place: Hyderabad  
Date: September 23, 2025

Place: Hyderabad  
Date: September 23, 2025




Narayana Educational Society  
**Income and Expenditure Account for the year ended March 31, 2025**  
 (All amounts ₹ in lakhs, unless otherwise stated)

	Note	For the year ended	
		March 31,2025	March 31,2024
<b>Income</b>			
Income from operations	15	3,84,074.33	3,23,937.18
Other income	16	4,237.00	4,047.81
<b>Total income</b>		<b>3,88,311.33</b>	<b>3,27,984.99</b>
<b>Expenditure</b>			
Consumption of medical supplies and consumables	17	8,966.02	6,147.00
Employee benefits expense	18	1,01,819.72	83,258.33
Finance costs	19	1,570.82	1,461.98
Depreciation expense	20	5,275.39	3,647.56
Other expenses	21	2,61,586.48	2,26,730.46
<b>Total expenditure</b>		<b>3,79,218.43</b>	<b>3,21,245.33</b>
<b>Excess of income over expenditure</b>		<b>9,092.90</b>	<b>6,739.66</b>

See accompanying notes forming part of the financial statements 1-33


**In terms of our report attached**

**For M S K A & Associates**  
 Chartered Accountants  
 Firm Registration No.: 105047W

  
**Ananthakrishnan Govindan**  
 Partner  
 Membership No.: 205226

**For and on behalf of the Governing Body of  
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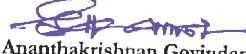
Place: Hyderabad  
 Date: September 23, 2025



Narayana Educational Society  
**Receipts and Payments Account for the year ended March 31, 2025**  
 (All amounts ₹ in lakhs, unless otherwise stated)

	For the year ended	
	March 31,2025	March 31,2024
<b>A. Receipts</b>		
Fees from students	3,71,948.61	3,21,469.65
Revenue from healthcare services	8,031.71	7,824.70
Interest on fixed deposits	1,532.05	920.98
Other income	1,536.66	1,013.11
Caution deposits received	11,333.27	10,603.18
Security deposits recovered, net	-	1,961.22
Amounts received towards assets given on lease	585.71	128.97
Refund received from Income tax	197.18	204.05
Interest free loans received from related parties	1,10,484.99	76,647.17
Other loans and advances	-	7,604.01
Redemption of fixed deposits	30,303.68	86,142.83
Staff Advances recovered	-	88.54
Availment of loan	19,643.90	2,428.93
	<b>5,55,597.76</b>	<b>5,17,037.34</b>
<b>B. Payments</b>		
Purchase of property, plant and equipment	3,596.07	11,070.97
Employee benefits expense	1,05,000.38	88,958.99
Finance costs	1,570.76	1,461.89
Operating cost	2,73,773.27	2,36,296.82
Purchase of consumables	2,046.14	1,733.14
Staff advances	55.55	-
Refund of caution deposits	10,429.81	10,086.55
Loans and advances given including security deposits, net	9,497.56	-
Loans/advances to related parties, net	-	47.92
Refund of interest free loan received from related parties	93,044.69	79,281.09
Investment in fixed deposits, net	42,106.21	85,644.51
Repayment of long-term borrowings	4,829.69	2,266.45
	<b>5,45,950.13</b>	<b>5,16,848.33</b>
C. Net receipts during the year	(A-B)	189.01
D. Cash and cash equivalents at the beginning of the year		14,418.76
E. Cash and cash equivalents at the end of the year (Refer note 14(a))	(C+D)	<b>14,607.77</b>
See accompanying notes forming part of the financial statements	1-33	

In terms of our report attached  
 For **M S K A & Associates**  
 Chartered Accountants  
 Firm Registration No.: 105047W

  
**Ananthakrishnan Govindan**  
 Partner  
 Membership No.: 205226

Place: Hyderabad  
 Date: September 23, 2025



For and on behalf of the Governing Body of  
 Narayana Educational Society

  
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 President

  
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 Secretary

  
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 Chief Financial Officer

Place: Hyderabad  
 Date: September 23, 2025

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 Date: September 23, 2025



## Narayana Educational Society

### Summary of significant accounting policies and other explanatory information

(All amounts in ₹ lakhs, unless otherwise stated)

#### 1. Society overview

Narayana Educational Society ('the Society') is an autonomous not-for-profit organisation domiciled in India and registered under the provisions of the Societies Registration Act, 1860 (the 'Act'). The Society was incorporated in the year 1996 to promote, establish, maintain and assist educational institutions to impart education for the promotion of literature, arts, science and technology.

The Society is also registered under Section 12A of the Income Tax Act, 1961 on September 23, 2021 and the registration is valid from AY 2022-23 to AY 2026-27.

#### 2. Summary of significant accounting policies and accounting estimates

##### (a) Basis of preparation of financial statements

The financial statements are prepared under historical cost convention on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply in all respects with the Guidance Note on Accounting by Schools ('the Guidance note'), the mandatory Accounting Standards ('AS') and other pronouncements issued by the Institute of Chartered Accountants of India ('ICAI'), unless otherwise stated. Society is a level one enterprise in accordance with the guidelines issued by the ICAI. The accounting policies applied by the Society are consistent with those used in the prior year.

All assets and liabilities have been classified as current or non-current as per the Society's normal operating cycle, purpose and expected realization. Based on the nature of work, the Society has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities. These financial statements have been presented in lakhs of Indian rupees, up to two decimals which is also the functional currency of the Society.

##### (b) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent assets and liabilities as at the date of the financial statements and reported amounts of income and expenses during the year. Although these estimates are based on management's best knowledge of current events and actions, actual results could differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods. Examples of such estimates include future obligations under employee retirement benefit plans, provision for doubtful trade receivables, recoverability of loans and advances, useful lives of fixed assets, impairment of fixed assets and diminution in the value of inventory.

