Management Discussion

Harish Gosavi - Moderator / Analyst Relations, Kiran Advisors
Good day everyone. On behalf of Kiran Advisors, I welcome you all to All this conference call. To the H1 F27 conference call of Chetna Education Limited. From management team, we have Mr. Rakesh Ram Bia, whole-time director, Mr. Saurabh Shah, chief financial officer. Now I hand over the call to Mr. Saurabh Shah for opening remarks. Over to you, sir.

Saurabh Shah - Chief Financial Officer, Chetana Education Ltd
Thank you, Harsh. Good evening, everyone. On behalf of the entire Chetna team, I welcome you all to our earning call for H1 of financial year F26-27. Today we all take you through the company's financial and operational performance for the first half of FY26-27 and discuss with you the key developments during the period completed and share with you the priorities regarding the upcoming periods of this financial year. From financial management perspective, our approach remains focused on achieving sustainable revenue growth while consistently strengthening profitability and operating efficiency and cash flow generation for the company.

During the first half of the current financial year, our focus has remained on executing the business priorities while maintaining the financial discipline in the company. With this introductory remark, I would like to take you through the detailed financial performance for H1 FY26-27. On a consolidated part, in this financial year, on the first half, we have done 65.63 crores of turnover, an up of around 12% on year-on-year basis, higher than the previous year's turnover. On EBITDA front, we have clocked 17 crores 47 lakhs, and the margin of EBITDA has also increased by around 310 basic points to 26.6% from the previous year's 23.5%.

While on a PAT front, we have clocked 12.07 crores, which is also higher in terms of the previous year-on-year basis, from on a percentile basis, from 16.1% to 18.4% this year. On a standalone front also, as I said, we have grown well, the turnover being 64.47 crores, 10.3% higher on year-on-year basis. EBITDA was 16.72 crores, profit after tax was 11.36 crores. Overall, company has continued its growth path and we are moving ahead for the next half year of the company. I would like to now invite our whole-time director, Shri Rakesh Ambiaji, to take the discussion further and share his insight on company's business strategies.

Over to you, sir.

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Yeah, thank you, Mr. Saurabh Shah. Good evening, everyone. First of all, thank you very much for joining this con call. Uh, as you all know, uh, we it's our 48th year and we are very much thankful to all the shareholders having faith on this company. Uh, I would just like to highlight a few points for the coming next 6 months. Uh, of course, the, the presentation, the investor presentation has already been shared to all of you. Uh, this year we have launched an Olympiad, which is a competitive exam for the grade of 1st to 10th standard student for Maharashtra as well as CBSE board.

Now this Olympiad, we call it as the Next Gen Olympiad. This Olympiad already launched 3 months back and we have till now already achieved 175+ schools and around 24,000 exam papers has been distributed, uh, just a week back. This is just a beginning. Uh, we are aiming that in coming academic year we cross multiple fold, at least by 5 to 6 times in the exam preparation. This competitive exam will be in a 2-layer. Uh, one, uh, the which exam, the first exam will be on the state level, and those

students who participate and get successfully approved, the same student will be taken to the national level, and that exam will happen after a 2-month time.

NextGen Scholar has 4 subjects in all 5 subjects, I'm sorry. The exam is going to be conducted on math, science, English, financial literacy, and STEM. STEM is for STEAM technology science, technology, and management. Apart from this Next Gen Scholar Olympiad, this year we reintroduced our stationery product, that is paper stationery, especially whatever school required in terms of notebook long book, A4 size books, full-scale papers, project papers. This has been started again. Earlier this was there in 2019, but we reintroduced for financial year 2026-27.

We have already achieved 100+ schools order which has been successfully delivered, and we are looking Coming year, the same will be continuation to at least 5 multifold. We are expecting minimum 500 to 600 schools to be delivered. Now, to achieve these both the milestones, we have already started our preparation for next academic year, and which will be resulted in the next financial year. The numbers will be reflected in next financial year. Meanwhile, the remaining coming 6 months, apart from these 2 new projects, uh, the existing books what we have for pre-primary, primary, and secondary level for Maharashtra State Board and CBSE, to strengthen the sales team and the top line, we have introduced one concept called Gold Circle.

