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NEL/NSE/063/2016

27th August,2016

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 : Scrip Code – NAVNETEDUL

Sub : Submission of presentation to be shared with representative(s) of an institutional investor

In accordance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations,2015, we hereby submit presentation to be shared with representative(s) of Aberdeen Asset Management Asia Limited , an institutional investor on 29th August,2016., The said 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,

Thanking you,

Yours faithfully,
FOR NAVNEET EDUCATION LIMITED

AMIT D. BUCH
COMPANY SECRETARY

Encl : As above

NAVNEET EDUCATION LIMITED
(Formerly NAVNEET PUBLICATIONS (INDIA) LIMITED)
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INVESTOR PRESENTATION

Unaudited as on 30 June 2016 (INR)

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HISTORY OF NAVNEET

YEAR	MILESTONES ACHIEVED
1959	First Digest/Guide published for Standard X
1970	Workbook concept introduced to standardize teaching across classes and divisions
1975	Published 21 Most Likely Questions Sets for Board Exams (X & XII Standards)
1990	Children Books introduced
1993	Started Stationery Division
1994	First and Only Educational Publisher to be listed on BSE and NSE
2000	Stationery capacity reached 100 Tons/Day. ISO Certification awarded
2003	Implementation of SAP & KAIZEN
2008	Entered B2B Digital Learning space
2011	Ventured Direct Education space
2014	Entered B2C Digital Learning space
2016	New Stationery Brand YOUVA Launched

STANDALONE UNAUDITED SEGEMENT REVENUE AND RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2016

Rs. In Lac

Particulars	3 months ended 30.06.2016 (Unaudited)	Corresponding 3 months ended in the previous year 30.06.2015 (Unaudited)
(1) Segment Revenue		
a. Publishing Content	33,927	31,720
b. Stationery Products	21,762	19,571
c. Others	365	318
Total	**56,054**	**51,609**
Less: Inter Segment Revenue	-	-
Net Sales/Income from Operations	56,054	51,609
(2) Segment Results		
a. Publishing Content	14,077	12,802
b. Stationery Products	4,366	3,353
c. Others	160	39
Total	**18,603**	**16,194**
Less :		
i. Finance Cost	225	298
ii. Other unallocable expenditure	1,124	1,002
iii. Other unallocable (income)	(173)	(152)
Total Profit Before Tax	**17,427**	**15,046**

STANDALONE AND CONSOLIDATED SEGEMENT REVENUE AND RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2016

INR in Lac

Particulars	3 months ended 31.03.2016 (Audited)	Corresponding 3 months ended in the previous year 31.03.2015 (Audited)	3 months ended 31.12.2015 (Unaudited)	For the year ended 31.03.2016 (Audited)	For the year ended 31.03.2015 (Audited)	Consolidated for the year ended 31.03.2016 (Audited)	Consolidated for the year ended 31.03.2015 (Audited)
(1) Segment Revenue							
a. Publishing Content	5,785	5,018	7,188	51,595	53,190	53,464	55,581
b. Stationery Products	12,504	13,199	4,006	40,766	42,240	40,766	42,240
c. Others	129	126	127	751	507	751	127
Total	18,418	18,343	11,321	93,112	95,937	94,981	97,948
Less: Inter Segment Revenue	-	-	-	-	-	-	-
Net Sales/Income from Operations	18,418	18,343	11,321	93,112	95,937	94,981	97,948
(2) Segment Results	-	-	-	-	-	-	-
a. Publishing Content	1,640	1,025	1,646	17,492	18,291	17,148	18,400
b. Stationery Products	983	2,230	(363)	3,643	4,879	3,643	4,879
c. Others	(23)	(24)	7	57	39	57	39
Total	2,600	3,231	1,290	21,192	23,209	20,848	23,318
Less :							
i. Finance Cost	44	163	2	348	910	355	911
ii. Other unallocable expenditure	845	704	670	3,108	2,680	3,108	2,680
iii. Other unallocable (income)	(227)	(35)	(460)	(1,704)	(236)	(1,704)	(236)
Total Profit Before Tax	**1,938**	**2,399**	**1,078**	**19,440**	**19,855**	**19,088**	**19,964**

FY 16 KEY FINANCIALS

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FIGURES IN MILLION (INR)

PARTICULARS	PUBLICATION	STATIONERY	TOTAL
REVENUE	5,160	4,077	9,311
EBIDTA (%)	33.9	8.9	22.8
PAT (%)			13.7

PARTICULARS	YEAR ENDED 31 MARCH 2016	YEAR ENDED 31 MARCH 2015	ANNUAL GROWTH (%)
PUBLICATION	5,160	5,319	-3.0
STATIONERY	4,077	4,224	-3.5
TOTAL REVENUE	9,311	9,594	-2.9
PAT	1,278	1,293	-1.2
DIVIDEND PAYOUT (%)	110	110	

