



Knowledge is wealth

Investor Presentation

As On 30th Sep 2020



A Premium Education House



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The background of the slide is a composite image. On the left, a semi-circular area contains a photograph of three students in school uniforms running on a track. The rest of the slide has a light gray background with a repeating pattern of white line-art icons. These icons represent various concepts: a lightbulb for ideas, a gear for mechanics or industry, a brain for thought, a pencil for writing or design, a paint palette for art, a laptop for technology, a bar chart for data, a puzzle piece for problem-solving, a magnifying glass for research, a speech bubble for communication, and a cloud for creativity or storage. The text 'COMPANY OVERVIEW' is written in a bold, blue, sans-serif font, positioned over the semi-circular photo area.

COMPANY OVERVIEW

Navneet Education Limited, founded by the Gala Family, is an educational syllabus-based supplementary content provider in Print & Digital medium and a manufacturer of Scholastic Paper stationery for domestic and international markets. New range of text books for students of CBSE and ICSE Boards are sold across India.

Over the years, the company has built a strong brand in the Educational Content & Scholastic Stationery gaining a leadership position. The company has a dominant market share of about 65% in western India.



The background of the slide features a photograph of three students in school uniforms running on a track. A large, semi-transparent yellow circle is positioned on the left side of the image, partially covering the students. The text 'Ed-Tech Digital Initiatives' is written in a bold, blue, sans-serif font within this yellow circle. The right side of the slide has a light gray background with a repeating pattern of white line-art icons representing various educational and technological concepts, such as lightbulbs, gears, books, and digital devices.

Ed-Tech Digital Initiatives

Ed-Tech Digital Initiatives

Repurpose

Repurposing present digital content at eSense and creation of fresh content for All India markets. Investment between 25 – 40 cr. In 2 years

Digital Books

Introduction of Value-added Digital books of most important physical books of Navneet.

Interactive

Creation of interactive digital content for the young age group (0 – 8) and to be launched in next 6 months via App and Web with an Investment of 25 cr.



Platforms


Dissemination of newly designed digital content through other platforms & Partnership

Investments

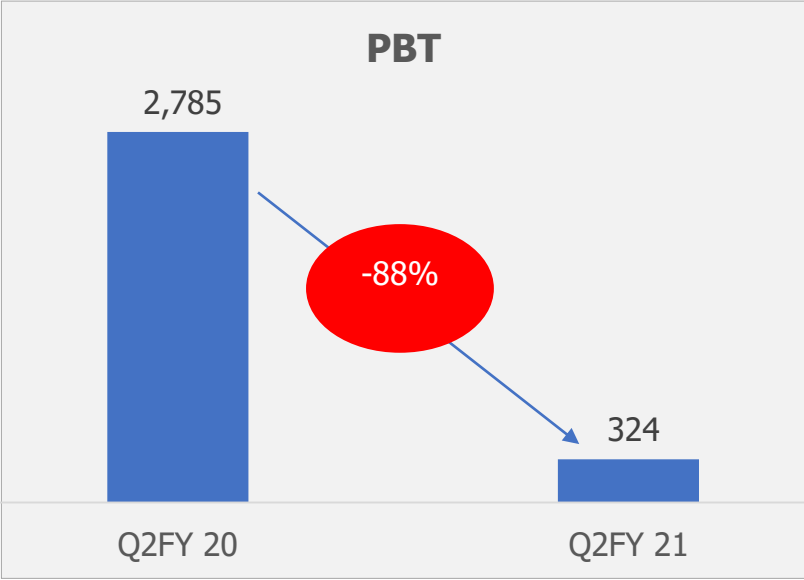
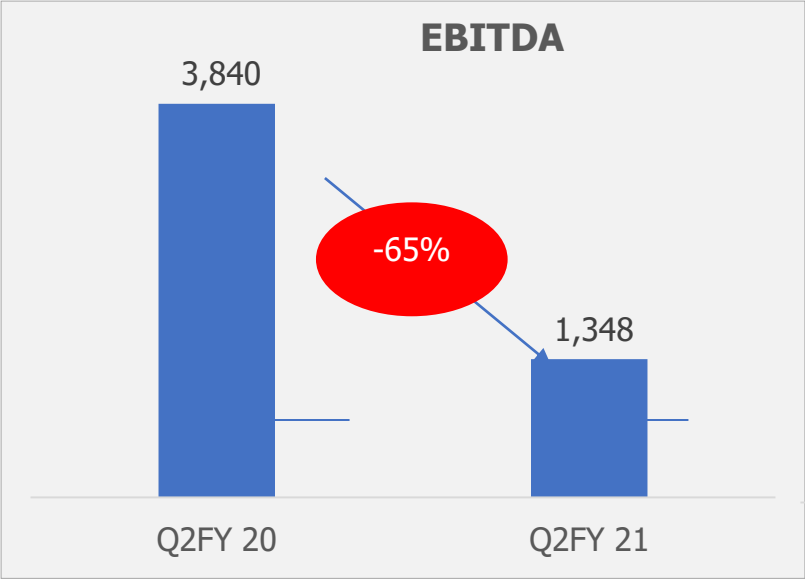
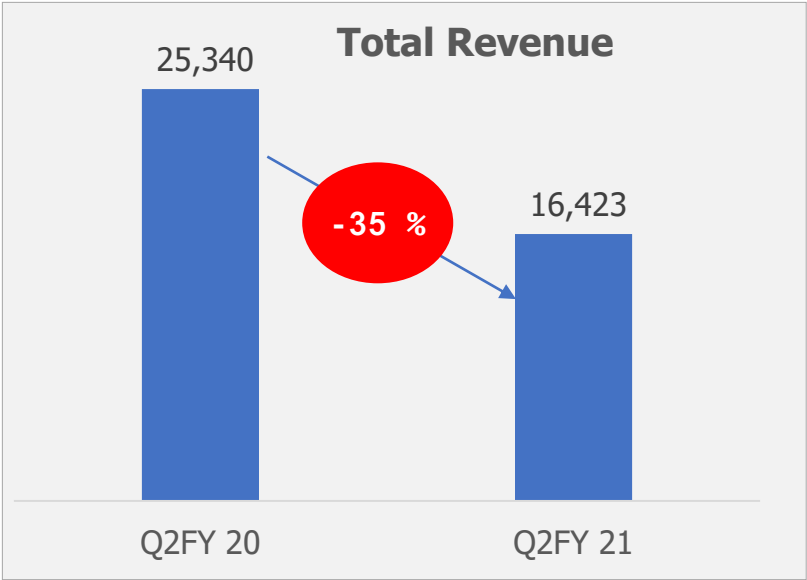
Identifying and investing in relevant Ed- Tech companies to further enhance the market share of Navneet Group in various activities related to K – 12 segment.

