



LEADING THE EDUCATION REVOLUTION IN INDIA



Welcome to the
1st Analyst Meet at
Trident Hotel, BKC,
Mumbai
17th July 2018

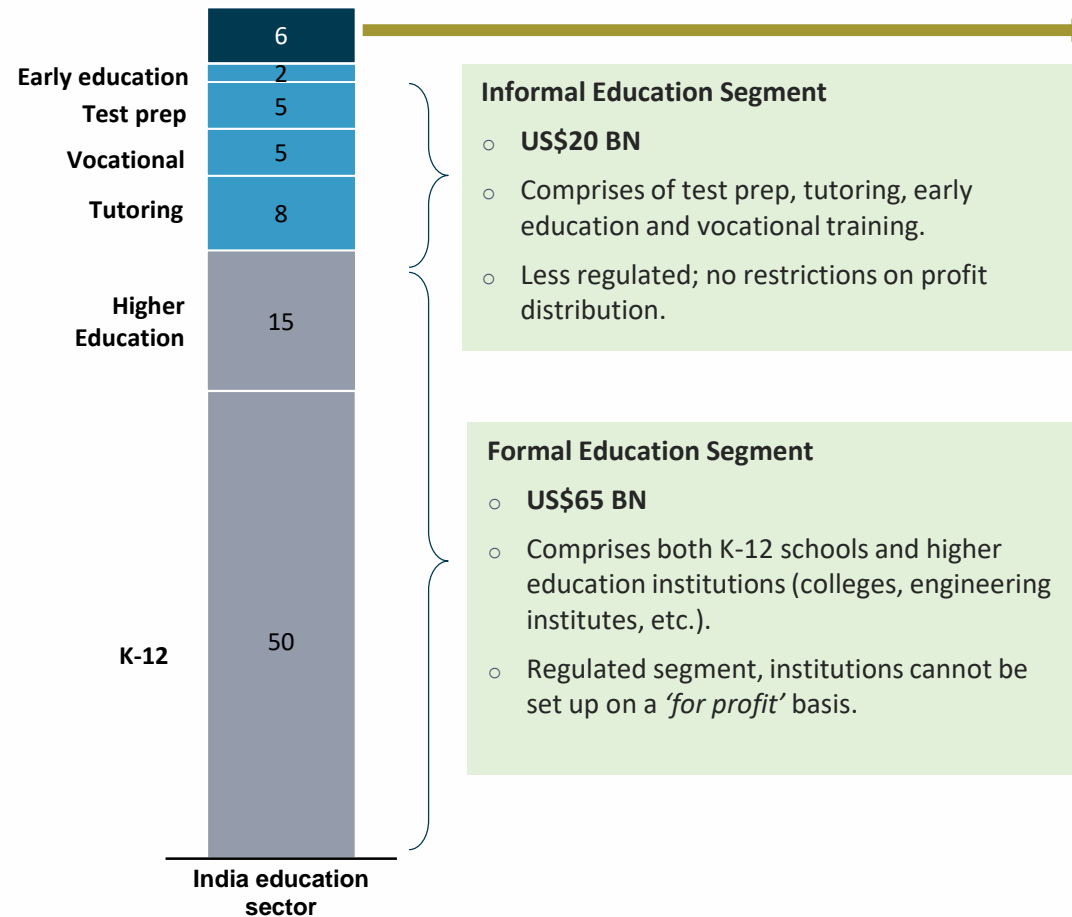
Agenda for the Evening

1. Welcome , Key Management Introduction
2. S. Chand Group Corporate Video
3. Strategy & Business – Mr. Himanshu Gupta (MD)
4. Future of Education- Mr. Ashish Gupta - (Head Business Development & New Digital Initiatives)
5. Financial Highlights – Mr. Saurabh Mittal, CFO
6. Q & A Session
7. Vote of Thanks – Mr. Dinesh Kumar Jhunjhnuwala, ED

Strategy & Business

Mr. Himanshu Gupta - Managing Director

US\$90 BN Market Size for the Indian Education Sector

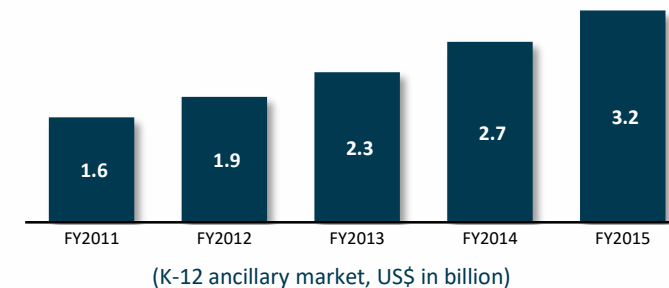


(Source: Technopak Research Report. Technopak Outlook on India's Schooling Segment June 2017. Nielsen: India Book Market Report 2015)

US\$6 BN Ancillary Education Segment

S. Chand operates in this segment (K-12/ Higher Education content).

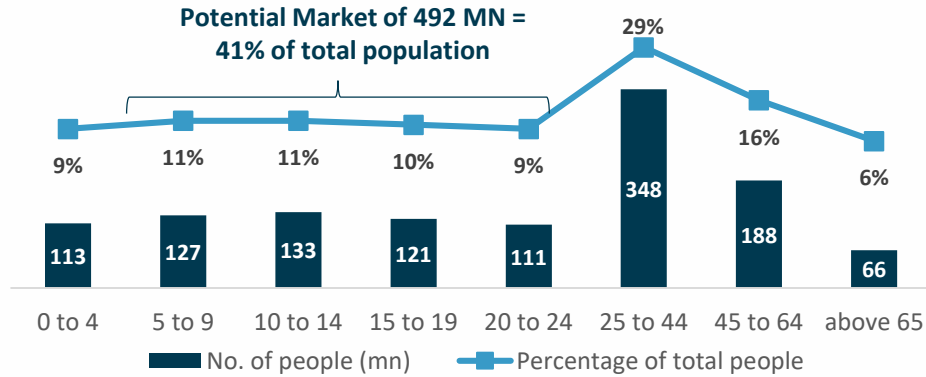
- Supports formal and informal education segments.
 - Comprises of content, digital content & services like curriculum management.
 - Mostly caters to K-12 & higher education institutions.
- Less regulated; no restrictions on profit distribution.
- K-12 ancillary market is a fast growing segment.



- Robust growth drivers.
 - Eligible K-12 population of about 296 MN students in age group 6 to 17 years.
 - Private unaided schools increased at average rate of 10.4% during 2011-15.
 - India has largest education system in the world with over 750 Universities & 35,000 colleges.
- Highly fragmented segment providing room for growth.

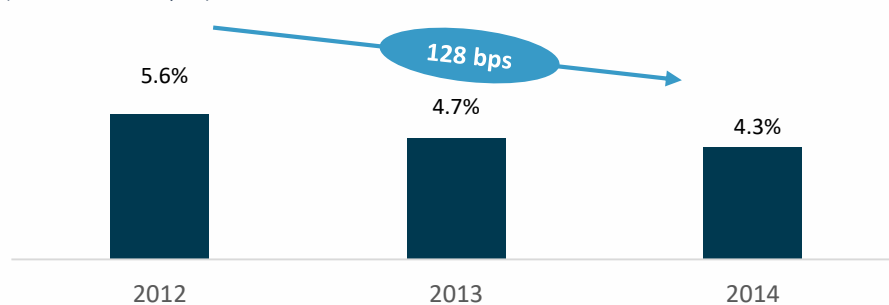
Age-wise population distribution in India : S. Chand target market

(Source: IBEF Report)



Decrease in drop-out rates for primary education in India

(Source: Nielsen Report)



Literacy rate improving with higher participation from students

(Source: Technopak's Outlook on India Schooling Segment)

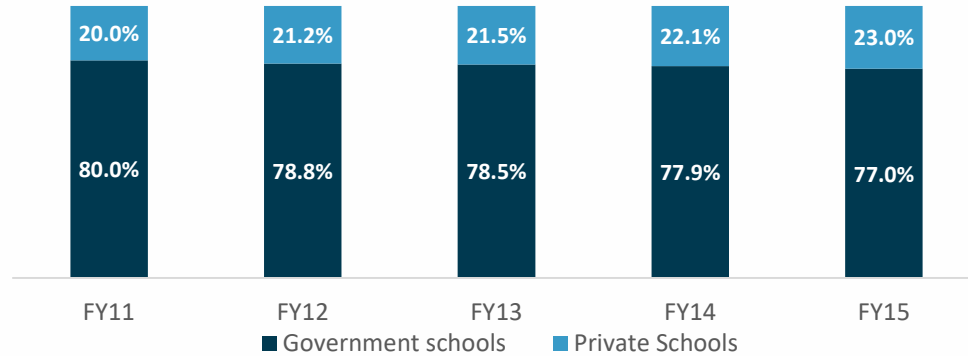
| Level of Education | Estimated Population | | | |
|----------------------------------|----------------------|-------------|-------------|-------------|
| | % 2017 (MN) | % 2022 (MN) | % 2017 (MN) | % 2022 (MN) |
| Illiterate | 20% | 269 | 18% | 250 |
| Literate but no formal schooling | 2% | 27 | 1% | 14 |
| School - Up to 5th standard | 35% | 471 | 36% | 501 |
| School - Up to 10th standard | 18% | 242 | 18% | 250 |
| School - Up to 12th standard | 11% | 148 | 11% | 153 |
| Some college but not graduate | 5% | 67 | 5% | 70 |
| Graduate | 6% | 81 | 7% | 97 |
| Postgraduate | 3% | 40 | 4% | 56 |
| Literate | 80% | 1076 | 82% | 1141 |
| Total | 100% | 1345 | 100% | 1391 |

S. Chand well positioned to benefit from sector tailwinds

- Gross enrolment ratio and students completing primary & secondary education gradually improving in India.
- Falling dropout rates and increased girls participation led to improvement in literacy rate.
- Government promoting education through various schemes with budgetary support.