3 YEARS FINANCIAL SNAPSHOT (STANDALONE)

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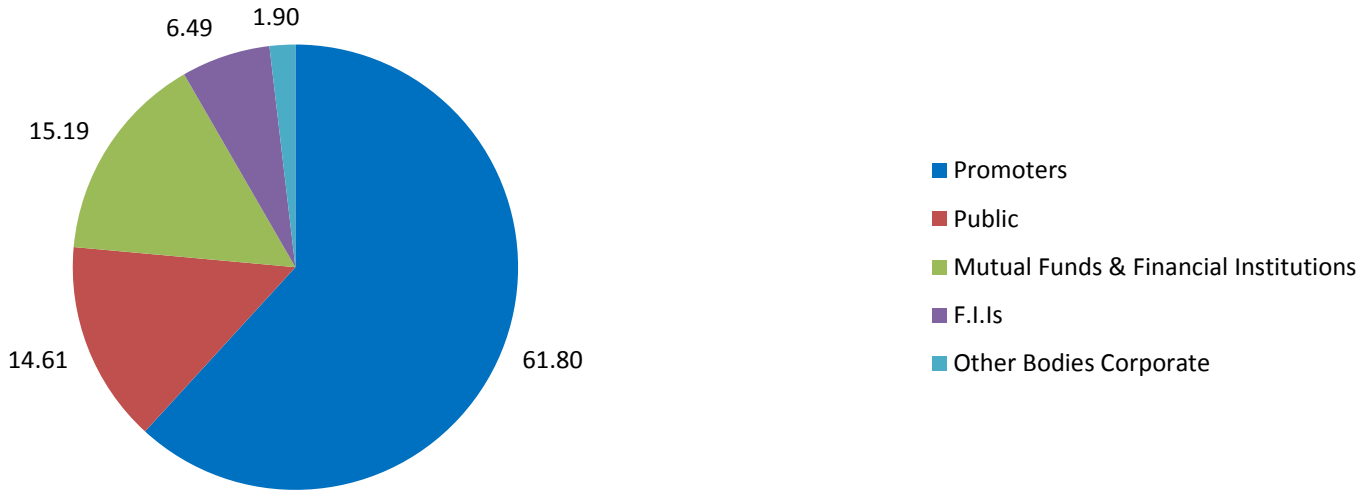
Particulars	FY 16	FY 15	FY 14
Revenue (including other income)	9,311	9,594	8,613
PBDT	2,211	2,268	1,957
Depreciation	267	282	220
PBT	1,944	1,986	1,737
Tax	666	693	605
Net Profit (PAT)	1,278	1,293	1,132
Dividend	524	524	477
Dividend (%) - (Face Value at Rs.2/-)	110	110	100
Book Value (Face Value at Rs.2/-) *	26.4	23.7	21.0
Debt-Equity **	0.0	0.0	0.0
EPS (Post Tax) (Rs.2/- per share)	5.4	5.4	4.8
EPS (Pre Tax) (Rs.2/- per share)	8.2	8.3	7.3
Dividend Payout % to Net profits	48.3	48.4	49.3

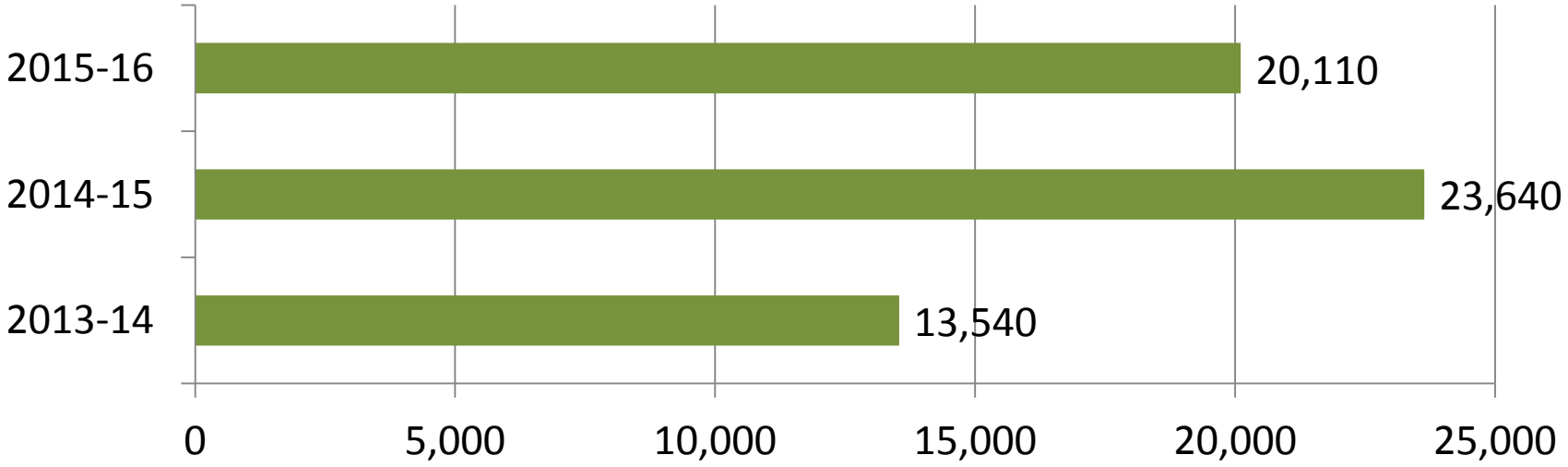
FIGURES IN MILLION (INR)

