EDUCATIONAL CONTENT MANAGEMENT
TO DELIVERY SOLUTIONS

# Repro India - Strategic Direction and Progress :

## Content Aggregation to Effective Dissemination

## FY 2016-17 : Q3

*January 18, 2017*

# FY 2016-17 – Q3 Strategic Results

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**Executive Summary**

1. e-Retail
2. Rapples
3. Existing Business : India
4. Existing Business : Africa
5. Financials

# FY 2016-17 – Q3 Strategic Results

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## Executive Summary : Annual Strategic Direction for FY 16-17

**e-Retail** – From proof of concept to proof of delivery – to creating a platform for exponential growth

**Rapples –** From proof of concept to proof of delivery – to breaking even and growth for business

**Existing Businesses –**

- Focus on consolidation of "Right" customers
- Focus on MNC domestic and global businesses
- Focus on Financial consolidation
- Focus on cash flows and collections
- Focus on reduction of expenses

# FY 2016-17 – Q3 Strategic Results

## Executive Summary : Q3

- Overall the quarter progressed well in the strategic direction planned for the year.

- The results of the 3 pronged strategy
  - E-retail focus
  - Print focus with large “dependable” and “safe” customers
  - Expense control

  ….. Are now have started to show in the topline and the bottom-line vis-à-vis the previous quarter.

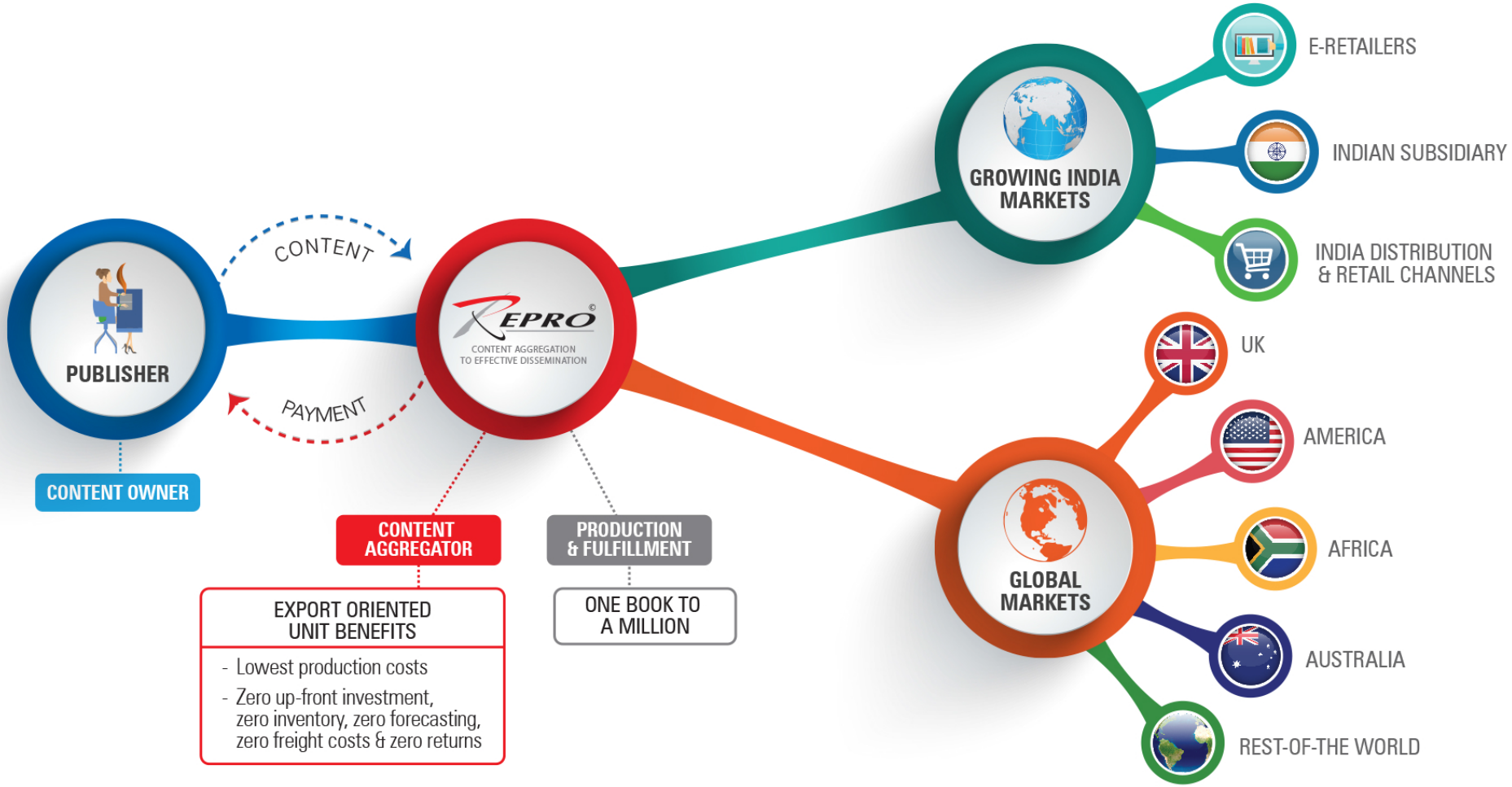
- **The results!**
- **20%** growth in revenue : Rs. 67.25 cr in *FY 2016-17* Q2 → to Rs. **80.40** cr in *FY 2016-17* Q3

