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NEL/028/2026-27

Date: 01st August, 2026

The Secretary
National Stock Exchange of India Ltd.
Exchange Plaza, 5th Floor, Plot No. C/1,
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Bandra (East), Mumbai – 400051

Corporate Relationship Department
Bombay Stock Exchange Ltd.
1st Floor, New Trading Ring,
Rotunda Building, P. J. Towers,
Dalal Street, Fort, Mumbai – 400001.

Ref: Symbol– NAVNETEDUL
Ref: Scrip Code – 508989

Dear Sir / Madam,

Sub: Disclosure of Transcript of Earning Call for Q1 FY 27.

In accordance with Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we hereby submit the transcript of the earnings call held on Wednesday, 29th July, 2026 with investors and analysts to discuss the Operational and Financial performance of the Company for Q1FY27. We also inform that the said transcript is available on the website of the Company www.navneet.com.

You are requested to take note of the above.

Thanking You,

Yours faithfully,
FOR NAVNEET EDUCATION LIMITED
Amit Dushyant Buch
Digitally signed by Amit Dushyant Buch
Date: 2026.08.01 10:36:31 +05'30'
AMIT D. BUCH
COMPANY SECRETARY
MEMBERSHIP NO. A15239

"Navneet Education Limited Q1 FY'27 Earnings Conference Call"

July 29, 2026

MANAGEMENT: **MR. SUNIL GALA – MANAGING DIRECTOR OF NAVNEET EDUCATION LIMITED**
MR. KALPESH DEDHIA – CHIEF FINANCIAL OFFICER, NAVNEET EDUCATION LIMITED
MR. ROOMY MISTRY – HEAD (INVESTOR RELATION), NAVNEET EDUCATION LIMITED

Moderator: Ladies and gentlemen, good day and welcome to Navneet Education Limited Q1 FY27 Earnings Conference Call.

This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as on date of this call. These statements are not guaranteed of future performance and involve risks and authorities that are difficult to predict.

As a reminder, all participant lines will be in listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal an operator by pressing "*", then "0" on your touchtone phone. Please note that this conference is being recorded.

I now hand over the conference to Mr. Sunil Gala – Managing Director of Navneet Education Limited. Thank you and over to you, sir.

Sunil Gala: Thank you very much. Good afternoon, everyone. Thank you for joining us today.

I am pleased to present our financial and operational performance for the 1st Quarter of the Financial Year 2027. We are navigating a dynamic market environment. Our Q1 FY27 Results highlight both temporary transitions and the incredible resilience of our core domestic businesses.

First, I will talk about basic numbers and, of course, then I will talk about in detail further each of the business.

So, the total revenue of the company remained at Rs. 785 crores, of course, little lower than what we did in 1st Quarter FY26. Within that, our Publication division recorded a minor dip 3%, moving from Rs. 419 crore down to Rs. 405 crore.

As well as the Stationery segment is concerned, it registered a just small 2%, growing to Rs. 380 crore from Rs. 372 crores. And within Stationery, Domestic Stationery vertical, it grew by 26% versus Export Stationery contracted by around 9%.

Now I will talk about the businesses:

First, let me analyze the Publication division and Curriculum Impact:

The structural landscape of our Publishing division is currently undergoing a favorable shift. Promising curriculum changes are actively unfolding across two of our primary markets, Maharashtra and Gujarat.

While this transition bodes well for our market leadership, it also caused a notable spillover of business from 1st Quarter into the 2nd Quarter. Because of this timing difference, our real growth is not fully reflected in the 1st Quarter numbers.

The reason also I should tell you that we normally publish our Publications post release of textbooks from the respective state governments. Now those textbooks were released quite late and not as per the academic year. And therefore, we also could not deliver our curriculum products in the market, which happened in Q2, particularly in July.

So, to gain a truly holistic and accurate picture of how these curriculum changes are positively impacting our business, we must look at our performance across the entire first half of the year, FY27.

Of course, this I am always talking about not looking at the numbers on a quarterly basis for a seasonal business. The management team remains exceptionally confident about delivering reasonable growth in this segment as the year progresses.

Now I will talk about Stationery segment.

First about domestic:

So, our Stationery business delivered a resilient performance this quarter. Of course, again repeating, the quarter performance does not reflect the full year's performance. But in this quarter, a strong domestic expansion successfully neutralized severe international headwinds to keep our total segment revenues net positive. The standout star of the quarter was Domestic Stationery experiencing 26% surge. It is, of course, for the current year fastest growing engine for us. And this growth highlights a robust local demand, deeper market penetration, and increasingly stronger connection with Indian consumer.

