NAVNEET®

Knowledge is wealth

NEL/NSE/135/2019 4th February,2019

The Secretary
National Stock Exchange of India Ltd.,
Exchange Plaza, 5th Floor, Plot No. C/1,
'G' Block, Bandra-Kurla Complex,
Bandra (E), Mumbai – 400051

Dear Sirs,

Ref : Symbol – NAVNETEDUL

Sub : Submission of presentation shared with analysts and institutional investors on Un- audited Financial Results.

In accordance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015,we hereby enclose presentation shared with analysts and institutional investors on Statement of Standalone Unaudited Financial Results for the quarter and nine months ended 31st December,2018.

The said presentation is uploaded and 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
CIN: L22200MH1984PLC034055
Navneet Bhavan, Bhavani Shankar Road, Dadar (W), Mumbai 400 028. India
Tel.: 022 6662 6565 · Fax: 022 6662 6470 · email: nel@navneet.com · www.navneet.com · /navneet.india

Knowledge is wealth

A PREMIUM EDUCATION HOUSE

Q3 FY 19 UPDATE

Un Audited as on 31 December, 2018

GRAFALCO®

eSense
Ensuring Success

YOUVA

Indiannica Learning
Knowledge beyond horizons

K12 Techno Services Pvt Ltd

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2018

(INR in Lakhs, except Earnings Per Share)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	30.09.2018 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)
	Income						
I	Revenue from operations	18,159	17,441	26,347	1,11,502	91,962	1,13,224
II	Other Income	296	435	715	1,720	2,133	2,921
III	**Total Income (I + II)**	**18,455**	**17,876**	**27,062**	**1,13,222**	**94,095**	**1,16,145**
	Expenses						
	Cost of materials consumed	13,391	12,652	13,660	49,732	39,828	59,298
	Purchases of stock-in-trade	23	2	12	68	511	525
	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(5,055)	(4,649)	(1,599)	5,881	5,583	(3,562)
	Employee benefits expense	3,226	2,955	3,440	9,961	9,068	11,939
	Finance Costs	111	7	232	763	426	597
	Depreciation and amortisation expense	620	615	603	1,796	1,706	2,349
	Other expenses	5,005	4,435	6,200	19,915	15,878	21,554
IV	**Total expenses**	**17,321**	**16,017**	**22,548**	**88,116**	**73,000**	**92,700**
V	**Profit before tax (III - IV)**	**1,134**	**1,859**	**4,514**	**25,106**	**21,095**	**23,445**

NAVNEET®
Knowledge is wealth

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2018

(INR in Lakhs, except Earnings Per Share)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	30.09.2018 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)
VIII	Other Comprehensive Income:						
A.	Items that will not be reclassified to profit or loss in subsequent period / year						
	- Re-measurement of the net defined benefit plan	(46)	(38)	(46)	(137)	(115)	(158)
	- Cash flow hedge	0.35	-	-	0.35	-	-
	Less: Income tax relating to the above						
	- Re-measurement of the net defined benefit plan	16	14	16	48	40	55
	- Cash flow hedge	(0.12)	-	-	(0.12)	-	-
B.	Items that will be reclassified to profit or loss in subsequent period / year						
	- Cash flow hedge	1,280	(5)	(466)	286	(28)	(579)
	Less: Income tax relating to the above						
	- Cash flow hedge	(447)	2	164	(112)	10	212
IX	**Total Comprehensive Income for the period / year (VII + VIII) (Total of profit and other comprehensive income for the period / year)**	**1,557**	1,160	**2,560**	**16,362**	**13,722**	**14,851**

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTHS ENDED 31ST DECEMBER, 2018

(INR in Lakhs, except Earnings Per Share)

Sr. No.	Particulars	Quarter ended			Nine months ended		Year ended
		31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	30.09.2018 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)
	Paid-up Equity Share Capital (Face Value INR 2/- per share)	4,577	4,671	4,671	4,577	4,671	4,671
	Other Equity						76,170
	Earnings per Share (of INR 2/- per share) (not annualised)						
	(a) Basic	0.32	0.51	1.24	7.01	5.92	6.56
	(b) Diluted	0.32	0.51	1.24	7.01	5.92	6.56

NAVNEET®
Knowledge is wealth

NOTES

1. The results were reviewed by the audit committee and taken on record by the Board of Directors at its meeting held on February 04, 2019.
2. The above standalone financial results have been prepared in accordance with the guidelines issued by the Securities and Exchange Board of India ('SEBI'), and the Indian Accounting Standards prescribed under Section 133 of the Companies Act, 2013.
3. In view of seasonal nature of business, above financial results for quarter & nine months are not representative of the operations of the whole year.
4. During the quarter ended 31st December, 2018, the Company has concluded buyback of 46,87,500 equity shares aggregating to 2.01% of the paid-up equity share capital of the company at a price of INR 160 per share on October 16, 2018. The Company has funded the buyback from its general reserve. Further, capital redemption reserve of INR 93.75 lakhs representing the nominal value of shares bought back has been created as an appropriation from general reserves. Transaction costs related to buyback are adjusted against general reserves (net of tax). Consequently, the paid up Equity Share Capital is also reduced to INR 4,577 Lakhs.
5. During the quarter, the Company has made additional capital contribution in subsidiary entity 'Navneet Learning LLP' amounting to INR 1,430 Lakhs.
6. Revenue from operations for the periods up to June 30, 2017 includes excise duty, which is discontinued effective July 01, 2017 upon implementation of Goods and Service Tax (GST) in India. As per Ind AS, the revenue is reported net of GST after June 30, 2017. Accordingly, the revenue for the nine months ended December 31, 2018 is not strictly comparable to the nine months ended December 31, 2017. For the purpose of comparability, revenue from operations including excise duty and excluding excise duty are given below:

		(INR in Lakhs)
Particulars	Nine months ended	
	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)
Revenue from operations (including excise duty)	1,11,502	91,962
Less: Excise duty included in other expenses	-	(116)
Revenue from operations (excluding excise duty)	1,11,502	91,846

7. The figures for the previous quarters and nine months period have been regrouped / rearranged wherever necessary to conform to the current period presentation.