Partnerships

Partnering with other companies to grow seamlessly

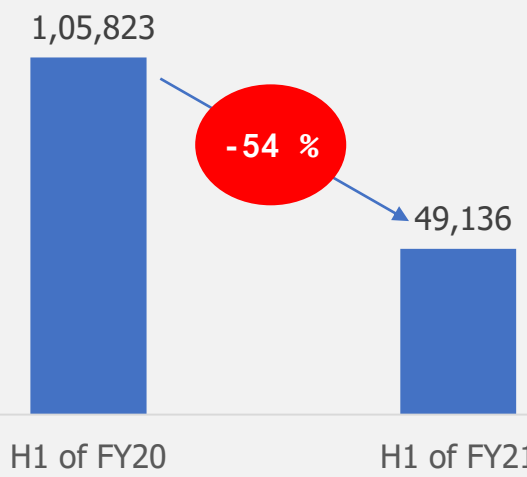


FINANCIAL PERFORMANCE Q2FY21

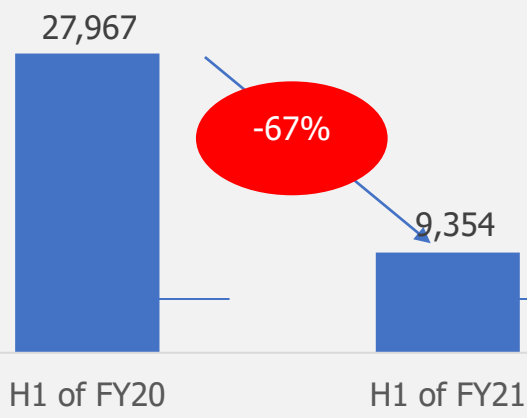


Segmental Revenue	Publications	Stationery - Domestic	Stationery - Exports
	<div>57%</div>	<div>64 %</div>	<div>1 %</div>
Q2 FY21	5,503	831	9,630
Q2 FY20	12,765	2,294	9,571