To sustain this momentum, we have initiated a long-term strategic plan. And this includes aggressive investments in branding and the key appointment of additional senior talent specifically for our Non-Paper Stationery vertical.

While these upfront investments have placed temporary pressure on the segment's short-term profitability, the management team is firmly convinced on this, on the immense long-term benefits that the branding and the diversification into non-paper portfolio will unlock for our shareholders.

A little bit on our exports:

The Stationery business faced a tough environment this quarter. The tough environment is mainly on account of supply chain disruptions escalating geopolitical challenges and overall weakening of demand in our market, majorly to the US. Of course, we can talk in detail about it in Q&A.

Beyond these challenges, as you know, we had put up a new polymer plant, which was primarily set up to feed our exports market. We could not utilize to its optimum capacity due to this global slowdown. And this lower capacity utilization created under-absorbed overheads, which further compressed the overall profitability of our Stationery segment.

We view these international challenges as temporary obstacles rather than permanent roadblocks. We are actively refining our global supply chain strategies and adjusting factory outputs to better align with fluid global landscape.

So, in summary, our business is undergoing a vital structural mix shifts. While we are temporarily losing traction abroad temporarily, our Publishing division and Domestic Stationery business will emerge as our critical growth drivers, particularly for the current year.

Moving forward, we will continue to double down on our high margin domestic operations, that is the Publication business. And we are deploying targeted product innovations and aggressive marketing strategies across our Domestic Stationery portfolio to capture even more market share. Backed by favorable domestic tailwinds and sharp execution, we are confident that our strategic pillars will drive sustainable long-term value for all of our stakeholders.

Thank you very much. Instead of me talking more on the business, I would prefer now questions from you all, which I will try giving and satisfying your questions. Thank you.

Moderator: Thank you very much. We will now begin the question-and-answer session. Ladies and gentlemen, we will wait for a moment while the question queue assembles. The first question is from the line of Madhur Rathi from Countercyclical Investments. Please proceed.

Madhur Rathi: So, thank you for the opportunity. Sir, generally, can you give me a bifurcation about how much of Publication revenue comes from schools versus workbooks that we sell through physical stores?

Sunil Gala: As such, these bifurcations are never available. Finally, we end up marketing our workbook category to the schools. It does not, it is not compulsory that all schools always buy at times they recommend, which finally students end up buying from the stores.

So, overall, I can tell you that of the total Publication revenue, around 45% comes from the workbook category. And you can say major of that is due to recommendation by the respective schools. So, 45% of our total revenue is from workbooks.

Madhur Rathi: So, I wanted to understand, we were expecting a 15% Publication business revenue growth during this year. And one of the reasons you mentioned was because of the spillover, something should come in Q2. But these coaching centers, all your platform, the EdTech platform, these guys have started supplying their own in-house material, workbook kind of material. So, do we see a threat from that segment for us to grow because this is a very big chunk of our revenue.

Sunil Gala: During my speech, I did not mention about one of the reasons, it is the only reason we were not able to show performance in Q1. Whatever curriculum change that has happened in the current year, all the Publications that we could sell only in the month of July because of some lead time that we have to give post release of textbook from the state government. So, that is the only reason of the shift to Q2.

Coming to your point on various other new competitions, meanwhile, this could happen in higher grades, maybe 9th, 10th, 11th, 12th grades, this could happen. I believe though it is not a comparable category at all because our products are quite price sensitive, quite low priced versus what you are talking is quite high price. But having said that, in the current year in any case, primary level curriculums have changed where there are no coaching classes as well.

And it is already proven that digital intervention or rather only depending on digital intervention in the school is not a practical solution, particularly in India and therefore books is the only solution.

Madhur Rathi: So, considering whatever volume offtake that we have seen in July month, so what kind of growth can we expect in this Publication division conservatively for this year?

Sunil Gala: Around 10%.

Madhur Rathi: And so, this is because a lot of schools have already subscribed to their books and because of that the actual volume offtake might not be similar, like what we were expecting of 15% or something else for this lower guidance?

Sunil Gala: Madhur, let me explain to you again that each and every student in the state, they buy government published textbooks. Now, it all depends on the school's decision whether should they prescribe workbooks also to their students or not. So, that process is already on and whatever orders that we would have taken, we have started supplying them in the month of July. And because Q1 is little nervous, I am giving guidance of 10%. But overall, if you ask me, we are quite positive about growing more than 10%.