- Operating Profit : Rs. 3.36 cr in *FY 2016-17* Q2 → to Rs. **11.11** cr in *FY 2016-17* Q3

- Profit After Tax PAT : Rs. (5.76) cr in *FY 2016-17* Q2 → to Rs. **1.28** crs in *FY 2016-17* Q3

# FY 2016-17 – Q3 Strategic Results

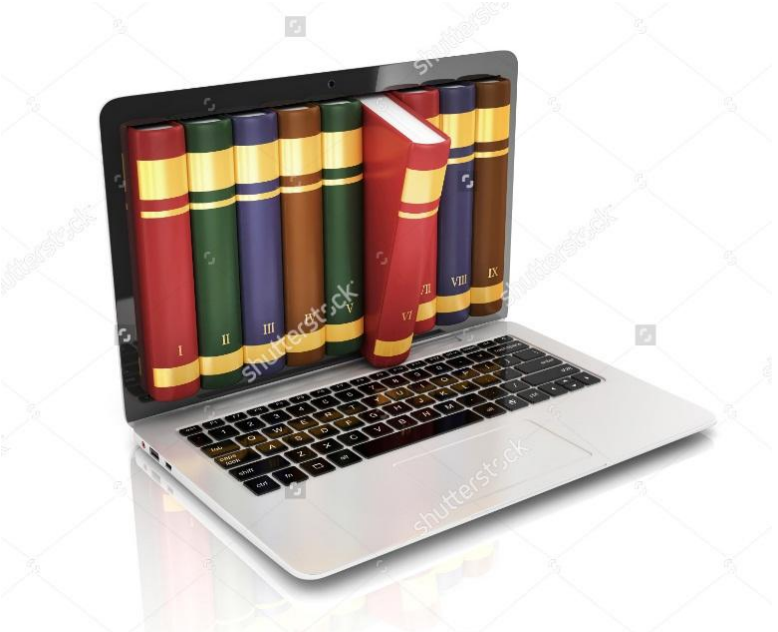
1. **e-Retail: Reaching publishers' titles to readers in all the corners of the world.**