Year/Particulars	2015-16	2014-15	2013-14
Revenue (including other income)	9,311	9,594	8,613
PBIT	1,978	2,077	1,837
PBIT (%)	21.3	21.6	21.3
Net Profit	1,278	1,293	1,132
Net profit (%)	13.7	13.4	13

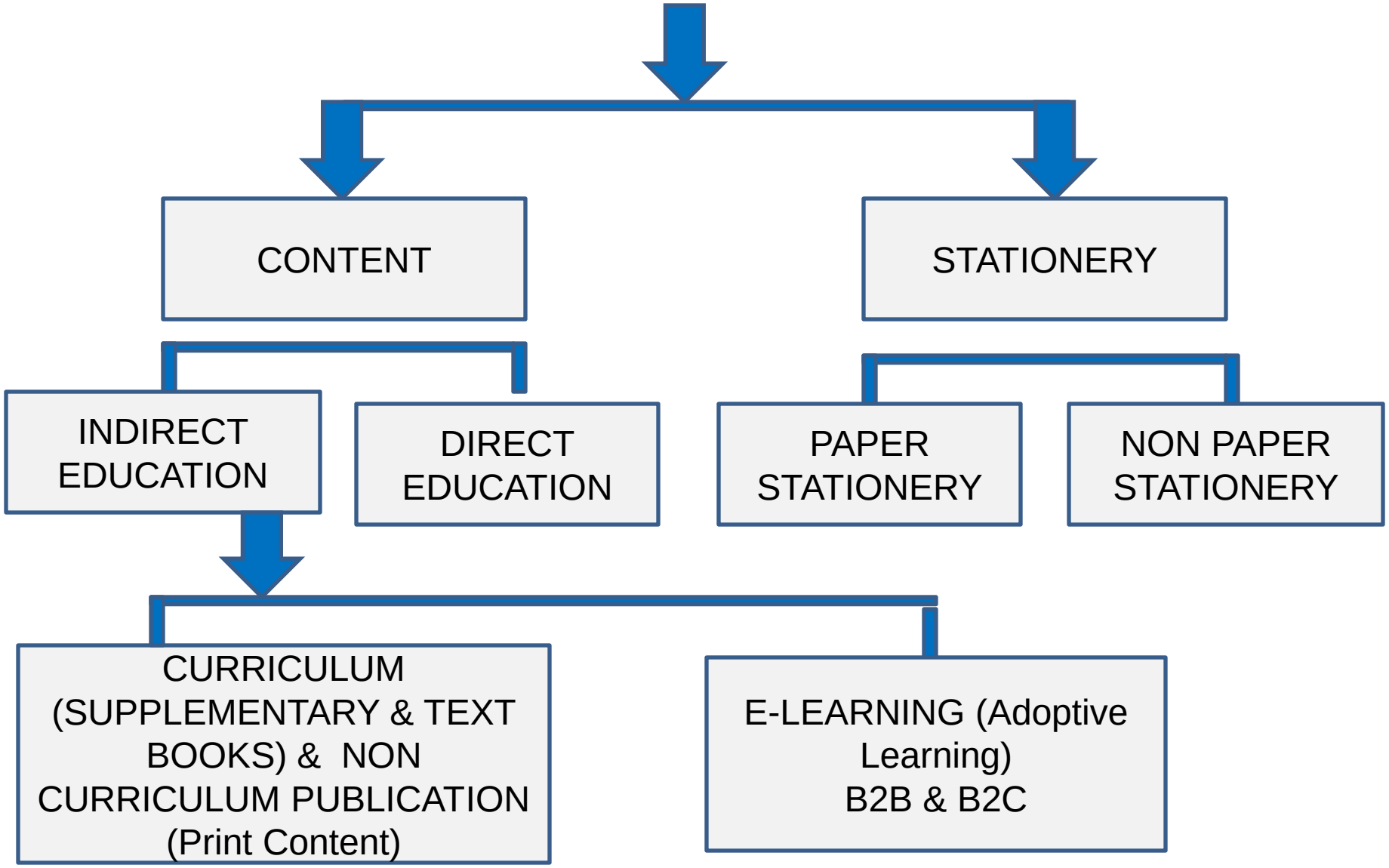
NEL'S SHAREHOLDING PATTERN AS ON 30 JUNE 2016