Madhur Rathi: Got it. So, just a final question from mind. So, seeing the very, very good growth that we delivered in our Domestic Stationery segments or overall, what kind of growth can we expect in our Stationery division and on the margin front as well because margin for Q1 Publication divisions have been a little lower than last year. So, what kind of margin can we expect for this year?

Sunil Gala: So, this year part of the quarter where particularly in exports, revenues were at a discounted rate because of the tariffs were there. Once tariffs were withdrawn, and it takes a couple of weeks to get settled. And then we started realizing the normal pricing. And therefore, that was one of the reasons of lower margin in Stationery. So, particularly of our in our exports, in the current year, we are still looking at 5% degrowth versus in Domestic Stationery, we are looking growth of around 15% to 17%.

Madhur Rathi: And so on the margin for the overall business, what kind of margins can we expect?

Sunil Gala: On the Stationery front, I am expecting around 12% margin.

Madhur Rathi: Okay. And on the Publication?

Sunil Gala: Publication, the margins would be around 26%-27%.

Madhur Rathi: Got it. Sir, I will get back to the queue. Thank you so much. Thank you.

Moderator: Thank you. The next question is from the line of Gunit Singh from Counter Cyclical PMS. Please proceed.

Gunit Singh: Sir, thank you for this opportunity. I want to understand because of this deferment or delay in offtake, I mean, how much revenue have we lost in this quarter? So, we did about Rs. 788 CR. So, how much of this, how much revenue have we lost because of this delay in this quarter?

Sunil Gala: So, normally the grades for which the curriculum has changed in the current year. If there was no curriculum change, we would have done between Rs. 30 crores to Rs. 35 crore revenue in the Publication segment without change scenario. So, I wouldn't say we have lost. All this revenue will come in the month of July. So, apart from no curriculum change of Rs. 30-odd crores, plus the growth normally whenever curriculum changes that we get. So, all this growth will come in the Quarter 2. So, Rs. 30 crore normal Publication sales that we would have otherwise done if no curriculum change plus the growth because of curriculum change.

Gunit Singh: Got it. So, you are saying that we should see because of the curriculum change. So, basically 85% of our EBITDA comes in Quarter 1. And if we look at historically Quarter 2 has been contributing less than 0.5% of our EBITDA. So, I want to understand now because of the deferment, how much additional revenue will we have in Q2 because of this deferment because we did around Rs. 247 CR revenues in Q2 last year. So, because of this deferment, are we saying that Rs.247 crore plus Rs.30 crore because of the new policy?

Sunil Gala: Yes, 30 plus something. So, overall Rs. 247 crores should reach Rs. 300 odd crore.

Gunit Singh: Okay. And even at Rs. 250-270 crores in Q2, we do not make any profits. So, for example, in Q2 FY25, we did around Rs. 270 crores but EBITDA was Rs. 2 crores. So, what kind of an EBITDA can we expect in Q2 because of this deferment?

Sunil Gala: Gunit, my suggestion would be if you look at businesses little separately would be better because the margins in Publication business is quite high, which is 26%-27% versus in Stationery it is hardly in single digit 8%-10%. So, what I am talking is the total growth that we are expecting in Q2 would be in Publishing segment and therefore the EBITDA number will be much better in Q2.

Gunit Singh: Got it. So, how much of the revenue from Publishing was there in Q2 last year? If we get, I mean, I want to compare apple-to-apples. So, we get an idea. So, how much revenue in Q2 last year was from the Publishing division?

Sunil Gala: I need help from my CFO to open that number, please.

Gunit Singh: And also, if you can help, how much revenues are we expecting in Q2 from Publication this year?

Kalpesh Dedhia: So, for Publication, Q2 '26 was Rs. 91 crores.

Sunil Gala: So, Rs. 91 crores will definitely go above Rs. 130 odd crores.

Gunit Singh: Got it, sir. Thank you very much. So, my last question would just be regarding year guidance, if you may, for the revenue as well as EBITDA margin, if you look at the entire FY27, the kind of revenue growth and EBITDA margin we are looking at?

Sunil Gala: Again, Publishing, I just mentioned to the previous speaker, which is at present, we are talking about 10% margin. And in Stationery, it would be on an average, it will be also, again, between 8% to 10%, because domestic business, we are seeing little degrowth in the current year because of the reasons known to all of us, versus that will be compensated by higher growth in domestic market. Export market is a little bit in a weak scenario right now.

