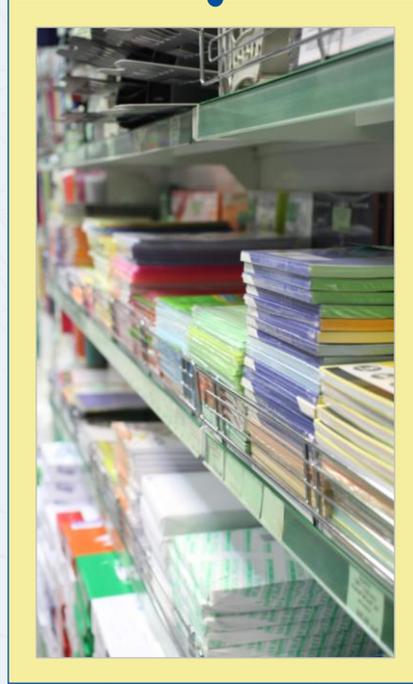
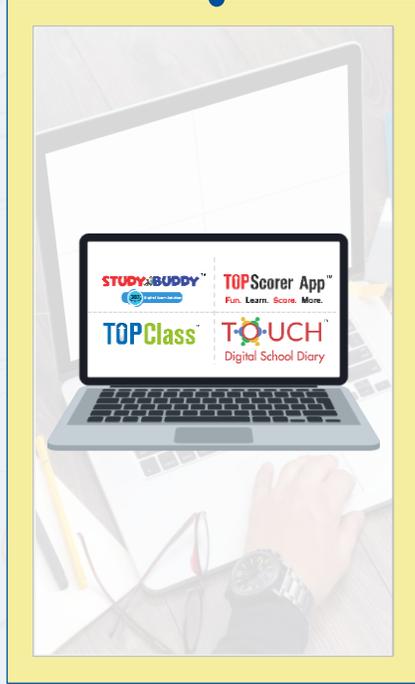
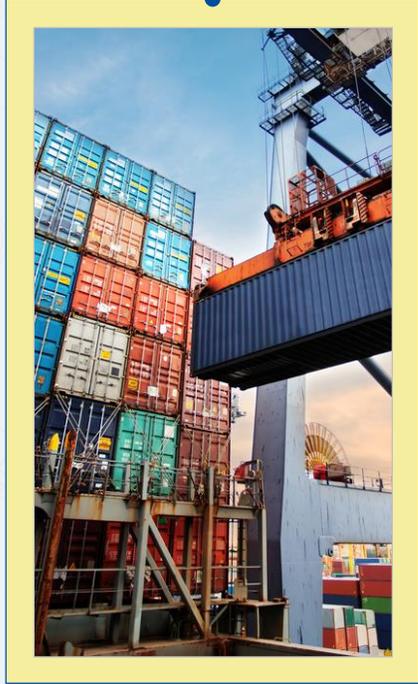




Knowledge is wealth



## Earning Presentation

As On 30 June 2019

# A Premium Education House



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# **COMPANY OVERVIEW**

Navneet Education Limited, founded by the Gala Family, is an educational syllabus-based supplementary content provider in Print & Digital medium and a manufacturer of Scholastic Paper stationery for domestic and international markets. New range of text books for students of CBSE and ICSE Boards are sold across India.

Over the years, the company has built a strong brand in the Educational Content & Scholastic Stationery gaining a leadership position. The company has a dominant market share of about 65% in western India.





## Vision

To provide the highest quality of educational products and services to customers in the language / medium of their choice.

-----



## Mission

To provide students with best quality supplementary study material and curriculum text books at affordable price.

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To harness the power of Information Technology and bring home its wonder to children through e-learning.

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To provide students with scholastic stationery products.



## Core Values

Excellence

-----

Proactive

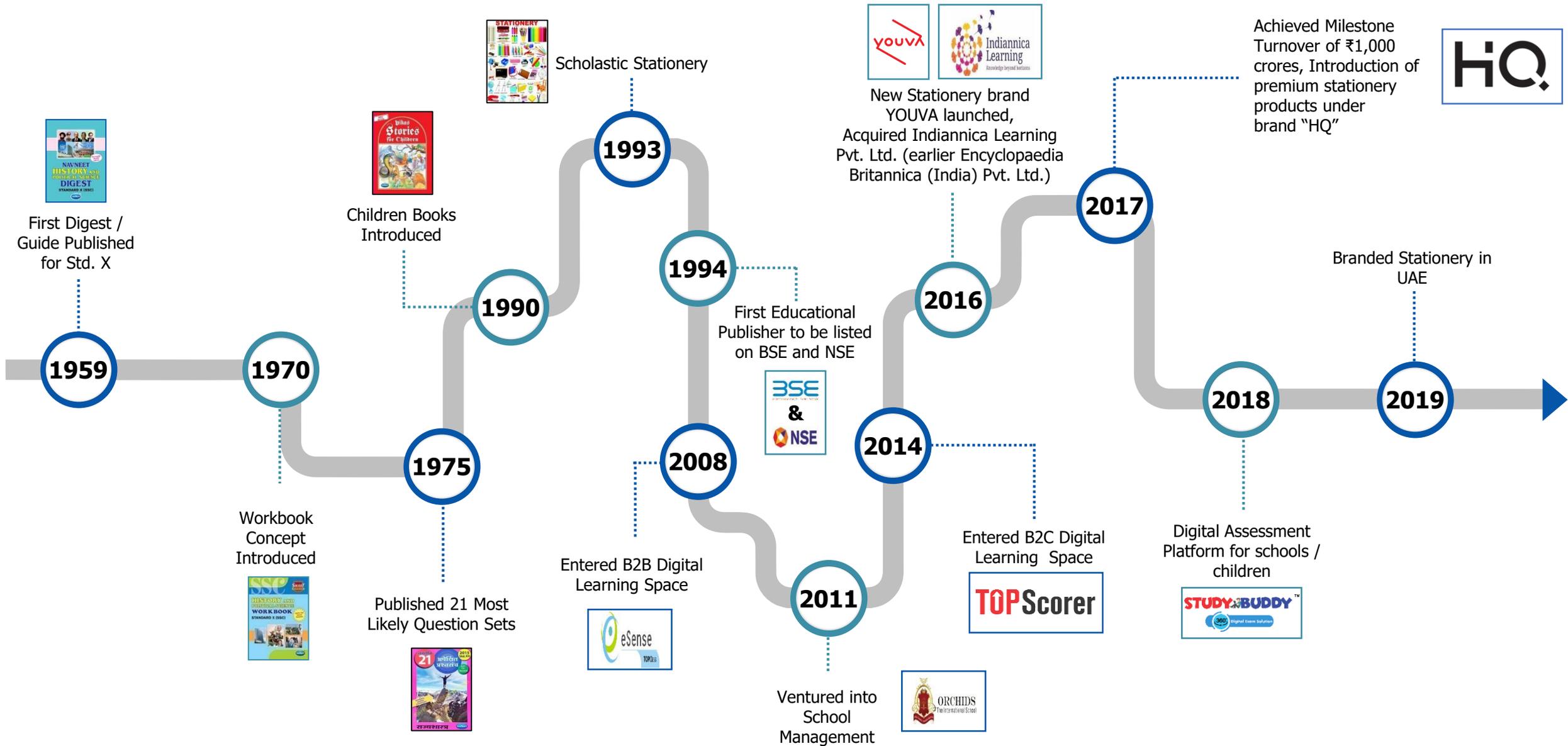
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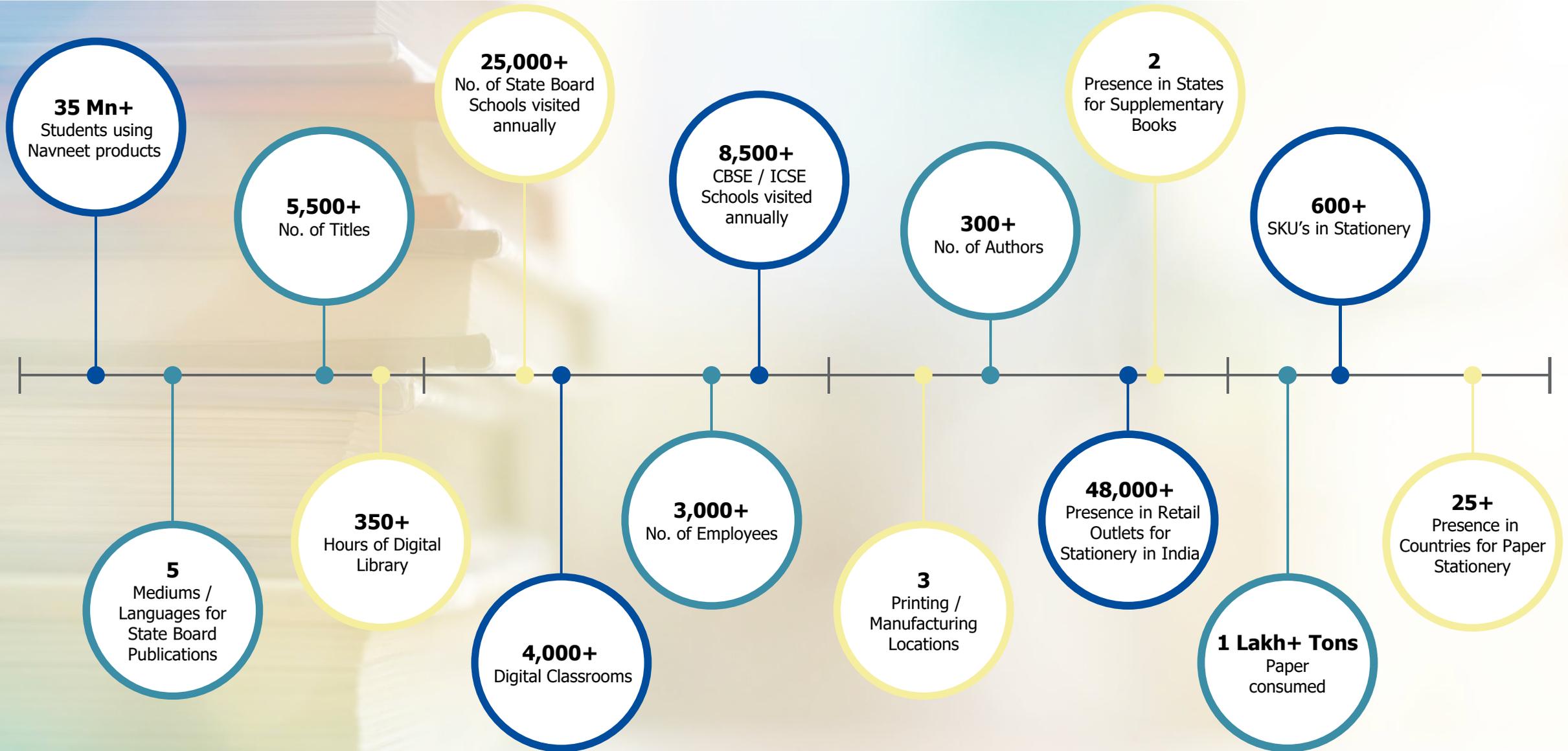
Student Centric