##### (c) Revenue recognition

Income from tuition fees and other services

Revenue from student fee which includes tuition fee, examination fee, transport fee, and other fees (i.e., hostel fee, mess fee and library fee) is recognized on accrual basis over the period of instruction.

Revenue from healthcare services and pharmacy

Revenue from healthcare services and pharmacy is recognized as and when the services are rendered/pharmacy items are sold. Income from other healthcare related services is recognized as per the terms of the arrangement with respective customers.

Other operating income

Other operating income includes amounts collected from students towards building maintenance charges, exam fees, and other recoveries from students which is recognized as and when the services are rendered/recoveries are made.



**2. Summary of significant accounting policies (continued)**

**Interest income**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable rate.

**Dividend income**

Dividend from investment in mutual funds is recognised when the right to receive the payment is established

**(d) Property, plant and equipment-Tangible assets**

Property, plant and equipment -Tangible assets are stated at cost less accumulated depreciation, impairment losses and specific grant/ subsidies, if any. Cost comprises of purchase price, freight, non-refundable taxes and duties, expenditure for installation of asset and any other cost attributable to bring the asset to its working condition for its intended use.

Buildings which are not ready for their intended use are shown as Capital Work-in-Progress.

Depreciation on tangible Property, plant and equipment

Depreciation on tangible Property, plant and equipment is provided on written-down value method in accordance with the Guidance note on accounting of School prescribed by the ICAI. The rates of depreciation used for different classes of assets are as follows:

Nature of assets	Rate of depreciation
Buildings	5%
Furniture and fixtures	25%
Plant and machinery	20%
Computers	40%
Library books	50%
Vehicles	25%

**(e) Impairment of assets**

The carrying amounts of tangible Property, plant and equipment are reviewed at each balance sheet date for any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use.

**(f) Leases**

i) Where Society is the lessee

Finance leases, which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the lower of the fair value and present value of the minimum lease payments at the inception of the lease term and disclosed as leased assets. Lease payments are apportioned between the finance charges and reduction of the lease liability based on the implicit rate of return. Finance charges are charged directly against income. Lease management fees, legal charges and other initial direct costs are capitalized.

If there is no reasonable certainty that the Society will obtain the ownership by the end of lease term, capitalized leased assets are depreciated over the shorter of the estimated useful life of the asset or the lease term.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the Profit and Expenditure Account on straight line basis over the lease term.



## 2. Summary of significant accounting policies (continued)

### (f) Leases (continued)

ii) Where the Society is the lessor

Leases which effectively transfer to the lessee substantially all the risks and benefits incidental to ownership of the leased item are classified and accounted for as finance lease. Lease rental receipts are apportioned between the finance income and capital repayment based on implicit rate of return.

Assets subject to operating leases are included in current assets. Lease income is recognized in the Income and Expenditure Account on a straight line basis over the lease term. Costs, including depreciation, are recognized as an expense in the Income and Expenditure Account. Initial direct costs such as legal costs, brokerage costs etc., are recognized immediately in the Income and Expenditure Account.

### (g) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term investments with an original maturity of three months or less.

### (h) Inventories

Inventories are valued at lower of cost and net realizable value. Cost comprises of purchase price including duties and taxes (other than those subsequently recoverable by the Society from the taxing authorities), freight inwards and other costs incurred in bringing such inventories to their present location and condition. Cost is determined on the basis of first-in-first-out method ('FIFO') method. Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make sale.

### (i) Employee benefits

#### **Provident fund and Employee State Insurance**

A retirement benefit in the form of provident fund and employee state insurance scheme is a defined contribution and the contribution is charged to the Income and Expenditure Account in the year when the contribution to the respective fund is due. There are no other obligations other than the contribution payable to the respective fund.

#### **Gratuity**

Gratuity is a post-employment defined benefit plan. Short-term and long-term liability recognized in the Balance Sheet represents the present value of the defined benefit obligation at the reporting date less the fair value of plan assets. Gratuity is provided for on the basis of an actuarial valuation on projected unit credit method at the end of each financial year. Actuarial gains and losses are recognized in full in the Income and Expenditure Account for the period in which they occur,

### (j) Receipts and Payments Account

Receipts and Payments are reported using the direct method, whereby major classes of gross cash receipts and gross cash payments are disclosed by the Society.



## 2. Summary of significant accounting policies (continued)

### (k) Taxes on income

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the provisions of the Income Tax Act, 1961 (IT Act). Pursuant to the approval granted under section 12AA of the IT Act the Society is classified as a non-taxable entity in accordance with the Indian Income Tax Regulations.

The management and the Governing Body have also made a detailed assessment of the compliances by the Society with the provisions of the Income Tax Act, 1961 including the compliances with the conditions associated with the exemption received under Section 12 AA as mentioned above. On the basis of the said assessment, the management is confident that the Society has complied with all the underlying regulations of the Income Tax Act and that these financial statements do not require any adjustments in this regard.

### (l) Segment reporting

Segments are identified in line with AS-17 "Segment Reporting", taking into considerations the internal organization and management structure as well as the different risk and returns of the segment.

### (m) Provisions and contingent liabilities

#### Provisions

A provision is recognized when the Society has a present obligation as a result of past event i.e., it is probable that an outflow of resources will be required to settle the obligation in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the reporting date. These are reviewed at each Balance Sheet date and adjusted to reflect the current best estimates.

#### Contingent liabilities

A disclosure of the contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.



Narayana Educational Society  
Notes forming part of the financial statements  
(All amounts ₹ in lakhs, unless otherwise stated)

3. Capital fund

	As at	
	March 31,2025	March 31,2024
Capital fund balance *	2,394.27	2,394.27
	<b>2,394.27</b>	<b>2,394.27</b>

\*Represents amounts collected from students towards the corpus of the Society.

