NAVNEET®

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NEL/NSE/105/2016 15th November, 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 : Symbol – NAVNETEDUL

Sub : Submission of Q2 FY 17 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 17 presentation shared with analysts and institutional investors on Un-audited Financial Results for the quarter ended 30th September, 2016. The said Q2 FY 17 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

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Q2 FY17 UPDATE

NAVNEET EDUCATION LIMITED

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER, 2016

Rs. In Lacs

Sr. No	Particulars	3 months ended 30.09.2016 (Unaudited)	Corresponding 3 months ended in the previous year 30.09.2015 (Unaudited)	Preceding 3 months ended 30-6-2016 (Unaudited)	6 months ended 30.09.2016 (Unaudited)	6 months ended 30.09.2015 (Unaudited)
1	**Income from Operations**					
	Net Sales / Income from Operations (net of excise duty & Vat)	17,139	11,737	56,054	73,193	63,346
	Total income from operations (net)	**17,139**	**11,737**	**56,054**	**73,193**	**63,346**
2	**Expenses**					
	(a) Cost of materials consumed	8,906	6,197	16,783	25,689	17,960
	(b) Purchases of stock-in-trade	227	43	207	434	216
	(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	(1,760)	(1,161)	11,550	9,790	14,599
	(d) Employee benefits expense	2,553	2,127	2,807	5,360	4,274
	(e) Depreciation and amortisation expense	615	648	600	1,215	1,270
	(f) Other expenses	4,234	3,361	6,686	10,920	9,326
	Total expenses	**14,775**	**11,215**	**38,633**	53,408	**47,645**
3	**Profit / (Loss) from Operations before Other Income, Finance Costs and Exceptional items (1-2)**	**2,364**	**522**	**17,421**	**19,785**	**15,701**

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER, 2016

Rs. In Lacs

Sr. No	Particulars	3 months ended 30.09.2016 (Unaudited)	Corresponding 3 months ended in the previous year 30.09.2015 (Unaudited)	Preceding 3 months ended 30-6-2016 (Unaudited)	6 months ended 30.09.2016 (Unaudited)	6 months ended 30.09.2015 (Unaudited)
4	Other Income	448	1,004	231	679	1,169
5	**Profit / (Loss) from ordinary activities before Finance Costs and Exceptional items (3+4)**	**2,812**	**1,526**	**17,652**	**20,464**	**16,870**
6	Finance Costs	3	4	225	228	302
7	**Profit / (Loss) from ordinary activities after Finance Costs but before Exceptional items (5-6)**	**2,809**	**1,522**	**17,427**	**20,236**	**16,568**
8	Exceptional Items	-	-	-	-	-
9	**Profit / (Loss) from ordinary activities before Tax (7+8)**	**2,809**	**1,522**	**17,427**	**20,236**	**16,568**
10	**Tax Expense**					
	(a) Provision for Taxation	980	481	6,222	7,202	5,775
	(b) Provision for Deferred Tax	(29)	(53)	(151)	(180)	(134)
	(c) (Excess)/Short Provision of the earlier year W/off / back	-	-	-	-	-
11	**Net Profit / (Loss) from ordinary activities after Tax (9-10)**	**1,858**	**1,094**	**11,356**	**13,214**	**10,927**

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER, 2016

Rs. In Lacs

Sr. No	Particulars	3 months ended 30.09.2016 (Unaudited)	Corresponding 3 months ended in the previous year 30.09.2015 (Unaudited)	Preceding 3 months ended 30-6-2016 (Unaudited)	6 months ended 30.09.2016 (Unaudited)	6 months ended 30.09.2015 (Unaudited)
12	**Extraordinary items (net of tax expense)**	**-**	**-**	**-**	**-**	**-**
13	**Net Profit / (Loss) for the period (11-12)**	**1,858**	**1,094**	**11,356**	**13,214**	**10,927**
14	Other comprehensive income (after tax)	5	5	5	10	10
15	**Total comprehensive income (after tax) (OCI)**	**1,863**	**1,099**	**11,361**	**13,224**	**10,937**
16	Paid-up Equity Share Capital (Face Value of Rs.2/- each)	4,764	4,764	4,764	4,764	4,764
17	Reserve excluding Revaluation Reserve as per balance sheet of previous accounting year					
18	Earnings per Share (of Rs. 2/- each) (not annualised)					
	(a) Basic	0.78	0.46	4.77	5.55	4.59
	(b) Diluted	0.78	0.46	4.77	5.55	4.59