MARKET CAP FOR LAST 3 FINANCIAL YEARS (Rs in Mn)



NAVNEET'S BUSINESS



BUSINESS CYCLE

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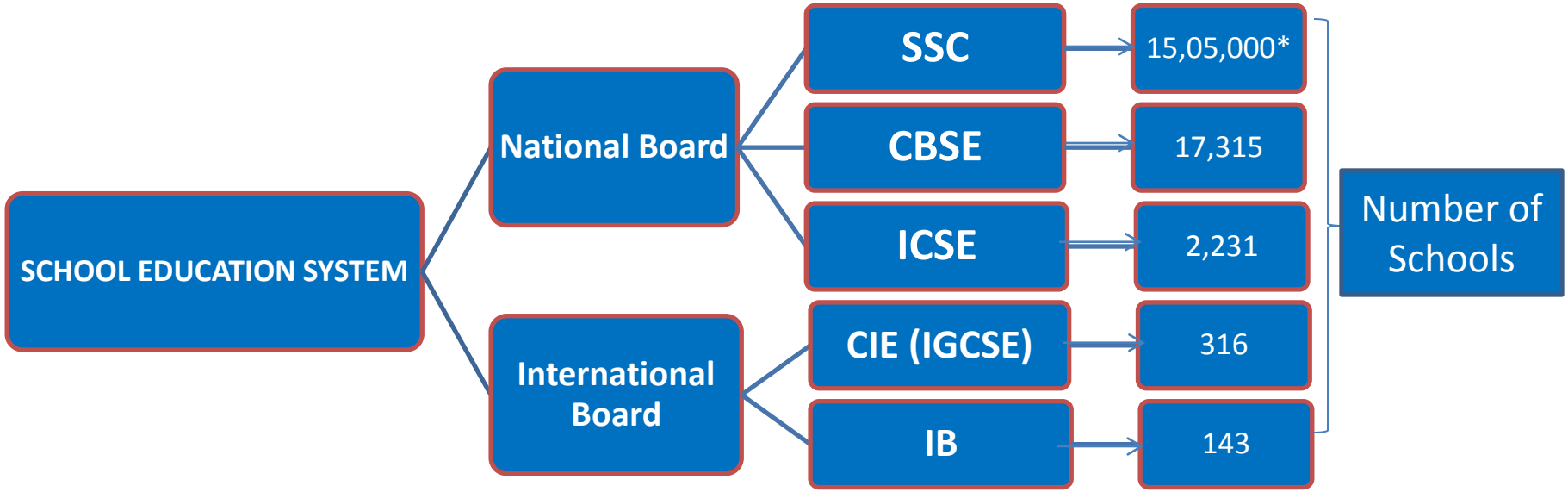
QUARTERS	ACTIVITIES DURING THE QUARTER	EFFECT ON P & L AND BALANCE SHEET
OCT- DEC	1.Paper purchase contracts 2.Start of printing activity 3. Sales approx. 10-15%	1. Huge Manufacturing expenditure 2. Inventory rises
JAN- MAR	1. Printing activity continues 2. Marketing activity starts for next Academic Year 3. Sales approx. 15%	1. Huge Marketing expenditure 2. Inventory at its peak 3. Short term borrowings from banks
APR- JUNE	1.Printing activity continues 2. Major sale made approx. 50-55%	1. Highest revenue amongst all quarters 2.Major profits realized
JUL- SEP	1. Major debtors realized 2. Sales approx. 15-20%	1. Thin balance sheet 2. Zero debt

SCHOOL EDUCATION SYSTEM IN INDIA



* U- DISE 2014-15 Report

Navneet'S Focus

1. Navneet's focus is on SSC Schools which are around 99% of total schools in India. Of the total 15,05,000 Schools, 3,65,000 (24%) Schools are private, rest all are Government.
2. All these 99% Schools are governed by respective State Education Boards.
3. CBSE, ICSE, IGCSE and IB Schools constitute less than 1% of total schools in India.