Private schools market share increasing every year

(Source: IBEF Report)



CBSE & ICSE increasing faster amongst affiliated board schools

| Board | 2010-11 | 2011-12 | 2012-13 | 2013-14 | 2014-15 | 2015-16 | 2016-17 | CAGR |
|--------------|------------------|------------------|------------------|------------------|------------------|-----------|-----------|-----------|
| CBSE | 11,349 | 12,337 | 13,898 | 14,778 | 15,933 | 17,474 | 19,446 | 9.4% |
| ICSE | 1,461 | 1,565 | 1,678 | 1,798 | 1,927 | 2,181 | 2,295 | 7.8% |
| State Boards | 13,16,401 | 13,63,862 | 14,47,487 | 14,65,871 | 14,60,455 | NA | NA | NA |
| Total | 13,29,211 | 13,77,764 | 14,63,063 | 14,63,447 | 14,78,315 | NA | NA | NA |

(Source : Nielsen Research Report, School Board reports, DISE)

Indian K-12 education infrastructure

(Source: Technopak's Outlook on India's Schooling Segment)

| | |
|---|-----------------|
| Number of Schools: 1.5 MN | |
| Government: 1.1 MN | Private: 0.4 MN |
| Number of Students: 260 MN | |
| Government: 150 MN | Private: 110 MN |
| No. of Teachers: 9 MN | |
| Government: 5 MN | Private: 4 MN |
| Annual Intake: 18 MN | |
| Government: 10 MN | Private: 8 MN |
| Additional Capacity Required: 36 MN | |
| Additional Requirement of Teachers: 2 MN | |
| Additional Resources: USD 55 BN | |

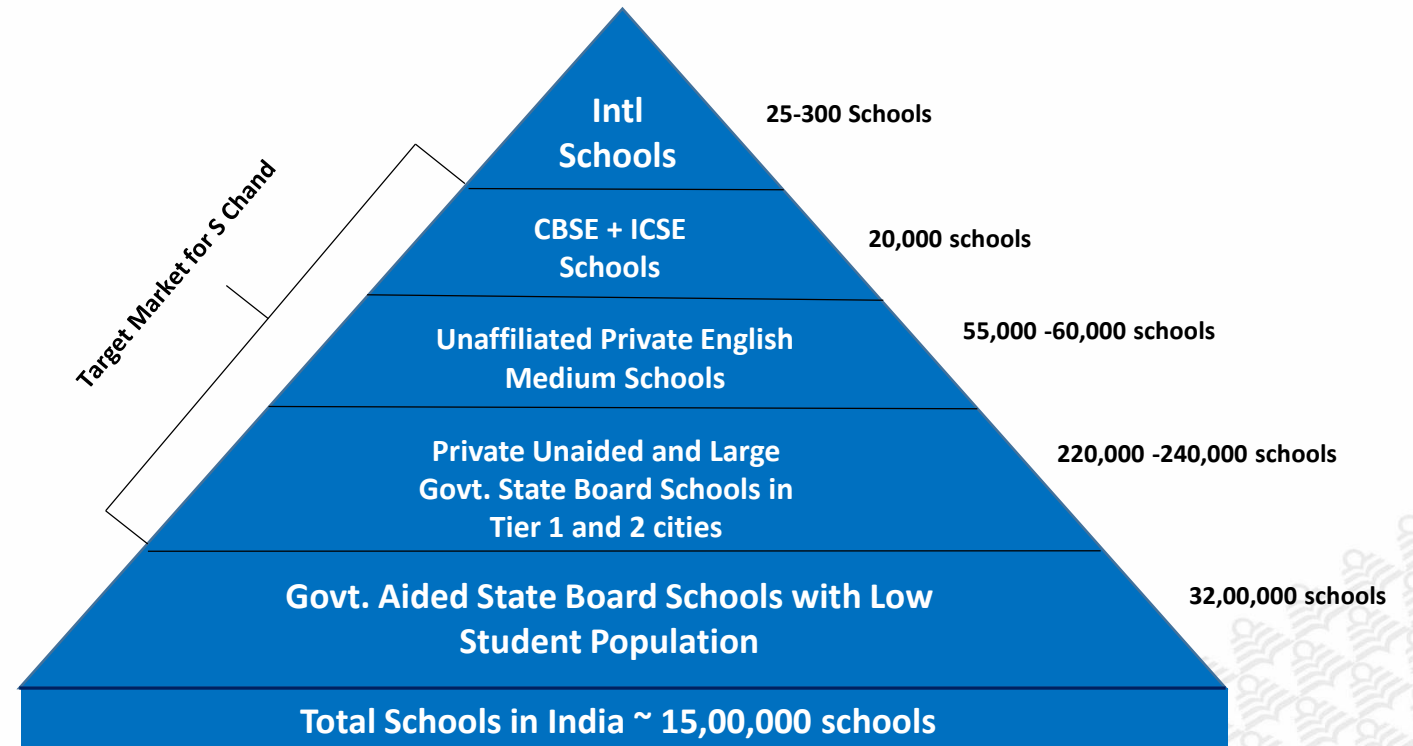
Preference towards private schools continue to rise

- Student share of private schools increasing consistently despite subsidised fees and free meals/ books in government schools.
- Government schools losing favour even amongst the rural and not so affluent population.
- CBSE and ICSE schools are preferred for their superior curriculum and better pedagogy.
- S. Chand is a key beneficiary of increasing number of CBSE and ICSE schools, being the leading content provider to such schools amongst the private publishers.

PREFERENCE TOWARDS PRIVATE, CENTRAL CURRICULUM SCHOOLS

Target Market is 3,00,000 schools – growing at 8-10 % annually and student strength growing at 7-8%

- Currently covering 38,000 schools in the target market
- Target market growing at 8-10% annually in the no. of schools
- Total student strength in India is est. 260 million
- Students strength in the target market is est. 120 million and growing at 7-8 annually.



INDIA EXPECTED TO FOLLOW CHINA TREND IN EDUCATION

CHINA 2006

- GDP per capita US\$ 2,100.
- Private education market < US\$ 50 Billion*.

INDIA 2017

- GDP per capita US\$ 1,940
- K-12 market growing at ~ 20%.
- Private education market ~ US\$ 30 Billion*.
- Education market expected to double to US\$ 180 Billion by 2020.



230 MN

Student Population

315 MN



CHINA 2017

- GDP per capital US\$ 8,836
- K-12 market doubled in last 5 years.
- Private education market at US\$ 260 Billion, expected to touch US\$ 330 Billion by 2020.
- Largest global educational companies in book publishing, digital and vocational learning. (TAL - \$ 21B, New Oriental - \$ 15B, China South Publishing – \$ 4 B).



INDIA 2025

- GDP per capita expected ~ US\$ 3,600**.
- Over 50% students expected to enroll in private schools.
- Emergence of private education market led by K-12 segment.
- Billion dollar enterprises in education industry.



* Industry estimates. ** Per market estimates of GDP being US\$ 5 trillion by 2025.

Delivering content, services and solutions...

...across the education continuum

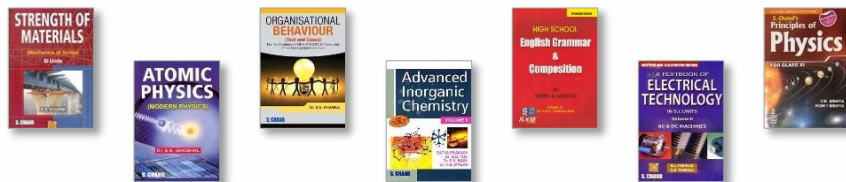
- Offerings spanning entire the education spectrum
 - Early learning
 - K-12
 - Higher education



...with Pan India reach

- Pan-India sales and distribution network driving deep market reach.
- Presence in Central (CBSE, ICSE) and State Board affiliated schools across India.

Strong content, multiple best-sellers.



- Long operating history of over seven decades.
- High brand equity across multiple brands.
- Strong author relationships.
- Keeping pace with time - transition from print into digital content and services.

| | | |
|----------------------------|------------------------|------------------------------------|
| 75+ | 10,000+ | 53 MN |
| Years of operating history | Active book titles | Books sold in FY2018 |
| ~ 2,443 | 29% | 90 TPD |
| Author relationships | Revenue CAGR FY2012-18 | Print Capacity in number of sheets |

Portfolio of brands focused on print / digital content.



Principals

- [Mr. Harish Luharuka, Director – Academics Universal Group, Mumbai](#)
- [Ms. Sunita Gandhi, Founder & Chief Academic Advisor, City Montessori School, Lucknow](#)

Channel Partner

- [Malik Books, Delhi](#)

BUSINESS SEGMENTS



K-12

Higher Education

Early Learning

Revenue contribution

80% of FY2018 revenues
40% revenue CAGR (2012-2018)

18% of FY2018 revenues
9% revenue CAGR (2012-2018)

2% of FY2018 revenues

Target Segment

School students (4 -18 years)

Test prep (>18 years)
College students / professionals

Children (2-5 Years)

Description/ Highlights

- Schools affiliated to Central / State Board.
- Offers print content (books) and digital / hybrid content and solutions.
- Largest K-12 content player in India. Dominant presence in Central Board affiliated schools and increasing presence in State Board affiliated schools.

- Colleges and universities (arts, science & commerce degrees).
- Test prep for competitive exams (engineering, government jobs).
- Offers books, e-books, web and mobile delivery of content.

- STEM based learning.
- Children books, educative games, activity based modules (experiential learning).
- Also operates 6 pre-schools under 'RiseKids' brand.

Strategy

- Consolidate leadership position in Central schools as preferred content partner.
- Increase presence in large regional markets.