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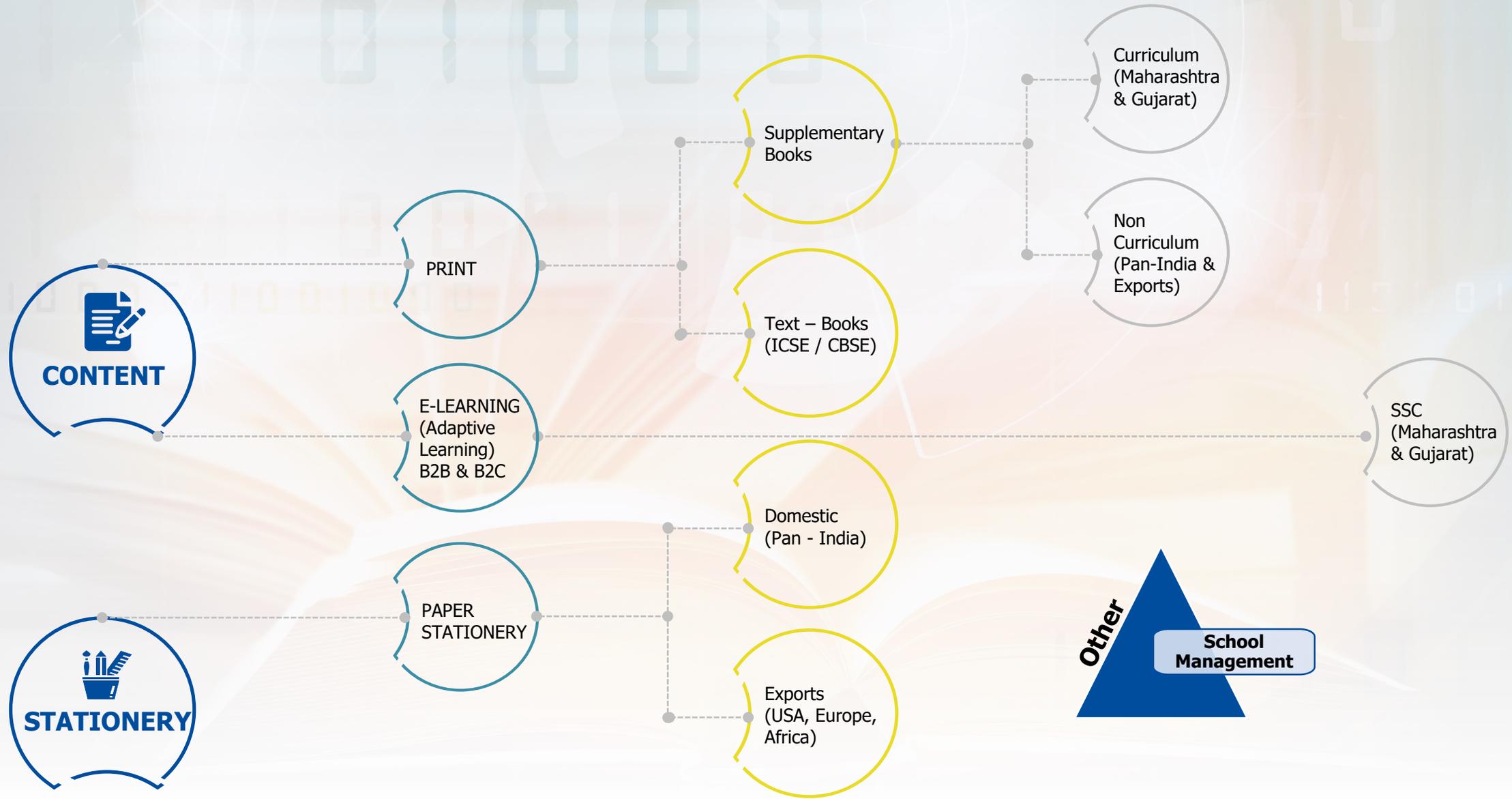
Transparency