4. Reserves and surplus

	As at	
	March 31,2025	March 31,2024
<b>Surplus/(deficit) in the Income and Expenditure Account</b>		
Balance at the beginning of the year	(4,570.98)	(11,310.64)
Add: Excess of income over expenditure	9,092.90	6,739.66
<b>Balance at the end of the year</b>	<b>4,521.92</b>	<b>(4,570.98)</b>

5. Long-term borrowings

	As at	
	March 31,2025	March 31,2024
<b>Secured</b>		
<b>Term loans from</b>		
- Bank [Refer note a]	6,708.18	8,333.18
<b>Vehicle and equipment term loans from</b>		
- Banks [Refer note b]	8,469.42	2,687.70
	15,177.60	11,020.88
Less: Current maturities of long-term borrowings (Refer note 7)	(3,776.03)	(2,787.99)
<b>Total long-term borrowings</b>	<b>11,401.57</b>	<b>8,232.89</b>

Notes:

a) Terms and conditions of term loan (other than vehicle and equipment loans) and nature of security

Term loan carries an annual interest rate of 8.65% (March 31, 2024: 8.65%) is secured by way of:

- A charge on property, plant and equipment, current assets and assets procured from the proceeds of the loan, both present and future, belonging to the Society;
- Mortgage of land and building at Nellore campus of the Society, Narayana Mahila Residential Kalasala & Narayana Residential High School;
- Personal guarantees of Shri Puneet Kothapa, Smt. Ponguru Sindhura, Smt. Ponguru Ramadevi, Smt. Ponguru Sharani, Smt. Ponguru Indira and Dr. Ponguru Narayana;
- Property, plant and equipment of the Society present and future and on the residual value of the primary security, belonging to Narayana Educational Society; and
- Corporate guarantee of Narayana Mahila Residential Kalasala and Narayana Residential High School represented by Dr. Ponguru Narayana and Smt. Ponguru Ramadevi respectively.
- Loan amounting to ₹6,708.18 (March 31, 2024: ₹8,333.18) is repayable in 96 unequal monthly installments commencing from July 2021 and ending in October 2028.

b) Terms and condition of vehicle and equipment loans from banks and financial institutions and nature of security

Vehicle and equipment loans, carrying an annual interest rate ranging from 8.00%-10.00% (March 31,2024: 8.00%-10.00%) are fully secured by way of hypothecation of underlying assets.

c) Terms of repayment

	As at	
	March 31,2025	March 31,2024
Within one year	3,776.03	2,787.99
Two to three years	7,287.62	4,914.19
Above three years	4,113.95	3,318.70
	<b>15,177.60</b>	<b>11,020.88</b>

6. Provisions

	As at	
	March 31,2025	March 31,2024

Provision for employee benefits, unfunded [Refer note 18(b)]

a) Long-term

- Gratuity	3,458.21	3,107.04
	<b>3,458.21</b>	<b>3,107.04</b>

b) Short-term

- Gratuity	411.43	462.39
	<b>411.43</b>	<b>462.39</b>



**Narayana Educational Society**  
**Notes forming part of the financial statements**  
(All amounts ₹ in lakhs, unless otherwise stated)

**7. Short-term borrowings**

	As at	
	March 31,2025	March 31,2024
<b>Secured</b>		
Working capital loan from banks [Refer note a(i)]	21,324.10	11,401.11
Current maturities of long-term borrowings (Refer note 5)	3,776.03	2,787.99
<b>Unsecured</b>		
<b>Working capital loan:</b>		
From related parties [Refer note a(ii)]	22,744.68	10,044.28
From others	66.86	66.86
	<b>47,911.67</b>	<b>24,300.24</b>

**Notes:**

**a) Details of short-term borrowings**

(i) The working capital loans are secured by way of:

- a) first charge on the entire stocks and receivables of the Society, both present and future;
- b) property, plant and equipment of the Society, present and future, and on the residual value of the primary security, belonging to Narayana Educational Society; and
- c) personal guarantee of Shri Puneet Kothapa, Smt. Ponguru Sindhura, Smt. Ponuguru Ramadevi, Smt. Ponguru Sharani, Smt. Ponguru Indira and Dr. Ponguru Narayana to the tune of ₹21,324.10 (March 31, 2024: ₹11,401.11). These loans are repayable on demand and carry an annual interest rate in the range of 8.00% to 10.00% (March 31, 2024: 8.00% to 10.00%).

(ii) The Society has availed interest free unsecured loans from related parties and others for meeting the working capital requirements. These amounts are repayable on demand.

**8. Other liabilities**

	As at	
	March 31,2025	March 31,2024
<b>a) Non-current</b>		
Caution deposit	4,141.33	5,801.21
Security deposit payable to related party (Refer note 10(i))	2,500.00	4,638.48
	<b>6,641.33</b>	<b>10,439.69</b>
<b>b) Current</b>		
Creditors for capital expenditure	58.65	53.53
Statutory dues	2,630.32	3,094.00
Fees received in advance	17,700.97	18,754.16
Unearned revenue	11,675.52	12,334.62
Caution deposit	3,565.65	1,002.31
Dues to employees	2,000.13	2,070.20
Liabilities for expenses	4,019.75	3,593.93
Dues to students [Refer note (i) and (ii) below]	3,944.03	4,112.32
Interest accrued but not due on borrowings	7.55	13.41
Book overdraft	3,346.00	2,605.63
Other payables	2,649.89	2,370.50
	<b>51,598.46</b>	<b>50,004.61</b>

**Notes:**

- (i) Includes stipend payable to the students of medical and dental college wherein as per management's assessment Government Order no. G.O.Rt.No.827 dated October 21, 2022 is not applicable to the Society as the said order is applicable only for Government Medical Colleges including Dental Colleges. Accordingly, management is recognising the stipend expense and its related liability in accordance with the Government Order no. G.O.Ms.No.75 dated May 05, 2017.
- (ii) Includes scholarship payable of ₹3,308.27 (March 31,2024:₹3,279.99) to students against which the management has received the amounts from Government authorities. The said amounts are held in separate identifiable bank accounts and the management is in the process of reconciling the earmarked bank balance with the closing liability and restoring the bank balance to the extent of shortfall being noted.