Now this Gold Circle will be given to all these pre-primary schools with the condition that they have to buy only Chetana books. And if they come into that circle as a Gold Circle member, we will provide them teacher support, student kit, we will provide assessment papers. We will also provide them OTT channel, which is our pioneer concept of Deeja, which is an OTT platform. This will be given to Gold Circle members. The only reason for getting Gold Circle normally, whenever any publishers goes in the market with a sample, they end up by getting 2 or 3 titles out of 10 subjects.

Here the concept is, uh, if they come into Gold Circle, they will give entire curriculum, that is all the subjects. So whatever the minimum 7 to 8 subjects, that will be given only to one company, which is Chetana. That's the beauty of this Gold Circle. Besides this, uh, in '26-'27 We introduced SSP program, which is Smart School Program. Since it was the first year, we could achieve around 60 schools who participated in this Smart School Program, where company provides them ISP panel free of cost.

Against that, we bind customers for next 3 years. Now the same program will be little bit modified and we will make sure that we get more number of schools in our city and that will result in a better sales number and better profitability margin. Next, to do all this, we continued we introduced a concept called Books and Beyond, which is AI-based teaching tool given to all the teachers who prescribe Chetana books. Now very recently, after the successful first year for Books and Beyond for secondary school segment where there are more than 8,000 teachers are already registered, we are introducing Books and Beyond to pre-primary as well.

Now these books will be for pre-primary category, which will be delivering to those teachers who teaches to the age group of 3 to 6 year kids. This portal will enhance teaching experience and this will be supported with the best way of AI technology. The teachers can, whenever they want, they can with the click of a button, they can generate a worksheet. With the click of a button, they can generate a quiz. With the click of a button, they can prepare their own notes. They don't have to prepare separately.

And all these things have been created, developed with the in-house IT team. Making sure the streaming will be absolutely flawless. This year, around out of the 60+ schools who have participated for OTT channel, the success ratio is almost 90%, barring few hurdles which have come

because of the change of certain Microsoft or Google policies, but rest everything was very much successful and we thank this for the entire Chetna team. Sarab sir, to you.

Saurabh Shah - Chief Financial Officer, Chetana Education Ltd
Yes, wonderful. Sorry,

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
one more thing. We are also now actively participating in many educational government tenders, whether it is municipal corporation or whether it is Maharashtra or maybe tribal division also with the Gujarat government. We are trying to make students quality education to be distributed at the very affordable rates. And this government institutional initiative, we have already we just got 2 contracts which will be delivered in the 3rd quarter of this financial year, and we expect, uh, we close coming financial year, uh, minimum around 15+ percent on the growth side.

Thank you, thank you very much.

Saurabh Shah - Chief Financial Officer, Chetana Education Ltd
Thank you, Rakesh bhai. Overall, we continue our growth strategies. As Rakesh bhai said, we have kept a lot many options open now. We are now tendering, going for tenders, uh, towards the whole of India. All states we are approaching, so growth will continue to come. And plus, being a cyclical nature industry, now we are looking for the business all around the year so that we do not held up ourselves in a 6-month criteria of the business.

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
So, uh, I would like to have any questions, uh, questionnaire, uh, please proceed.

Questions & Answers

Operator
Thank you very much. We'll now begin the question and answer session. Anyone who wishes to ask the question may press star and 1 on the touchtone telephone. If you wish to remove yourself from the question queue, you may press star and 2. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we'll wait for a moment while the question queue is formed. Participants, you may press star and 1 to ask a question. First question is from the line of Vijay M, an individual investor.

Please go ahead.

Vijay M - Individual Investor
Hello, good afternoon, sir.

Saurabh Shah - Chief Financial Officer, Chetana Education Ltd
Afternoon.