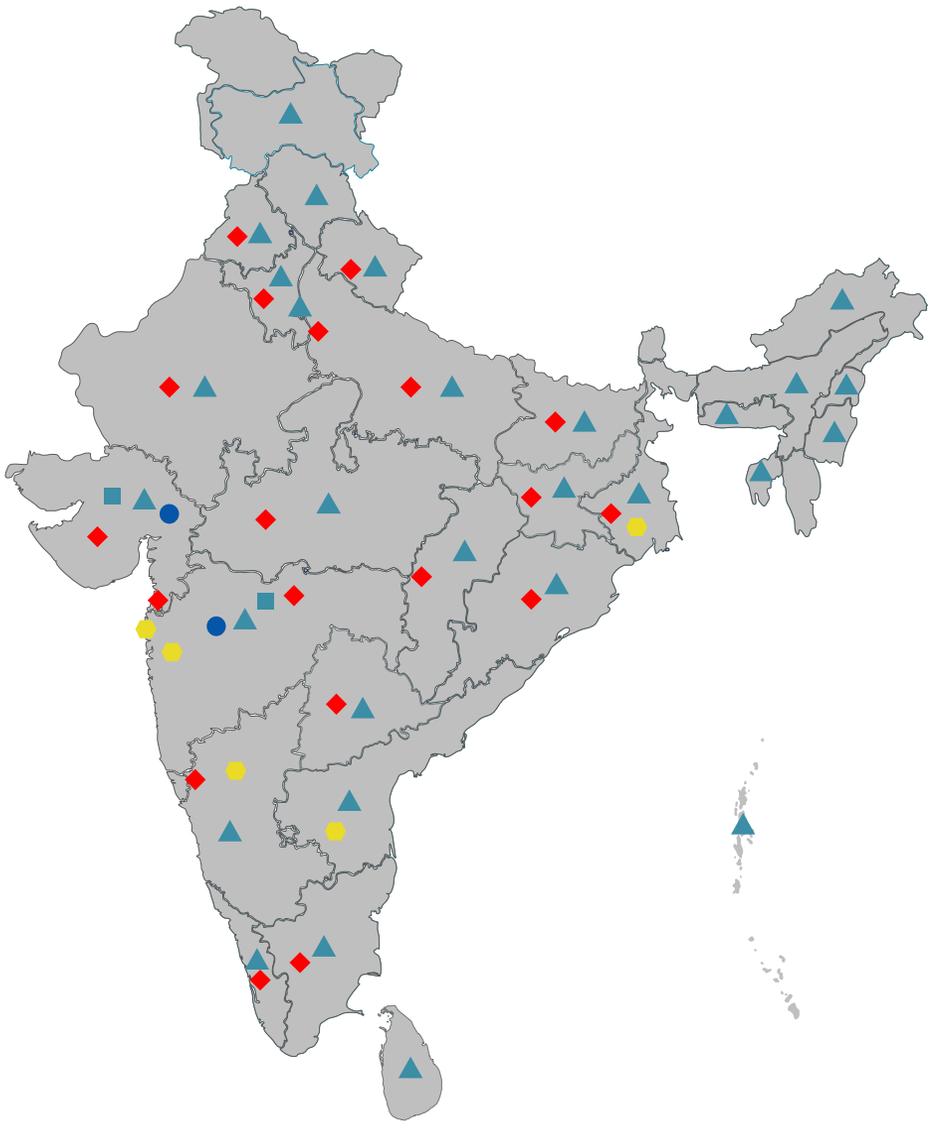
# 6 DECADES OF NAVNEET – A SNAPSHOT











**Supplementary Books**  
Maharashtra & Gujarat



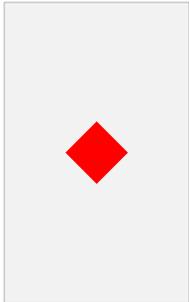
**Digital Presence**  
Maharashtra & Gujarat



**Orchid International**  
Mumbai, Pune, Bengaluru, Hyderabad and Kolkata



**Text Books**  
Andaman & Nicobar, Andhra Pradesh, Arunachal Pradesh, Assam, Bihar, Chhattisgarh, Delhi, Gujarat, Haryana, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Manipur, Meghalaya, Nagaland, Odisha, Punjab, Rajasthan, Tamil Nadu, Telangana, Tripura, Uttar Pradesh, Uttarakhand, West Bengal and Sri Lanka



**Stationery**  
Maharashtra, Dadra & Nagar Haveli, Bihar, Jharkhand, Odisha, West Bengal, Karnataka, Kerala, Tamil Nadu, Telangana, Gujarat, Chhattisgarh, Delhi, Haryana, Madhya Pradesh, Punjab, Rajasthan, Uttar Pradesh, Uttarakhand



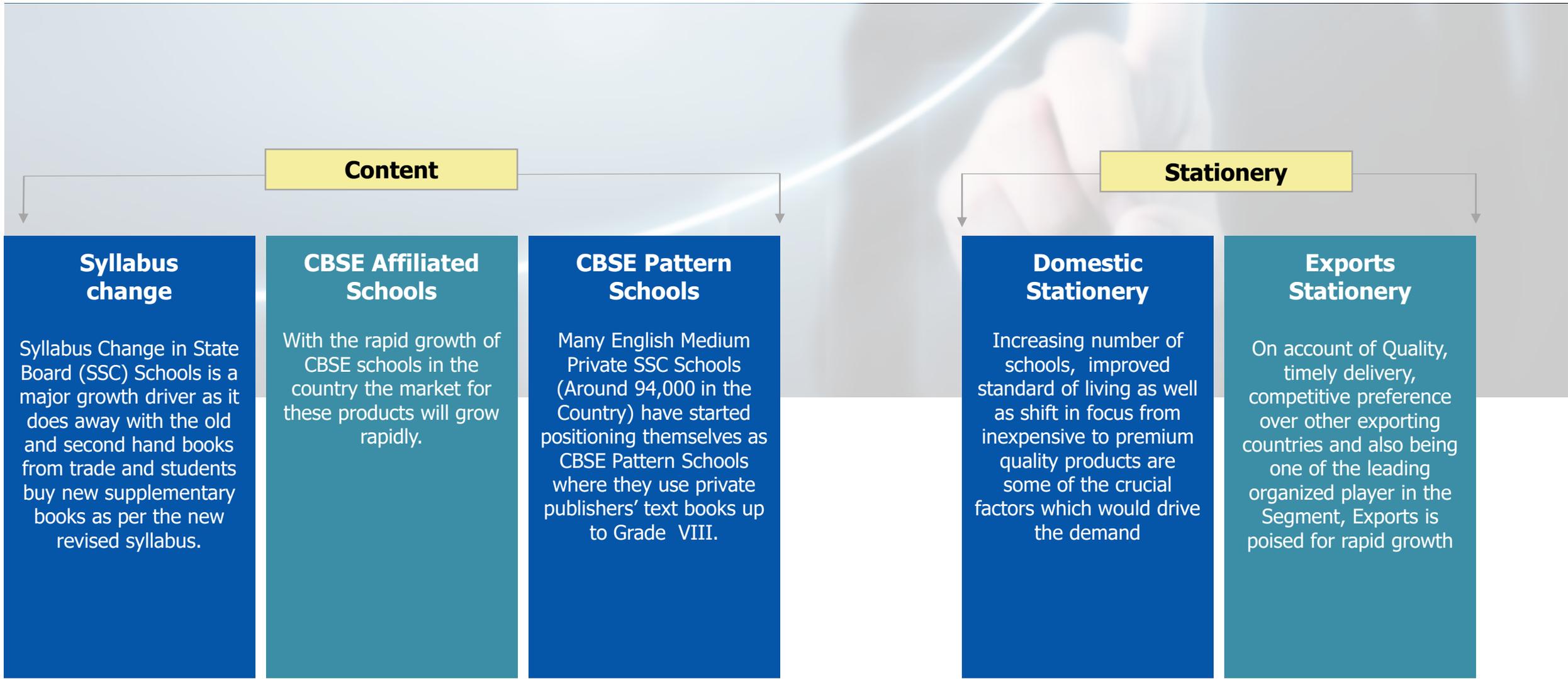
- 1. Canada
- 2. U.S.
- 3. Mexico
- 4. Honduras
- 5. Jamaica

- 6. Puerto Rico
- 7. Costa Rica
- 8. Panama
- 9. Ireland
- 10. Norway

- 11. Sweden
- 12. Denmark
- 13. Germany
- 14. U.K.
- 15. Spain

- 16. Turkey
- 17. Ethiopia
- 18. Kenya
- 19. Rwanda
- 20. Tanzania

- 21. Zambia
- 22. Madagascar
- 23. South Africa
- 24. New Zealand
- 25. UAE



**4,000+**  
Digital Classrooms using  
Top Class

**20,000+**  
Teachers trained

**1,20,000+**  
Students learning  
through Top Class

**150+**  
Team of authors,  
Illustrators and  
animators

**350+**  
Hours of digital content

**15,000+**  
Videos

**2,00,000+**  
MCQs

# GROWTH DRIVERS - E-LEARNING EDUCATION

## EVOLVING BUSINESS MODEL :

Peer to peer learning among students to gain pace also value-added services such as internships and live projects along with regular courses to provide hands on experience to students

## GAMIFICATION :

Will gain application in the form of simulation of concepts, Incentive based learning, level advancement badges and the likes

## CSR INITIATIVES :

With law of CSR spending of 2% from profit, the max spends towards education, will enable infrastructure needed for online education

## INTERNET PENETRATION :

51% Penetration , 409 million users  
2021(P)- Projected 735 million Users

## LOW COST ALTERNATIVE :

Online Education –  
53% Cheaper

## RISING DISPOSABLE INCOME :

Disposable income of the country expected to grow 55% by 2020

## RISING JOB SEEKING POPULATION :

280 million people to enter job market by 2050. Growth rate of jobs:2%, Unemployment rate (2016):5%

## SMARTPHONE PENETRATION :

More than 290 million smartphone users currently, User base to add 180 million users by 2021