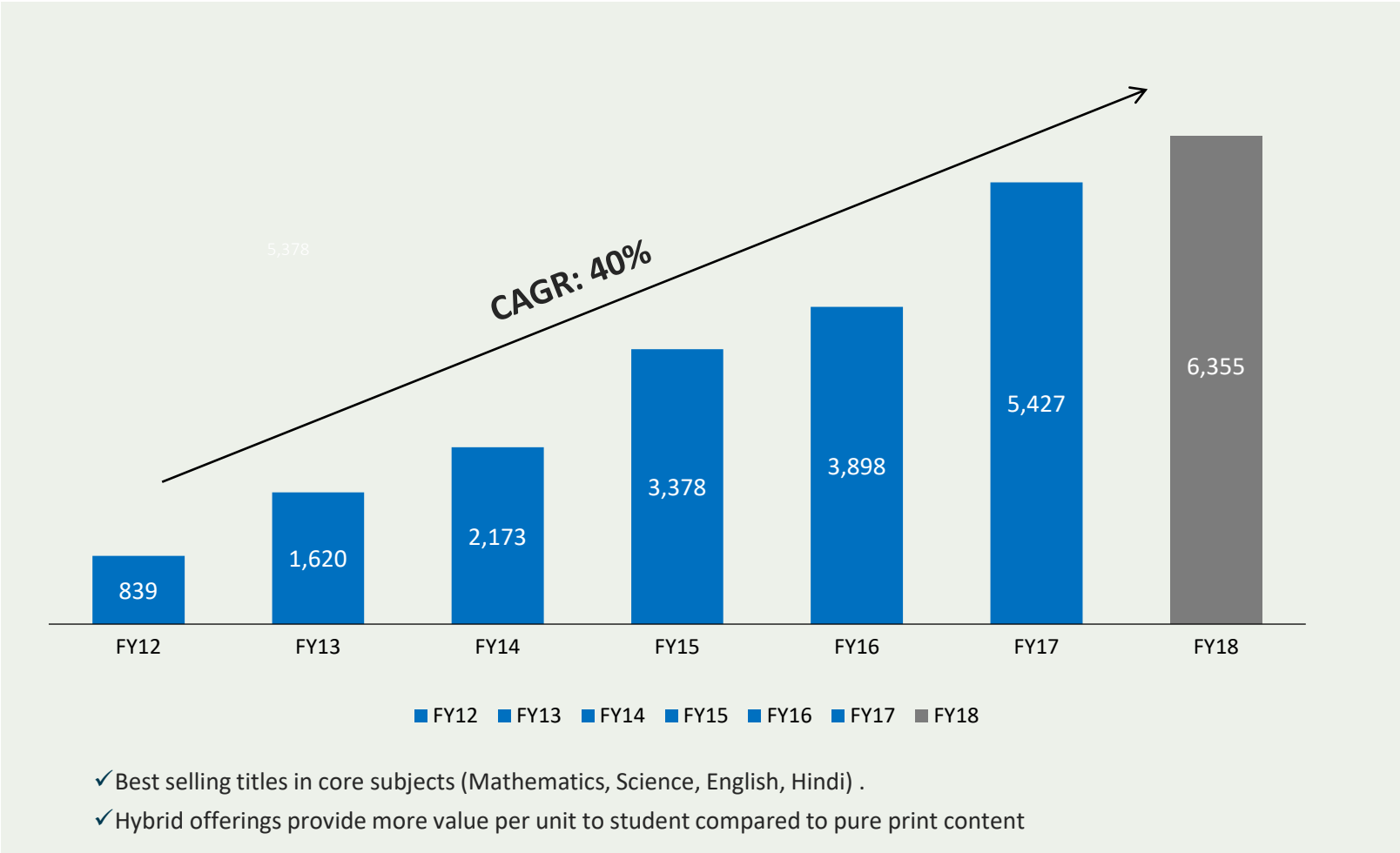
- Exam oriented content for test preparation.
- Institutional partnerships.

- Focus on digital to expand reach and product offering.
- Complete presence across student lifecycle.

Brands



GROWTH ANCHORED BY LEADERSHIP IN K-12 SEGMENT



Growth Strategy

- ❖ Consolidated leadership in CBSE/ ICSE schools as preferred content provider.
- ✓ More offerings in K-12 through multiple brands.
- ✓ Curriculum management.
- ❖ Geographical diversification in large regional markets/ state board schools.
- ✓ Acquisitions/ Joint Ventures.
- ❖ Higher share of education spend with enhanced content offerings.
- ✓ Digital/ hybrid offerings.
- ❖ Continuous content development

Connecting with Learners

- Art of Book making tour of the Printing Facilities
- Mystudygear App
- Social Media

Connecting with Teachers with

- Teacher Conclaves and Awards
- Over 2000 Workshops
- The Progressive Teacher magazine

Connecting with School Leadership

- Best Practices in Education Tour to Finland
- The Progressive School magazine

Connecting with Channel Partners

- Dealer Meets , Events and Awards
- Monthly mailer "Sampark"

Increasing Brand presence

- Brand Ambassador
- Strategic Advertising



1 Maintain Leadership

- Continue to dominate share of K-12 content market (CBSE/ICSE/WBB).
- Improve share of wallet & student reach.
- Cover 100,000 schools by FY 2023 from current reach of 40,000+ schools.



2

Leverage Reach & Expand

- Expand into regional markets through strategic alliances/ acquisitions.
- "Phygital" to broaden reach and improve outcome.
- Expand digital & service offerings to new geographies and segments.

3

Be Future Ready

- Smart books for the mobile generation.
- Education streaming for learners.
- Activity based learning tools (STEM).



Smartivity

testbook

myestone
Runway to Future

STRATEGIC ALLIANCES / ACQUISITIONS

- Strengthen penetration in the CBSE, ICSE Schools and expand into regional markets.
- Made multiple successful acquisitions in the past, integrating companies with S. Chand Group philosophy
- Alliances with HMH (USA) , Sigong Media (S. Korea), Robosoft
- Acquisitions made by the Group in the recent past:



Driver for acquisition

Complemented S. Chand portfolio of books specially Hindi, Commerce , Management , Distance Learning Program



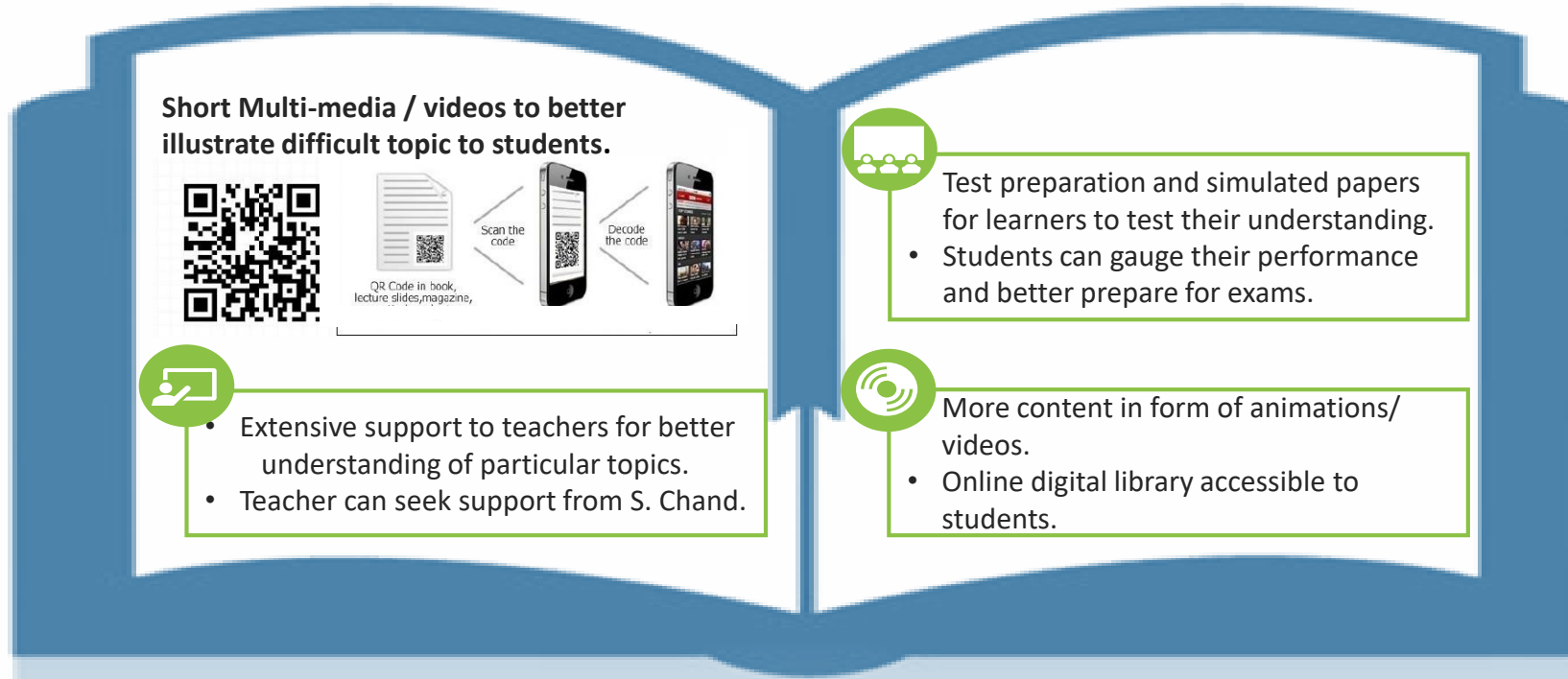
Driver for acquisition

Complemented S. Chand portfolio of books specially Sanskrit, French , Art & Craft , Physical Education , Regional Languages



Driver for acquisition

Expansion in Regional Market of West Bengal, State Board, Supplementary and text book business



Hybrid Offerings through e-books, QR Codes, mystudygear etc.

- Complements existing books / content, not a compete / alternative.
- Not an independent revenue stream but acts as a sales multiplier of the books relative to the books from unorganized players.
- Price of the book includes cost of digital access / content. Incremental Revenue ~ ₹600 million (FY18)

In-House (Revenue Stream)



- Offerings include **digital classroom learning solutions, learning management systems and curriculum management** which contribute to the revenue streams in the business.
- Approximated Investments ₹976 million.

Digital Investments (Inorganic)



- Focused on investing in **early stage digital companies**.
- Total investments in digital investee companies is **~Rs.304 mn.**
- Currently, Investment portfolio commands a valuation of around 2X as per the latest funding rounds for respective companies.
- Focus is on **establishing synergies with core business** along with investment returns.

Future of Education

Mr. Ashish Gupta - Head Business Development & New
Digital Initiatives

**Welcome to the Future
of Education**

New Business Initiatives



Jobs of the Future

What careers can we expect in years to come?