Vijay M - Individual Investor
So I have a couple of questions for you. So first is regarding like How is the company positioning itself against the established education publishers and the emerging digital education platforms? And also, what are the key competitive advantages that differentiate Chetana from others?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Yeah, thank you. So basically, of course, we are into education book publishing, but now we are no more only a publisher as far as the book publishing is concerned. We are also into digital content. We are also into OTT platform where the educational content has been given a streaming through 7 different platforms like Samsung, Apple laptop, tablets. Plus we are also now into stationary and competitive exam. Now we are different in terms of compared to other publishers, so we have everything under one roof.

We have the kitty Where we associate with school not only by giving sample of the books and procuring order, it is also along with that we have addressed all the 5 elements, which is DotStar, which is OTT platform. We have a Smart School Program, Next Gen Scholar Olympiad, and Stationery Division.

Vijay M - Individual Investor
Okay, I got it. So that's a good differentiating factor. Also, next question is regarding the so the company serves both CBSE and the Maharashtra State Board School. So are there any plans to expand into additional state boards, and how significant could this opportunity

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
be? Uh, no, for next at least a couple of years, we don't intend to introduce any new board. Because, uh, the CBSE itself is growing, uh, in, in every part of India. The many schools which were like, for especially like in Maharashtra, uh, before 4 years back there were only 400 CBSE schools. Today it is more than 1,000 schools. Same way it is in Karnataka, same way it is in Gujarat. So we are not adding any, uh, region boundary, we are not adding any board, we are just trying to strengthen within the territory what we are working right now.

Vijay M - Individual Investor
So you mean to strengthen the Maharashtra State Board, right?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
No, it's not only Maharashtra State Board. I'm talking about we are already present our presence is around more than 20 states. So our focus will be especially South and West, South India, West India, and North India.

Vijay M - Individual Investor
Okay, so next is regarding the stationary division. So this has already secured 100+ active models. So could management provide an update on the revenue potential of this division and also its expected contribution in FY28?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Uh, FY28, we expect at least, uh, 4 to 5 multifold. As I mentioned, we have achieved 100 schools Our target is at least 400 to 500 more schools to be added for the year academic year 2028. Sorry, 27-28.

Vijay M - Individual Investor
Okay, sir, good to hear. And that's it from my side.

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Thank you. Thank you.

Operator
Thank you. Participants, you may press star and 1 to ask the question. Next question is from the line of Anjana Nambiar. An individual investor, please go ahead.

Anjana Nambiar - Individual Investor
Hello, sir. Am I audible?

Prem Patel - Analyst, AV Capital
Yes.

Anjana Nambiar - Individual Investor
So, sir, in first half of FY27, revenue has grown by around 12.1% year on year, while EBITDA increased by 27%. So what were the key factors behind the stronger EBITDA growth, and can we expect this margin improvement to continue in the coming quarters?

Saurabh Shah - Chief Financial Officer, Chetana Education Ltd
Yeah, hi, this is Saurabh Shah here. EBITDA grew to 27% from 23%, so it's not 27% growth completely, it's 27% of the turnover. So I just wanted to correct you on that front. Uh, mainly the correct achievement is on account of various aspects Mainly the costing strategies adopted by the management. Secondly, we have also streamlined our employee strength with number of employees. And then on a finance cost also, we have reduced down to lot of other interest rates and everything. So these are the major parameters where we have saved our cost.

And on the other side, the revenue also has increased. From 58 to 65, which has directly give us the benefit in the bottom line in terms of, uh, increase of profit.

Anjana Nambiar - Individual Investor
Oh, okay, okay. So, so, uh, PAT margin has also improved from 16.1% to 18.4%. So what are the major operational efficiencies contributing to this improvement?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Uh, the, the, the major one was, uh, first of all, we shifted from cooperative bank to the private bank. We shifted from Saraswat Bank to Axis Bank, and we got the benefit of the rate of interest where we have saved, uh, and that affected to our PAT margin. That's one. Secondly, uh, mainly the smart purchase, what we did it, uh, like we procured paper well in advance, and actually in the peak season the paper price went up by almost 15%, whereas companies saved those 15% by putting paper purchase planning before 2 months.