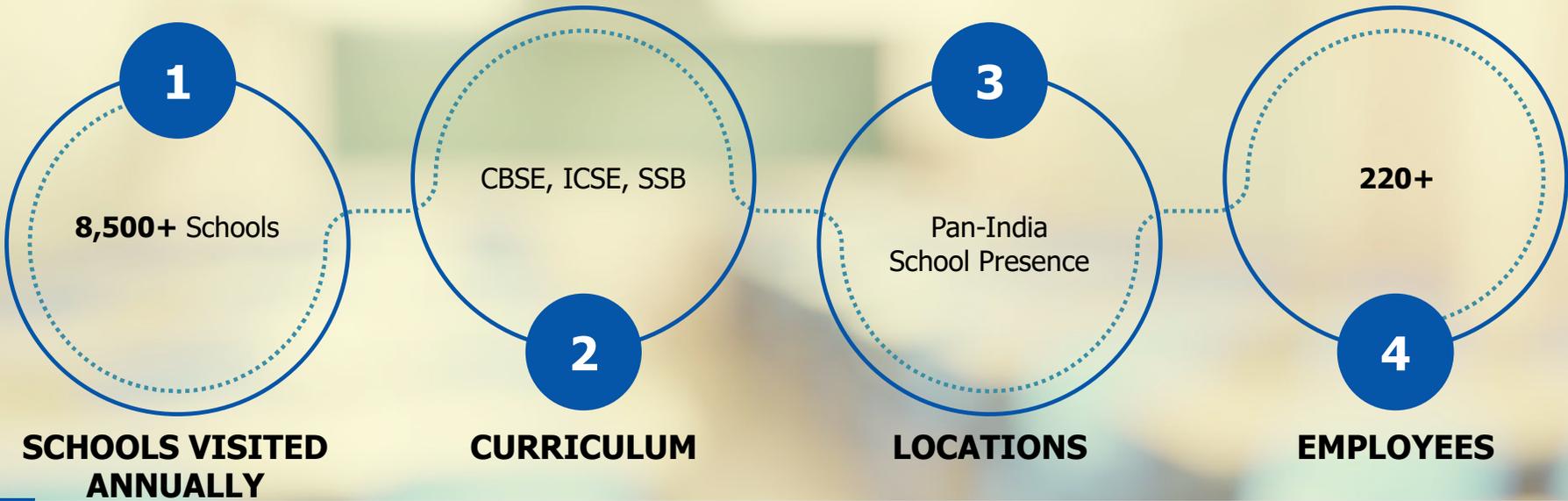
## LACK OF QUALITY EDUCATION :

Online channel provides quality education to potential students currently, there is lack of quality education in many parts of India

## GROWING YOUNG POPULATION :

Large fraction of Indian population is young thus enlarging the target population for online education. Acceptability for online education is higher in the younger demographic





**TARGET REACH**

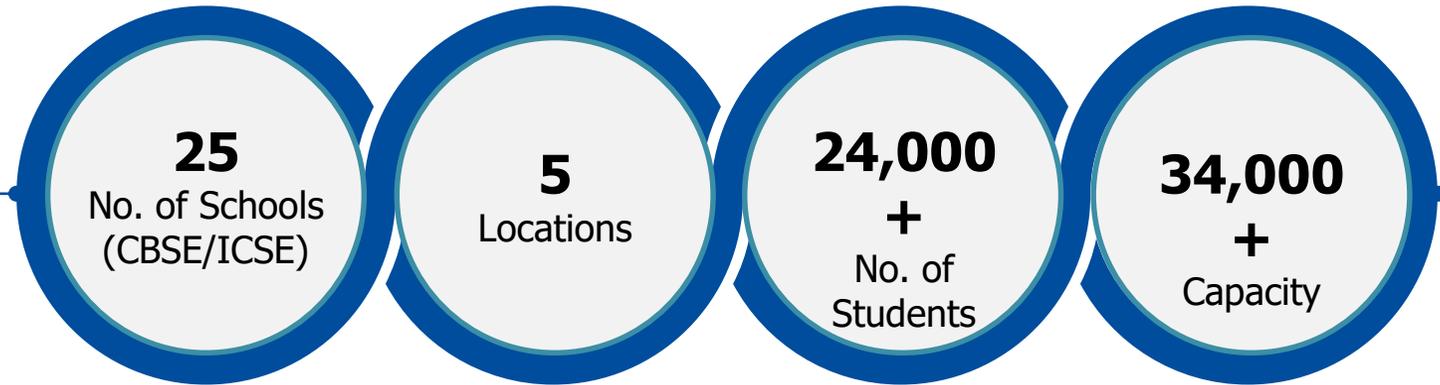
**25,000+ CBSE / ICSE & 20,000+ SSC Schools**

- Encyclopedia Britannica India ("EB India") is one of India's leading K-12 curricular educational publisher; started publishing operations in India in 2009.
- Extensive product catalogue comprising educational, instructional and information products & technology solution.
- Offers specialized curricular learning solutions consisting of textbooks, interactive student, teacher resources and training materials.
- Key export markets include Sri-Lanka, Nepal and GCC.

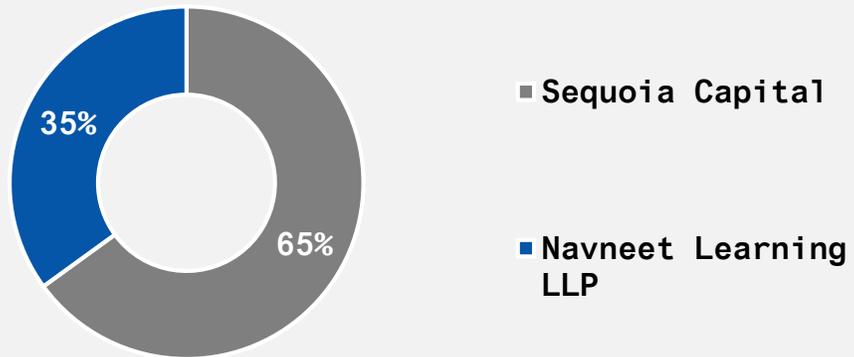
Over the last few years, quality Direct Education is in great demand in the Country and hence seen a sudden growth.



**ORCHIDS – THE INTERNATIONAL SCHOOL**



**SHAREHOLDING**



Locations	No. of Schools
Bangalore	11
Mumbai	9
Hyderabad	1
Pune	3
Kolkata	1
<b>TOTAL</b>	<b>25</b>

# CORPORATE SOCIAL RESPONSIBILITY

- 21,000+ children benefited in 117 classrooms digitalized in 87 schools in 18 districts through software learning program installation and hardware equipment
- 2,000 children and youth trained and developed for state, national and international sports competitions
- Economic empowerment for 5,000+ tribal women through distribution of vegetable seeds and fruit plants for agriculture employment generation
- Intervention during natural disasters such as floods, drought and earthquakes
- Low cost housing for the less privileged
- Water conservation projects in drought affected areas

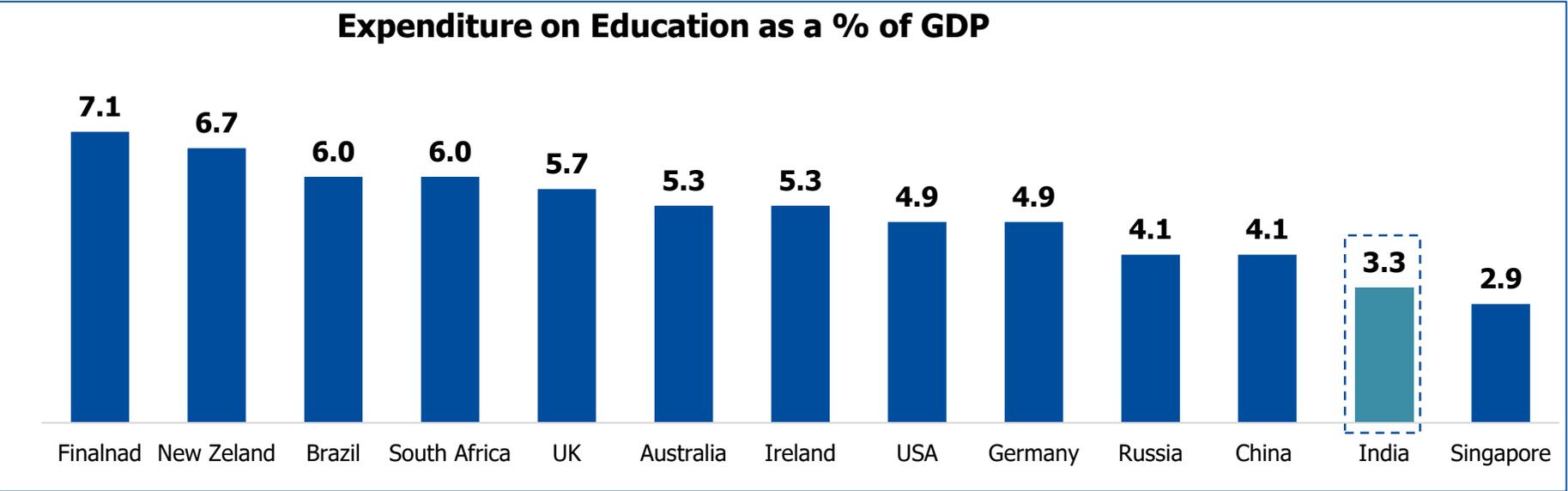
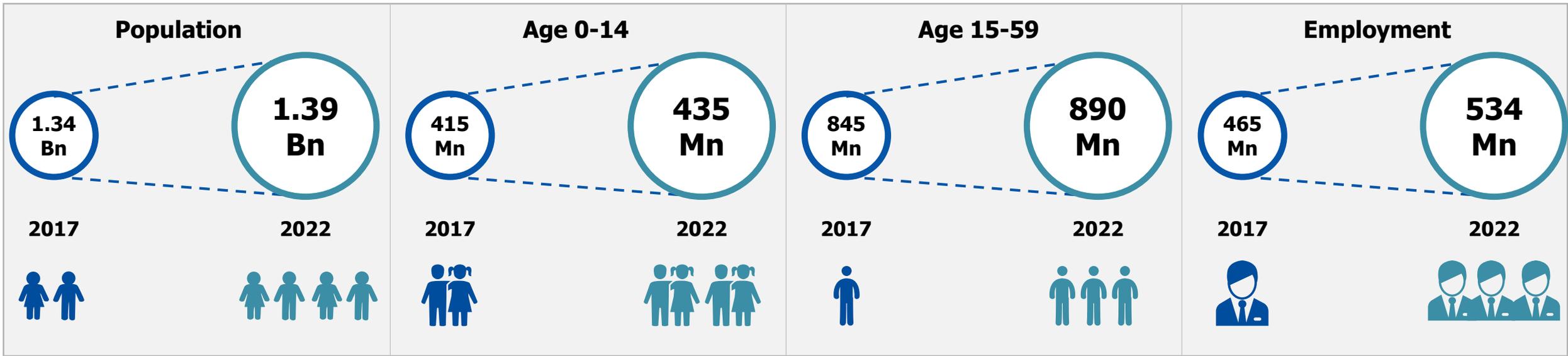