As a kid, what did you want to be when you grew up? A lawyer, doctor or possibly a teacher? In the future, a whole new catalogue of careers will be created as the relationship between man and technology continues to evolve.

The children of today will be a generation working in an entirely different landscape of Drone Managers, Space Miners and Social Media Lawyers. Check out a number of jobs below that will exist in a technological harmonious future.



Pharmer

Farmers will use technology to carefully raise engineered crops. The future of farming is also set to become vertical as creating these spaces in urban areas will help boost food supply.



Self-Driving Car Mechanic

As the direction of travelling in the future becomes more about self-driving cars, these vehicles will not be self-fixing. The mechanic of the future needs to be comprehensive in technology too.



Space Miner

Fossil fuels and other rare elements are running out and will eventually cease to exist on our planet. In the future we may need to use space miners to retrieve rare Earth elements from the Moon or asteroids.



Space Tourism Guide

Voyages into space are beginning to take off with the appearance of Virgin Galactic. Commercial flights to space will become the next top holiday destination.



Drone Manager

In the future, a specialist will be trained to organise, maintain and direct a fleet of drones.



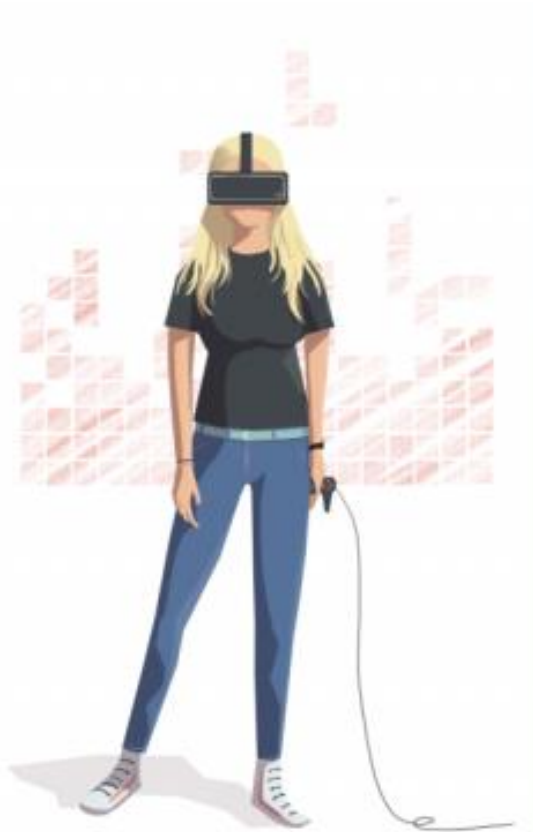
Neuro Enhancer

Much like the film and TV series Limitless, in the future Neuro Enhancers will be working on creating medicines that help to boost brain activity.



Time Broker

In the future, time banking assumes time is more valuable than money. We will be able to deposit our time for completing tasks to get rewards in return. This is great for freelancers as they will make up 40% of the workforce by 2020.



eSport Athlete

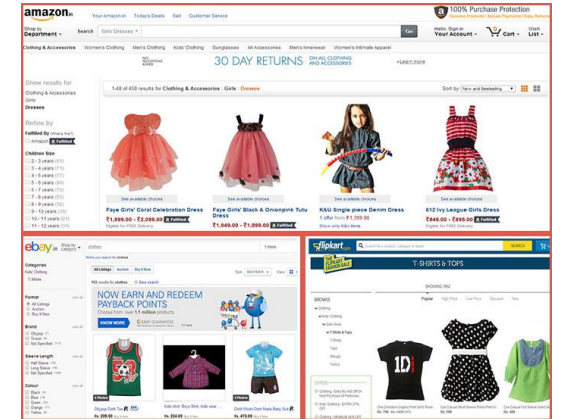
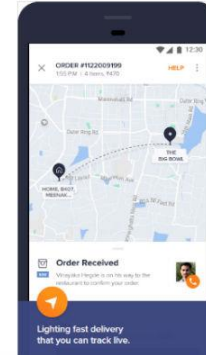
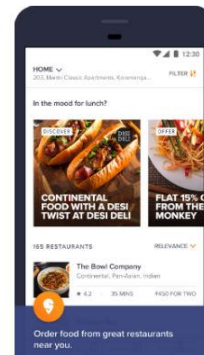
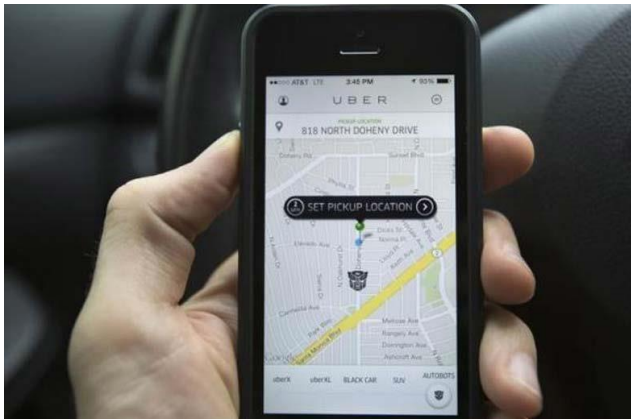
Players are signed to world clubs, and traditional sports are looking to eSports for the next generation of athletes.



Virtual Teacher

In the future, teaching will be less about the bricks and mortar school building and will focus more on online classrooms and lessons.

Seems Unreal ?



The Journey to tomorrow

Early Learning

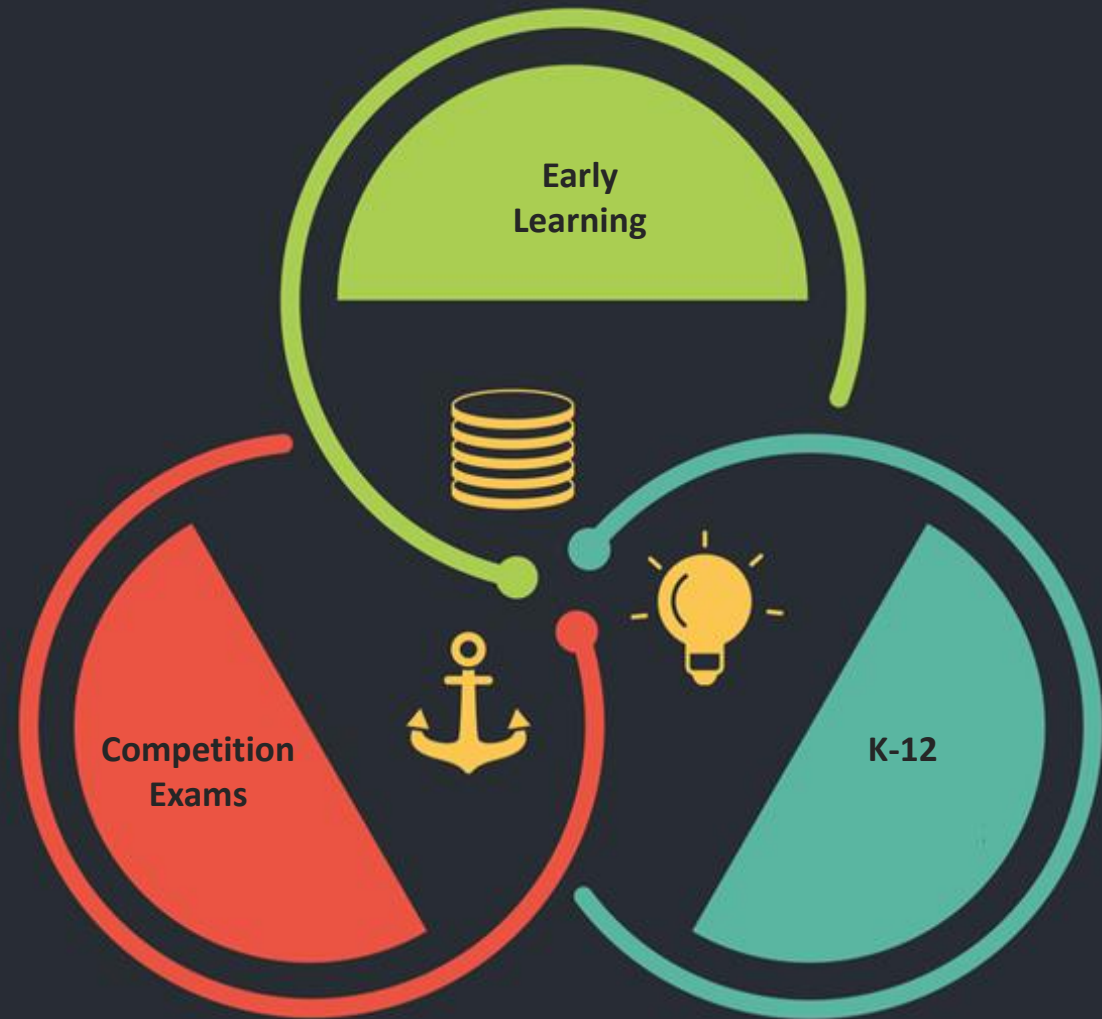
Revolutionize Early Learning by providing “ Pre School in a Box” – an integrated program with Material, Digital Content And activities

K-12

- India’s leading Virtual Reality content provider linked to curriculum
- India’s first integrated content consumption platform