# FY 2016-17 – Q3 Strategic Results

## 1. e-Retail Contd.

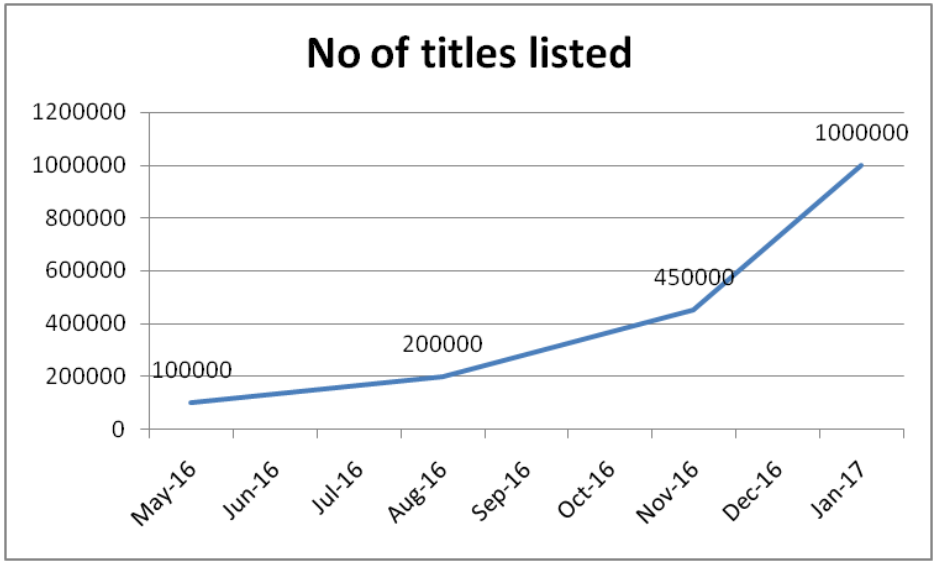
- The e-retail business continues to grow :
  - Number of Publishers signed on:
    - **India: 70+**
    - **International: 20,000+**
  - Number of titles listed: **1 million+!**
  - Types of books fulfilled :
    - Test Preps
    - Reference Books
    - Trade Books
    - IT Books
    - Educational Books
    - Children's Books

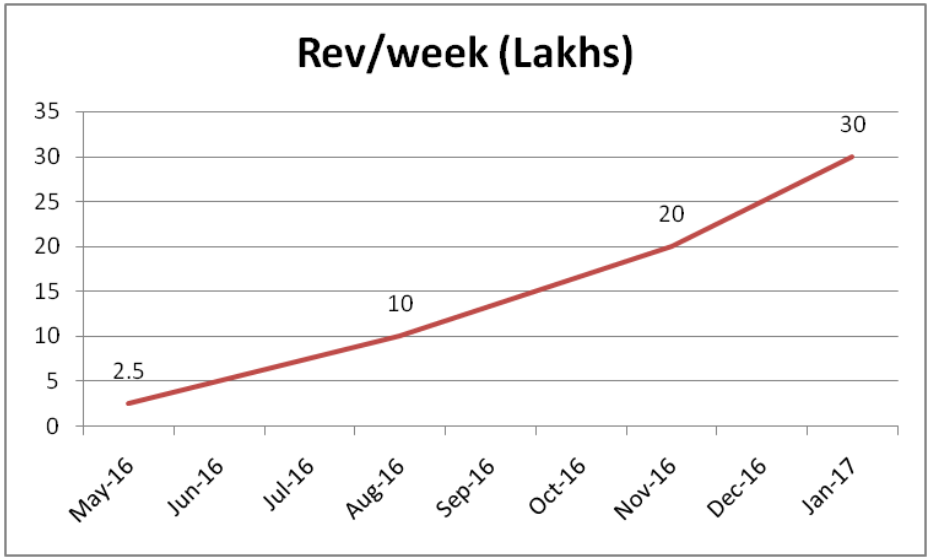


- Publishers experiencing the benefits :
  - Books **sold** before they are printed
  - **Zero** printing, warehousing, logistics and obsolescence costs – a huge win-win situation!
  - Ensuring a wider market reach
  - Reviving precious "**out-of-print**" titles