- Three charitable hospitals established in Mumbai under the name Navneet Hospitals
- Free books & stationery distributed to under privileged children from over 60 trusts
- 6,000+ Teachers from 6 cities of Maharashtra trained through 108 training session on creative and participatory methods of teaching in languages and mathematics
- More than 2,400 scholarships for education for children in school and higher education for youth
- 700 Gaushalas (animal shelters) in Gujarat and Maharashtra supported for fodder and medical care
- Mega Medical camps providing treatment to more than 45,000 patients
- 20,000 patients treated monthly through supported medical centers

The image features a circular inset on the left side, showing a group of students in school uniforms running on a track. The background of the entire image is a light gray color with a repeating pattern of white line-art icons representing various educational and creative concepts, such as lightbulbs, gears, books, and abstract shapes. The text "INDUSTRY INSIGHTS" is prominently displayed in the center of the circular inset.

**INDUSTRY  
INSIGHTS**

# INDUSTRY OVERVIEW



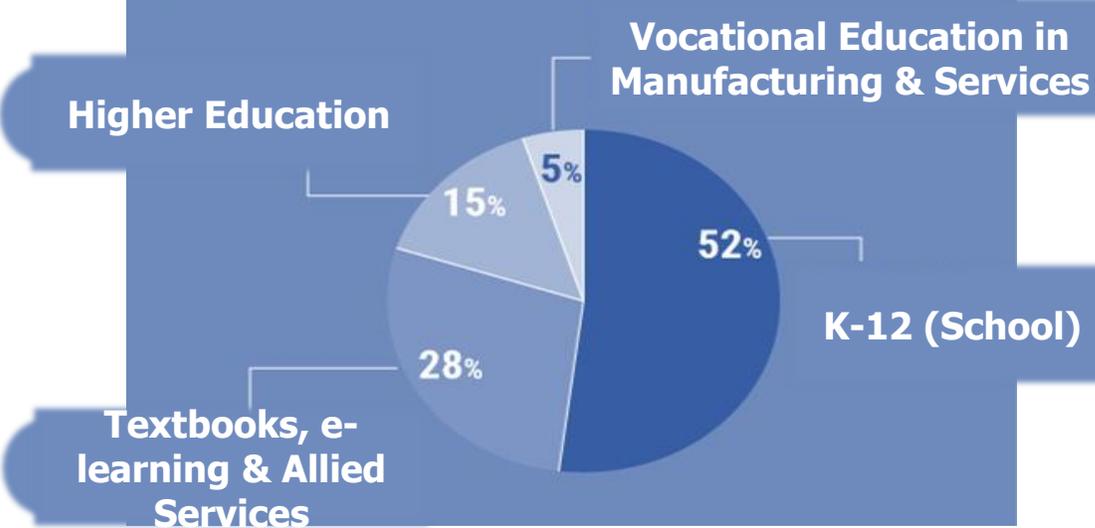
Source: World Bank, Census Data

# HOW BIG IS INDIA'S EDUCATION MARKET

K-12 segment offers the largest market in business



Figures in dollar and billion