MICRO STATISTICS OF NAVNEET'S FOCUS REGIONS FOR SYLLABUS BASED PRINT CONTENT

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PARTICULARS	MAHARASHTRA	GUJARAT
No of Government Schools	49,941	33,755
No of Private Schools	29,065	9,880
TOTAL SCHOOLS	79,006	43,635
Schools in Regional Medium	72,030	25,721
Schools in English Medium	6,976	4,729
NUMBER OF STUDENTS *		
a) Standard 1-5	1,01,25,716	57,64,682
b) Standard 6-8	60,46,718	33,77,769
c) Standard 9-10	36,65,059	17,46,385
d) Standard 11-12	25,15,481	9,85,972
TOTAL STUDENTS	**2,22,93,964**	**1,18,74,808**

* U- DISE 2014-15 Report

NAVNEET'S CORE COMPETENCE

1. Navneet has approximately 65% market share in Maharashtra and approximately 70% in Gujarat Supplementary books.
2. Long standing brand with more than 1,00,000 schools covering 25 Million students every year.
3. Strong marketing team with 450 (Gujarat + Maharashtra + all India) sales representative pitches more than 25,000 private schools every year for getting the books recommended.
4. More than 225 Authors on Royalty program who writes for Navneet.

CHARACTERISTICS OF K12 PRINT CONTENT INDUSTRY IN INDIA

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FRAGMENTED	K12 Print Content Industry is highly fragmented in India with a large number of Regional players.
CATEGORY	K12 Print Content Industry consists of Textbooks and Supplementary Books like Workbooks, Guides/Digests and Question Banks.
CONTENT	It is a content driven business with Publishers/Authors developing course materials based on latest prescribed syllabus by respective State Education Boards.
ROYALTY	Most of the Publishers pay lump sum Royalty to the Authors. Very few like Navneet pay Royalty on percentage of revenue.
MARKET SIZE	Total Market Size is approximately INR 135 billion growing at a rate of 12% P.A.

NAVNEET'S K12 PRINT CONTENT PORTFOLIO

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Curriculum Segment

Supplementary

Caters to State Board Curriculum in west Indian States of Maharashtra and Gujarat.

Offers Supplementary Educational Publication (Workbooks, Digest and 21 Most Likely Questions) for K12 Segment

Contributed 89% (INR 4,592 Million) of total Publication Revenue (INR 5,160 Million in FY16

Revenue Split (%):

Work book	48
Digests/Guides	35
21 Most Likely Questions	17

Text Books

Caters to CBSE Curriculum in Maharashtra, Gujarat, Andhra Pradesh, Karnataka, Tamil Nadu, Kerala and NCR Region.

Offers Textbooks for Grades kindergarten to VIII

Contributed 4% of total K12 Print Content Revenue in FY 16.

Non- Curriculum Segment

Presence all over India and Overseas

Caters to Children and General Books

Contributed 7% (INR 329 Million) of total Publication Revenue (INR 5,160 Million) in FY 16.

Revenue split (%):

Domestic :	69
Exports :	31

PRODUCT PORTFOLIO

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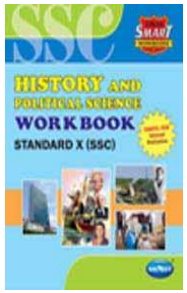