So even if we consider 2 to 3% cost of the inventory, but against that we almost saved around 7 to 8% on the paper side, purchase side.

Anjana Nambiar - Individual Investor
Okay, okay. So, so could management share its revenue growth expectations for FY27 and FY28, and what kind of growth rate should investors reasonably expect from the business?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Uh, for this financial year, we can see that visibility, uh, the company will grow from financial year '26 to financial '27 will be

Anjana Nambiar - Individual Investor
anywhere

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
between 18 to 20%.

Anjana Nambiar - Individual Investor
And

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
as far as for financial '28-'29, it's too early to say because we have, we have now 3 major, uh, components to encash Which will only time will tell, but we definitely see that there will be a growth of double digit at least for next three years.

Anjana Nambiar - Individual Investor
Okay, okay, sir. Thank you for answering my question. If I have any more questions, I'll come back. Thank you.

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Thank you.

Operator
Thank you very much. Participants, remember star and one to ask the question. Next question is from the line of Kapil Agarwal. From Dakshan Associates, please go ahead.

Kapil Agarwal - Analyst, Dakshin Associates
Yeah, am I audible?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Yes, yes, absolutely.

Kapil Agarwal - Analyst, Dakshin Associates
Yeah, yeah. So you have given that right now we are having 6 revenue engines. So please tell me that what will be the share of each of them in current revenue and how it will be in FY28 and what is the current margin and margin for '28?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Uh, so just let me correct. There are no 6, uh, revenue. Uh, there are only 4. One is print and publishing, second one is the, uh, the Olympiad, third one is OTT platform, the fourth one is stationery division, and of course fifth one is institutional, uh, tender processing, which is, uh, unpredictable. But these 4 revenue side will give us a double-digit growth in coming next 2 to 3 years, especially for print and publishing. The growth we see a better version is only because of the Smart School Program, the Gold Circle, which we just introduced.

As far as stationery and Olympiad, we, we expect at least 4 to 5 times multiple growth compared to what it is right now.

Kapil Agarwal - Analyst, Dakshin Associates
What will be the current turnover for this stationary and Olympiad?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
You are talking about the coming or which what has happened? Current,

Kapil Agarwal - Analyst, Dakshin Associates
current, current, right? Based turnover from which we will be going for 5 years. First

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
half in stationary, uh, I am not very sure with the exact number, but, uh, we, we have achieved around 4 crore revenue growth in stationery, which we just clocked. And as far as Olympiad is concerned, we have 24,000 exams. Each exam is at the rate of 150, but the part revenue has already entered and part revenue still yet to come.

Kapil Agarwal - Analyst, Dakshin Associates
So stationery, if we can say, for Sorry, sorry. Yeah, please continue. Yeah, so for stationery, as you are saying, [Foreign Speech] 4 crore revenue right now and from here by next year we are looking at 5x. So we can assume that stationery itself.

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Yeah, so we we expect that stationery we clock the revenue at least four four times than the current.

Kapil Agarwal - Analyst, Dakshin Associates
So like for, for 4 crore, to 16 crore from stationery itself will get basically. Yes.

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Yes. Yes.

Kapil Agarwal - Analyst, Dakshin Associates
And what what kind of margin we are meant we are having in stationery business?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
So stationery has a lesser margin compared to publishing and the OTT platform definitely.

Kapil Agarwal - Analyst, Dakshin Associates
Our average margin is

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
27%. Uh, no, so EBITDA, so average EBITDA is say 25%, whereas in stationery it will be around 12% approx.