Source: Technopak Analysis

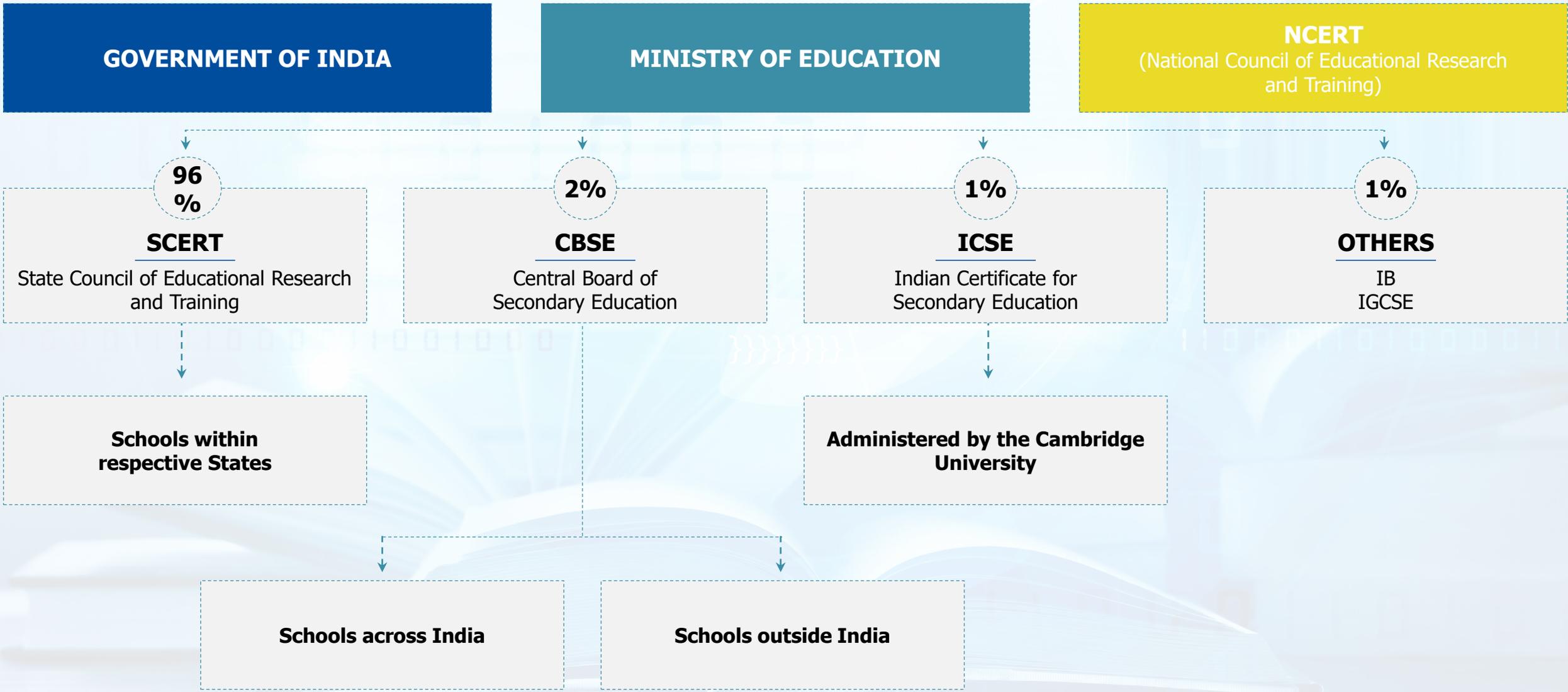
Segments

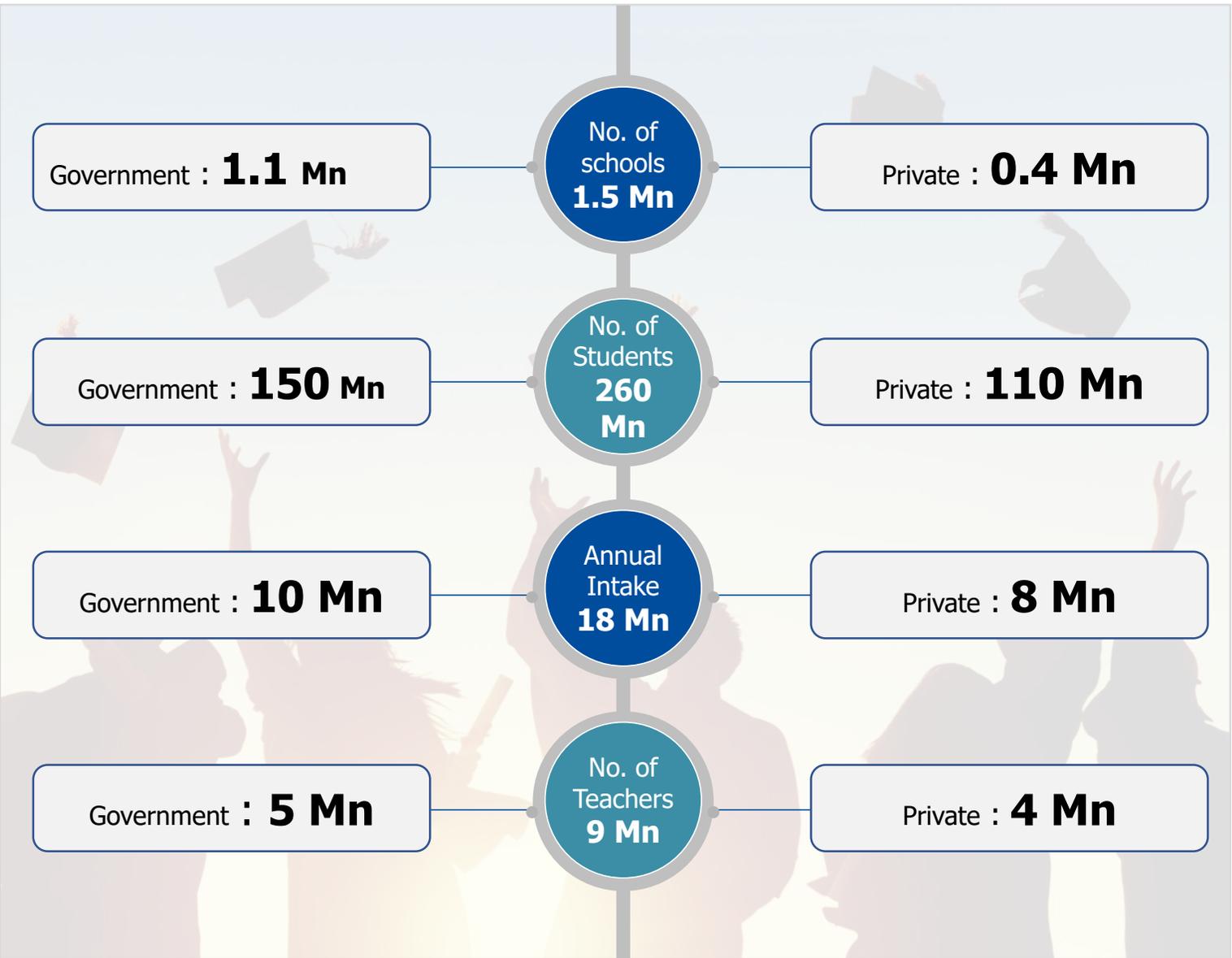
Market Opportunity

Regulations

Schooling	Higher Education	Vocational Education & Skill Development	Ancillary Segments
Early Childhood Education (Pre-schools)	Graduation (General & Professional)	Vocational Education in Manufacturing	Test Preparation and Tutoring
K-12 Schools	Post Graduation (General & Professional)	Vocational Education in Services	Content: Textbooks and e-Learning
	Research (PhD.)		Allied Services etc.
Market Size: \$52bn	Market Size: \$15bn	Market Size: \$5bn	Market Size: \$28bn
CAGR: 14%	CAGR: 20%	CAGR: 20%	CAGR: 22%
ECE: For Profit K-12: Not for Profit	Not for Profit	For Profit	For Profit

**Presence in both Schooling & Ancillary Segments**





Source: DISE, State Boards, CBSE, ICSE Board

# INDUSTRY OVERVIEW – E-Learning

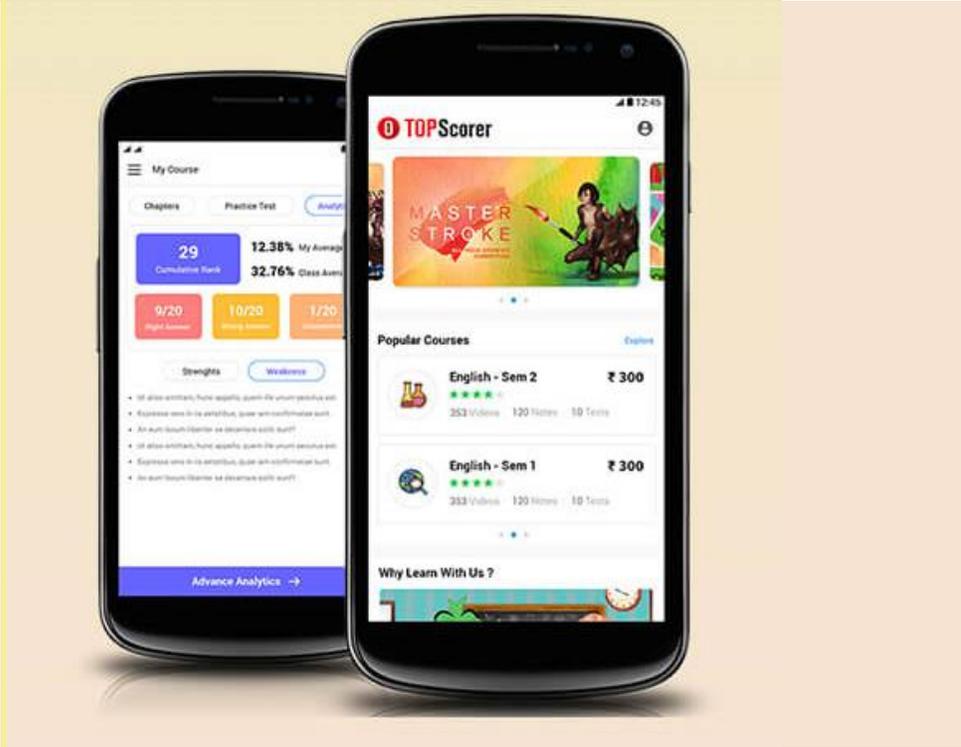
India's Online Education market size to grow by USD 1.96 billion in 2021

It is expected that Online Education sector will witness a growth of 44% CAGR. Userbase will rise to 9.6 million by 2021

The Growth in the market size will be backed by an increase in the number of paid users in online education

Indian students using Online Education rank 'quality of course content' as the top reason for selecting a specific brand