# FY 2016-17 – Q3 Strategic Results

## 1. e-Retail *Contd.*




- Some **key publishers** who we are partnering with……

HarperCollins *Publishers* India

Pearson

SIMON & SCHUSTER

Packt

Mc Graw Hill Education

SAGE

Springer

…. And many more

# FY 2016-17 – Q3 Strategic Results

## 1. e-Retail *Contd.*


- Relationships with leading e-tailers like **Amazon** have strengthened with Repro getting the **Platinum Seller Partner** status


- Alliances with other e-retailers include :
  - **Flipkart, Paytm, infibeam, rediff.com, snapdeal**


- The relationship with **Ingram** is also becoming stronger with Repro being recognized as one of its leading global partners

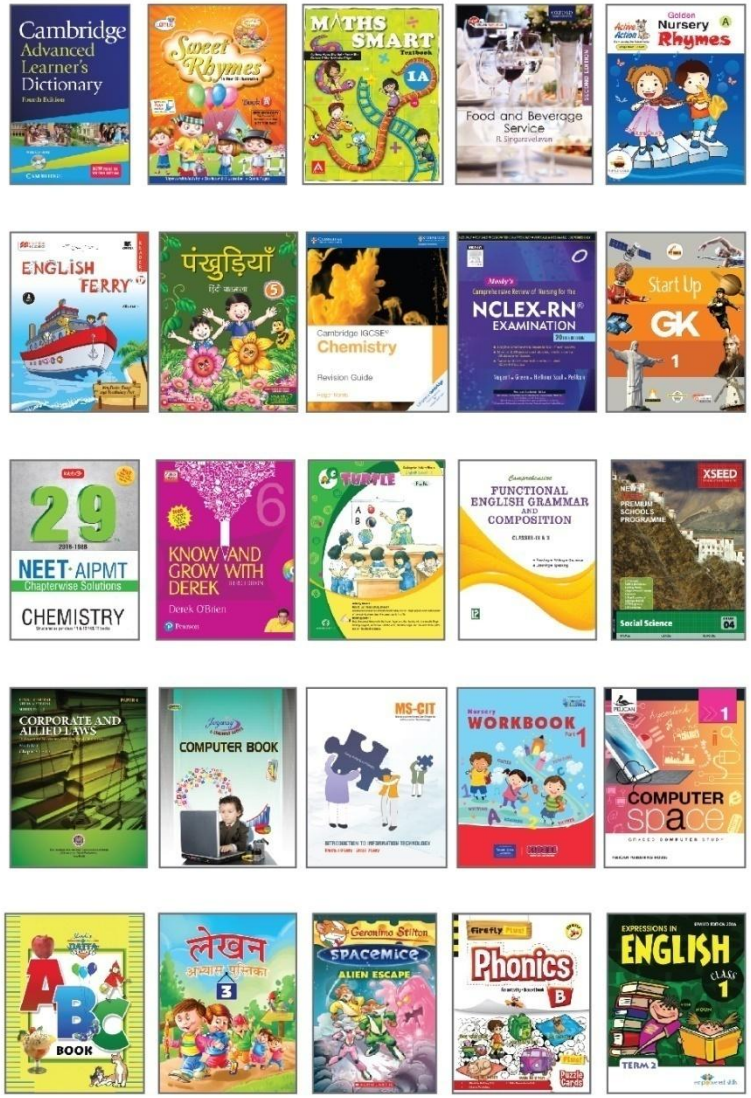
# FY 2016-17 – Q3 Strategic Results

## 2. Rapples

- Overall on track to break-even in 2016-17.
- Strengthening of relationships with publishers and schools.
- Some highlights
  - POC for Government of Karnataka school near Bangalore receiving good feedback
  - Conducted progressive and main exam (objective) using Cambridge Learn Platform
  - Used flip classroom strategy effectively by sharing all the learning and assessment content with the students on their personal devices
  - Integrating with Ingram Vital Source to provide wide range of books for library usage in school
  - Maharashtra state board schools implementation generating interest in more schools

# FY 2016-17 – Q3 Strategic Results

## 3. Existing Business: India




## Continuing Focus on Business Strategy

- Continued implementation of the three pronged strategy: i.e. Right customers, MNC focus and stringent cash flow measures

- Improved Sales Team Productivity
- Orders worth Rs. **49 cr** booked in Q3 :
  - Some of the key customers are : **Cambridge University Press, Zee, Xseed, Macmillan, EZ Vidya, Ravi Publishers** etc.