Kapil Agarwal - Analyst, Dakshin Associates
Okay, okay. And, and in revenue terms, what will be our current share of current revenue from OTT and how we'll see it for FY28 and 29?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
OTT, we, we, we achieved, uh, 1+ crore Uh, in terms of revenue from the student, which is a SaaS-based model. And, uh, the, the same amount will come for the next 6 months because it's a, it's divided in a whole year. So there are the overall revenue clock will be around 2.5 crore in OTT platform.

Kapil Agarwal - Analyst, Dakshin Associates
And what next year? Next year, what we can expect?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Uh, next year will all depend on how the Smart School program is run among the schools. So OTT is definitely, it's a very futuristic, uh, I'll be very honest to tell all the investors, it is going to take some time because it's very difficult for, from the school to convert from traditional method to the advanced version. Those schools who are, who understand, has already, we were able to make them understand, but it is little difficult to make a traditional way of teaching to convert on a, you know, TV or on the projector.

But we are, we are very much bullish in next 2 to 3 years this will give us a good result. So right now our, our, our whole objective is, uh, for the OTT is not on the revenue side. Our whole focus is right now that they should adapt. So now, right now With the Smart School program, we are giving them option to just register themselves by paying a nominal registration fee, and we are giving them 6 months free subscription so that they get used to it.

Kapil Agarwal - Analyst, Dakshin Associates
Okay, and margin would be slight higher, I think, in this?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Uh, yes, the margin, the, the EBITDA margin will be anywhere between 35 to 40%.

Kapil Agarwal - Analyst, Dakshin Associates
And government orders, we have stated that we have, uh, we will deliver 2 orders in Q3. So what will be the quantum of that and what kind of margin will be in this?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Uh, margin will be marginally little less compared to, uh, 20. So like if it is 25% EBITDA here, it may be around 18 to 20% EBITDA margin. Yeah, but, uh, as far as, uh, the value-wise, uh, we have already received right now 4 crore order which we have to deliver in next 1 month.

Kapil Agarwal - Analyst, Dakshin Associates
Okay, and how this how like we are seeing this government and institutional order in coming 1-2 years? Like, can we see that it will be a material portion of our overall turnover?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Yes, we, we see it will be a good chance because, uh, of course it's a, it's a great, great initiative by the central ministry Actually, what we see right now, the government has started funding lot of institutes in terms of semi-government, government, municipal corporation to strengthen students not to have only a basic infrastructure, but they are providing with the stationery also along with that educational book like workbooks and guide. We see right now most of these institutions are providing these books not only just mere of just a supply, but they are making sure the books are delivered to every child.

So we see next 2 years, uh, there will be and, and the most important, there will be a syllabus change for Maharashtra State Board for 4th standard for academic year 27-28, which is grade 5, 7, 9, and 11. So there may be a little delay in the season, but this will give a better margin for not only Chetna, for all the publishers.

Kapil Agarwal - Analyst, Dakshin Associates
And, and we can say, what, what will be the we can say total orders from government side annually, if any, where you, you can give any data?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
I'm really sorry, uh, because it's very, uh, it, it's very versatile and it's very wide. So there are, there are ample of projects are coming in. Uh, it all depends, and it's and few things are very confidential which we I cannot say on this, uh, con call.

Kapil Agarwal - Analyst, Dakshin Associates
Okay, thank you. That's it from my side, and best of luck.

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Thank you, thank you so much.

Operator
Thank you very much, participants. You may press star and 1 to ask the question. Next question is from the line of Prem Patel from AV Capital. Please go ahead.

Prem Patel - Analyst, AV Capital
Hello, sir. Am I audible?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Yes, absolutely.

Prem Patel - Analyst, AV Capital
A very good afternoon, sir. Sir, my first question is on H1 revenue stands at approximately 65.63 crore. Given the seasonality of the education publishing business, how should investors look at the revenue contribution from second half?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Uh, so, uh, I can't say about the education, uh, publishing, but we I can definitely say about Chetana. So ours is mostly divided into 2 segments, the Maharashtra State Board and CBSE. Now considering, uh, the revenue, it is almost like a 50-50%.