**“ Driven by combination of Demand, Supply & Macroeconomic drivers ”**



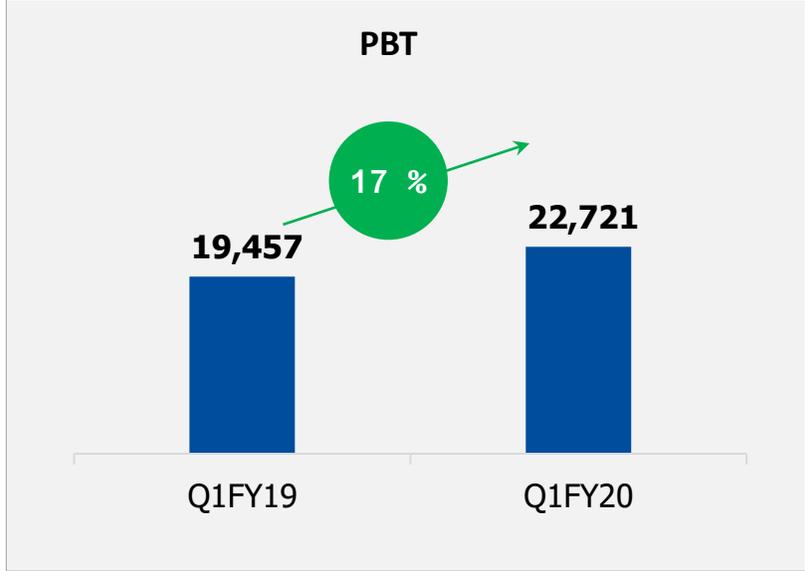
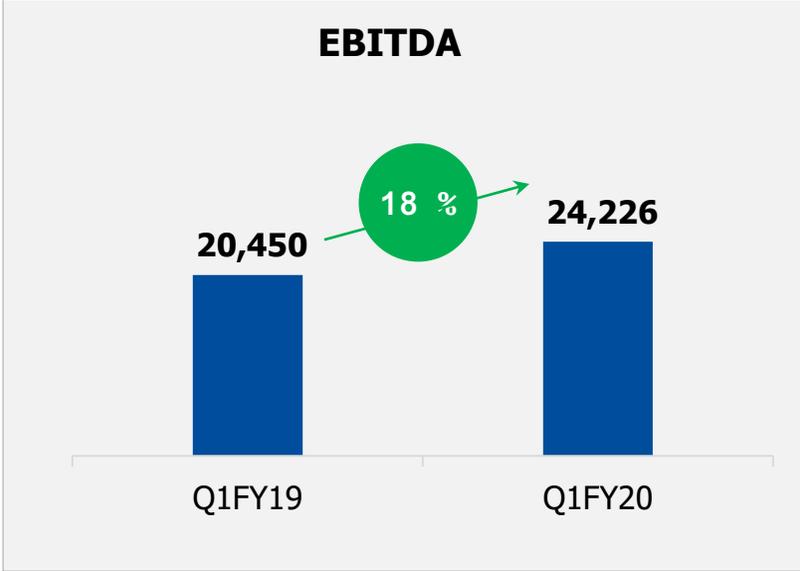
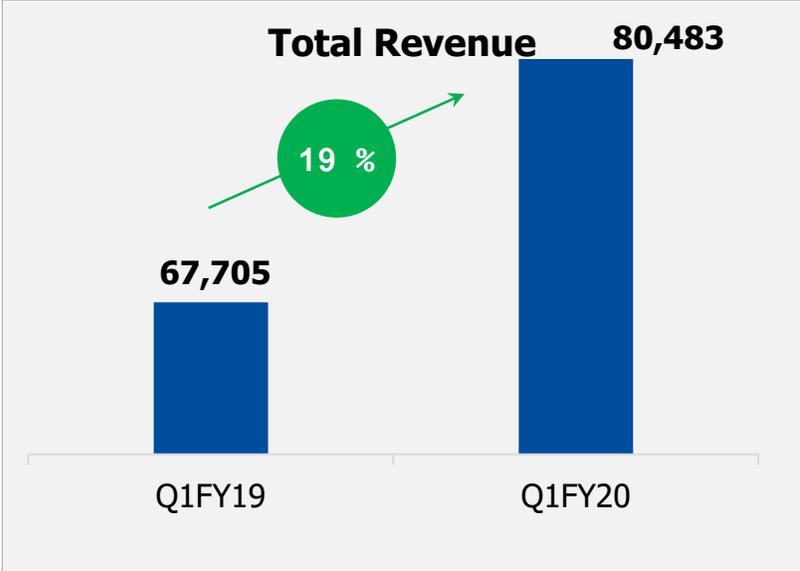
Students prefer laptops over mobile phones for accessing online course content

Source: KPMG



**FINANCIAL  
PERFORMANCE  
Q1FY20**

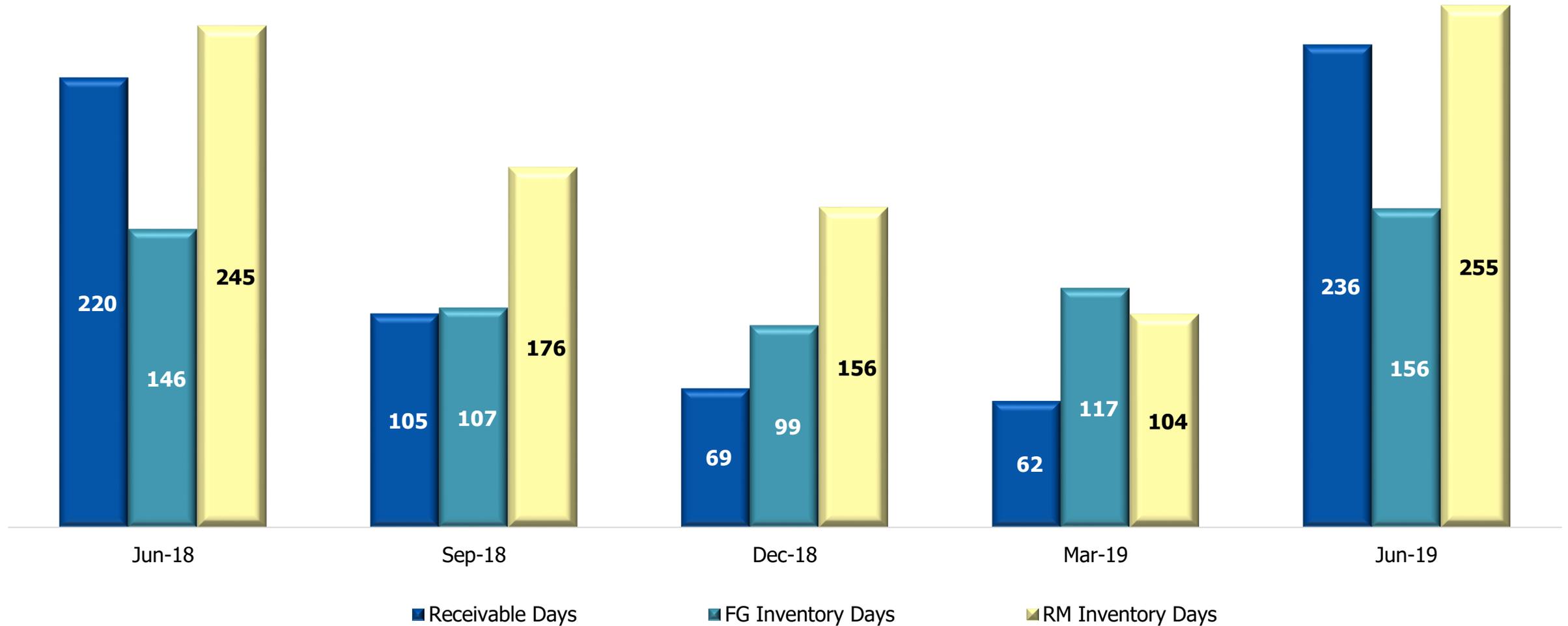




Segmental Revenue	Publications	Stationery - Domestic	Stationery - Exports
<b>Q1FY20</b>	<b>43218</b>	<b>10954</b>	<b>25304</b>
<b>Q1FY19</b>	<b>36595</b>	<b>10362</b>	<b>19977</b>

(Rs in Lakh)

Particulars	Quarter ended June '19			
	Q1FY20 (Unaudited)	% of Revenue	Q1FY19 (Unaudited)	% of Revenue
Income from Operations	79,499		66,996	
Other Income	984		709	
<b>Total Revenue</b>	<b>80,483</b>		<b>67,705</b>	
(a) Cost of materials consumed	26,102		22,682	
(b) Purchases of stock-in-trade	25		33	
(c) Changes in inventories	15,643		12,535	
(d) Employee benefits expense	3,831		3,295	
(e) Depreciation and Amortisation	804		573	
(f) Other expenses	10,755		8,710	
Total Expenses	57,160		47,828	
<b>Profit / (Loss) from ordinary activities</b>	<b>23,322</b>	<b>29%</b>	<b>19,877</b>	<b>29%</b>
Exceptional Items	-		-	
<b>Profit / (Loss) after exceptional Items</b>	<b>23,323</b>	<b>29%</b>	<b>19,877</b>	<b>29%</b>
Finance Costs	701		420	
<b>Profit / (Loss) before tax</b>	<b>22,622</b>	<b>28%</b>	<b>19,457</b>	<b>29%</b>
(a) Provision for Taxation	8,491		7,229	
(b) Provision for Deferred Tax	(612)		-401	
(c) Excess/(Short) Provision of the earlier year W/off / back	-		-	
<b>Net Profit / (Loss) after tax</b>	<b>14,743</b>	<b>18%</b>	<b>12,629</b>	<b>19%</b>
Other Comprehensive Income (OCI) net of tax	(318)		-385	
<b>Total Comprehensive Income</b>	<b>14,425</b>	<b>18%</b>	<b>12,244</b>	<b>18%</b>



(INR in Lakh)