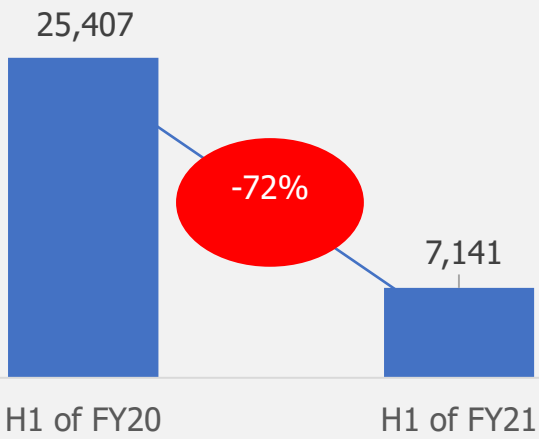
Total Revenue



EBITDA



PBT



Segmental Revenue

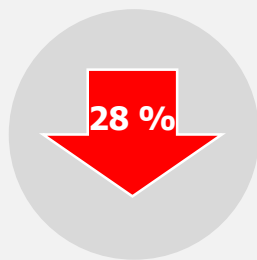
Publications



Stationery - Domestic



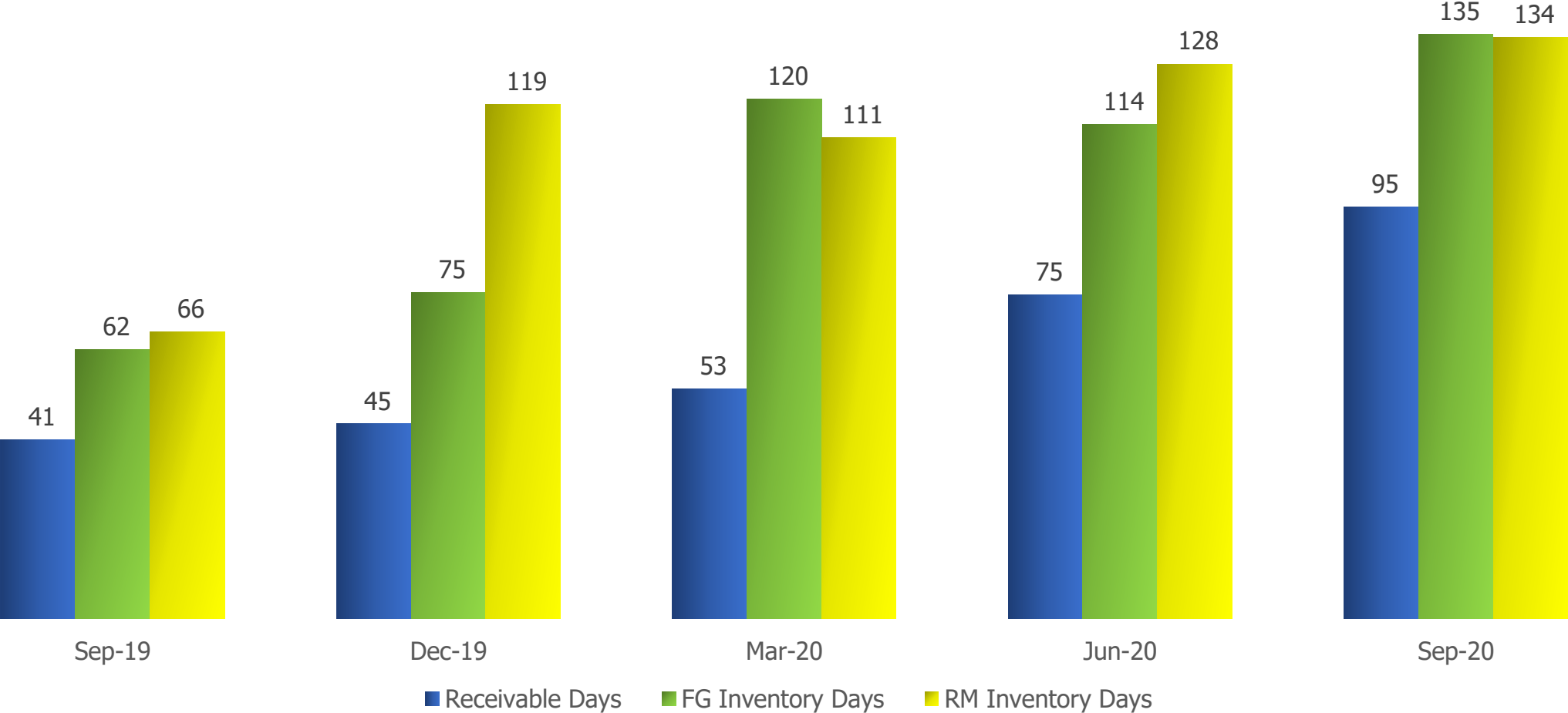
Stationery - Exports



YTD FY21	17,862	5,443	25,100
YTD FY20	55,983	13,238	34,875

STANDALONE FINANCIAL RESULTS – Q2 and YTD of FY'21

Particulars	Qtr. Ended Sep 20				YTD Ended Sep 20			
	Q2 FY 21	% of Rev	Q2 FY 20	% of Rev	YTD FY 21	% of Rev	YTD FY 20	% of Rev
Income from Operations	15,994	-35.1%	24,677		48,481	-53.4%	1,04,176	
Other Income	429		663		655		1,647	
Total Revenue	16,423		25,340		49,136		1,05,823	
COGS	7,574		12,346		24,496		54,116	
Employee benefits	3,362		3,832		6,600		7,663	
Other General Overheads	4,139		5,322		8,686		16,077	
Total Expenses	15,075	94.3%	21,500	87.1%	39,782	82.1%	77,856	74.7%
EBITDA	1,348	8.4%	3,840	15.6%	9,354	19.3%	27,967	26.8%
Depreciation	865		877	3.6%	1,694	3.5%	1,681	1.6%
EBIT	483		2,963		7,660		26,286	
Finance cost	159		178		519		879	
PBT	324	2.0%	2,785	11.3%	7,141	14.7%	25,407	24.4%
Tax	97		(1,465)		1,849		6,414	
PAT	227	1.4%	4,250	17.2%	5,292	10.9%	18,993	18.2%
Other Comprehensive Income (OCI)	426		(303)		1,131		(621)	
Total Comprehensive Income (TCI)	653	4.1%	3,947	16.0%	6,423	13.3%	18,372	17.6%



Consolidated Financial Results – YTD of FY'21



	Revenue from Ops	
	YTD of FY'21	YTD of FY'20
NEL	48,481	1,04,176
eSense	443	1,359
Indiannica	739	946
NLLP	-	-
NHKL	119	85
K12		
K12 Diminution Gain		
Inter co Adjust	(209)	(84)
Total	49,572	1,06,482

Summary of EBITDA	
YTD of FY'21	YTD of FY'20
9,354	27,968
(380)	130
(1,243)	(1,262)
(0)	(0)
(2)	(1)
(114)	(191)
7,615	26,643

(INR in Lacs)

Summary of PAT	
YTD of FY'21	YTD of FY'20
5,292	18,995
(653)	(119)
(1,709)	(2,044)
(0)	(0)
(2)	(1)
(137)	80
3,279	
(94)	(23)
5,977	16,887

During the quarter and half year ended 30th September 2020, the Group has made additional investment in associate company 'K12 Techno Services Private Limited' of INR 700 Lakhs and the said associate has also issued additional convertible securities to existing / new investors leading to dilution of Group's share from 33.45% to 27.69% of the associate on a fully diluted basis. Consequent to the said dilution, gain on deemed disposal of INR 4,252 Lakhs is accounted during the quarter and half year ended in accordance with the requirements of Ind AS 28 and the said gain has been shown as an exceptional item, further the deferred tax liability of INR 973 Lakhs on this gain has been classified under item X, Tax Expenses under the sub heading deferred tax.

Publications

Publication Business for the ensuing year is lot dependent on the Schools re-opening. As per the information received the Schools shall re-open in a phased manner from the month of November. The Company is closely monitoring the movement and shall ensure that the Business is not lost.

eSense (E-Learning)

The demand for online education has increased during this lock down period. More than 470 schools have started inquiring our Top-Class product and have started placing orders. Our outlook for this Business seems to be bright.