Gunit Singh: Okay. Thank you very much, sir.

Sunil Gala: Thank you.

Moderator: Thank you. The next question is from the line of Dhaval Shah from Fort Capital. Please proceed.

Dhaval Shah: Yes. Thanks for the opportunity. Sir, many of the exporters have received the tariff refund. So, any tariff refund which we have received, because we are supplying to retailers of US?

Sunil Gala: So, first of all, all these tariffs till date were paid by our customers. We had not paid any tariffs directly. Now, we have put up our request to our customers that if they receive the tariffs back, they should pass on at least the additional reduction in prices that we had given that they should pass back to us. That requests are there, but there are no positive response from them till now.

Dhaval Shah: Okay. And how is the outlook for exports of Stationery?

Sunil Gala: This year, as I just mentioned, overall, we are seeing degrowth of around 5% compared to last year. And there are major our back-to-school season, which already went by, wherein because of these challenges, we could not supply as usual. And that business cannot just get spilled over. And therefore, that we have lost that business. And therefore, I am seeing overall in the current year, there will be degrowth by around 5%.

Dhaval Shah: Okay. Thanks a lot. Thank you.

Moderator: The next question is from the line of Himanshu Upadhyay from Steadfort Investment Managers LLP. Please proceed.

Himanshu Upadhyay: Yes. Hi. Good afternoon. My first question was, in the notes, we have stated that we have sold some stake in K-12, subsequent to the quarter for a consideration of Rs. 330 crores. Post these transactions, what is our stake in the company and how much have we sold in this tranche?

Sunil Gala: So, overall, as a percentage, we are selling around-- Kalpesh, if you can recollect me how much percentage are we selling?

Kalpesh Dedhia: It is around 4.5%.

Sunil Gala: 4.5% we are selling and how much will we be left with?

Kalpesh Dedhia: It will be around 8.8% we will be having with us.

Sunil Gala: We will be left with 8.8%.

Himanshu Upadhyay: And in last few years, we have done pretty significant CAPEX for non-Stationery and domestic and also for exports, though exports have not done much. What would be your thought process for this Rs. 330 crores means? How do you plan to use it and what type of opportunities would you be looking for? And one more thing. Historically, we had done some small, let's say, investment in a private equity firm with various companies. One or two have done pretty well and a lot many have not done that well. But are we going to continue with that strategy or do you think some thoughts on that will be helpful?

Sunil Gala: There are no thoughts of investments right now. Of course, we will talk internally with the directors. Only area that in education, because of technology, there so many changes are happening and which we may not be able to look to do ourselves.

And there would be some kind of strategic involvement, if at all, we do investments for. But otherwise, there are no long term and other any investment type of. We don't want to become financial investors in any company now.

As far as the utilization of these funds are concerned, of course, we are very clear that going forward, we want to grow Indian market to its full potential in Stationery segment. And therefore, apart from organic, there could be some inorganic opportunities also may come nothing on the table right now but we want to have this balance with us so that we can take a quick decision soon.

Himanshu Upadhyay: Okay. And one thing on the export side, now the clarity is there on the tariff or not clarity, but it seems better than what was last year the situation. In terms of your vendors, what type of discussions are happening? And what I understood was in FY25, before the tariff, US was nearly 75% of our exports of Stationery. A post last year's decline and this quarter's further decline what percentage of our exports would remain to US? And we had thought of expanding beyond US also, which was around 20%-25%. What is happening on that side? And how are you seeing the potential from in those markets from here on?

Sunil Gala: So, even though we have grown in other markets a little bit, but compared to US, as a percentage, that remains negligible. Now, with respect to your question on what are the discussions with our customers, not the vendors, but customers, of course, everyone wants to buy majorly from India. I should say here, and which you may hear from most of the FMCG industries or the consumer durable industries, that because of the inflation at US, overall consumption of such product categories have muted or have de-grown. And therefore, even though tariff concern is more or less gone, but because of the low upliftment of the products, the demand is not coming through to the suppliers like us.

Himanshu Upadhyay: Okay. And how is the inventory situation mean? See, why this question is because once last year, because of tariff, almost everybody would have got affected in terms of suppliers like us. Do you still find the channel inventories pretty filled up and hence muted outlook for you or do you think now the channel inventory has marginalized and it can get better or some thoughts there?

