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NEL/BSE/108/2017

9th November, 2017

Corporate Relationship Department
Bombay Stock Exchange Ltd.
1st Floor, New Trading Ring,
Rotunda Building, P. J. Towers,
Dalal Street, Fort, Mumbai - 400 001

Dear Sirs,

Ref : Scrip Code – 508989

Sub : Submission of Q2 FY 18 presentation shared with analysts and institutional investors

In accordance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit Q2 FY 18 presentation shared with analysts and institutional investors on Un-audited Financial Results for the quarter and half year ended 30th September, 2017. The said Q2 FY 18 presentation is uploaded and available on Company's website www.navneet.com.

You are requested to take note of the above.

Kindly acknowledge the receipt.

Thanking you,

Yours faithfully,
FOR NAVNEET EDUCATION LIMITED


AMIT D. BUCH
COMPANY SECRETARY

Encl : As above

NAVNEET EDUCATION LIMITED

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Q2 FY 18 UPDATE

Unaudited as on 30th September 2017



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**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE
QUARTER AND HALF YEAR ENDED 30TH SEP, 2017**

(INR in Lakhs, except Earnings Per Share)							
Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	30.06.2017 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	31.03.2017 (Audited)
	Income						
I	Revenue from operations	18,335	17,252	56,520	74,855	73,269	1,09,439
II	Other Income	470	608	1,228	1,698	1,370	2,392
III	Total Income (I + II)	18,805	17,860	57,748	76,553	74,639	1,11,831
	Expenses						
	Cost of materials consumed	8,956	8,906	18,713	27,669	25,689	53,013
	Purchases of stock-in-trade	4	227	12	16	434	487
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(532)	(1,760)	10,764	10,232	9,790	(821)
	Employee benefits expense	3,008	2,553	3,105	6,113	5,360	10,363
	Finance Costs	162	3	257	419	228	347
	Depreciation and amortisation expense	561	615	530	1,091	1,215	2,499
	Other expenses	4,090	4,507	7,687	11,777	11,687	21,345
IV	Total expenses	16,249	15,051	41,068	57,317	54,403	87,233



**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE
QUARTER AND HALF YEAR ENDED 30TH SEP, 2017**

(INR in Lakhs, except Earnings Per Share)							
Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	30.06.2017 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	31.03.2017 (Audited)
V	Profit before tax (III - IV)	2,556	2,809	16,680	19,236	20,236	24,598
VI	Tax Expense:						
	(a) Provision for Taxation	1,125	980	5,885	7,010	7,202	8,700
	(b) Provision for Deferred Tax	(232)	(29)	(170)	(402)	(180)	(218)
	(c) Excess provision of the earlier period / year write-back	-	-	-	-	-	(47)
		893	951	5,715	6,608	7,022	8,435
VII	Profit for the period / year (V - VI)	1,663	1,858	10,965	12,628	13,214	16,163



**STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE
QUARTER AND HALF YEAR ENDED 30TH SEP, 2017**

		(INR in Lakhs, except Earnings Per Share)					
Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	30.06.2017 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	31.03.2017 (Audited)
VIII	Other Comprehensive Income:	-	-	-	-	-	-
	(i) Items that will not be reclassified to profit or loss in subsequent period / year	(38)	-	(38)	(76)	-	(135)
	(ii) Income tax relating to items that will not be reclassified to profit & loss	13	-	13	26	-	-
					-		
	(i) Items that will be reclassified to profit or loss in subsequent period / year	(22)	5	(1)	(23)	10	131
	(ii) Income tax relating to items that will be reclassified to profit & loss	8	-	0	8	-	(45)
VIII	Other Comprehensive Income for the period / year, net of tax	(39)	5	(26)	(65)	10	(49)
IX	Total Comprehensive Income for the period / year (VII + VIII) (Total of profit and other comprehensive income for the period / year)	1,624	1,863	10,939	12,563	13,224	16,114
	Paid-up Equity Share Capital (Face Value INR 2/- per share)	4,671	4,764	4,671	4,671	4,764	4,671
	Other Equity						67,889
	Earnings per Share (of INR 2/- per share) (not annualised)						
	(a) Basic	0.71	0.78	4.70	5.41	5.55	6.81
	(b) Diluted	0.71	0.78	4.70	5.41	5.55	6.81