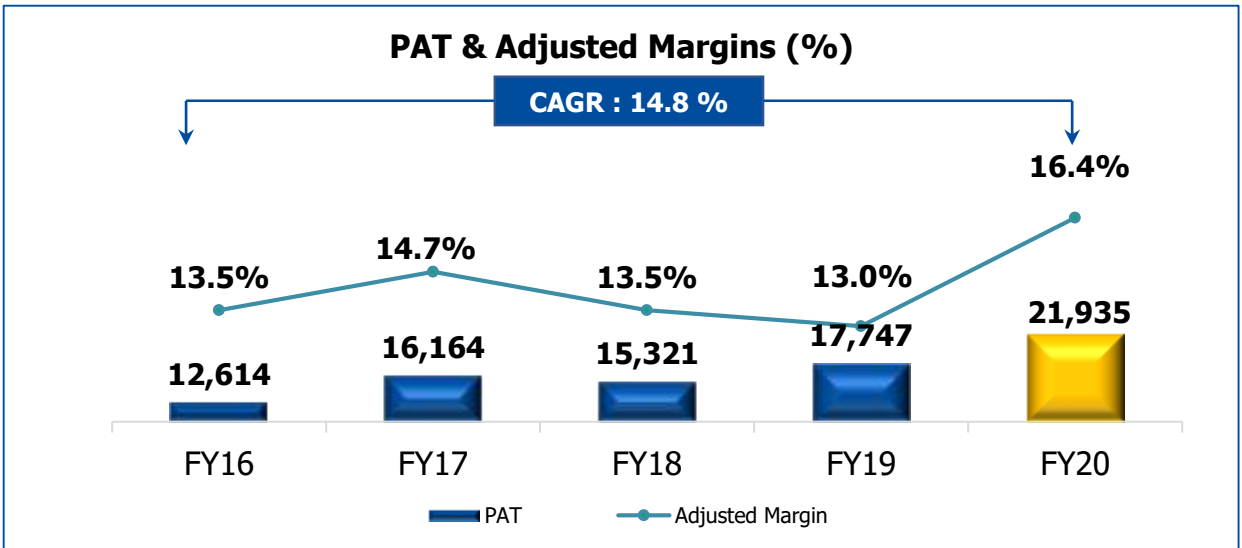
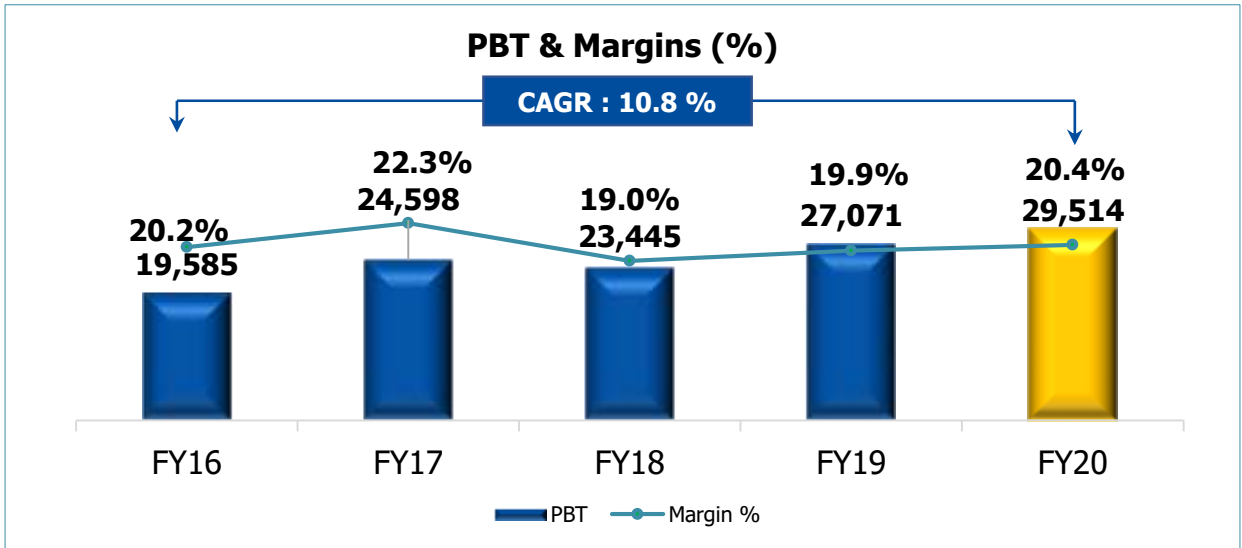
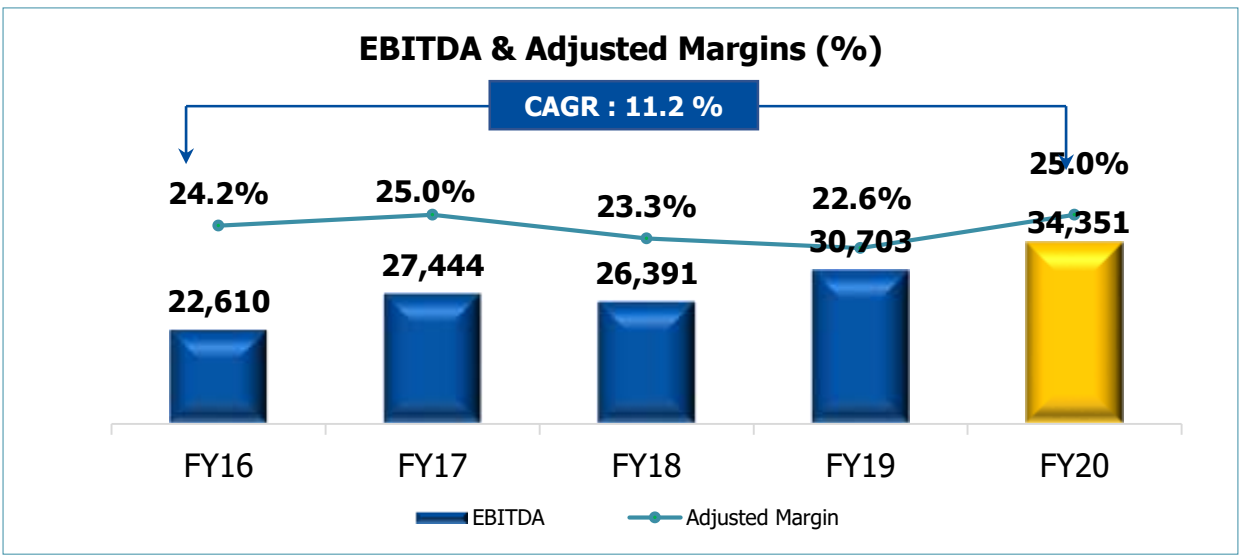
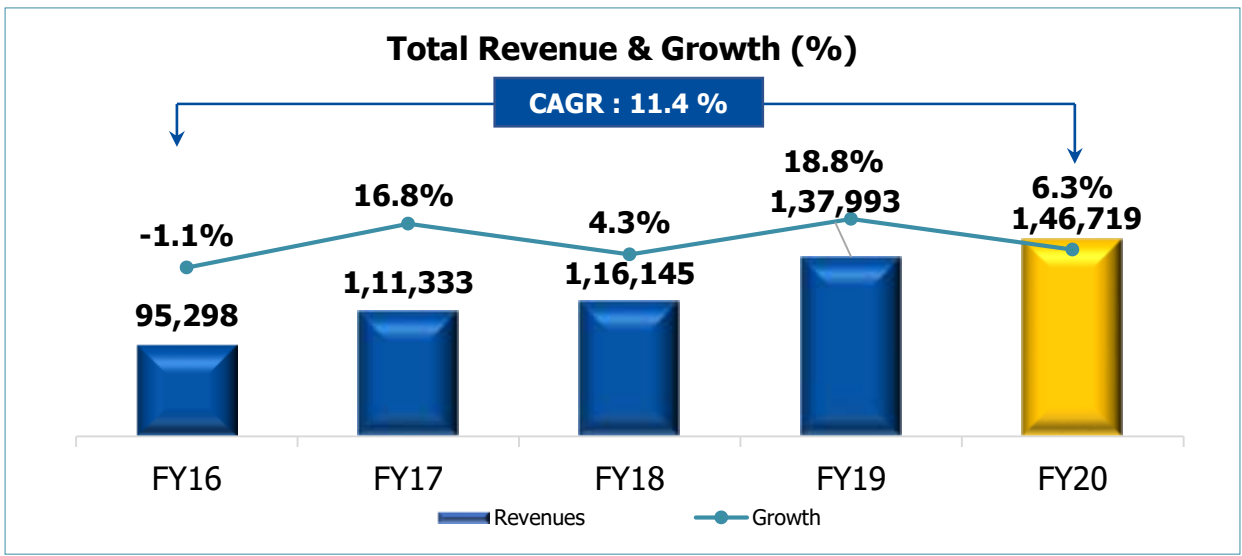
Stationery & Exports

Exports will continue to grow at a good pace backed by orders. Due to Lockdown there were few orders which were cancelled as we could not cater to them due to our factories being closed.