Prem Patel - Analyst, AV Capital
Okay, so got it. Uh, so my next question is, the company has a portfolio of 100+ titles across 18+ brands. In the presence across 18 states. So what are the key strategies to deepen penetration in existing markets and enter new geographies?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Uh, we are very much clear that we don't want to enter any new geographical area. Uh, whatever the existing we have, we are just trying to strengthen, uh, the sales team by introducing, uh, different schemes as far as sales is concerned. The Gold Circle is one of them. The Smart School Program is also one of them. Whereas we are trying the per-school revenue increases instead of number of copies are sold. So normally we go to school, the average publisher gets around 1.5 to 2 lakh rupees. Our target is with the same school how to get to reach 3 to 4 lakh rupees.

Prem Patel - Analyst, AV Capital
Okay, so got it. So my last question is, uh, with a network of 600+ distributors and dealers, are there any plans to significantly expand the distribution network over the next 2 to 3 years?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Yes, uh, the target will be to get more dealers in our kitty, uh, and we are working on that. But we are expecting around by next final next financial year It will

Prem Patel - Analyst, AV Capital
be 70 plus. OK sir, that's it from my side. Thank

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
you. Thank

Operator
you so much. Thank you very much. Next question is from line of Himanshu Kapoor, an individual investor. Please go ahead.

Himanshu Kapoor - Individual Investor
Yeah, I hope I am audible.

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Yes, yeah.

Himanshu Kapoor - Individual Investor
So my first question is, uh, the company is now extending its Olympiad offering into the pre-primary segment. What kind of opportunities, uh, does the management see in this segment, and how will it leverage its existing school relationships?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Uh, so, uh, Olympiad, as I say, there are, uh, there are only 2 or 3 players in India. Compared to the number of schools which are there in the system. So we see huge potential. Now this may not give too much of a revenue side because the per school, per subject, the cost is the price is only 150. The benefit of this running this Next Gen Scholar Olympiad is to connecting more with the school, and any school who do such kind of competitive exam they run in the school, uh, the sales team and the company get more closer to the school, and that will give us on a benefit on the longer side, long-term side.

Himanshu Kapoor - Individual Investor
Okay, sir. And, uh, Gold Cycle is a new premium primary school partnership initiative, so How

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
many

Himanshu Kapoor - Individual Investor
schools are managing, management targeting under this program over next 2 to 3 years?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
It's too early to say right now, but I will be able to give all the data once we finish the second half of this year, financial year. We are going to introduce, we will be reaching out at least 5,000

pre-primary schools, so let's see from within this 5000

Himanshu Kapoor - Individual Investor
how many will convert into a got sulkan. OK and next channel school Olympia [Foreign Speech] bridged 175 plus schools within just four minutes [Foreign Speech] sir Himanshu

Operator
can you repeat that again, you are not clearly audible.

Himanshu Kapoor - Individual Investor
we are not 4 months.

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Yes. How does

Himanshu Kapoor - Individual Investor
management plan to sell this initiative and what could be

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
potential

Himanshu Kapoor - Individual Investor
revenue?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
This was being the first year and of course the car we were little late, uh, at the time of launching we were already late by a month. So we see, uh, now from next academic year we can see at least 4 to 5 times we will increase. We are expecting around 750 to 1,000 schools come into Olympiad of Chetana. We just launched 4 months back. Actually, this was supposed to be done, uh, from before the start of academic year.

Himanshu Kapoor - Individual Investor
Okay, so, okay, so got it. That's for myself. Thank you, sir.

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Thank you so much.

Operator
Thank you. A reminder to all the participants, *1 to ask the question. Next follow-up question is from line of Anjana Nambiar, individual investor. Please go ahead.

Anjana Nambiar - Individual Investor
Hello, I'm audible?

Prem Patel - Analyst, AV Capital
Yes.

