






H1 FY24 Revenue up by 4% Y-o-Y to Rs. 1,057 Crores

Mumbai, 6th November 2023 – Navneet Education Limited (NEL) is one of the largest educational syllabus-based supplementary content provider has released its unaudited financial results for the quarter and half year ended 30th September 2023

Consolidated Financial Highlights – H1 FY24 (April – September 2023)

Total Revenue Rs. 1,057 crores  3% Y-o-Y	EDITDA Rs. 205 crores  10% Y-o-Y	PAT* Rs. 181 crores  20% Y-o-Y
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Particulars (Rs. Crs.)	H1 FY24	H1 FY23	Y-o-Y	FY23
Revenue	1,057.2	1,023.5	3.3%	1,696.8
EBITDA	204.6	227.9	-10.2%	298.0
PAT*	180.5	150.1	20.3%	203.8
EPS (Rs.)	8.0	6.7	19.7%	9.0

Note: *H1 FY24 Rs. 30.23 crs. is towards profit on sale land and building at Ghuma and Rs. 37.93 crores on dilution of group shares from an associate company

Important Highlights H1 FY24 (Y-o-Y) (Standalone)

- Total Revenue from publication business stood at Rs. 497 crores a growth of 1% as compared to same period last year
- Total Revenue from Stationery Business stood at Rs. 547 crores a growth of 6% as compared to same period last year
 - Stationery Exports Revenue stood at Rs. 358 crores a growth of 1% as compared to same period last year
 - Stationery Domestic Revenue stood at Rs. 189 crores a growth of 15% as compared to same period last year
- Working Capital Cycle as on 30th September 2023:
 - Receivable Days – 54 days
 - FG Inventory Days – 72 days
 - RM Inventory Days – 93 days



Performance Highlights, Mr. Gnanesh (Sunil) Gala, Managing Director:

“During the second quarter, there was a 20% decline in revenues, primarily attributed to our publication business. Despite our initial growth expectations, our standalone publication business encountered some unforeseen challenges majorly attributable to the some of the external factors.

Firstly, over the past few quarters, there has been an unprecedented increase in paper prices. To offset these rising costs, the company had to raise prices on some of its publication category products. This, in turn, has had an impact on demand. Additionally, the higher prices of new books have led consumers to opt for existing second-hand books.

Secondly, in the state of Gujarat, there has been a certain changes in the paper pattern of certain standards. Related Examination books are always released in second quarter of the year are now scheduled in the third quarter. This change has disrupted the usual demand patterns for study materials.

Lastly, during the months of June and July, the company experienced a higher volume of sales returns than originally anticipated.

Our stationery business has remained resilient and is performing well. In the domestic market, Q4 and Q1 are traditionally strong quarters, but on a positive side we have seen similar trend to continue in Q2FY23. We are confident of achieving 12% to 15% growth for FY24.

Our export stationery division too have demonstrated strong performance, thanks to Navneet’s strong brand equity and long-standing partnerships with major retail outlets in the US and across the globe. Furthermore, our capacity to innovate and provide new product categories in paper and non-paper based segments has played a vital role in substantially boosting our export revenues. For this vertical we anticipate reasonable growth in FY24 despite having reviewed for ADD in one of our product category in the US. For H1 FY24, the overall Stationery business registered a revue of Rs. 547 crores and EBIT of Rs. 71 cores (margin of ~12.9%)

Amidst the prevailing uncertainties and volatility in paper prices, we were able to safeguard our margins to a significant extent by leveraging our long-term contracts with paper mills and maintaining sufficient inventory. Going forward, we remain confident in our ability to protect our margins and will continue to adapt to changing market conditions.”

**About Navneet Education Limited**

Navneet Education Limited (NEL) is one of the largest educational syllabus-based supplementary content provider for the state-board based curriculum and quality content across Print and Digital mediums. The company also offers Scholastic Paper and Scholastic Non-Paper stationery, publish General & Children books. With 60+ years of experience as an educational publisher & stationery manufacturer, the Company enjoys a high brand recognition and market standing in the educational content and scholastic stationery segment. It's rich industry experience and insightful endeavors enabled the business to achieve a robust leadership position in the industry. It owns a market share of approximately 65% in Western India. Going ahead, as the Company continues to transform in line with ever-evolving trends. It aims to build a strong presence in the EdTech domain by leveraging its existing businesses. Backed by proficiency, responsiveness and preparedness, the Company emphasises on consistently 'Transforming with Times'.

For more information, please contact

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