STANDALONE FINANCIALS (LAST 5 YEARS)

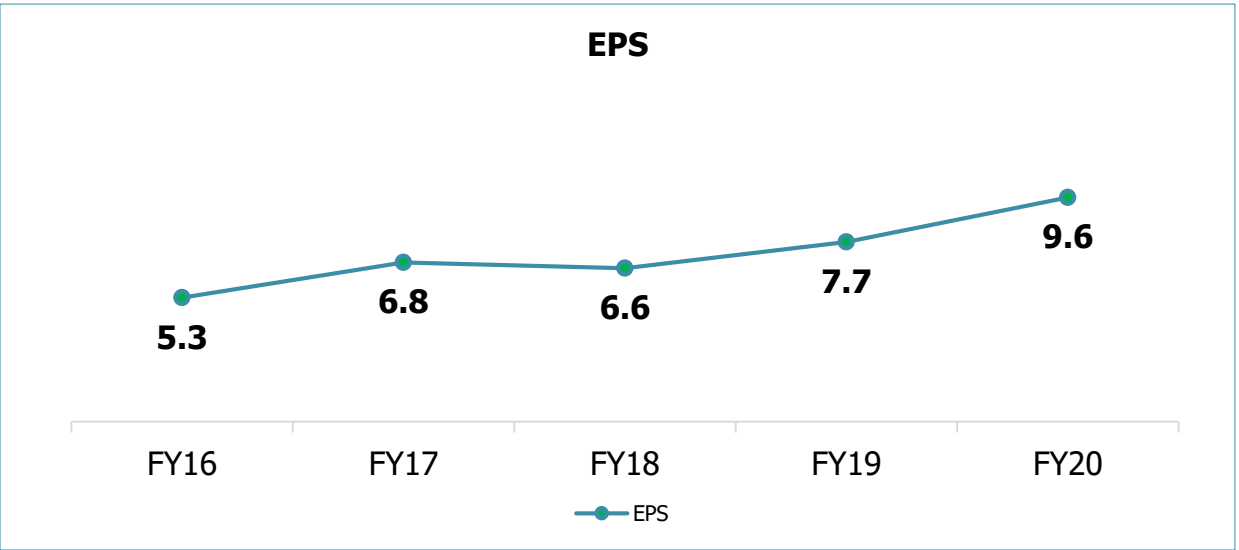
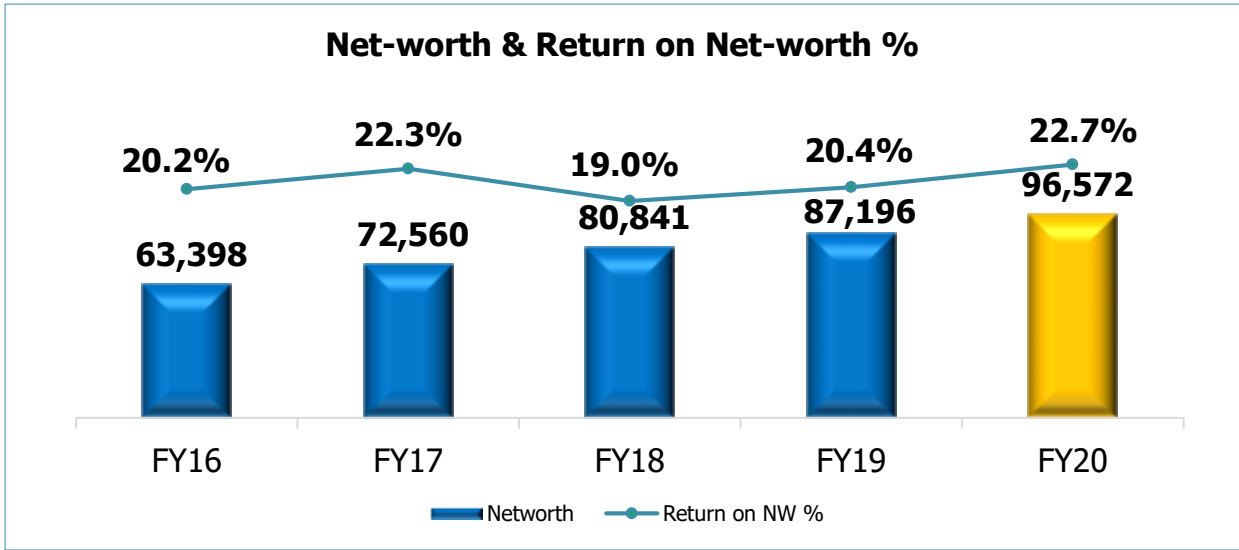
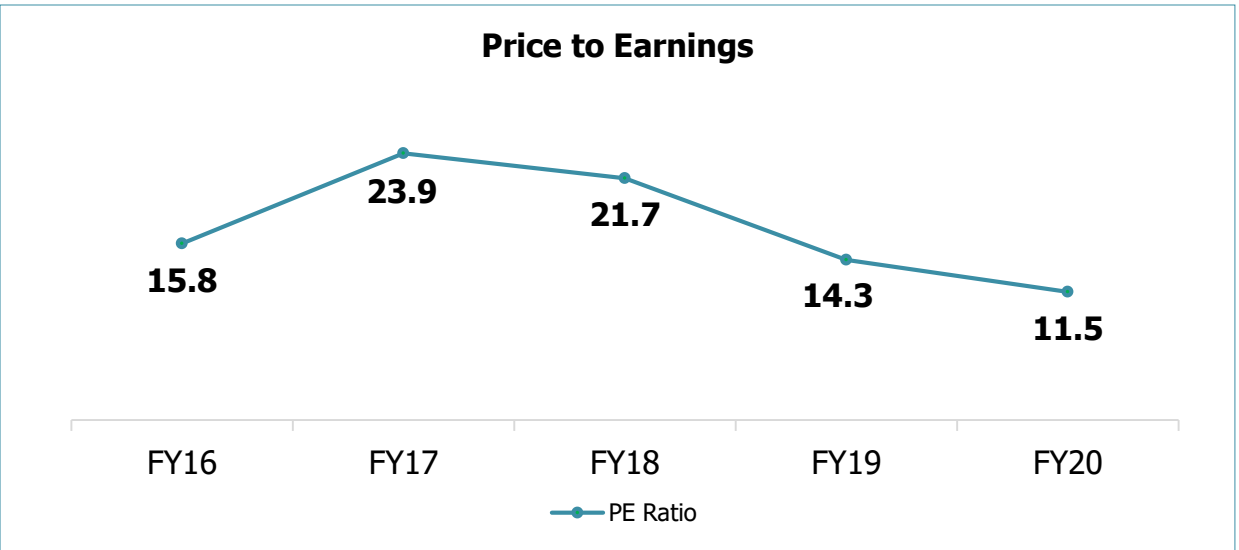
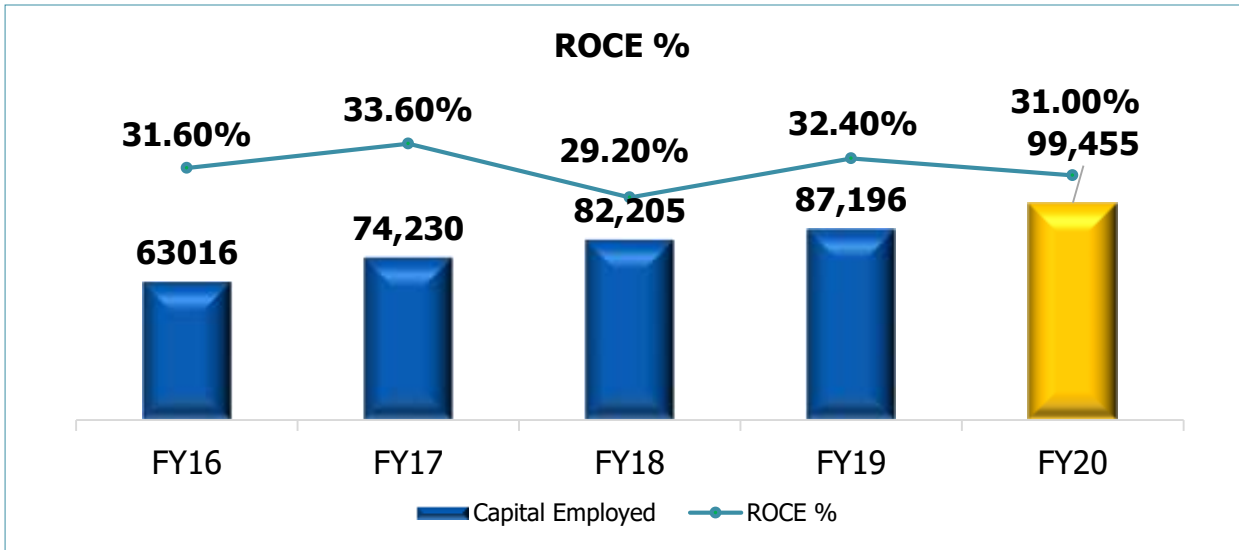