Sunil Gala: No, you are right. Channel inventory, majorly the inventory with our purchasers because there is no one in the channel. It is us and directly the major retailers of the US. So, they are still left out with the inventory. It is the upliftment is not like as usual, as I just said, because of the inflationary pressure. And therefore, the reorder numbers, quantities are not encouraging as it used to be earlier.

Himanshu Upadhyay: Okay. And one more thing on the Publishing business. And one of the trends we had been calling out for quite some time was that many state board schools moving to CBSE schools. How is the trend going even in this year? And after the merger of Indiannica with Navneet and how are we preparing or planning or working out on those things? And how many schools would have transitioned in this year to CBSE?

Sunil Gala: I may not have the exact number because these numbers are officially not available anywhere. When I am talking about converting from the state level to CBSE, even though they have not got affiliation from CBSE, they start using private publishers; textbook and therefore, they call themselves CBSE patent schools. These numbers are not really available anywhere officially, but generally trend wise, I am saying that the growth in such schools is more than 15% year-on-year. So, that way more and more English mediums schools which are state affiliated are transitioning to CBSE type of curriculum. That trend is continuous. And as far as we are concerned now that in Navneet as well as in Indiannica, we have most of the product portfolio with us that we have already started catering to these schools.

And moreover, we have already started Publishing supplementary books, the one which we are Publishing for state government of Maharashtra and Gujarat similar type of Publications also we have recently started not in full for all the standards because even their curriculum changes continuous and with new curriculum, we are going to publish the supplementary books which will be sold directly in the trade, just not to the schools. So, full portfolio of textbooks as well as supplementary books will be available from Navneet going forward for CBSE schools.

Himanshu Upadhyay: And at one point of time or let's say 2-3 years back, we were restricting ourselves to 8th standard of CBSE. Majority of the books were. Have we reached it 11th, 12th majority of the books for CBSE?

Sunil Gala: So, 2-3 years ago when I said we were just Publishing textbooks. Now typically textbooks in CBSE schools or CBSE patent schools in 9th and 10th grade, they use government published textbooks only because students have to appear for the board exams and in their government based books only are preferable. But now what I am talking about supplementary books, these will be available for all the grades up to 10th grade in particular because these supplementary books are based on state and central government textbooks. Therefore, that will be available for all the grades.

Himanshu Upadhyay: And one last question on the Domestic Stationery side, we have been making efforts for the non-paper based Stationery. Where have we reached on that? And do we think it can be sizable 10%-15% of our overall Domestic Stationery or we think it will take a lot of time to reach that position?

Sunil Gala: No, no, no. In 3 years' time, it will be of that percentage we are very confident of. Recently what we just did was whatever product that we already had in non-paper which was not paid attention by us that we changed overall look, feel, packaging, everything of that, introduced several other product range in the same category. But the new categories will be made available at the end of this year. So, several new categories also will be introduced by us.

Himanshu Upadhyay: Okay. Thank you for my side.

Moderator: Thank you. The next question is from the line of Arihant from Bowhead. Please proceed.

Arihant: Hi, sir. Thanks for taking my question. Sir, I wanted to know for Gujarat like which grades or which subject curriculum changes expected to happen in next financial year?

Sunil Gala: Roomy, do you have a clarity on that? I do not have in front of me right now.

Roomy Mistry: No, we have not received any clarity yet.

Sunil Gala: Okay. It means there is no clarity from the state government itself till now for the next year.

Arihant: And in this year, there has been change for few subjects from grade 2, 3, 4 and 6. Am I right on this one?

Roomy Mistry: That's right.

Arihant: And sir, I wanted to know like you were saying about the polymer plant. So, can you give rough idea what was the capacity utilization or if you can quantify what was the amount of cost that remained unabsorbed?

Sunil Gala: No. So, total investment in the plant is around Rs. 65 crores and with the teams there. So, total utilization wise, this plant just started in last quarter of FY26. And we were expecting good orders based on our discussions with our customers. But because of this situation, we did not receive orders. And together with that, raw material of polymer prices went so much high that it was not worth taking aggressive stand there. And therefore, capacity wise, we would have hardly used around 30%-odd capacity of that plant. And because of that, all manpower cost, as well as overall factory overheads, that took away the margin in the current business. This is very temporary phenomena.

Arihant: Okay, sir. So, you are expecting it to get resolved this year itself, this underutilization of that?