Narayana Educational Society  
Notes forming part of the financial statements  
(All amounts ₹ in lakhs, unless otherwise stated)

9 Property, plant and equipment - Tangible assets

	Land	Buildings	Furniture and fixtures	Plant and machinery	Computers	Library books	Vehicles	Total
<b>Gross block</b>								
As at April 01, 2023	494.91	63,144.92	18,738.27	9,554.82	1,771.00	1,213.42	6,150.55	1,01,067.89
Additions during the year	-	855.32	138.29	3,114.28	68.31	41.82	6,434.82	10,652.84
Adjustments during the year [Refer note (i)]	-	-	(355.51)	(252.88)	(97.71)	(0.00)	-	(706.10)
<b>As at March 31, 2024</b>	<b>494.91</b>	<b>64,000.24</b>	<b>18,521.05</b>	<b>12,416.22</b>	<b>1,741.60</b>	<b>1,255.24</b>	<b>12,585.37</b>	<b>1,11,014.63</b>
Additions during the year	-	1,166.68	168.46	1,237.85	106.95	62.84	853.29	3,596.07
<b>As at March 31, 2025</b>	<b>494.91</b>	<b>65,166.92</b>	<b>18,689.51</b>	<b>13,654.07</b>	<b>1,848.55</b>	<b>1,318.08</b>	<b>13,438.66</b>	<b>1,14,610.70</b>
<b>Accumulated depreciation</b>								
Up to April 01, 2023	-	29,662.94	17,433.30	7,352.95	1,724.69	1,141.25	3,776.45	61,091.58
Charge for the year	-	1,674.64	359.83	640.58	33.37	48.10	891.04	3,647.56
Adjustments during the year [Refer note (i)]	-	-	(327.24)	(224.58)	(97.23)	(0.00)	-	(649.05)
<b>Up to March 31, 2024</b>	<b>-</b>	<b>31,337.58</b>	<b>17,465.89</b>	<b>7,768.95</b>	<b>1,660.83</b>	<b>1,189.35</b>	<b>4,667.49</b>	<b>64,090.09</b>
Charge for the year	-	1,618.66	284.32	698.17	50.99	43.50	2,579.75	5,275.39
<b>Up to March 31, 2025</b>	<b>-</b>	<b>32,956.24</b>	<b>17,750.21</b>	<b>8,467.12</b>	<b>1,711.82</b>	<b>1,232.85</b>	<b>7,247.24</b>	<b>69,365.48</b>
<b>Net block</b>								
As at March 31, 2025	494.91	32,210.68	939.30	5,186.95	136.73	85.23	6,191.42	45,245.22
As at March 31, 2024	494.91	32,662.66	1,055.16	4,647.27	80.77	65.89	7,917.88	46,924.54

Notes:

- (i) During the year 2023-24 management had carried out a detailed physical verification of property, plant and equipment across all premises except professional college and had accordingly identified the list of assets majority in the nature of furniture and fixtures and plant and machinery which were either not in usable condition due to prolonged inactiveness of the assets along with poor upkeep of the said assets were damaged whereby in accordance with the managements plan, the management had concluded to replace the said assets and accordingly provided for the same in the book of account.
- (ii) The Society holds title to all its immovable properties, except for certain land measuring 5.18 acres pertaining to Narayana Medical College, Nellore, for which the original title deeds have been reported as lost. The Society has filed FIR with the police authorities regarding the loss of these documents, and the management is in the process of obtaining certified copies from the relevant land revenue authorities.



**Narayana Educational Society**  
**Notes forming part of the financial statements**  
(All amounts ₹ in lakhs, unless otherwise stated)

**10. Loans and advances**

	As at	
	March 31,2025	March 31,2024
<b>a) Long-term</b>		
(Unsecured, considered good)		
Security deposits (Refer note (i))	9,558.72	3,811.02
Security deposits with related parties (Refer note (ii))	3,826.12	6,066.02
Advances to - Suppliers	6,675.72	834.77
Balances with government authorities	52.85	44.30
Advance tax, net (tax deducted at source)	588.35	785.52
	<b>20,701.76</b>	<b>11,541.63</b>
 (Unsecured, considered doubtful)		
Security deposits	1,544.90	1,544.90
	<b>1,544.90</b>	<b>1,544.90</b>
Less: Provision for doubtful advances	(1,544.90)	(1,544.90)
	-	-
	<b>20,701.76</b>	<b>11,541.63</b>
 <b>b) Short-term</b>		
(Unsecured, considered good)		
Prepaid expenses	175.73	217.68
Security deposits (Refer note (i))	4,274.54	12,716.74
Advances to		
- Suppliers	2,101.11	477.60
- Related parties	702.54	702.54
- Staff	143.75	88.97
- Others	1,063.77	577.60
	<b>8,461.44</b>	<b>14,781.13</b>
 (Unsecured, considered doubtful)		
Advances to		
- Suppliers	2,516.67	3,303.44
- Staff	164.77	164.77
- Others	18.63	111.03
	<b>2,700.07</b>	<b>3,579.24</b>
Less: Provision for doubtful advances	(2,700.07)	(3,579.24)
	-	-
	<b>8,461.44</b>	<b>14,781.13</b>
 <b>c) Movement of provision for credit impaired advances:</b>		
	As at	
	March 31,2025	March 31,2024
<b>Balance at the beginning of year</b>	3,579.24	4,663.72
Add: Additions During the year	75.02	-
Less: Reversal during the year	(954.19)	(1,084.48)
<b>Balance at the end of year</b>	<b>2,700.07</b>	<b>3,579.24</b>



**Narayana Educational Society**  
**Notes forming part of the financial statements**

(All amounts ₹ in lakhs, unless otherwise stated)

**10. Loans and advances (continued.)**

**Notes:**

\*Pursuant to the terms of the restated Master Services Agreement and the Security Deposits Agreement entered into between the Society and NSPIRA Management Services Private Limited (NSPIRA), the Society has transferred rental security deposits placed with its landlords with a carrying value of ₹25,165.97 (March 31, 2024: ₹24,697.22) to NSPIRA, along with the transfer of the underlying credit risk, towards settlement of monies owed to it in the form of performance security deposits received during the prior years. However, in accordance with the terms of the guarantee agreement entered into between the Society and NSPIRA, the Society has also guaranteed the recoverability of security deposits with a carrying value of ₹2,500.00 (March 31, 2024: ₹4,638.48) to NSPIRA. Consequently, the balance of security deposits transferred unconditionally and without recourse to NSPIRA to the tune of ₹22,665.97 (March 31, 2024: ₹20,058.74) has been de-recognised by the Society along with a consequent reduction to the balance of amounts owed to NSPIRA.