**STANDALONE UNAUDITED SEGEMENT-WISE REVENUE AND RESULTS FOR
THE QUARTER AND HALF YEAR ENDED 30TH SEP, 2017**

							(INR in Lakhs)
Sr. No.	Particulars	Quarter ended			Half year ended		Year ended
		30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	30.06.2017 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	31.03.2017 (Audited)
1	Segment Revenue (Sales and operating income):						
	a. Publishing Content	11,803	10,960	37,213	49,016	44,766	59,548
	b. Stationery Products	6,452	5,888	19,190	25,642	27,734	48,985
	c. Others (Windmill, Pre-school and Trading items etc.)	155	473	215	370	929	1,194
		18,410	17,321	56,618	75,028	73,429	1,09,727
	Less: Inter Segment Revenue	75	69	98	173	160	288
	Total Segment Revenue	18,335	17,252	56,520	74,855	73,269	1,09,439
2	Segment Results (Profit before tax and interest from each segment):						
	a. Publishing Content	3,804	3,353	14,931	18,735	17,430	21,361
	b. Stationery Products	(552)	(137)	2,924	2,371	4,229	5,530
	c. Others (Windmill, Pre-school and Trading items etc.)	(19)	89	35	16	249	153
	Total Segment Result	3,233	3,305	17,890	21,122	21,908	27,044
	Less : i. Finance Cost	161	3	257	418	228	347
	ii. Other unallocable expenditure	754	873	1,158	1,913	1,997	3,436
	iii. Other unallocable (income)	(239)	(380)	(205)	(444)	(553)	(1,337)
	Total Profit Before Tax	2,556	2,809	16,680	19,236	20,236	24,598

STANDALONE UNAUDITED SEGEMENT-WISE ASSETS, LIABILITIES AND CAPITAL EMPLOYED

(INR in Lakhs)

Sr. No.	Particulars	As at 30.09.2017 (Unaudited)	As at 30.09.2016 (Unaudited)	As at 30.06.2017 (Unaudited)	As at 30.09.2017 (Unaudited)	As at 30.09.2016 (Unaudited)	As at 31.03.2017 (Audited)
3	Segment Assets						
	a. Publishing Content	48,604	38,613	63,717	48,604	38,613	51,667
	b. Stationery Products	22,943	19,495	33,425	22,943	19,495	37,423
	c. Others (Windmill, Pre-school and Trading items etc.)	8,614	6,630	6,536	8,614	6,630	5,816
	d. Unallocated	10,915	21,948	8,508	10,915	21,948	4,059
	Total Segment Assets	91,076	86,686	1,12,186	91,076	86,686	98,966
4	Segment Liabilities						
	a. Publishing Content	2,832	2,706	4,435	2,832	2,706	3,299
	b. Stationery Products	3,049	2,378	3,779	3,049	2,378	5,654
	c. Others (Windmill, Pre-school and Trading items etc.)	121	43	69	121	43	102
	d. Unallocated	6,499	5,477	19,945	6,499	5,477	17,352
	Total Segment Liabilities	12,501	10,604	28,228	12,501	10,604	26,406
5	Capital Employed						
	a. Publishing Content	45,772	35,908	59,282	45,772	35,908	48,368
	b. Stationery Products	19,894	17,116	29,645	19,894	17,116	31,769
	c. Others (Windmill, Pre-school and Trading items etc.)	8,493	6,588	6,467	8,493	6,588	5,715
	d. Unallocated	4,416	16,471	(11,437)	4,416	16,471	(13,292)
	Net Capital Employed	78,575	76,083	83,957	78,575	76,083	72,560