Competition Exams

Launch India’s first Phygital book – physical book with power of Smartphone



Vision : Pre School in a Box

smartK

NCERT Based Early
Learning Curriculum

4 hours / day
20 days / month
10 themes

Ages : 3+, 4+



Nuri Nori

International digital and activity
based early learning program

~30 Min / day
20 days / month
10 Themes

Ages : 3+,4+



The Journey to tomorrow

Early Learning

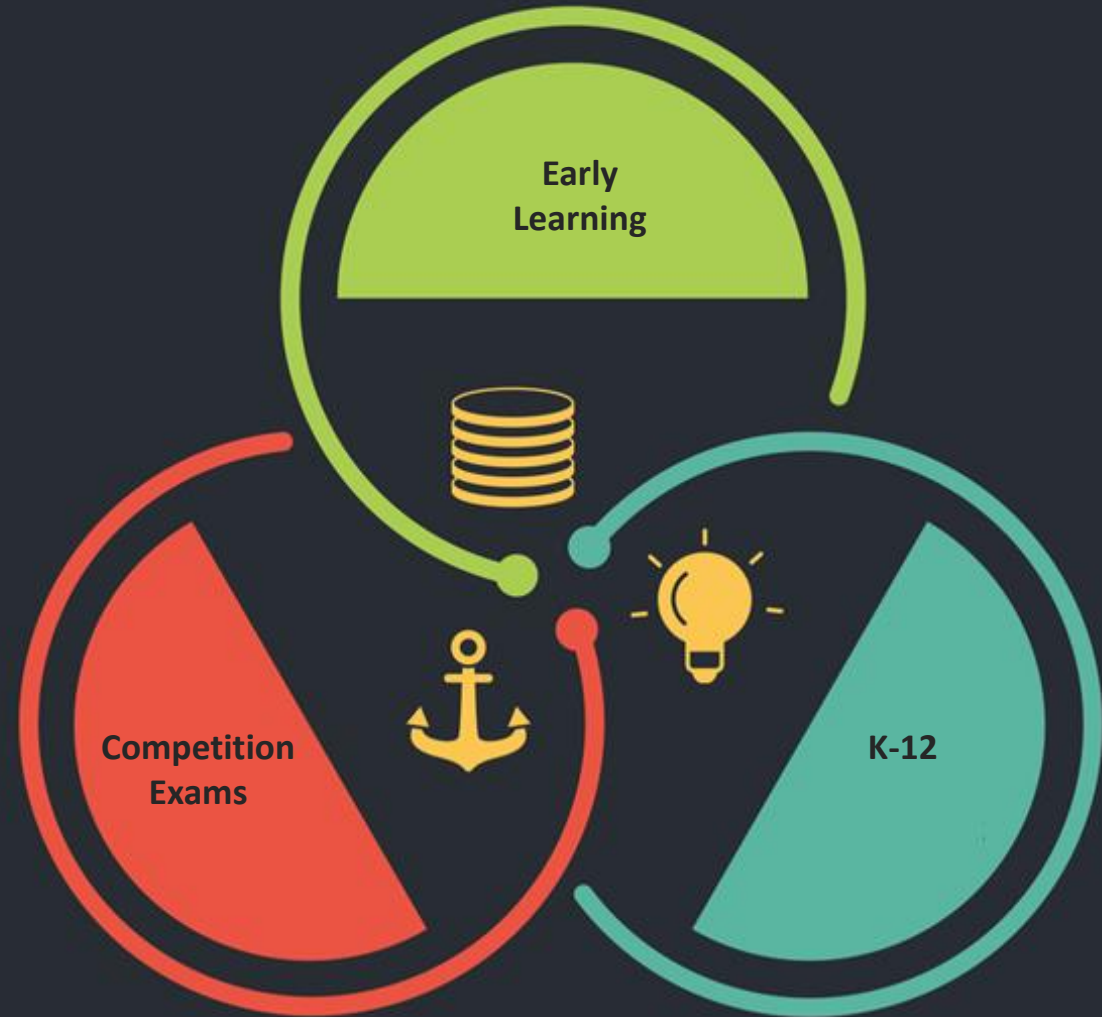
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The background is a solid orange color with a repeating pattern of white line-art icons representing various scientific fields: physics (atom, lightbulb, magnifying glass), chemistry (flasks, test tubes, beaker, chemical structures), and biology (microscope, cell, DNA helix).

THE FUTURE OF EDUCATION

VIRTUAL REALITY EXPERIENCES

Physics | Chemistry | Biology

[EXPLORE THE VR LESSON](#)

Virtual Reality 'Class Kits' Expected to Gain Foothold in U.S. Schools

Edweek, Jan 2018

1. The next wave of technology adoption in U.S. schools will be virtual reality “class kits,”
2. More than 15 percent of U.S. schools are forecast to have a VR class kit by 2021
3. More than 70 million K-12 students are expected to have a VR experience in school in 2021
4. China’s K-12 market is also expected to see significant VR adoption in the mid- to long-term

“We do think [VR] creates opportunities for publishers to differentiate content through VR,” as Pearson is doing in higher education. Simulations are one way to use the technology, giving students a “virtual lab” experience, for instance.

NetDragon, based in China, has increased its education portfolio with the acquisition of [JumpStart](#) and [Promethean](#)- They have a lot of investment in VR.

Vision : India's largest VR library based on curriculum

| | 2018 | 2019 | 2020 | 2021 |
|--------------|-------|----------|------------------------|-------|
| Class | 9,10 | 6,7,8 | 3,4,5 | 11,12 |
| Go to Market | Book+ | Book+B2C | Book+B2C+International | |



Speed, Velocity, Acceleration



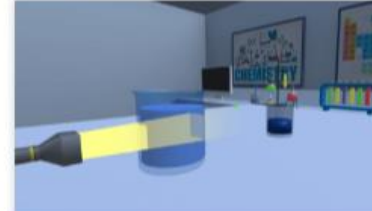
Force and Laws of Motion



Solar System and Kepler's Law



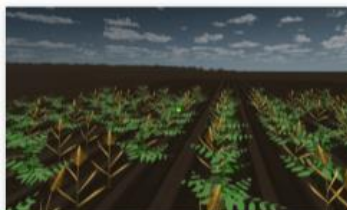
Diffusion in Solids, Liquids, and Gases



Solutions, Suspension, Colloids



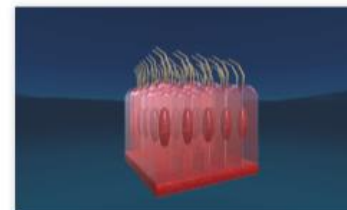
Structure of Molecules



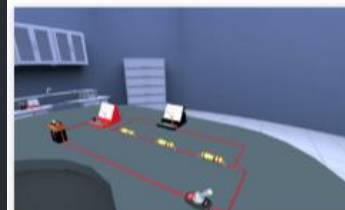
Cropping Patterns.



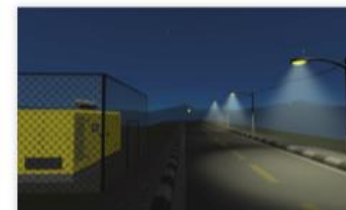
Cell Structure



Animal Tissues Types



Electricity - Resistors (Series and Parallel)



Motor, Generator



Sources of Energy - Wind Energy and Solar Energy

**IED(Integrated
Education Destination)**

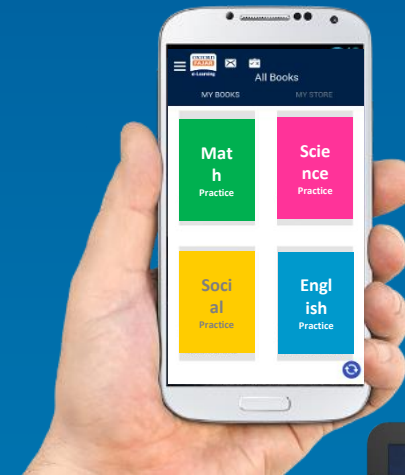
NextGen Digital Solution!

IED

Single Learning Destination
Aligned to School Curriculum

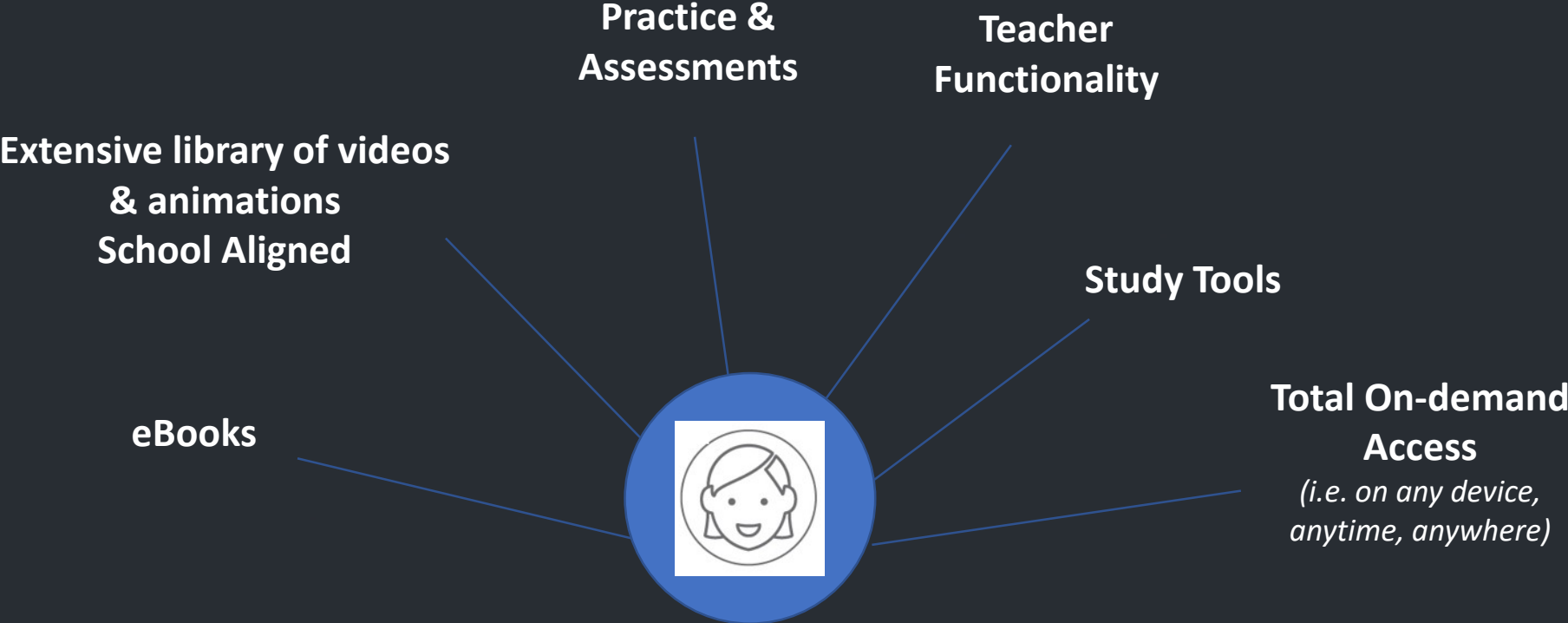
App for “All the Learning Needs” of a student

Can be accessed by
student on ANY
device!