\*\*Represents security deposit granted to a related party, to the tune of ₹3,395.11 (March 31, 2024: ₹3,555.53).The recoverability of these amounts have been personally guaranteed by Mr. Puneet Kothapa and Mrs. Ponguru Sindhura respectively, in accordance with the deed of guarantee duly entered with them..

**11. Other assets**

	As at	
	March 31,2025	March 31,2024
<b>a) Non-current</b>		
(Unsecured, considered good)		
Receivables on account of finance lease	944.67	1,316.28
Bank deposits with maturity period of more than 12 months	2,526.26	1,398.03
	<b>3,470.93</b>	<b>2,714.31</b>
<b>b) Current</b>		
(Unsecured, considered good)		
Receivables on account of finance lease	541.45	796.68
Interest accrued but not due on fixed deposits	282.65	-
	<b>824.10</b>	<b>796.68</b>
(Unsecured, considered doubtful)		
Receivables on account of finance lease	243.73	243.73
	<b>243.73</b>	<b>243.73</b>
Less: Provision for doubtful receivables	(243.73)	(243.73)
	<b>-</b>	<b>-</b>
	<b>824.10</b>	<b>796.68</b>

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**Narayana Educational Society**  
**Notes forming part of the financial statements**  
(All amounts ₹ in lakhs, unless otherwise stated)

**12. Trade receivables**

	As at	
	March 31,2025	March 31,2024
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	47,791.81	49,946.54
Unsecured, considered doubtful	17,728.89	13,643.10
	<b>65,520.70</b>	<b>63,589.64</b>
Less: Provision for doubtful receivables	(17,728.89)	(13,643.10)
	<b>47,791.81</b>	<b>49,946.54</b>

**(a) Movement of provision for credit impaired receivables:**

	As at	
	March 31, 2025	March 31, 2024
<b>Balance at the beginning of year</b>	13,643.10	13,217.19
Add: Additions during the year	4,085.79	668.50
Less: Reversal of excess provision	-	(242.59)
<b>Balance at the end of year</b>	<b>17,728.89</b>	<b>13,643.10</b>

**13. Inventories, at cost or net realisable value whichever is low**

	As at	
	March 31,2025	March 31,2024
Consumables	1,138.51	1,070.07
	<b>1,138.51</b>	<b>1,070.07</b>

**14(a) Cash and bank balances**

	As at	
	March 31,2025	March 31,2024
<b>Cash and cash equivalents</b>		
Balances with banks		
- in current accounts	23,526.29	13,603.51
Cash-on-hand	719.71	1,004.26
Bank deposits - original maturities of less than 3 months	9.40	-
	<b>24,255.40</b>	<b>14,607.77</b>

**14(b) Other Bank balances**

	As at	
	March 31,2025	March 31,2024
<b>Other bank balances:</b>		
Bank deposits with maturity of 3 months to 12 months	11,897.26	1,505.61
Bank deposits with maturity period of more than 12 months	2,526.26	1,398.03
	<b>14,423.52</b>	<b>2,903.64</b>
Less: Amounts reclassified to other non-current assets	(2,526.26)	(1,398.03)
	<b>11,897.26</b>	<b>1,505.61</b>



**Narayana Educational Society**  
**Notes forming part of the financial statements**  
(All amounts ₹ in lakhs, unless otherwise stated)

**15. Income from operations**

	For the year ended	
	March 31,2025	March 31,2024
<b>Fees from students</b>		
Tuition and other fees	3,49,527.57	2,95,044.19
Examination fees	2,509.01	2,502.93
Transportation fees	11,735.96	9,413.90
Other operating revenues*	9,347.22	9,063.81
Income from healthcare services	10,954.57	7,912.35
	<b>3,84,074.33</b>	<b>3,23,937.18</b>

\* Other operating revenue includes fees collected from students for events and celebrations, activity and building maintenance, sale of records, sale of application forms and others.

**16. Other income**

	For the year ended	
	March 31,2025	March 31,2024
Interest on finance lease receivables	214.10	160.89
Interest on fixed deposits	1,532.05	920.98
Liabilities no longer required written back *	386.07	625.78
Reversal of provision for doubtful advances	954.19	1,327.05
Other receipts **	1,150.59	1,013.11
	<b>4,237.00</b>	<b>4,047.81</b>

\* Represents liabilities relating to earlier years, including caution deposits received from students, rent payable, and other payables, which have been written back during the current year based on management's assessment that these are no longer required to be settled.

\*\* Represents miscellaneous receipts comprising untraced fee receipts from students, recovery of electricity charges, examination fees, condonation fees, recounting fees etc.

**17. Consumption of medical supplies and consumables**

	For the year ended	
	March 31,2025	March 31,2024
Opening balance of inventory	1,070.07	401.04
Purchases during the year	9,034.46	6,816.03
Closing balance	1,138.51	1,070.07
<b>Consumption for the year</b>	<b>8,966.02</b>	<b>6,147.00</b>

**18. Employee benefits expense**

	For the year ended	
	March 31,2025	March 31,2024
Salaries and wages	98,260.44	79,499.79
Contribution to provident and other funds	3,259.08	2,865.12
Gratuity expense (Refer note b)	300.20	893.42
	<b>1,01,819.72</b>	<b>83,258.33</b>

**a. Defined contribution plan**

During the year ended March 31, 2025, the Society contributed ₹2,572.15 (March 31,2024: ₹2,261.76) to provident fund and ₹686.93 (March 31, 2024: ₹603.36) towards employee state insurance fund.