NOTES

8. Standalone segment-wise Revenue, Results and Capital Employed

The company mainly operates into publishing content and stationery products. Other business segment include generation of power by Windmill, Pre School, 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.

Particulars	Quarter ended			Nine months ended		Year ended
	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	30.09.2018 (Unaudited)	31.12.2018 (Unaudited)	31.12.2017 (Unaudited)	31.03.2018 (Audited)
Segment Revenue (Sales and operating income):						
a. Publishing Content	10,312	8,454	17,952	64,859	57,387	62,821
b. Stationery Products	7,826	8,929	8,358	46,521	34,320	50,096
c. Others (Windmill, Pre-school and Trading items etc)	82	95	121	363	465	581
	18,220	17,478	26,431	1,11,743	92,172	1,13,498
Less: Inter Segment Revenue	61	37	84	241	210	274
Total Segment Revenue	**18,159**	**17,441**	**26,347**	**1,11,502**	**91,962**	**1,13,224**
Segment Results (Profit / (loss) before tax and interest from each segment):						
a. Publishing Content	2,371	1,717	5,811	23,663	20,452	21,293
b. Stationery Products	(695)	584	(488)	4,344	2,956	5,071
c. Others (Windmill, Pre-school and Trading items etc)	28	(40)	76	145	(24)	(53)
Total Segment Result	**1,704**	**2,261**	**5,399**	**28,152**	**23,384**	**26,311**
Less : i. Finance Cost	111	7	232	763	426	597
ii. Other unallocable expenditure	778	737	1,062	3,228	2,650	3,259
iii. Other unallocable (income)	(319)	(342)	(409)	(945)	(787)	(990)
Total Profit Before Tax	**1,134**	**1,859**	**4,514**	**25,106**	**21,095**	**23,445**

(INR in Lakhs)

Particulars	As at 31.12.2018 (Unaudited)	As at 31.12.2017 (Unaudited)	As at 30.09.2018 (Unaudited)	As at 31.12.2018 (Unaudited)	As at 31.12.2017 (Unaudited)	As at 31.03.2018 (Audited)
Segment Assets						
a. Publishing Content	53,821	48,794	60,336	53,821	48,794	49,816
b. Stationery Products	43,650	30,024	34,896	43,650	30,024	51,185
c. Others (Windmill, Pre-school and Trading items etc)	9,947	8,650	8,512	9,947	8,650	8,694
d. Unallocated	3,946	3,401	10,515	3,946	3,401	3,824
Total Segment Assets	**1,11,365**	**90,869**	**1,14,259**	**1,11,365**	**90,869**	**1,13,519**
Segment Liabilities						
a. Publishing Content	4,984	4,314	9,604	4,984	4,314	3,401
b. Stationery Products	5,629	3,852	4,753	5,629	3,852	6,448
c. Others (Windmill, Pre-school and Trading items etc)	2	85	6	2	85	26
d. Unallocated	15,330	2,901	8,474	15,330	2,901	22,803
Total Segment Liabilities	**25,946**	**11,152**	**22,837**	**25,946**	**11,152**	**32,678**
Capital Employed						
a. Publishing Content	48,837	44,480	50,732	48,837	44,480	46,415
b. Stationery Products	38,021	26,172	30,143	38,021	26,172	44,737
c. Others (Windmill, Pre-school and Trading items etc)	9,945	8,565	8,505	9,945	8,565	8,668
d. Unallocated	(11,384)	500	2,041	(11,384)	500	(18,979)
Net Capital Employed	**85,419**	**79,717**	**91,422**	**85,419**	**79,717**	**80,841**

Q3 FY 19 PERFORMANCE AT A GLANCE

1. Revenue from Operations grew by 4% and stood at INR 18,159 Lakh.
2. Publication revenue grew by 22% and stood at INR 10,312 Lakh
3. Stationery revenue de-grew by 12.4% and stood at INR 7,826 Lakh
4. The Company's segmental Results stood at INR 1,704 Lakh (9.4%) on total Revenue from Operations
5. Profit Before Tax stood at INR 1,134 Lakh

AT BALANCE SHEET LEVEL (Rs. In Lakh)		
PARTICULARS	**December 2018**	**December 2017**
Inventory	42,109	26,657
Debtors	17,306	17,186
Borrowings	12,805	585
Investments & Advances	24,827	21,882

NAVNEET®
Knowledge is wealth

OUTLOOK ON BUSINESS SEGMENTS

Publications

- Syllabus Change in Maharashtra and Gujarat to continue for FY 20 .
- Indiannica's target revenue remains bullish and likely to achieve projections. Development of workbooks/content aligned to NCERT Text Books.

eSense (eLearning)

- Introduction of School Buddy, evaluation based products and Augmented Realty products will boost growth in future.

Stationery

- Focus sales and branding efforts on selected States to maximize impact with limited resources and marketing efforts will increase domestic business
- Exports will continue to grow at a good pace backed by orders.

NAVNEET®
Knowledge is wealth

THANK YOU

Knowledge is wealth