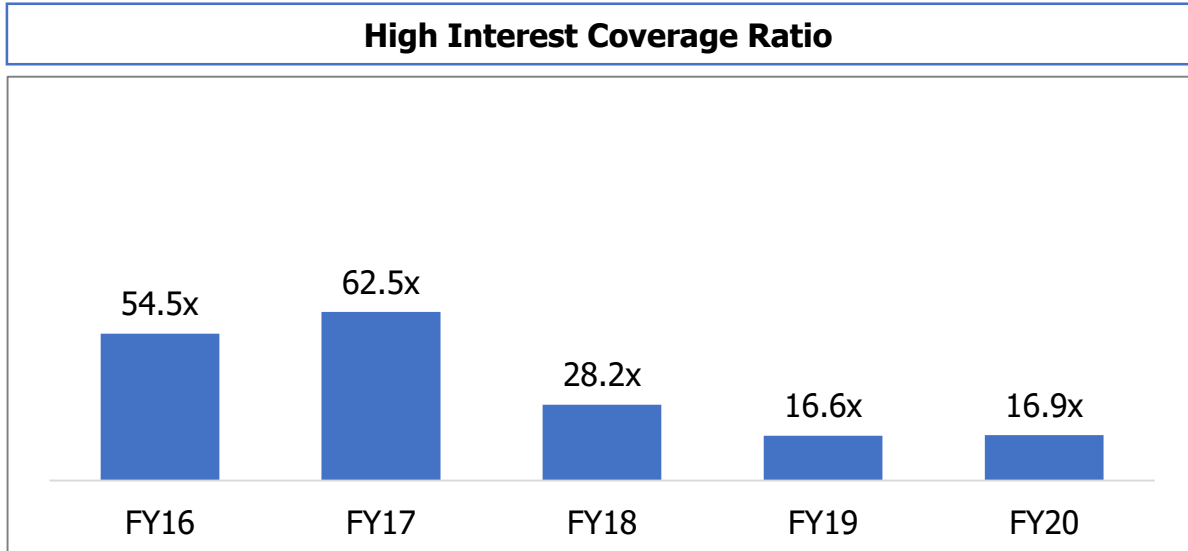
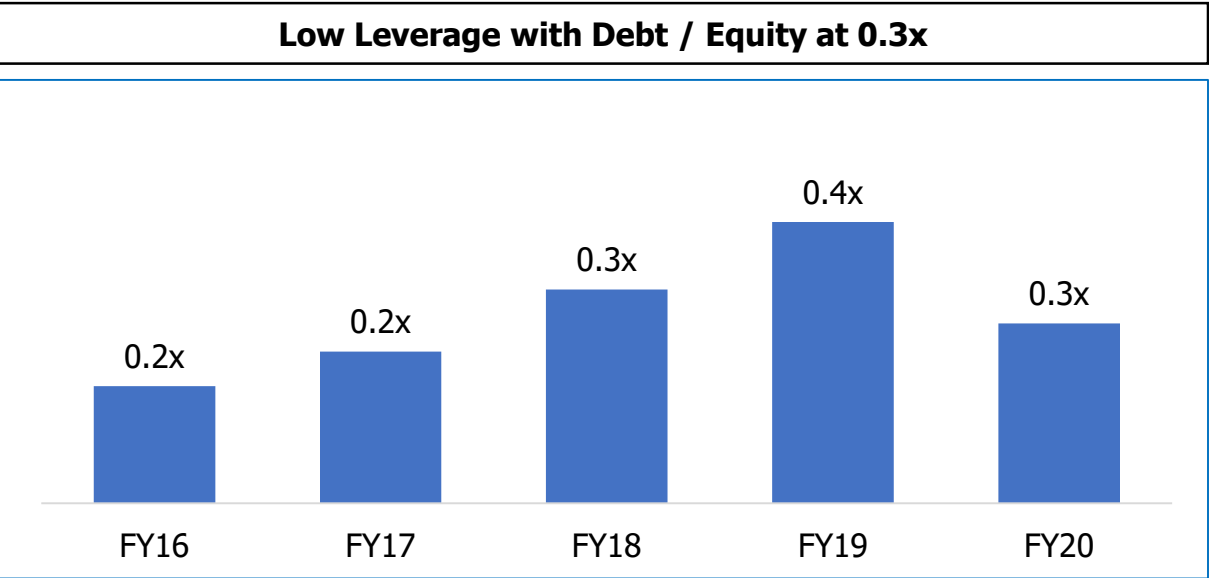
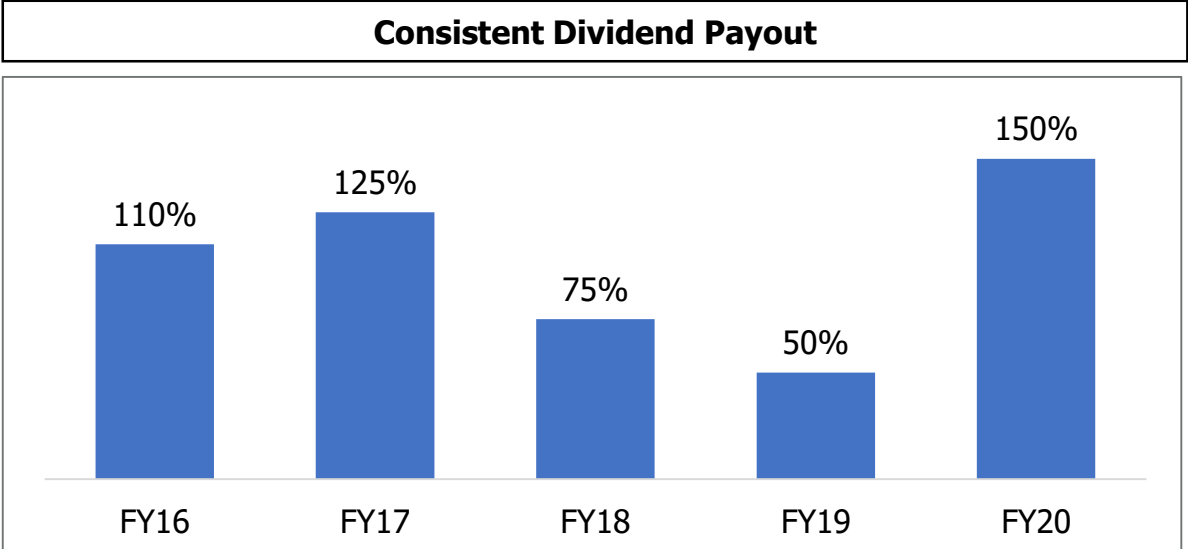
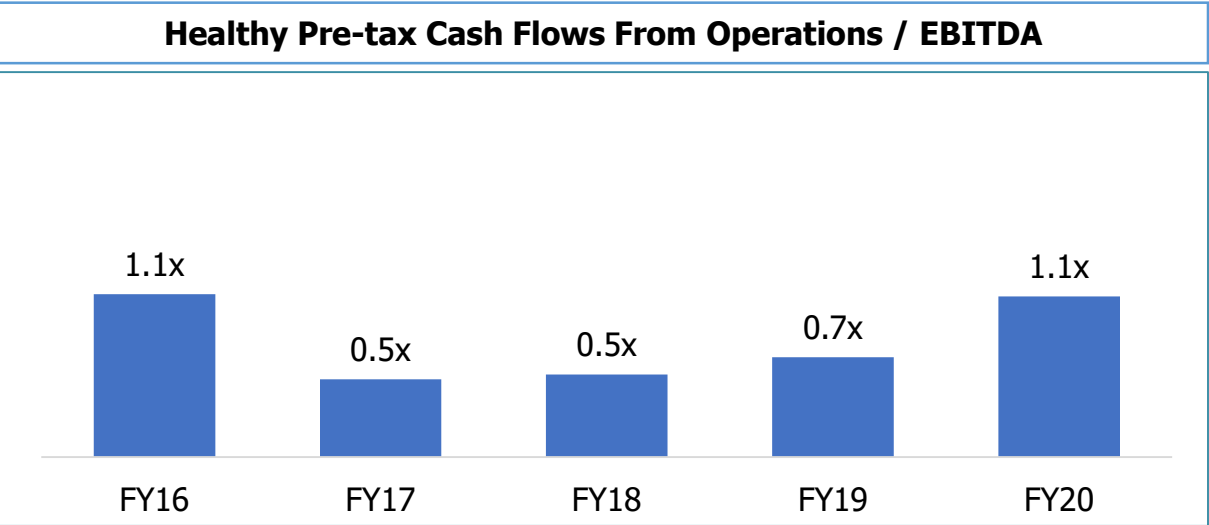
(INR in Lakh)