**Narayana Educational Society**  
**Notes forming part of the financial statements**  
(All amounts ₹ in lakhs, unless otherwise stated)

**18. Employee benefits expense (continued.)**

**b. Defined benefit plan**

(i) The Society has an unfunded defined plan, viz. gratuity for its employees. Every employee who has completed five years or more of services gets a gratuity on departure at 15 days salary (last drawn monthly basic salary) for each completed year of service subject to a limit prescribed under the Gratuity Act, 1972.

(ii) The amounts recognized in the statement of income and expenditure are as follows:

	For the year ended	
	March 31,2025	March 31,2024
Current service cost	384.82	767.34
Net interest cost	(84.62)	126.08
<b>Total expense recognised in the statement of income and expenditure</b>	<b>300.20</b>	<b>893.42</b>

(iii) Changes in present value of defined benefit obligation representing reconciliation of opening and closing balances thereof are as

	As at	
	March 31,2025	March 31,2024
Present value of defined benefit obligation at beginning of the year	3,569.43	2,676.01
Current service cost	384.82	767.34
Interest cost	255.93	226.56
Benefits paid	-	-
Re-measurement loss/(gain) on actuarial valuations	(340.54)	(100.48)
<b>Present value of defined benefit obligation at end of the year</b>	<b>3,869.64</b>	<b>3,569.43</b>

(iv) The assumptions used in accounting for gratuity plan are set out as below:

	As at	
	March 31,2025	March 31,2024
Discount rate	6.54%	7.31%
Retirement age	60 years	60 years
Salary escalation rate	3%	3%
Attrition rate	80% for service upto 4 years and thereafter 3%	80% for service upto 4 years and thereafter 3%
Mortality rate (% of IALM 06-08)	IALM(2012-14) Ultimate	IALM(2012-14) Ultimate

The estimates of future salary increase, considered in actuarial valuation, take account of inflation, seniority, promotions and other relevant factors such as supply and demand in the employment market. However, the Society has not invested the accrued liability as of March 31, 2025. The Society evaluates these assumptions annually based on its long-term plans of growth and industry standards.

**19. Finance costs**

	For the year ended	
	March 31,2025	March 31,2024
Interest expense	1,570.82	1,461.98
	<b>1,570.82</b>	<b>1,461.98</b>

**20 Depreciation expense**

	For the year ended	
	March 31,2025	March 31,2024
Depreciation on property, plant and equipment	5,275.39	3,647.56
	<b>5,275.39</b>	<b>3,647.56</b>



**Narayana Educational Society**  
**Notes forming part of the financial statements**  
(All amounts ₹ in lakhs, unless otherwise stated)

**21 Other expenses**

	For the year ended	
	March 31,2025	March 31,2024
Rent* (Refer note 28)	62,583.26	56,530.44
Mess expenses	26,946.19	24,732.59
Campaigning and advertisement	43,924.05	38,420.65
Repairs and maintenance		
- Building	26,318.10	21,955.80
- Others	21,402.29	16,858.39
Printing charges	31.69	42.57
Examination fees	16,667.76	14,761.61
Power and fuel	9,178.46	7,891.58
Administrative support services	9,586.19	8,272.71
Security charges	6,487.22	5,655.06
Professional fees	3,531.26	3,024.90
Travelling and conveyance	5,298.61	4,780.72
Vehicle Maintenance	15,722.58	12,864.55
Provision for credit impaired trade receivables & advances	4,160.81	668.50
Bad and doubtful advances written off	907.99	2,283.50
Property, plant and equipment written off [Refer note 9(a)(i)]	-	57.05
Stipend expense [Refer note 8(b)(i)]	1,844.96	1,769.71
Telephone expenses	235.93	227.93
Paper and stationery	967.40	780.01
Bank charges	636.46	667.94
Functions and celebrations	145.64	170.32
Affiliation fees	951.96	641.54
Legal and professional charges	248.20	76.18
Rates and taxes	177.97	156.13
Water expense	81.22	97.72
Inventory written off	-	27.05
Insurance charges	40.43	16.49
Payments to auditor		
- As auditor	46.00	45.00
- Out of pocket expenses	9.82	-
Miscellaneous expenses	3,454.03	3,253.82
	<b>2,61,586.48</b>	<b>2,26,730.46</b>

\*The rental expenditure includes expenditure in relation to operating lease agreements entered into by the Society.

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**Narayana Educational Society**  
**Notes forming part of the financial statements**  
(All amounts ₹ in lakhs, unless otherwise stated)

**22 Related party disclosures**

**a) Names of the related parties and nature of relationship**

<b>Names of related parties</b>	<b>Nature of relationship</b>
Ponguru Narayana	Founder of the Society
Puncet Kothapa	Key Managerial Personnel ("KMP")
Ponguru Sindhura	
Ponguru Sharani	Member of the Governing Body and Relative of founder and KMP
Ponguru Ramadevi	Relative of founder
Ponguru Indira	
R. Sambasiva Rao	Member of the Governing Body
Y. Vinay Kumar	
Narayana Education Trust	Entities in which KMP's have significant influence
Narayana Educational Trust	
Rama Narayana Education Trust	
Greater than Education Technologies Private Limited	
Green Ivy Venturers Private Limited (formerly Narayana Learning Private Limited)	
NSPIRA Management Services Private Limited	