The “Netflix” of Education

Subscription based access to unlimited content



Potential to disrupt the market

IED offering is significantly differentiated and compelling offering

1. On demand access to unlimited content
2. Go-To-Market – through partner schools & book bundling and free app upgradation
3. Access to ebooks of Group companies
4. Role for teachers
 1. Automated homework process
 2. Assessments
 3. Tracking
5. Comprehensive Analytics

Go to Market : Leverage our captive base

Print Books

5 Cr

- Ad and bundling in print books urging the students to download Edflix app

DS Digital Schools

1000+

- Start with tapping Schools with greater than 2000 per month School Fee

Milestone Students

50,000+

- Incremental INR 1000 from students opting for Edflix

myStudygear Active Users

5 lac + downloads

- Upgrading the free myStudygear users to paid users

The Journey to tomorrow

Early Learning

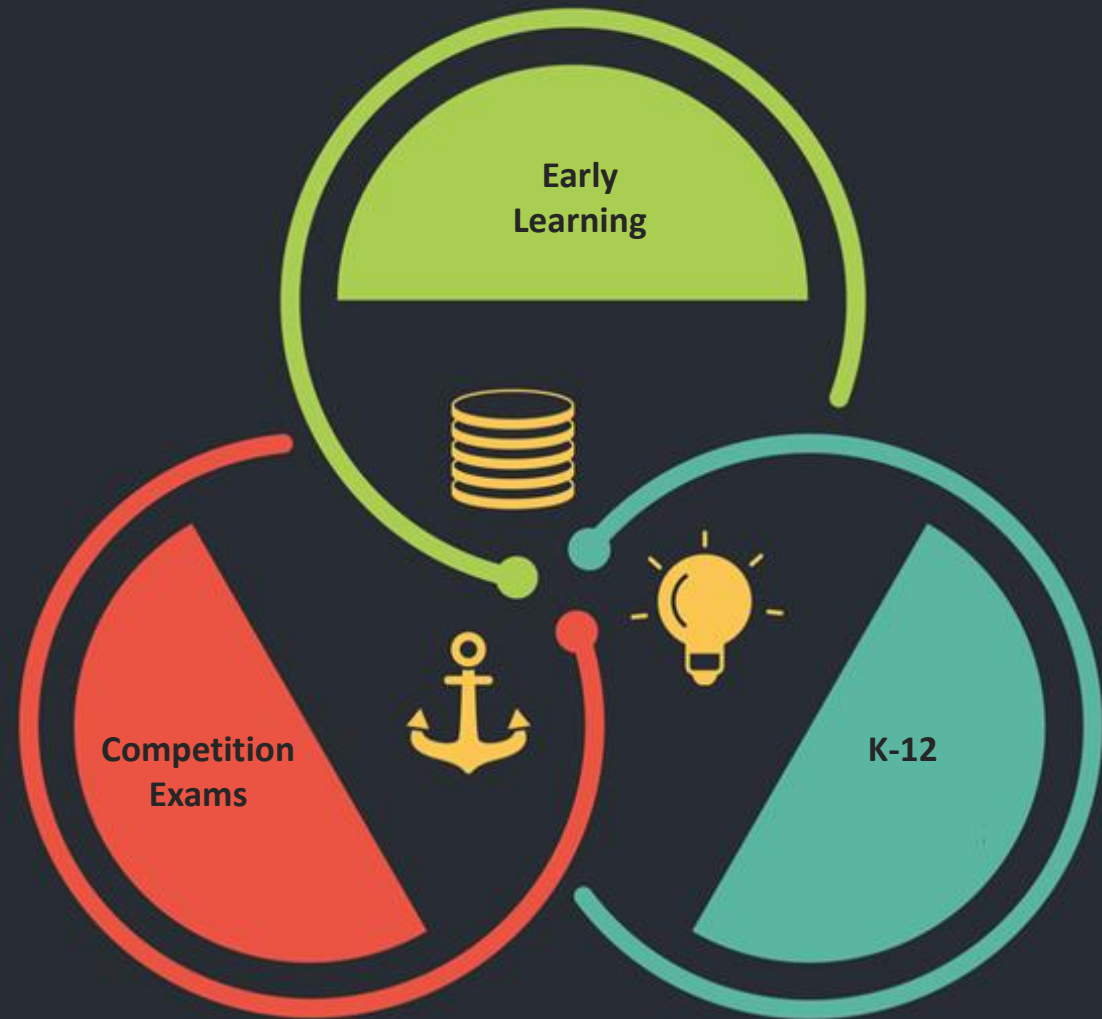
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Competition Exams

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Competition Exam : Market Right for Disruption

Practice Test / Mock Test : 2 Cr + Units per Year

Read Questions on Books

(2) 1103/(Set : A)

- उत्तर-पुस्तिका के बीच में खाली पन्ना/पन्ने न छोड़ें।
Don't leave blank page/pages in your answer-book.
- उत्तर-पुस्तिका के अतिरिक्त कोई अन्य शीट नहीं मिलेगी। अतः आवश्यकतानुसार ही लिखें और लिखा उत्तर न काटें।
Except answer-book, no extra sheet will be given. Write to the point and do not strike the written answer.
- परीक्षार्थी अपना रोल नं० प्रश्न-पत्र पर अवश्य लिखें।
Candidates must write their Roll Number on the question paper.
- कृपया प्रश्नों का उत्तर देने से पूर्व यह पुनिश्चित कर लें कि प्रश्न-पत्र पूर्ण व सही है, परीक्षा के उपरान्त इस सम्बन्ध में कोई भी धवा स्वीकार नहीं किया जाएगा।
Before answering the question, ensure that you have been supplied the correct and complete question paper, no claim in this regard, will be entertained after examination.

सामान्य निर्देश :

General Instructions :

(i) सभी प्रश्न अनिवार्य हैं।
All questions are compulsory.

(ii) इस प्रश्न-पत्र में कुल 32 प्रश्न हैं, जो कि चार खण्डों : अ, ब, स और द में बाँटे गए हैं।
खण्ड 'अ' : इस खण्ड में 1 से 16 तक कुल 16 प्रश्न हैं, प्रत्येक प्रश्न 1 अंक का है।
खण्ड 'ब' : इस खण्ड में 17 से 21 तक कुल 5 प्रश्न हैं, प्रत्येक प्रश्न 2 अंकों का है।
खण्ड 'स' : इस खण्ड में 22 से 27 तक कुल 6 प्रश्न हैं, प्रत्येक प्रश्न 4 अंकों का है।

1103/(Set : A)

(3) 1103/(Set : A)

खण्ड 'ब' : इस खण्ड में 28 से 32 तक कुल 5 प्रश्न हैं, प्रत्येक प्रश्न 6 अंकों का है।
This question paper consists of 32 questions in all, which are divided into four Sections : A, B, C and D.

Section 'A' : There are 16 questions from 1 to 16, each of 1 mark.
Section 'B' : There are 5 questions from 17 to 21, each of 2 marks.
Section 'C' : There are 6 questions from 22 to 27, each of 4 marks.
Section 'D' : There are 5 questions from 28 to 32, each of 6 marks.

(iii) खण्ड 'द' में कुछ प्रश्नों में आंतरिक विकल्प दिये गये हैं। उनमें से एक प्रश्न को चुनना है।
Section 'D' contains some questions where internal choice have been provided. You have to choose one of them.

खण्ड - अ
SECTION - A

1. $\frac{\tan 64^\circ}{\cot 26^\circ}$ का मान होगा : 1

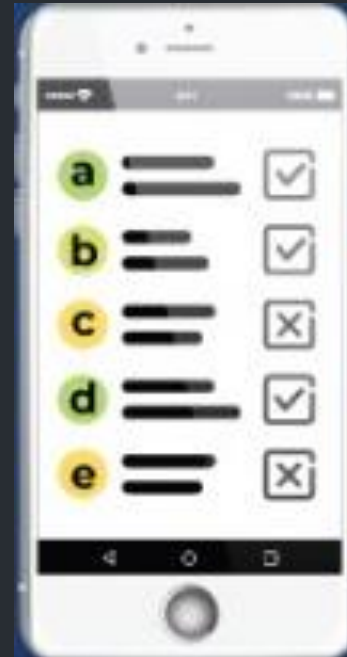
(A) 0 (B) 1
(C) -1 (D) $2 \tan 64^\circ$

The value of $\frac{\tan 64^\circ}{\cot 26^\circ}$ will be :

(A) 0 (B) 1
(C) -1 (D) $2 \tan 64^\circ$

1103/(Set : A) P. T. O.

