



Q4 FY16 UPDATE



NAVNEET EDUCATION LIMITED

STATEMENT OF STANDALONE AND CONSOLIDATED AUDITED FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED 31ST MARCH, 2016

INR in Lac

Sr. No	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	Income from Operations							
	(a) Net Sales / Income from Operations (net of excise duty & Vat)	18,383	18,313	11,292	93,021	95,876	94,890	97,887
	(b) Other Operating Income	35	30	29	91	61	91	61
	Total income from operations (net)	18,418	18,343	11,321	93,112	95,937	94,981	97,948
2	Expenses							
	(a) Cost of materials consumed	15,173	16,300	7,537	40,697	50,903	40,807	50,999
	(b) Purchases of stock-in-trade	43	43	18	277	93	348	113
	(c) Changes in inventories of finished goods, work-in- progress and stock- in-trade	(6,814)	(8,188)	(2,908)	4,877	(4,931)	4,885	(4,707)
	(d) Employee benefits expense	2,664	2,098	2,254	9,192	8,073	10,059	8,748
	(e) Depreciation and amortisation expense	723	760	683	2,676	2,819	2,875	3,076
	(f) Other expenses	4,921	4,789	3,145	17,462	18,472	18,326	19,072
	Total expenses	16,710	15,802	10,729	75,181	75,429	77,300	77,300

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3	Profit / (Loss) from Operations before Other Income, Finance Costs and Exceptional items (1-2)	1,708	2,541	592	17,931	20,508	17,682	20,648
4	Other Income	274	21	488	1,857	257	1,762	226
5	Profit / (Loss) from ordinary activities before Finance Costs and Exceptional items (3+4)	1,982	2,562	1,080	19,788	20,765	19,444	20,874
6	Finance Costs	44	163	2	348	910	355	911
7	Profit / (Loss) from ordinary activities after Finance Costs but before Exceptional items (5-6)	1,938	2,399	1,078	19,440	19,855	19,088	19,964
8	Exceptional Items	-	-	-	-	-	-	-
9	Profit / (Loss) from ordinary activities before Tax (7+8)	1,938	2,399	1,078	19,440	19,855	19,088	19,964

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10	Tax Expense							
	(a) Provision for Taxation	769	884	331	6,875	6,990	6,875	6,990
	(b) Provision for Deferred Tax	(105)	(50)	70	(276)	(65)	(276)	(65)
	(c) (Excess)/Short Provision of the earlier year W/off / back	61	-	-	61	-	61	-
11	Net Profit / (Loss) from ordinary activities after Tax (9-10)	1,213	1,565	677	12,780	12,930	12,428	13,039
12	Extraordinary items (net of tax expense)	-	-		-	-		
13	Net Profit / (Loss) for the period (11-12)	1,213	1,565	677	12,780	12,930	12,428	13,039
14	Minority interest	-	-	-	-	-	0	(1)
15	Share of Profit / (Loss) of associates							
	a Previous Year	-	-	-	-	-	(752)	-
	b Current Year	-	-	-	-	-	(1,267)	-
16	Goodwill on consolidation w/off	-	-	-	-	-	(70)	(4)
17	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates and goodwill on Consolidation w/off (13-14-15-16)	1,213	1,565	677	12,780	12,930	10,339	13,034

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18	Paid-up Equity Share Capital (Face Value of Rs.2/- each)	4,764	4,764	4,764	4,764	4,764	4,764	4,764
19	Reserve excluding Revaluation Reserve as per balance sheet of previous accounting year				58,086	51,613	53,564	49,561
20	Earnings per Share (of Rs. 2/- each) (not annualised)							
	(a) Basic	0.51	0.66	0.28	5.37	5.43	4.34	5.47
	(b) Diluted	0.51	0.66	0.28	5.37	5.43	4.34	5.47

**STANDALONE AND CONSOLIDATED SEGMENT 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

NOTES

1. The above Audited Financial Results have been reviewed by the Audit Committee and approved by the Board of Directors at its meeting held on 21st May, 2016.
2. 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.
3. 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.
4. The figures of the quarter ended 31st March, 2016 are balancing figures between audited figures in respect of the full financial year and the published year to date figures upto the third quarter of the current financial year.
5. Share of Loss in associate for current year in Consolidated financial statement is based on unaudited accounts of the associate and includes one time write off of Rs.758 Lacs.
6. Previous period figures are regrouped and rearranged wherever necessary.

At the Balance Sheet level

INR IN LAC		
Particulars	MARCH-16	MARCH -15
Inventory	30.475	34,659
Debtors	18.168	17,944
Borrowings	9,950	14,300
Investments & Advances	9,623	9,689

Q4 FY16 PERFORMANCE AT A GLANCE

Publication Revenue grew by 15.3% compared to the corresponding quarter of FY15.

Major reasons are:

1. Grafalco (CBSE) Sales increased on account of better promotion of the product and sales and marketing efforts
2. Children & General book Sales increased on account of change in Trade Offer Period

Stationery Revenue dropped by 5.3% compared to the corresponding quarter of FY15.

Change in Payment Policy & delay in production resulted in to heavy backlog of orders which remain unbilled till end of the year.

Outlook on Business Segments for FY17

Publications

- Syllabus Change announced in Gujarat for grades IX and XI and Maharashtra for grade VI
- Change in Paper Pattern of Languages of Grade IX & X (Maharashtra) as good as Syllabi Change in those titles
- Introduction of new titles in KG/ Primary Books (Maharashtra) in English medium will gain traction on Sales
- Rural sales to pick up as draught in Maharashtra in major districts was responsible for lesser sales.
- Re-introduction of Scholarship Program by the Government will help to recoup the lost sales

eSense (eLearning)

- It is being planned to segregate Online and Offline Business so that focus can be made on each stream by respective teams to achieve the Momentum.
- It is expected that introduction of Cloud based products will help achieve the traction in Sales
- Change in Price of the products and packages should help boost sales

Stationery

- Rural sales to pick up in next Academic Year as draught in Maharashtra in major districts was responsible for lesser sales.
- Exports will perform better.
- Change in brand from “FfUuNn” & “Navneet” to new brand “YOUVA” would be a face-lift for the stationery
- Reinforced Marketing efforts with new Ad campaign on the theme of youth social media will boost the sales to great extent going forward

THANK YOU