Sunil Gala: Yes, there are so many external factors also which are beyond our control. But what discussions that we are having with our customers, we are very hopeful that it will be normalized in the current year.

Arihant: Okay, sir. And what drove the Domestic Stationery growth in 1Q'27? Was it mainly led by Non-Paper Stationery? And if you can give the price and volume growth breakup?

Sunil Gala: No. So, it is still not by Non-Paper Stationery. It is by paper Stationery only. And because of certain brand association, not very popular brand association, very, very innovative cover designs. And additionally, the e-commerce and quick commerce focusing both these segments that led to this growth.

Arihant: Okay. And so what was the price and volume growth break up if you can provide?

Sunil Gala: I won't have readily available right now on the volume growth. We can take that offline also, please.

Arihant: Can you tell about the paper prices trends? Has there been any increase in paper prices since April, since start of this year?

Sunil Gala: Yes, there was around Rs. 2000 per ton around that much increment was there since April. Thereafter, paper mills did talk about further price hike, but they could not implement because of the market situation. So, practically, that would be hardly 2%.

Arihant: Okay. Got it, sir. And last question, like what was the Indiannica loss and revenue in Q1? I know this is seasonal business, this just wanted to know.

Sunil Gala: Kalpesh, you are answering, right?

Kalpesh Dedhia: So, Indiannica, the revenue was Rs. 3 crores for this quarter and negative PAT at Rs. (-7) crores.

Arihant: Okay. Thank you, sir. Thank you.

Moderator: Thank you. The next question is from the line of Disha Chamriya from Trinetra Asset Managers. Please proceed.

Disha Chamriya: Yes. So, thank you for the opportunity. My question was that how much visibility do you already have on the curriculum change driven demand in Maharashtra and Gujarat, specifically locked in for FY27? My question is from the perspective that the 15% growth, almost 15% growth in the first two years, how much of that is visible in orders and school adoption and, inventory channel as of today?

Sunil Gala: So, as of today and as I just mentioned to the previous person that with the present situation, we are looking at around 10% growth for the whole year in Publication business.

Disha Chamriya: And what portion of this growth is coming from volume and price, if I can get the data?

Sunil Gala: So, there are no price rise in the current year. So, everything that we see will be volume growth. We have not revised our MRP of any of our products.

Disha Chamriya: And just last question from my side, sir. What is the, like what would be the sustainable EBITDA margin for the Stationery after the current brand investment phase that is happening?

Sunil Gala: If we talk about both Stationery businesses together, we should do between 10% and 11% EBITDA margin.

Disha Chamriya: Okay, sir. Could I get a breakup of the Stationery and Publication, if possible, sir?

Sunil Gala: Breakup of what, revenue or profitability going forward for the year?

Disha Chamriya: Yes, sir.

Sunil Gala: Or for the 1st Quarter?

Disha Chamriya: Sir, I want for the FY 27, but if Quarter 1 is also available right now--

Sunil Gala: Kalpesh, come in here.

Kalpesh Dedhia: So, for Quarter 1, it was 15% for exports and 3% for Domestic Stationery.

Disha Chamriya: And for Publication business?

Kalpesh Dedhia: Sir, Publication business, it was around 40%, but it again, it gets majority of the business.

Disha Chamriya: That would be profitability margin, correct for Quarter 1? That would be profitability margin, correct?

Kalpesh Dedhia: Yes.

Disha Chamriya: Okay.

Moderator: Thank you so much, sir. Thank you. The next question is from the line of Niraj Mansingka from Whitepine Investment Management. Please proceed.

Niraj Mansingka: Thank you. Sir, if I just assume that 10% growth. So, the basic question is, with class 2, 3, 4 and 6, that has been changed? And new demand coming in, why do you expect only 10% growth this year? It should be higher. Or is it just a subject, few subject changes which have happened?

Sunil Gala: No. So, 2, 3, 4, 6 in Maharashtra and few subjects in Gujarat. Now, traditionally 2, 3, 4, 6 contributes around 20% of our total Publication revenue. It does not contribute more. Higher the standard, the percentages are higher. And because of that 20% growth where we are expecting at least 50% growth in these standards, and therefore we are speaking about 10%. But if you see overall for next 3-4 years, then it will be higher.

Niraj Mansingka: Okay. So, if I assume full year for 10% growth, revenues for Publication in the remaining 9 months is close to 27% so that would be the right way to look at, right?

Sunil Gala: Yes, please.