Answer on the Phone



Real Time Analysis

Detailed Explanation

Instant Score and All India Rank



Test Coach

Mobile Mock Test Series

“ My coach helped me become **Indian Captain**, Test coach can help you **succeed**. ”

Saurav Ganguly
Saurav Ganguly

Test Coach

IBPS Bank PO/MT CWE - VIII



Test Coach

Mobile Mock Test Series

IBPS Bank PO/MT CWE - VIII

Prelims - 2018

Mobile Mock Tests
FIRST TIME IN INDIA

15 Mobile Mock Tests



Read from **BOOK**



Answer on **MOBILE**

- Real time Analysis
- Detailed Explanation
- Get All India Rank

Asset Light Model / Minimal Investments / Collaboration / Quick to Market

Early Learning

1. 10 year exclusive license for India on exclusive basis
2. All content localizations and investments by Sigong Media over last 3 quarters

Virtual Reality

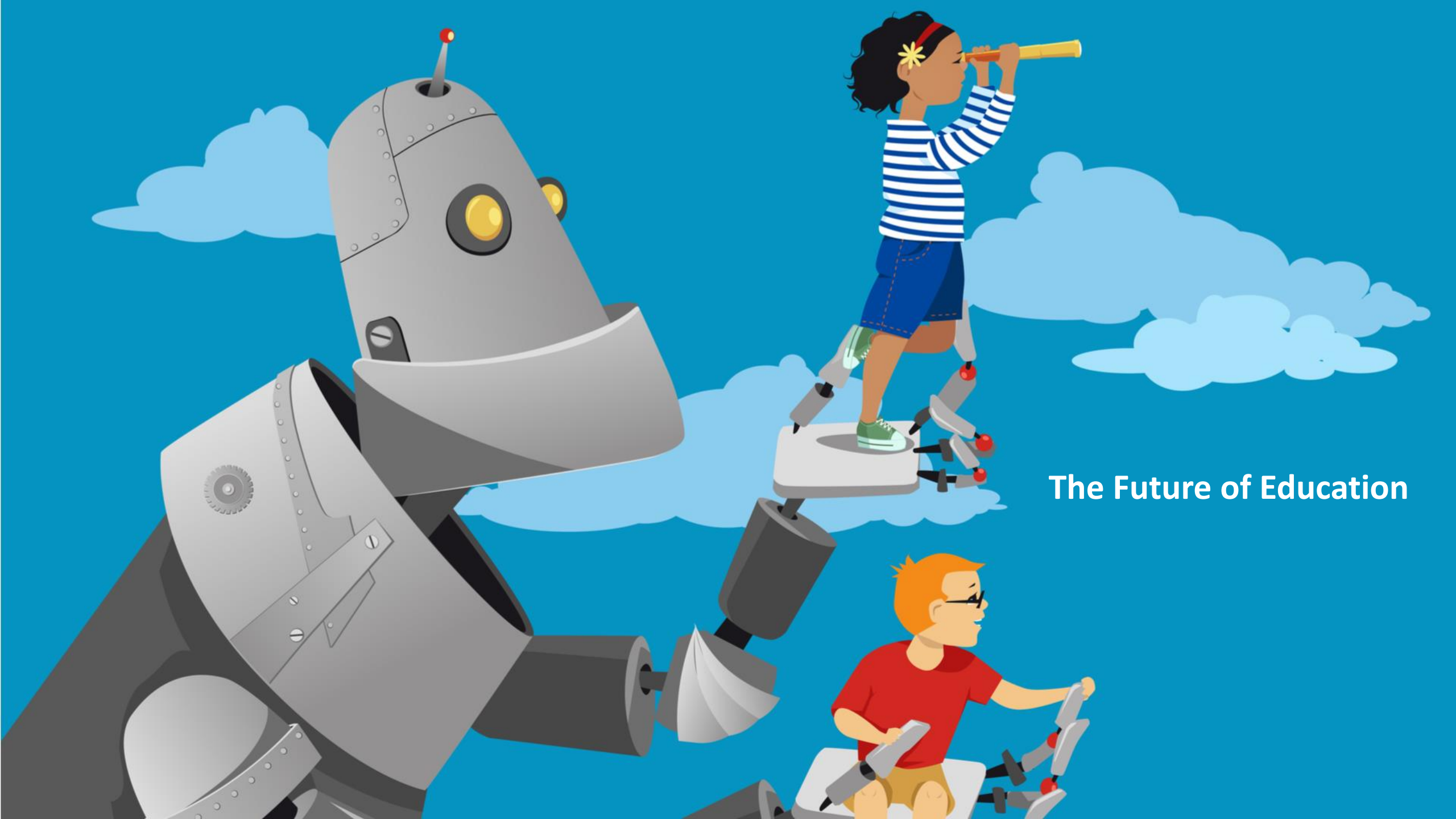
1. No in house team /resources
2. Work on hire project to Smartivity – an IIT alumni start up and an associate company

Test Coach

1. No in house technology team – technology is outsourced
2. A cutting edge test prep team based in a co-working environment ~ average age 27 years

Edflix

1. Leveraging existing content from group companies
2. Platform leveraged from Edutor , an associate company



The Future of Education

Financial Highlights

Mr. Saurabh Mittal - CFO

+ 18% yoy
Revenue growth
FY 2017-18

+ 21% yoy
Ebidta growth
FY 2017-18

+ 73% yoy
PAT growth
FY 2017-18

INR 31.1
Earning Per Share
FY 2017-18

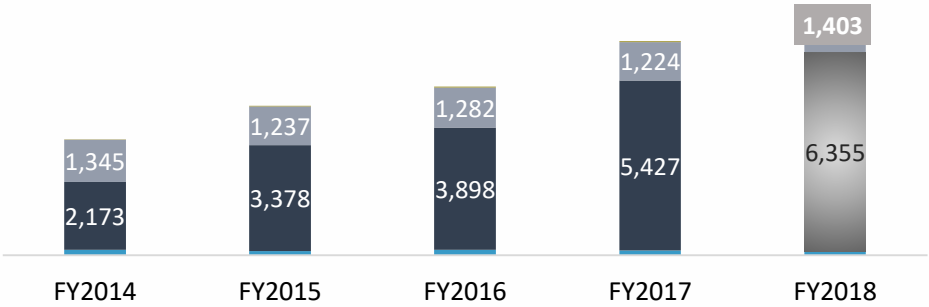
| Summary : Consolidated Figures in INR Mn | FY 2018 Audited | FY 2017 Proforma* | YOY% | FY 2017 Audited |
|---|--------------------|----------------------|------|--------------------|
| Total Revenues | 8,072 | 6,868 | 18% | 6,622 |
| Ebidta | 2,054 | 1,705 | 21% | 1,687 |
| Profit before taxation | 1,622 | 1,081 | 50% | 1,069 |
| Profit after taxation | 1,071 | 619 | 73% | 613 |
| EPS (in INR) | 31.1 | 20.7 | - | 20.5 |

Financial results have been prepared in accordance with IND-AS.

* 2017 Proforma includes consolidation of operational performance of Chhaya for the full year.

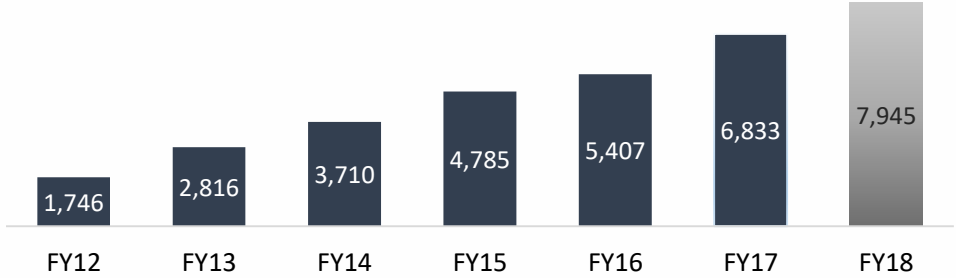
Increasing Contribution of K-12 to Group Revenues.

■ Early learning ■ K12 ■ Higher Education ■ Other Revenue



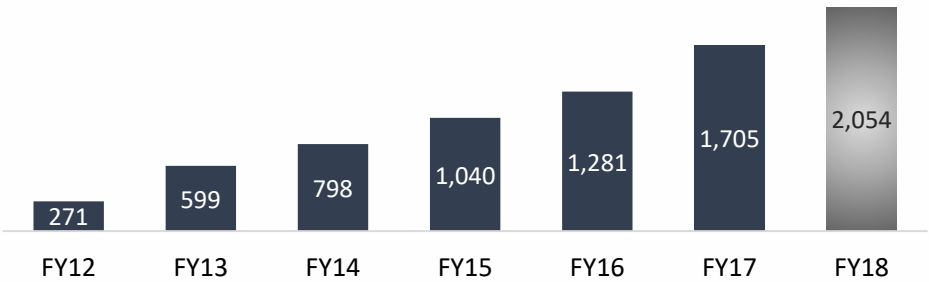
Revenue Growth = Organic Growth + Acquisitions.

6 - Year CAGR : 29%



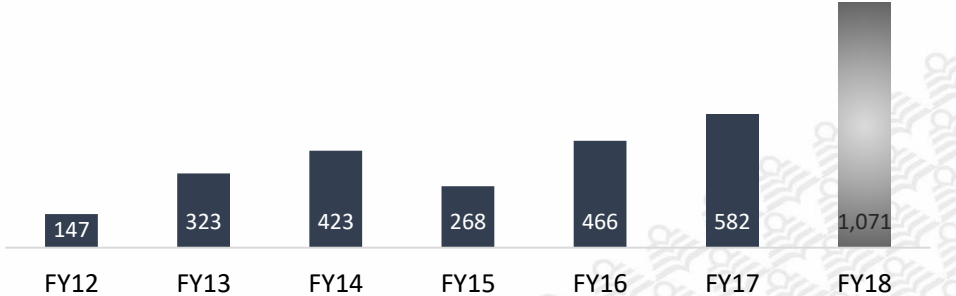
EBIDTA Growth at a Faster Pace.