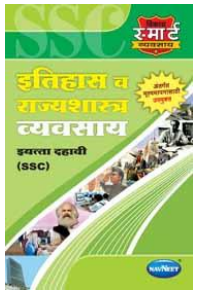

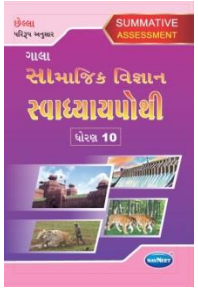

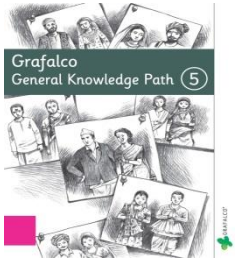

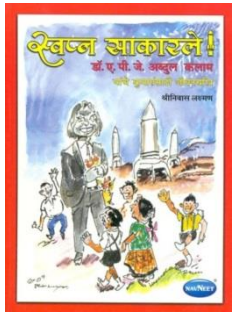

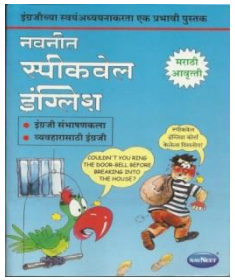

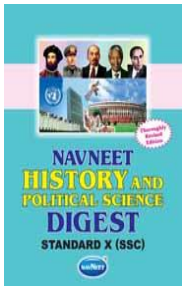

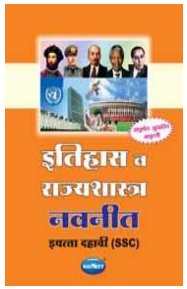

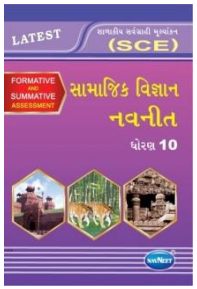

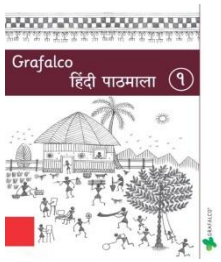

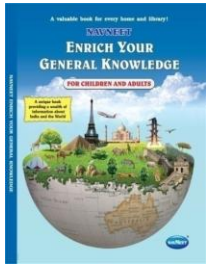

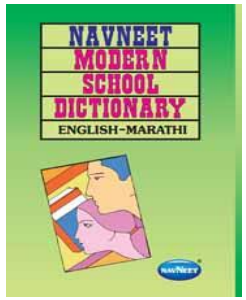

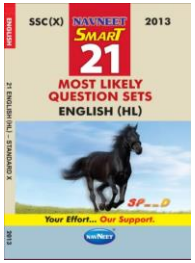

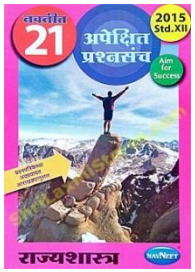

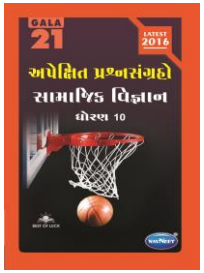

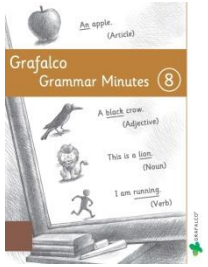

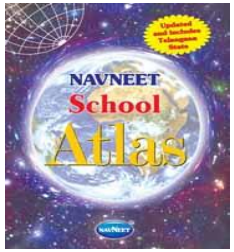

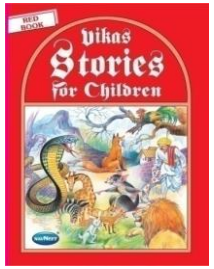

REASONS FOR NAVNEET'S SUCCESS IN K12 SUPPLEMENTARY BOOKS

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Focus on State Board School Curriculum in Western India and hence catering to masses.

Unmatched Content Quality over the years

Strong relationship with schools

The only Publisher having entire range of products from Play group to XII grade

WHY NAVNEET IS NOT PAN INDIA IN K12 SUPPLEMENTARY BOOK SEGMENT?

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No Publisher in State Board Supplementary Books is PAN India

Every State has a different Regional Language which acts as an Entrance barrier.

Without Regional Language publication, no Publisher can be successful as more than 80% students study in Regional Medium except few southern States where the number is around 60%

Curriculum is different for each State

Evaluation Pattern also varies from State to State

GROWTH DRIVERS FOR K12 PRINT CONTENT BUSINESS

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SYLLABUS CHANGE

Syllabus Change is a major growth driver as it does away with the old and second hand books from trade and students buy new books as per the new revised syllabus as proposed by the respective State Education Boards.

NEW PRODUCTS

Navneet has started publishing and marketing books for pre-primary and primary grades and also text books for private schools which have started using private publishers' text books up to Grade VIII.

CBSE PATTERN

Many English Medium Private SSC Schools (Around 80,000 in the Country) have started positioning themselves as CBSE Pattern schools where they use private publishers' text books up to Grade VIII. Navneet has ventured this space.

GOVERNMENT INITIATIVES

Government has also taken a positive step for providing Supplementary Books to its Public School students. Some Government departments have already started buying Supplementary Books for its students.