Niraj Mansingka: And most of the revenue would come in Q2 because of the feedback from the school and your recommendation only starting after the school starts.

Sunil Gala: Yes, please.

Niraj Mansingka: So, in terms of that, won't we see a very large revenue growth in the entire Q2 itself?

Sunil Gala: Yes, that should happen. That will happen rather. In Q2 itself, we will see larger revenue growth in Publications.

Niraj Mansingka: Yes, but sir, you just mentioned that it is only Rs. 130 crores. I thought the number should be much larger than Rs. 130 crores. Because if schools have started recommending about your books after school starts, then the school started in the month of June. So, ideally your July should be a very good year for July and August.

Sunil Gala: No, I understand. But finally, what we have been selling every year, we have to see growth in that particular grade only. And whatever degrowth that we have had in the 1st Quarter, so we will recoup that plus the growth of the numbers that I just started or tried explaining with the first speaker. So, overall, around Rs. 45 crores – Rs. 50 crores additional revenue should come compared to Q2'26.

Niraj Mansingka: Got it. And sir, the return books will also be lower in Q2. So, your margin should be higher or it should be flattish?

Sunil Gala: Margin would be higher than Q1 because the 1st Quarter always, overall the top line is quite heavy 1st Quarter. Whereas all our fixed and semi-fixed expenses remain the same every month. Therefore, margin gets reduced in the subsequent quarters. Therefore, margin-wise it will not be better than Q1.

Niraj Mansingka: So, you are asking us for Q2'FY27 margins over Q2'FY26 year-on-year?

Sunil Gala: Yes, of course, it will be better, much better.

Niraj Mansingka: And sir, last question. In the US, is there any visibility of offtake? I know you said that the orders are not so great. But is there any visibility of orders on the new products that you might be pitching in the past?

Sunil Gala: There is visibility, but that product range will not really throw us a big, large volume. And normally, whenever we introduce new categories, we also do not plan our manufacturing facilities at a bigger level. So, which we try to grow on a regular basis. So, there is an acceptance of the new category, but the volumes will not be that large that it will show much better growth for that category in one year.

Niraj Mansingka: Okay, I got it. Thank you. I will be back in the queue.

Moderator: Thank you. The next question is from the line of Arihant from Bowhead. Please proceed.

Arihant: Yes, thanks. Sir, just wanted to understand, like in the Q4 call, you had mentioned high single-digit growth in Export Stationery. But like right now you are saying (-5%). So, wanted to know what are the additional changes that happened or what contributed between that period, end of May till today, that caused us to change the guidance majorly. And any expectations for next year, like from what conversation you are having with the exporters, what can we expect next year, the Export Stationery growth?

Sunil Gala: So, Arihant, as we all know, post my May call, again there were various disruptions and uncertainty again emerged in the Gulf. And because of that, the main affected country, I would say, apart from Iran, is US. And therefore, so many dynamics have changed in this period with newer and newer decisions coming in regularly.

That really disturbs the business community. And therefore, the quantity that we were expecting from our customers did not come through. Now, as I said, these were all external factors which we had no control over. And therefore, change in my statement in the current year. Now, because season has gone, there also it is back-to-school season, where before the month of August, each and every material should reach there. That did not happen. Now, that we can't bring back, that business we can't bring back. And therefore, my new guidance of (-5%). We are very hopeful when first reduction in tariffs came in. But thereafter, so many new challenges came in that orders did not come through.

Arihant: Can you quantify around like what back-to-school orders sales we had lost because of the disruptions?

Sunil Gala: School order?

Arihant: Back-to-school order which we lost because of the disruptions.

Sunil Gala: Yes. So, it is very difficult to quantify. There are so many SKUs and so many subcategories that are very difficult to quantify. But overall sentiment wise, because of higher inflation in the U.S. and this disruption during the month of April, May, June. The business sentiment wise, we did not receive the orders expected from our customers.

Arihant: Okay. Got it, sir. Thank you.

Moderator: Thank you. Ladies and gentlemen, that was the last question for today. I now hand over the conference to Mr. Sunil Gala – Managing Director of Navneet Education Limited for closing comments. Over to you, sir.

Sunil Gala: Thank you once again to all of you. I hope I have been able to answer your questions. And in any case, as usual, you can contact our IR directly also for any of the questions. We will be happy to answer that. Once again, thank you, everyone.

Moderator: Thank you. On behalf of Navneet Education Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.