6 - Year CAGR : 40%



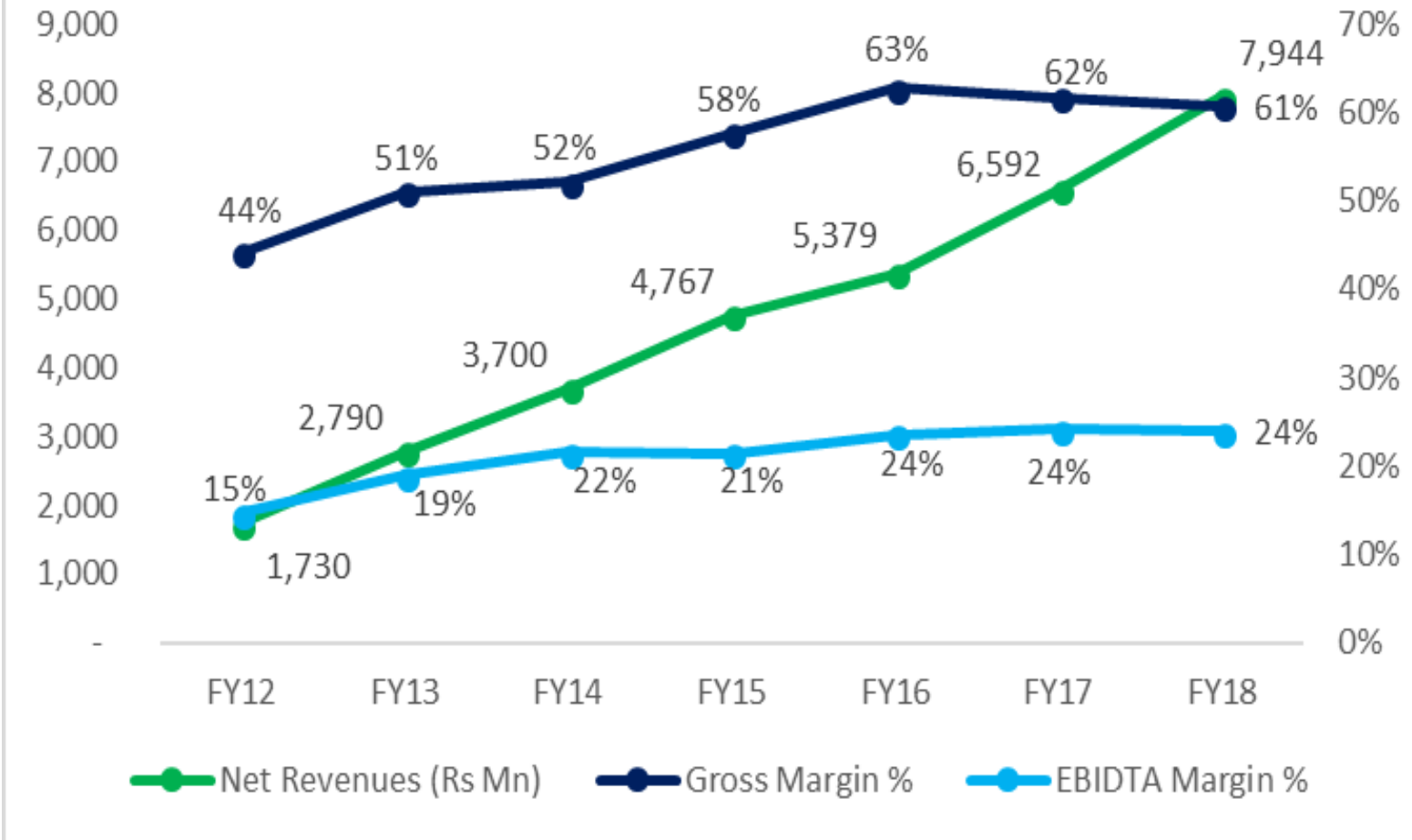
Net Profit Growth (excluding minority).

6 - Year CAGR : 39%



Figures for FY 2017 & FY 2018 are as per IND-AS. Prior year figures are as per Indian GAAP and may be fully comparable.

Historical trend - Revenue, Gross margin, EBITDA margin



Improving Margin Profile

- Economies of scale
- Production Efficiency
- Rationalization of Royalty
- Improved realization from DEBs
- Operating Leverage

QUARTERLY BUSINESS CYCLE – NATURE OF OUR BUSINESS



7% to 8% Revenues
Negative WC

Q1 April - June

- Last leg of K-12 sales for new academic session and delivery of books to distributors/ schools.
- New academic session commences in April for CBSE/ ISCE schools.
- Annual paper contracts negotiated.
- Finalisation of title catalogue for next academic year (new and revised titles).
- Sales performance review. (regional/ branches)

4% to 5% Revenues
Negative WC

Q2 July - September

- Content revision/ development by editorial team in collaboration with authors.
- Engagement with schools & teachers. (training sessions, workshops, etc.).
- Sample distribution. (September)
- Return of unsold stock from distributors as per contractual agreement.
- Semester 1 (Higher Education) and Test preparation sales based on government vacancy examinations.

8% to 9% Revenues
Peak Inventory

Q3 October - December

- Sample distribution and evaluation by schools.
- Printing of back list and best seller titles.
- Final reconciliation and closure of distributor accounts before commencement of season sales.
- Order visibility from schools starts building up.
- Significant sales quarter for HE segment.

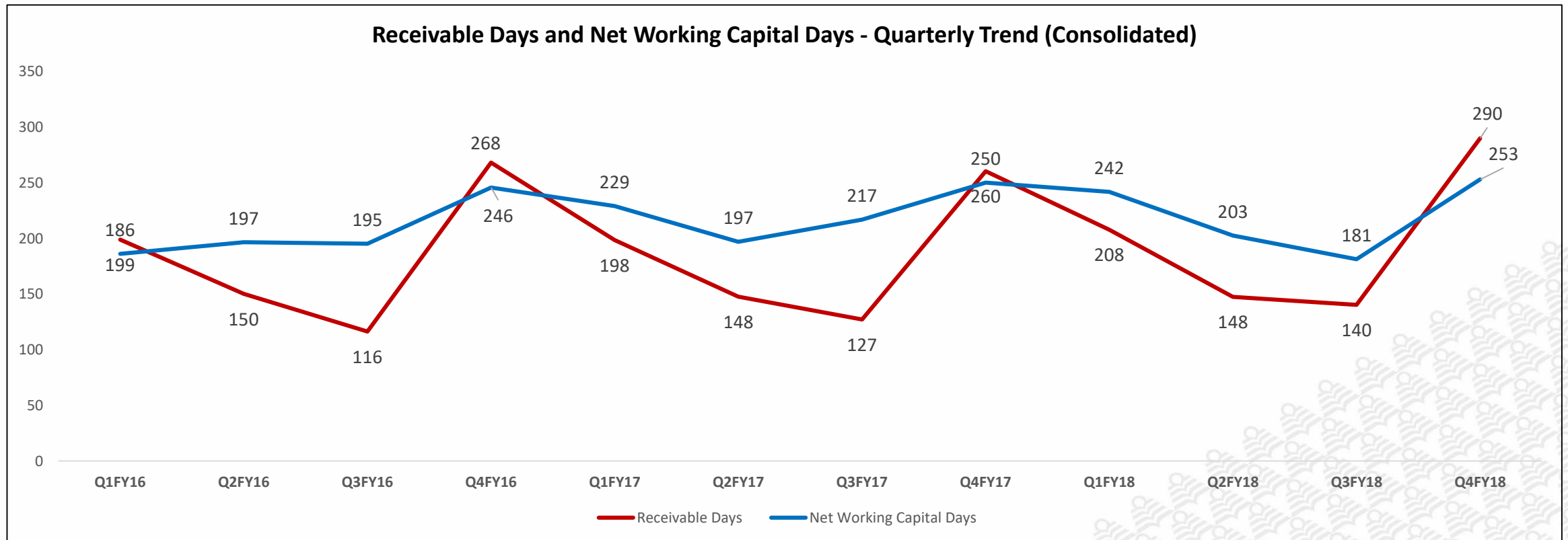
77% to 80% Revenues
Peak Receivables

Q4 January - March

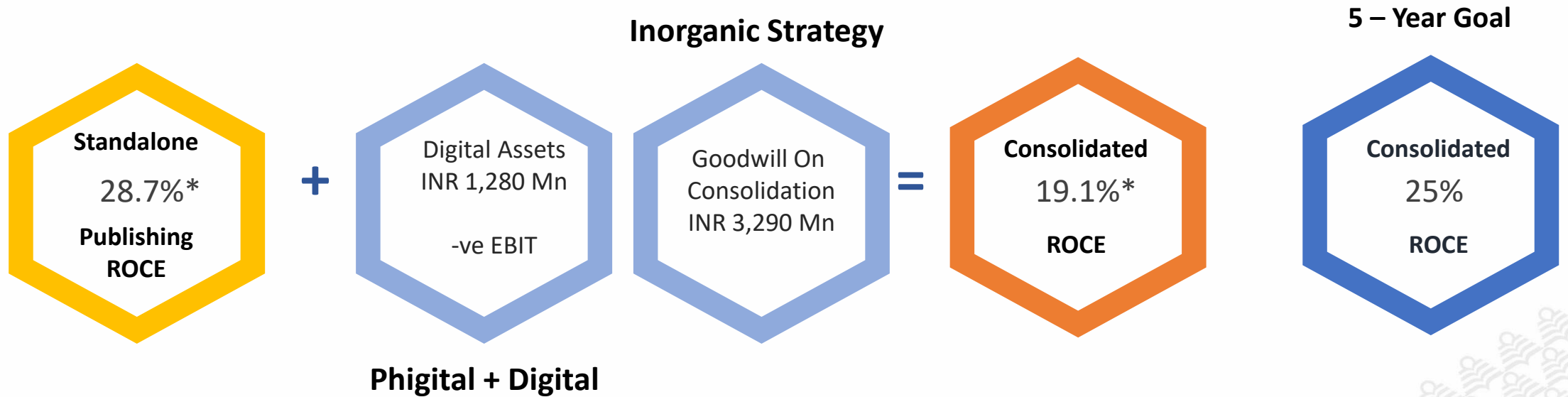
- K-12 season sales and delivery to distributors/ schools. (Peak Season)
- Semester 2 (Higher Education) and Test preparation sales based on government vacancy examinations.
- Printing of front list titles.
- Additional printing runs for back list / best seller titles based on demand.

Working Capital

- Almost all sales of K-12 business (comprising 80% of total sales) are triggered largely in Q4 to match with school calendar implying high debtors and days for Q4 quarter / year end. However, the recoveries begin in Q4 and are completed by Q3 of the following year with reducing receivable days by Q2 and Q3.



----- FY 2017-18 -----



Digital growth and working capital efficiency to improve return ratios.

* On average capital employed

IN SUMMARY

- With the **GROWTH** of **ASPIRATIONS** and **INCOME**, Indian education industry is poised for **LONG TERM GROWTH** in **MARKET OPPORTUNITY AND OVERALL PIE**
- **S. CHAND – SUPER BRAND** in its market segment, well poised to **LEVERAGE** the **OPPORTUNITY**
- Over next 5 years, we aspire to
 - Remain the preferred partner to learners, educators, other stakeholders
 - Achieve Consolidated Revenues of ₹2,000 Cr and ROCE of 25%
 - Drive Revenue Mix of Digital and New Services Business to 10% of revenues
 - Create maximum Shareholder value

Built over 75+ years of hard work and commitment, the S. CHAND GROUP will continue to lead the Indian education content market

Q & A



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