**b) Transactions with related parties**

	<b>For the year ended</b>	
	<b>March 31,2025</b>	<b>March 31,2024</b>
<b>Rent</b>		
Ponguru Narayana	407.33	411.97
Ponguru Ramadevi	309.36	304.13
Ponguru Indira	99.41	96.40
Ponguru Sindhura	11.88	11.52
Green Ivy Venturers Private Limited	667.23	647.01
<b>Unsecured loan received</b>		
<i>Interest free</i>		
Narayana Education Trust	12,561.55	697.45
Narayana Educational Trust	5,280.66	6,243.20
<b>Repurchase of security deposits, transferred in earlier years</b>		
NSPIRA Management Services Private Limited	1,281.40	836.09
<b>Purchase of material</b>		
NSPIRA Management Services Private Limited	22,395.08	20,989.76
Green Ivy Venturers Private Limited	10,205.62	8,035.67
<b>Purchase of Assets</b>		
NSPIRA Management Services Private Limited	-	5,441.80
<b>Services availed from</b>		
NSPIRA Management Services Private Limited	1,25,839.16	1,09,263.58
Green Ivy Venturers Private Limited	4,035.89	4,019.80



**Narayana Educational Society**  
**Notes forming part of the financial statements**  
(All amounts ₹ in lakhs, unless otherwise stated)

**21. Related party disclosures (continued.)**  
**b) Transactions with related parties (continued)**

	For the year ended	
	March 31,2025	March 31,2024
<b>Amounts collected on behalf of the Society</b>		
Narayana Education Trust	955.76	3,106.42
Narayana Educational Trust	529.99	5.00
<b>Transfer of security deposits</b>		
NSPIRA Management Services Private Limited	-	474.39
<b>Amounts collected by the Society on behalf of</b>		
Narayana Education Trust	14.38	92.06
Narayana Educational Trust	498.89	503.58
NSPIRA Management Services Private Limited	53,040.00	30,881.05
Greater than Education Technologies Private Limited	7,052.39	6,200.16
<b>Expenditure incurred by Society on behalf of</b>		
NSPIRA Management Services Private Limited	3,446.60	3,244.55
Narayana Education Trust	2,794.01	2,007.33
Narayana Learning Private Limited	665.05	1,023.85
Narayana Educational Trust	1,404.91	1,823.63
<b>Expenditure incurred on behalf of Society</b>		
NSPIRA Management Services Private Limited	169.90	-
Green Ivy Venturers Private Limited	187.71	-
<b>Guarantees given</b>		
NSPIRA Management Services Private Limited	-	1,25,000.00

**c) Balances receivable / (payable)**

	As at	
	March 31,2025	March 31,2024
Green Ivy Venturers Private Limited*	3,395.11	6,066.02
Narayana Educational Trust	(8,266.76)	(4,420.20)
Rama Narayana Education Trust	528.63	528.63
NSPIRA Management Services Private Limited ^	(33,313.20)	(48,878.91)
Greater Than Educational Technologies Private Limited	(35.98)	991.44
Narayana Education Trust	(14,394.90)	(5,568.75)
Ponguru Narayana	(36.25)	(19.27)
Ponguru Ramadevi	(35.69)	(19.43)
Ponguru Indira	(8.85)	(8.85)
Ponguru Sindhura	(2.23)	(2.23)
Ponguru Sharani	-	(5.56)
<b>Outstanding guarantee</b>		
NSPIRA Management Services Private Limited * *	1,27,500.00	1,29,638.48

**Notes:**

\* Security deposits amounting to ₹3,395.11 (March 31, 2024: ₹3,555.53) have been personally guaranteed by Puneet Kothapaa and Ponguru Sindhura.

^ Represents security deposit and amount payable for the services availed towards admission, examination support, building and other maintenance, etc. in pursuant to master service agreement entered with NSPIRA Management Services Private Limited.

\*\* Society is one of the guarantors along with its other related parties and given the Corporate Guarantee of ₹1,25,000 to Vistara ITCL India Limited based on terms and conditions mentioned in debenture trust deed entered on October 19,2023.

Further the Society has also guaranteed for the recoverability of security deposits with a carrying value of ₹2,500.00 (March 31, 2024: ₹4,638.48) to NSPIRA.

**d) Disclosure of guarantees given for the borrowings availed by the Society:**

Refer note 5(a) & 5(b) and 7(a) for details of borrowings personally guaranteed by the related parties.



**Narayana Educational Society**  
**Notes forming part of the financial statements**  
(All amounts ₹ in lakhs, unless otherwise stated)

**23 Contingent liabilities**

	As at	
	March 31,2025	March 31,2024
Matters under dispute:		
(a) Employees State Insurance Corporation ('ESI Act')	-	-
(b) The Society, in isolation and together with other parties, as the case may be, is party to various litigations at certain levels of the judiciary system in relation to certain alleged non-compliances with the prevailing regulations for setting-up of certain schools and colleges, compliances with the applicable regulations governing admission of students. Management of the Society, on the basis of its assessment of litigations/disputes/claims, is of the view that the ultimate outcome of the aforesaid may not have any material impact on the Society.	Not ascertainable	Not ascertainable
(c) Others (Refer note below)	3,081.08	2,975.29

Note: Amount includes cases filed by two MSMED vendors for claiming delayed payments with respect to principal and interest amounting to ₹ 1,788.44. Based on the internal assessment carried out by Governing Body the outcome of the case will be in favour of the Society, hence no provision is required to be made in the financial statements.

**24 Leases**

The Society has entered into hire cum purchase agreements with certain transport service providers for leasing and sales of the vehicles owned by it. Pursuant to the terms of the agreement, the vehicles shall be leased to the service providers for consideration which would accrue to the Society over a period of time, ranging from two to five years with the ultimate ownership being transferred at the end of the lease period.