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

Particulars	3 months ended 30.09.2016 (Unaudited)	Corresponding 3 months ended in the previous year 30.09.2015 (Unaudited)	Preceding 3 months ended 30-6-2016 (Unaudited)	6 months ended 30.09.2016 (Unaudited)	6 months ended 30.09.2015 (Unaudited)
(1) Segment Revenue					
a. Publishing Content	10,864	6,889	33,927	44,791	38,609
b. Stationery Products	5,871	4,671	21,762	27,633	24,242
c. Others	404	177	365	769	495
Total	**17,139**	**11,737**	**56,054**	**73,193**	**63,346**
Less: Inter Segment Revenue	-	-	-	-	-
Net Sales/Income from Operations	17,139	11,737	56,054	73,193	63,346
(2) Segment Results	-	-	-	-	-
a. Publishing Content	3,353	1,415	14,077	17,430	14,218
b. Stationery Products	(137)	(241)	4,366	4,229	3,111
c. Others	89	34	160	249	73
Total	**3,305**	**1,208**	**18,603**	**21,908**	**17,402**
Less :					
i. Finance Cost	3	4	225	228	302
ii. Other unallocable expenditure	873	621	1,124	1,997	1,623
iii. Other unallocable (income)	(380)	(939)	(173)	(553)	(1,091)
Total Profit Before Tax	**2,809**	**1,522**	**17,427**	**20,236**	**16,568**

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 11, 2016.
2. This statement has been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under Section 133 of the Companies Act, 2013 and other recognized accounting practices and policies to the extent applicable. Beginning April 1, 2016, the Company has for the first time adopted Ind AS with a transition date of April 1, 2015.The Company has adopted all standards under IND-AS, and the adoptions were carried out in accordance with Ind AS 101, First Time adoption of Indian Accounting Standards. Financial results for all the periods presented have been prepared in accordance with the recognition and measurement principles of Ind AS 34, Interim Financial Review.
3. These un-audited results have been prepared as per format prescribed in SEBI's circular CIR/CFD/CMD/15/2015 dated November 30, 2015 read with SEBI's circular CIR/CFD/FAC/62/2016 dated July 5, 2016, Ind AS and Schedule III (Division II) to the Companies Act, 2013.
4. The statutory auditors of the company have carried out Limited Review of the aforesaid results.
5. In view of seasonal nature of business, financial results of this quarter of the year are not representative of the operations of the whole year.
6. The usage and linkage of Assets and Liabilities is common to different segments and hence not separately identifiable to a particular segment. In view of this segment disclosures relating to capital employed are not given.
7. The reconciliation of net profit reported in accordance with Indian GAAP to total comprehensive income in accordance with Ind AS is given in Annexure A.
8. In October 2016 , the Company agreed to acquire Encyclopaedia Britannica India Private Limited which carries on Indian schools' curriculum-based business of textbooks & digital products in India, at a cost of Rs. 85-90 Crore, Subject to Due Diligence/approvals which are in process.
9. The Board of Directors at its meeting held on November 11, 2016 has approved the buyback up to 46,57,000 fully paid-up equity shares of face value of Rs. 2 (Rupees Two Only) each of the Company ("Equity Shares") representing up to 1.95% of the total fully paid-up equity share capital of the Company at a price of Rs. 125/- (Rupees One Hundred and Twenty Five only) per Equity Share ("Buyback Price") (including premium of Rs.123/- per Equity Share) payable in cash for an aggregate amount of up to Rs. 58,21,25,000 (Rupees Fifty Eight Crores Twenty One Lacs Twenty Five Thousand Only) under Tender Route Method as per SEBI (Buy Back of Securities) Regulations, 1998, as amended.
10. Previous quarter figures have been regrouped wherever necessary to conform to the current quarter's classification.

ANNEXURE "A"

	(Rs. in Lac)
Description	**For Quarter ended Sep 30, 2015**
Net profit as per previous GAAP (Indian GAAP)	1,051
Ind AS adjustments:	
Impact on Deferred tax	8
Incremental financial income on debentures	22
Others	13
Net profit as per Ind AS	1,094
Other comprehensive income	5
Total comprehensive income for the period	1,099

At the Balance Sheet level

INR IN LAC

Particulars	SEPT-16	SEPT-15
Inventory	18,258	16,432
Debtors	18,457	15,990
Borrowings	NIL	NIL
Investments & Advances	27,690	21,745

Q2 FY17 PERFORMANCE AT A GLANCE

Revenues grew by 46% % y-o-y and stood at INR 17,139 Lac.

Publication Revenue grew by 58% at INR 10,864 Lac compared to INR 6,889 Lac and **Stationery Revenue** grew by 26% at INR 5,871 Lac compared to INR 4,671 Lac to the corresponding quarter of FY16.

The Company's **Segmental Results** stood at INR 3,305 Lac (19.3%) compared to INR 1,208 Lac (10.3%) in the corresponding quarter of FY16.

Profit Before Tax stood at INR 2,809 Lac as against INR 1,522 Lac in the corresponding quarter of FY16, thus growing by 84.6%.

H1 revenues grew by 15.54% y-o-y from INR 63,346 Lac to INR 73, 193 Lac.

Outlook on Business Segments for FY17

Publications

- Syllabus Change in Maharashtra and Gujarat, Change in Paper Pattern of Languages of Grade IX & X (Maharashtra), Introduction of new titles in KG/ Primary Books (Maharashtra) in English medium, Rural sales and re-introduction of Scholarship Program by the Government will help for a healthy FY17.

eSense (eLearning)

- B2C sales expected to grow from new advertisement campaign for Topscorer.com.
- Quality of revenue to improve due to pure content play.

Stationery

- Stationery will continue to grow at current pace in FY17, thus bringing in decent growth.

THANK YOU