NOTES

1. The above results were reviewed by the audit committee and taken on record by the Board of Directors at its meeting held on November 8, 2017. The Statutory auditors have conducted "Limited Review" of these results in terms of Regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2. The Company adopted Indian Accounting Standards ("Ind AS") effective April 1, 2016 (transition date being April 1, 2015) and accordingly, the financial results for all the periods have been prepared in accordance with the recognition and measurement principles stated therein, prescribed under Section 133 of the Companies Act, 2013 read with the relevant rules issued thereunder and the other accounting principles generally accepted in India.
3. In view of seasonal nature of business, above financial results for quarter ended and half year ended are not representative of the operations of the whole year.
4. The Company has completed buyback of 46,57,000 equity shares of INR 2 each at a price of INR 125 per share on January 12, 2017. The number of equity shares post buy back stands reduced to 23,35,58,000 of INR 2 each. Accordingly, the paid up Equity Share Capital also stands reduced to INR 4,671 Lakhs.
5. During the quarter, the Company has made additional capital contribution in subsidiary 'Navneet Learning LLP' amounting to INR 2,145.16 Lakhs.
6. Revenue from operations for the periods upto June 30, 2017 includes excise duty, which is discontinued effective July 01, 2017 upon implementation of Goods and Service Tax (GST) in India. GST is not included in revenue from operations. In view of the aforesaid restructuring of indirect taxes, revenue from operations for the quarter and half year ended September 30, 2017 are not comparable with previous periods.

For the purpose of comparability, revenue from operations including excise duty and excluding excise duty are given below:

Particulars	Quarter ended			Half year ended		(INR in Lakhs)
	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	30.06.2017 (Unaudited)	30.09.2017 (Unaudited)	30.09.2016 (Unaudited)	Year ended 31.03.2017 (Audited)
Revenue from operations (including excise duty)	18,335	17,252	56,520	74,855	73,269	1,09,439
Less: Excise duty	-	(59)	(137)	(137)	(199)	(456)
Revenue from operations (excluding excise duty)	18,335	17,193	56,383	74,718	73,070	1,08,983

7. The company's mainly operates into publishing content and stationery products. Other business segment include generation of power by windmill, Pre School and trading items etc. Unallocable corporate assets less unallocable corporate liabilities mainly represent investment of surplus funds, other advances, cash & bank balances, corporate taxes and general corporate borrowings.

Q2 FY 18 PERFORMANCE AT A GLANCE

1. Revenue from Operations grew by 6.2% and stood at INR 18,335 Lakh.
2. Publication revenue grew by 7.6% and stood at INR 11,803 Lakh
3. Stationery revenue grew by 9.5% and stood at INR 6,452 Lakh
4. The Company's segmental Results stood at INR 3,233 Lakh (17.63%) on total Revenue from Operations
5. Profit Before Tax stood at INR 2,556 Lakh (13.5%) of Total Revenue

AT BALANCE SHEET LEVEL (Rs. In Lakh)

PARTICULARS	September 17	September 16
Inventory	18,702	18,242
Debtors	21,571	18,457
Borrowings	NIL	NIL
Investments & Advances	29,387	27,692



OUTLOOK ON BUSINESS SEGMENTS

Publications

- Syllabus Change in Maharashtra and Gujarat to continue for FY 19 as well.
- Indiannica Learning Private Limited's (formerly Encyclopaedia Britannica (India) Private Limited) acquisition looks promising for the current year and future as well.
- Development of new workbooks/content is aligned to NCERT Books. Also to focus on ICSE School products.

eSense (eLearning)

- B2B sales expected to grow with more schools opting for digital learning.
- Evaluating Android based solution for affordable hardware cost which may boost B2B sales.
- Indiannica Learning Private Limited's (formerly Encyclopedia Britannica (India) Private Limited) content will add value to current library and promote sales

Stationery

- As rupee is getting stronger, Exports have come under pressure.
- Domestic Stationery will continue to grow at current pace.



THANK YOU