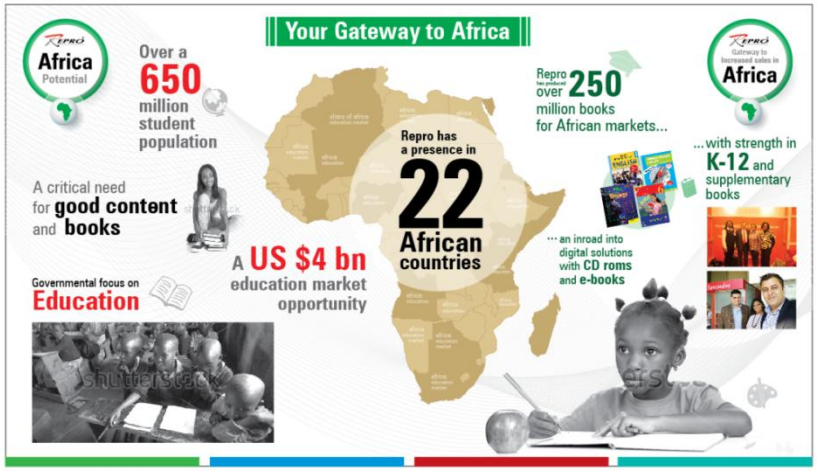
- Billing value of Rs. 68 cr achieved in Q3 :
  - Some of the key customers are : **OUP, Macmillan, Pearson, Xseed, ICAI** etc.

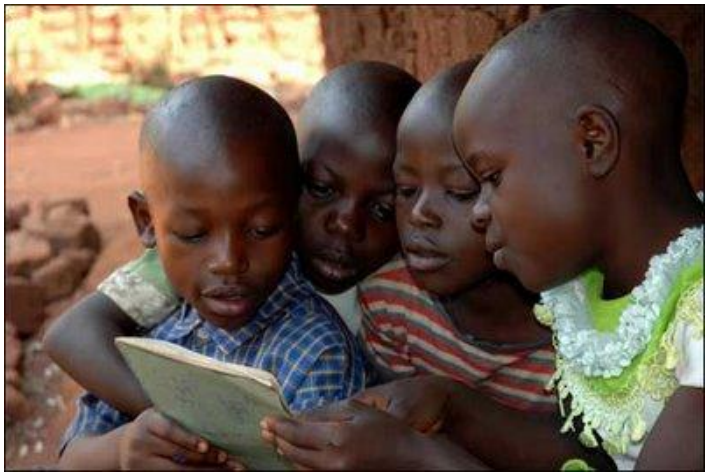
## Focus on reducing debtors

- In Q3 Domestic team have collected Rs. **39 cr**

# FY 2016-17 – Q3 Strategic Results

## 4. Existing Business: Africa



### Continuing Focus on Collections

- While the challenge in Africa continues - the major focus remains on payments and collection
- Collection of USD 2.16 Million (INR 14.49 Cr) in Q3
- Focus on collections to continue in Q4

### Renewed Focus on Business

- New contract with **CUP Global** has been signed. More business expected in Q4.
- New top-up order for **Pearson Mozambique** executed, more orders are expected in Q4 and FY 17-18
- New orders from existing clients who have settled dues