E-LEARNING B2B & B2C – DIGITAL CONTENT

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OFFERING	1. TOPClass – B2B Product for schools where we provide digital content for Maharashtra and Gujarat State Curriculum for English, Marathi and Gujarati Mediums for Grades 1 to 10. 2.TOP Assessment – B2B Product for schools where we assessment modules. 3. TOPScorer – B2C product for Students which includes Pendrives, Tablets and CDs for State and CBSE Curriculum.
NUMBERS ACHIEVED	Total B2B Product installed in 3,000 Institutions covering 18,000 Classrooms
FY 15 REVENUE	In FY 16, eLearning segment generated a revenue of INR 197 Mn

eSense TOPClass

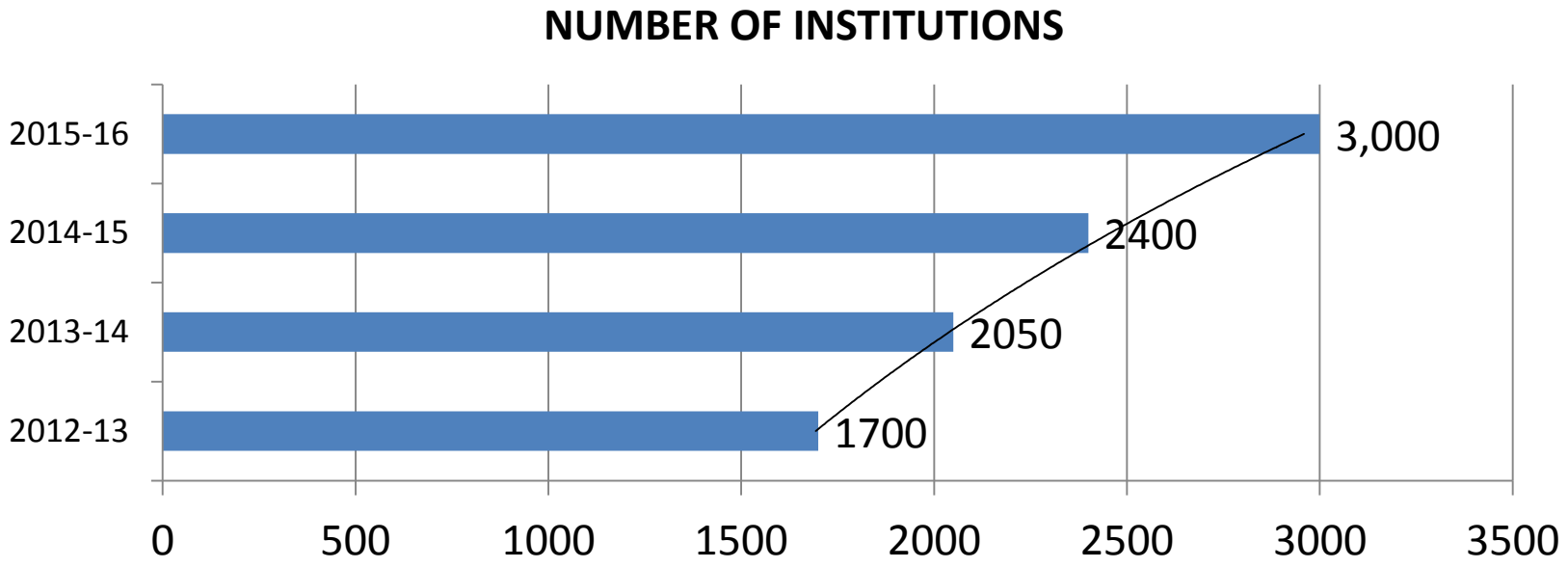
eSense TOP Assessment

BRAND PORTFOLIO

TOPScorer

CHARATERISTICS OF NAVNEET'S E-LEARNING CONTENT

1. Being a digital representation of a Text Book, it is highly syllabus focused, and therefore highly preferred and recommended by the teachers in existing states of Maharashtra and Gujarat.



2. Over 65,000 minutes of content library already developed for State Boards for Gujarat and Maharashtra and CBSE Curriculum.

3. Navneet's strong brand name especially in Western India creates a strong platform to launch products and penetrate New Markets

GROWTH DRIVERS FOR E-LEARNING SEGMENT

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HUGE UNTAPPED B2B MARKET	Out of 39,000 Private Schools, only 3,000 have been tapped till 31st March 2016. Hence, there is a huge potential for B2B market only in 2 States of Maharashtra and Gujarat.
B2C MARKET	B2C Market has started flourishing in India. Navneet is ready with B2C retail offerings like Online Portal, CDs, Tablets and Pen Drives for State Boards curriculum of Maharashtra and Gujarat. It is also ready with Pen Drives for CBSE curriculum
ACCEPTABILITY	Not only students but teachers also have accepted and acknowledged the benefits of digital learning and more and more schools are turning digital. Being user friendly, more and more schools, teachers and students are moving forward to accept, teach and learn through digital platforms.