Anjana Nambiar - Individual Investor
So, uh, you had mentioned joint ventures and state publication opportunities. So could you elaborate on the nature of these partnerships? The potential scale of business that they could generate?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
So these all these partnerships, if you see the first three, the Physicswala, Aditya Birla Education, and Chintu Bosle, they're primarily we have associated with them especially on for the OTT platform because they all have their own expertise. Like Physicswala has a very good edge on competitive exams, especially Preparing children for NEET and JEE. So we don't have a partnership on a book side, but we have a partnership for the OTT platform. Same way, Chintu Bhosle, of course nephew of Asha Bhosle, uh, uh, Chintu Bhosle is very much into NEP-based children category, uh, plays, and they have their own songs and rhymes and They conduct lot of workshop.

So we have we have done a partnership with them to give their content on our platform, and same goes with Aditya Birla. They have a program run for the mental health. As far as is concerned, Beam Outsourcing Service, they have partnered with us for the Olympiad series. So the tech and the taking care of the exam and their result is the part of BEAM Outsourced Services, whereas the marketing and distribution is a part of Chetana.

Anjana Nambiar - Individual Investor
Okay, so what percentage of total revenue could government and institutional orders contribute over the next 2 to 3 years?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Uh, it is very, uh, difficult and I won't be able to on the open platform, but what we see that there will be definitely next 2 years is a growth story for Chetana, and we expect minimum double-digit growth year on year.

Anjana Nambiar - Individual Investor
Okay, uh, so, uh, so with a library of 35,000+ educational videos, how does management plan to monetize this content more effectively and increase the average revenue generated per school?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Uh, so this video library, which was earlier, it was inbuilt in the book, and the same video library has been taken on the OTT platform. So when it was in the book, there is no separate revenue for the digital content. It was supporting to the book sale. Of course, the price of the making of the content was already included in the book processing. But now the same videos are giving us revenue through OTT channel. Now it's a SaaS-based model and we charge 30 per child per month, that is 360 for a channel to stream.

Anjana Nambiar - Individual Investor
OK so is management looking at Dot Star as a major recurring revenue contributor in the coming years and what percentage of total revenue could digital businesses potentially contribute over the long term

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
no so as I just told in a one previous question [Foreign Speech] this is qu time than what we expected because changing school from traditional to go on asking children to see through digital content by way of TV or laptop or iPad, it is taking little time. But I am sure as the way India is growing, we see in next 3 years Uh, this will the revenue will be at least 30% of the total top line addition to the what we do for publishing.

Anjana Nambiar - Individual Investor
Okay, uh, okay. So thank you, sir. Thank you for answering my question. Thank you. Thank

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
you, Anjana.

Operator
Thank you. Next question, next follow-up question is from line of Kapil Agarwal from Dakshin Associates. Please go ahead.

Kapil Agarwal - Analyst, Dakshin Associates
Yeah, so just I was inquiring if what is the plan for dividend if we are here, we have anything, because our profits are good, balance sheet is also right now good. Are we planning to distribute dividend or something like that?

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Uh, yes, it is, it is there, it is there in the mind of management, and hopefully, uh, once we achieve the good number for the second of this financial year, uh, company intends to introduce, but it is too early to give any confirmation.

Kapil Agarwal - Analyst, Dakshin Associates
Okay, okay, thank you.

Operator
Thank you, ladies and gentlemen. That was the last question, and now I'll hand the conference over to Mr. Harsh Gosavi for closing comments.

Harish Gosavi - Moderator / Analyst Relations, Kiran Advisors
Thank you for joining the conference call of Chetana Education Limited. If you have any queries, you can write to us at research@directtradeadvisors.com. Once again, thank you very much for joining the conference call. Thank you, sir. Thank you, sir.

Rakesh Jayantilal Rambhia - Whole Time Director, Chetana Education Ltd
Thank you. Thank you so much.

Operator
Thank you very much. On behalf of Kiran Advisors Private Limited, that concludes this conference. Thank you all for joining us, and you may now disconnect your lines. Thank you.