# FY 2016-17 – Q3 Strategic Results

## 5. Financials : Strategic Summary

**Increase in Sales : 20% increase in sales Q3 over Q2 –** also a **"qualitative"** improvement in keeping with the strategy

| | FY 2016-17 | |
|---|---|---|
| *in Rs. Cr* | Q3 | Q2 |
| SALES | **78.97** | 65.83 |
| | | |
| INCREASE | **20%** | |

**Continuing Focus on Collections - Marginal increase in debtors due to increased billing**

| | 31.12.2016 | 30.09.2016 |
|---|---|---|
| *in Rs. Cr* | | |
| EXPORT | **67.20** | 75.20 |
| | | |
| DOMESTIC | **83.31** | 66.90 |
| | | |
| TOTAL | **150.51** | 142.10 |

# FY 2016-17 – Q3 Strategic Results

## 5. Financials : Strategic Summary *Contd….*

**Increase in PAT :**

- **Rs. 1.28 cr** in Q3 as compared to a loss of (**Rs. 5.76 cr**) in Q2 in FY *2016-17*

- **91% increase ie Rs. 1.28 cr** in Q3 *FY 2016-17* as compared to **Rs. 0.67 cr** in Q3 *FY 2015-16*

**Continuing Focus on controlling and reducing costs :**

- **Total expenses reduced** from **Rs. 80.49 cr in** Q3 *FY 2015-16* **to Rs. 70.91 cr in** Q3 *FY 2016-17*

| | Q3 | Q2 | Q1 | NINE MONTHS-2016-17 | NINE MONTHS-2015-16 |
|---|---|---|---|---|---|
| *in Rs. Cr* | | | | | |
| EMPLOYEE COST | **10.54** | 11.42 | 12.01 | 33.98 | 38.46 |
| | | | | | |
| OTHER EXPENSES | **12.74** | 14.05 | 13.06 | 48.22 | 63.43 |

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# 5. Financials - Repro India

## Consolidated Results Q3 2016-17

# Q3 2016 – 17 Financials Consolidated

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| Particulars | 3 Months ended 31st December 2016 (Unaudited) | 3 Months ended 30th September 2016 (Unaudited) | 3 Months ended 31st December 2015 (Unaudited) | 9 Months ended 31st December 2016 (Unaudited) | 9 Months ended 31st December 2015 (Unaudited) | Year ended 31st March 2016 (Audited) |
|---|---|---|---|---|---|---|
| Net Sales | 7,933 | 6,583 | 8,905 | 22,456 | 29,449 | 37,358 |
| Operating Income | 108 | 142 | 168 | 471 | 896 | 1,087 |
| Total Income | 8,040 | 6,725 | 9,073 | 22,927 | 30,345 | 38,444 |
| Expenditure | | | | | | |
| Cost of Materials consumed | 3,838 | 3,035 | 5,093 | 10,701 | 16,633 | 22,449 |
| Changes in inventories of finished goods,work-in-progress &stock-in-trade | 925 | 865 | (77) | 2,422 | 162 | (1,012) |
| Employee benefits expense | 1,054 | 1,142 | 1,241 | 3,398 | 3,846 | 5,079 |
| Other expenses | 1,274 | 1,405 | 1,792 | 4,822 | 6,343 | 9,330 |
| Total Expenditure | 7,091 | 6,449 | 8,049 | 21,343 | 26,984 | 35,846 |
| Other Income | 162 | 60 | 21 | 307 | 156 | 430 |
| Gross Profit Before Interest,Depreciation and Tax(PBDIT) | 1,111 | 336 | 1,044 | 1,891 | 3,517 | 3,028 |
| Depreciation | 534 | 540 | 516 | 1,612 | 1,545 | 2,089 |
| Interest | 448 | 372 | 415 | 1,233 | 1,429 | 1,925 |
| Profit Before tax | 128 | (576) | 113 | (953) | 543 | (985) |
| Tax Expenses | - | - | 46 | - | 188 | (30) |
| Net profit after all taxes | 128 | (576) | 67 | (953) | 355 | (955) |

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# THANK YOU