**a) Future minimum lease rentals receivable under the non-cancellable finance leases are as follows:**

	As at	
	March 31,2025	March 31,2024
Not later than one year	665.29	1,011.51
Later than one year and not later than five years	1,001.16	1,432.99
	<b>1,666.45</b>	<b>2,444.50</b>

**b) Present value of future minimum lease rentals receivable under the non-cancellable finance leases are as follows:**

	As at	
	March 31,2025	March 31,2024
Not later than one year	541.45	796.68
Later than one year and not later than five years	944.67	1,316.28
	<b>1,486.12</b>	<b>2,112.96</b>

**c) Reconciliation between total gross investment in the lease as at the balance sheet date and present value of minimum lease payment receivable at the balance sheet date:**

	As at	
	March 31,2025	March 31,2024
Total gross investment	1,666.45	2,444.50
Less: unearned finance income	180.33	331.54
Present value of minimum lease payments receivables	<b>1,486.12</b>	<b>2,112.96</b>

**25 As at March 31, 2025, the non-current and current assets of the Society include Security deposits related to certain inactive and not occupied leased properties as below:**

Particulars	As at	
	March 31,2025	March 31,2024
<b>Opening Security Deposits</b>	<b>9,967.46</b>	<b>12,341.31</b>
<b>Add:</b> Buildings Inactive and not occupied during the year	2,002.28	-
<b>Less:</b>		
Security deposits adjusted	952.16	2,373.85
Security deposits written off	611.82	-
Security deposits recovered	123.00	-
<b>Net amount</b>	<b>10,282.76</b>	<b>9,967.46</b>

The Society is a pioneer in education industry of K12 (classes 1-12) segment and operates more than 800 branches across India, running schools and colleges. To facilitate these operations, the Society leases buildings for running the schools and colleges with formal lease agreements executed with lessors. As per terms of these lease agreements with the lessors, the Society is required pay security deposits for leased properties.

The Governing Body conducts regular assessments of various contractual dues and recoverability thereof. Basis such regular assessment and continuous efforts towards collection of the amounts, Governing Body believes that the remaining net amounts as stated above are fully recoverable and that no further provision is required in the accompanying financial statements for the year ended March 31, 2025.

**26 Based on the Society's business model and considering the internal financial reporting to the Governing Body, the 'education and ancillary services' has been considered as the only reportable segment. Further, all the services are rendered only in India. Hence, no separate financial disclosures have been provided for segment reporting.**



**Narayana Educational Society**  
**Notes forming part of the financial statements**  
 (All amounts ₹ in lakhs, unless otherwise stated)

**27 Commitments**

a) **The Society's future minimum lease obligations under operating lease arrangements is as given below:**

	As at	
	March 31,2025	March 31,2024
Not later than one year	57,795.53	38,518.28
Later than one year and not later than five years	1,86,087.08	1,16,382.63
Later than five years	3,98,967.37	2,19,759.97

**Note:** As at March 31, 2025, the Society had entered into certain cancellable lease agreement for the lease of premises against which security deposits have already been made. However, as the underlying premises are yet to be handed over to the Society and considering that the arrangements are cancellable, the rental amounts as per the aforesaid arrangements have not been considered for the purposes of the above disclosure.

b) **Capital and other commitments**


	As at	
	March 31,2025	March 31,2024
Capital and other commitments (Refer note below)	3,192.25	231.18
	<b>3,192.25</b>	<b>231.18</b>

**Note:** The capital commitments as at March 31,2025 amounting to Rs. 3,192.25 lakhs majorly include commitments related to construction of Oncology Block (Cancer Block) in Nellore which is amounting to Rs.3,000 lakhs.


- 28 In light of the Covid-19 outbreak, the Society had implemented various cost-saving measures and worked to manage operations efficiently during the previous years. This included undertaking an exercise of formally communicating with the landlords of various leased properties to seek reduction of the rental expenses for part of the previous financial years. As part of that exercise and on the basis of implicit confirmation from the landlords, the Society had requested for waiver of these rental expenses, but it is yet to receive the written waiver letters or confirmations from the respective parties. The Society had paid discounted rents to lessors based on formal communications with the landlords, not as per the agreed terms. The cumulative amount of rent waiver sought till March 31,2025 is ₹ 24,298.60 (March 31,2024; ₹ 24,298.60). Further, the management of the Society and the governing body, basis their interactions with the respective landlords of the various leased properties, has assessed and concluded that these landlords have waived the rentals with no further obligations. The management of the society is also confident of obtaining a written waiver in this regard, which is currently under discussion.
- 29 The Crime Investigation Department of Andhra Pradesh has initiated enquiries relating to operations of the Narayana Education Society and its associate /affiliated entities in the year 2023 . However, the matter is restricted to seeking information which has been duly provided without any delays. The Governing Body of NES is confident that the Society has duly complied with all the rules and regulations as applicable to its operations and there are no non-compliances of any nature. Accordingly, the governing body do not expect any impact of the enquiry proceedings or any proceedings thereafter.
- 30 In Meeting dated August 09, 2024 Members of Managing Committee of Society approved the proposal to transfer the Management of Professional Colleges , Nellore which is under the management of Narayana Educational Society to Narayana Academy of Higher Education, a Society registered under the Societies Registration Act, 1860 vide Reg no 218/2015 having its registered office at Narayana Medical College Campus, Nellore. The Management is in the process of obtaining necessary permissions and approvals for transfer of management of professional colleges to Narayana Academy of Higher Education. As at March 31, 2025 these approvals are awaited.
- 31 **Subsequent Events:**  
 The Management has assessed, the subsequent events to the year end and is of the view that there are no material events which require adjustment or disclosure in the financial statements.
- 32 These financial statements were approved for issue by the Governing Body on September 23, 2025.
- 33 The comparative information has been regrouped/rearranged to confirm to the current period presentation.

**In terms of our report attached**

**For M S K A & Associates**  
 Chartered Accountants  
 Firm Registration No.: 105047W

  
**Ananthkrishnan Govindan**  
 Partner  
 Membership No.: 205226

**For and on behalf of the Governing Body of**  
 Narayana Educational Society

  
**Puneet Kothapa**  
 President

  
**V Srinath**  
 Secretary

  
**Sandeep Chaluvadi**  
 Chief Financial Officer

Place: Hyderabad  
 Date: September 23, 2025

Place: Hyderabad  
 Date: September 23, 2025

Place: Hyderabad  
 Date: September 23, 2025