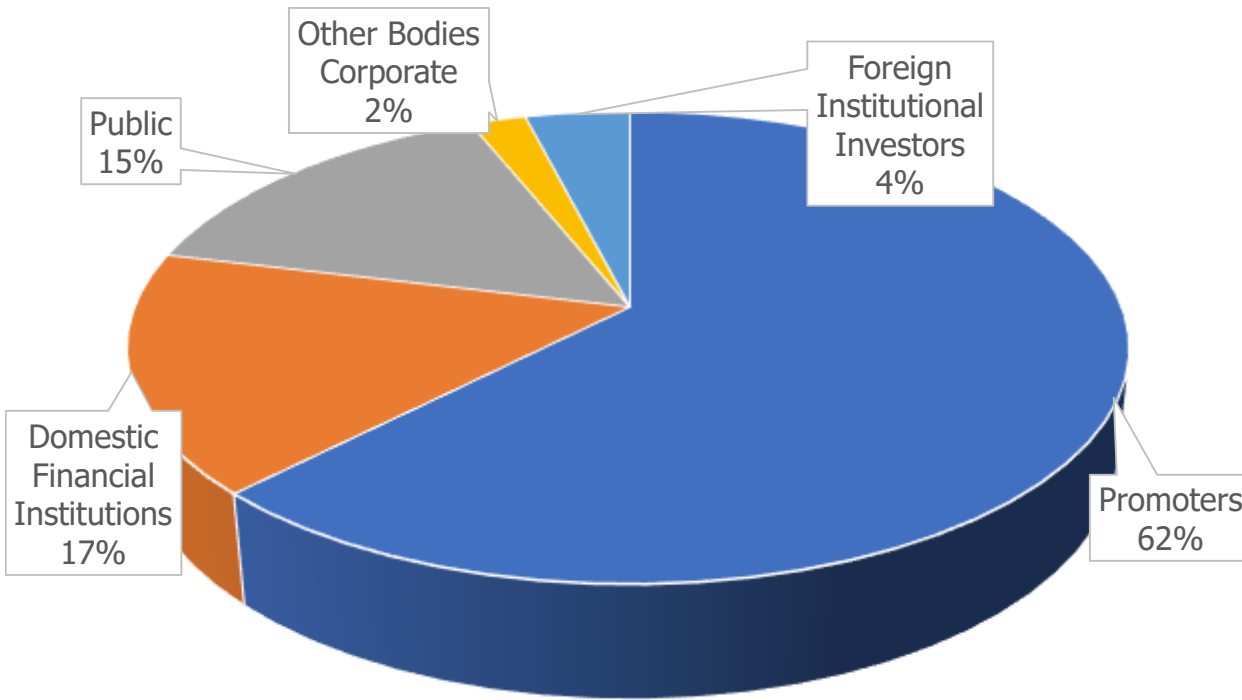


Note: EBITDA Margins % and PAT Margins % adjusted for non cash impairment charge and other non-recurring costs.

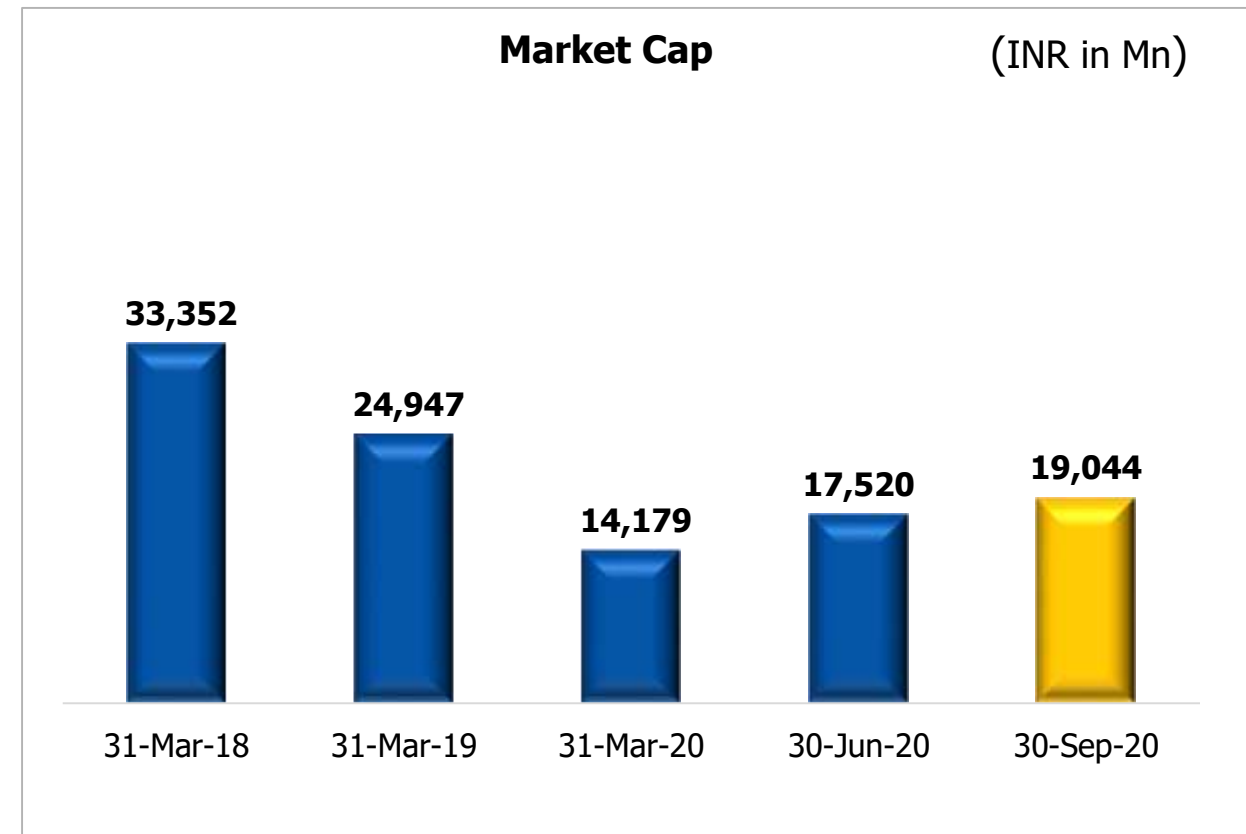
(₹ in Lakh)







Shareholding Pattern



Trusted by **25,000+** Shareholders

Face Value of **Rs. 2/-** per share

For analysts coverage on Navneet visit:
<http://www.navneet.com/research-reports/>

Stock Code:

BSE : 508989

NSE : NAVNETEDUL

Bloomberg / Reuters: NELI IN / NAVN.BO

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