DIRECT EDUCATION – PARTNERSHIP WITH K12 TECHNO SERVICES PVT. LTD.

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Over the last few years, Quality Direct Education is in great demand in the Country and hence seen a sudden growth in this segment.

VENTURE

After initial investment of focusing SSC Schools in the State of Andhra Pradesh, the Company changed its focus to grow in CBSE school segment. Today it has CBSE Schools under Management in Mumbai, Bangalore, Pune and Hyderabad.

SHAREHOLDING

Sequoia Capital – 58%
Navneet Learning LLP - 32%
Management (ESOP) - 10%

STATIONERY BUSINESS OVERVIEW

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PAPER STATIONERY

Around 70% is manufactured in house balance is outsourced. Sold in India as well as exported to major retailers worldwide.

Products include full range of scholastic stationery like Note books, Long books, Drawing books, Writing pads, Index Cards, etc.

Contributed 94% (INR 3,835 Million) of total Stationery Revenue (INR 4,077 Million) in FY16

Revenue Split :

Domestic :	55% (INR 2,097 Mn)
Exports :	45% (INR 1,738 Mn)

NON-PAPER STATIONERY

Not manufactured in house. It is outsourced under our brands and sold Pan India.

Products includes Pencils, Erasers, Sharpeners, Crayons, Geometry Sets, Rulers, Dough, Color Pastels, etc.

Contributed 6% (INR 239 Million) of total Stationery Revenue (INR 4,077Million) in FY 16.

YOUVA BRAND PRODUCT PORTFOLIO

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CHARATERICTICS OF STATIONERY INDUSTRY IN INDIA

CATEGORY	Stationery industry is categorized into Paper and Non-Paper Stationery
TYPE	Paper Stationery market is highly fragmented market with more than 85% still dominated by the un-organized players. Non paper is more well established for branded players with approx. 60% dominated by them.
MARKET SIZE	Total Market Size of Paper stationery is anticipated at INR 100 Billion and that of Non-Paper stationery is INR 50 Billion. Both are growing at the rate of 15% per annum.
MARGINS AND PRICING	There is not much value addition a manufacturer can do in in paper products. Hence, the margins are very thin and pricing is always very competitive.
MARKET SHARE	Organized players have been gaining market share from un-organized players over the past few years. Navneet's market share may be around 2% in scholastic stationery and hence a large scope to capture the market

NAVNEET'S STRENGTHS IN STATIONERY BUSINESS

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FIRST ENTRANT ADVANTAGE	Navneet was the First Organized Brand to enter the Stationery business in India way back in 1995 to bring out standardized products with the Number of Pages and MRP printed on it, full size note books, shrink wrap packets in carton packing
PRESENCE	Navneet's Stationery products are marketed and are available Pan India across 85,000+ retail stores which makes its presence felt.
MANUFACTURING	Navneet has 2 manufacturing plants for Paper stationery at Silva's and Khaniwade (near Mumbai) which has a capacity to produce 150 tons per day. It also outsources manufacturing from Vapi,Vasai, Kanpur and Bangalore
QUALITY AND STANDARDS	All company owned plants are ISO 9001-2000 certified and follow highest International Manufacturing Standards.
ENVIRONMENT FRIENDLY	Eco-Buddy Paper is used for most of the products which is Environmental Friendly and hence preferred by Leading International Retail Chains.

STATISTICS

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PAPER AND NON PAPER STATIONERY		
	PAPER STATIONERY	NON-PAPER STATIONERY
Market size in India	INR 100 Billion	INR 50 Billion
Organized players' market share	15 %	60 %
Navneet's market share in organized segment	15 %	1.5 %

NAVNEET'S CORE COMPETENCE

1. Navneet has a strong Sales team of 450+ who ensure that Navneet's products are available with leading retailers in the Country

2. Strong distribution network of 1,200 Distributors, 16 C&F and 3 Mother Depots.

CORPORATE SOCIAL RESPONSIBILITY

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NAVNEET FOUNDATION

FOR IT IS IN GIVING THAT WE RECEIVE

Internal Stakeholders

- Housing at subsidized rates in Central Mumbai
- Dedicated housing facilities near manufacturing plants
- Subsidized food for employees

External Stakeholders

- Setting of question papers for over 5,500 schools in Gujarat with minimum logistic charges
- Three charitable hospitals established in Mumbai under the name Navneet Hospitals
- Sponsorships to over 100 schools annually for cultural events
- Annual felicitation of teachers belonging to State Government
- Free books & stationery distributed to under privileged children from over 60 trusts

CONTACT DETAILS

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