Particulars	Quarter ended June '19			
	Q1FY20 (Unaudited)	% of Revenue	Q1FY19 (Unaudited)	% of Revenue
Total Income from Operations	81,153		68,635	
Other Income	878		620	
<b>Total Revenue</b>	<b>82,031</b>		<b>69,256</b>	
(a) Cost of materials consumed	26,244		23,002	
(b) Purchases of stock-in-trade	37		47	
(c) Changes in inventories	15,731		12,504	
(d) Employee benefits expense	4,775		4,197	
(e) Depreciation and Amortisation	1,060		743	
(f) Other expenses	11,405		9,354	
Total Expenses	59,252		49,848	
<b>Profit / (Loss) from ordinary activities</b>	<b>22,779</b>	<b>28%</b>	<b>19,408</b>	<b>28%</b>
Exceptional Items	-		-	
<b>Profit / (Loss) after exceptional Items</b>	<b>22,779</b>	<b>28%</b>	<b>19,408</b>	<b>28%</b>
Finance Costs	801		480	
<b>Profit / (Loss) before tax</b>	<b>21,978</b>	<b>27%</b>	<b>18,927</b>	<b>27%</b>
(a) Provision for Taxation	8,491		7,229	
(b) Provision for Deferred Tax	(574)		(424)	
(c) Excess/(Short) Provision of the earlier year W/off	0		-	
<b>Net Profit / (Loss) after tax</b>	<b>14,061</b>	<b>17%</b>	<b>12,122</b>	<b>18%</b>
Share of Profit/ (Loss) of Associate	549		314	
<b>Net Profit / (Loss)</b>	<b>14,610</b>	<b>18%</b>	<b>12,436</b>	<b>18%</b>
Other Comprehensive Income (OCI) net of tax	(308)		(384)	
<b>Total Comprehensive Income</b>	<b>14,302</b>	<b>17%</b>	<b>12,052</b>	<b>17%</b>

# SNAPSHOT OF CONSOLIDATED FINANCIAL RESULTS

(Rs in Lakh)

Revenue from Operations		
	Q1 of FY 20	Q1 of FY 19
NEL	79,499	66,996
eSense	907	964
Indiannica	729	705
NLLP	-	-
NHKL	57	-
K12	-	-
Inter co Adjust	(40)	(30)
<b>Total</b>	<b>81,153</b>	<b>68,635</b>

Summary of EBITDA	
Q1 of FY 20	Q1 of FY 19
24,127	20,450
231	477
(422)	(698)
-	-
-	-
-	-
(95)	(78)
<b>23,841</b>	<b>20,151</b>

Summary of PAT	
Q1 of FY 20	Q1 of FY 19
14,743	12,628
108	413
(777)	(878)
-	-
-	-
549	313
(12)	(42)
<b>14,061</b>	<b>12,435</b>

As of March 2019, the Government of India is taking the initiative to encourage colleges to offer online courses in rural areas to ensure education for all

As of December 2018, internet penetration in India had reached 46.13 per cent. Increasing internet penetration will help in education delivery

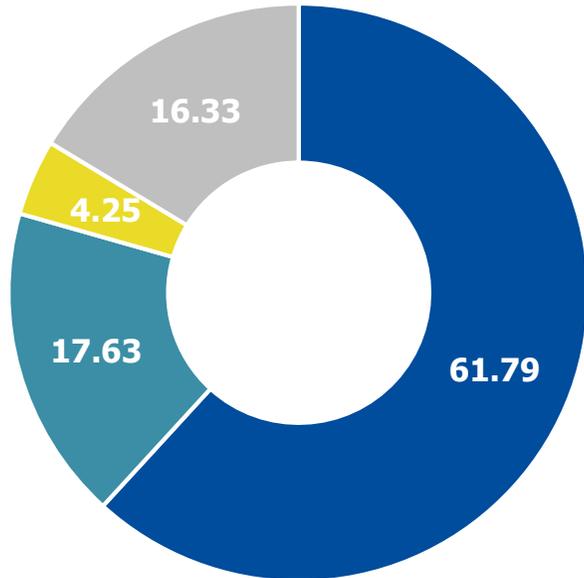
In March 2019, India Ratings and Research (Ind-Ra) maintained a stable outlook for the education sector for FY20 with a marginal increase in enrollments

With the tutoring in the schooling segment expected to grow from US\$ 8 billion in 2011 to US\$ 26 billion in 2020, there lies a large and fast-growing market for coaching and tutoring services imparted through innovative means, mainly the internet

The Government has hiked the expenditure budget for education by Rs 10,000 crore (US\$ 1.39 billion) to Rs 93,848 crore



## Shareholding as at June 30, 2019

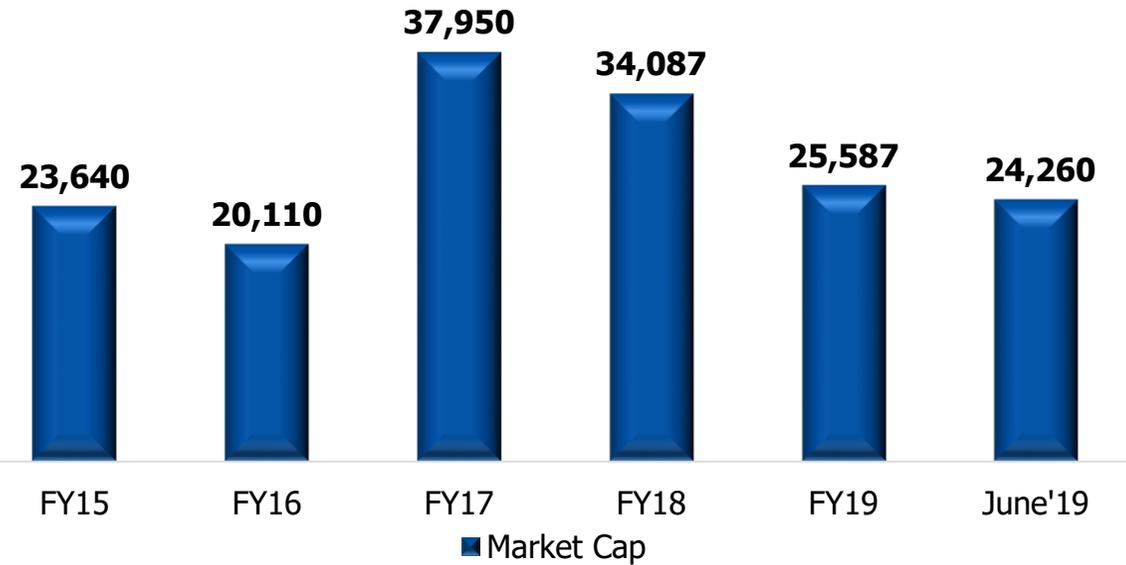


- Promoter & Promoter Group
- Domestic Institutional Investors
- Foreign Institutional Investors
- Non-Institutional Investors

Trusted by **25,000+** Shareholders

Face Value of **Rs. 2/-** per share

(₹ in Mn)



For analysts coverage on Navneet visit:  
<http://www.navneet.com/research-reports/>

**Stock Code:**

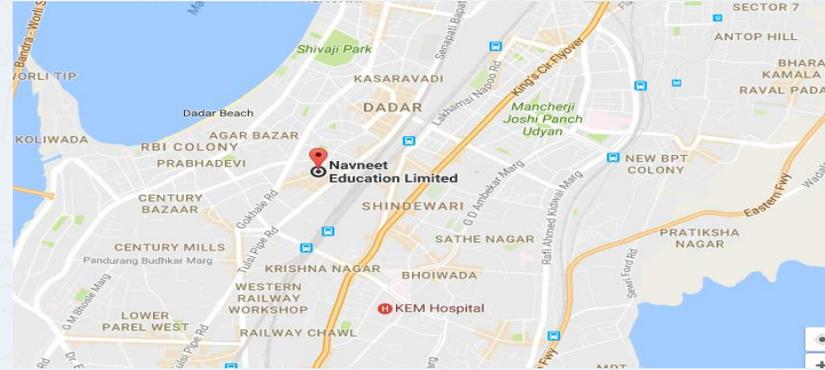
**BSE :** 508989

**NSE :** NAVNETEDUL

**Bloomberg / Reuters:** NELI IN / NAVN.BO



## CONTACT DETAILS



### **NAVNEET EDUCATION LIMITED**

Corporate Identity Number L22200MH1984PLC034055

**Corporate Office & Regd. Office :** Navneet Education Limited,  
Navneet Bhavan, Bhavani Shankar Road, Dadar-(West), Mumbai –  
400028.

**Website:** [www.navneet.com](http://www.navneet.com)

**E-mail Id:** [investors@navneet.com](mailto:investors@navneet.com)

### **Investor Relations Contact**

**Roomy Mistry | Head - Investor Relations | Navneet Education Limited**

**Address:** Navneet Education Limited | Navneet Bhavan | Bhavani Shankar Road, Dadar-(West), Mumbai – 400028.

**Phone:** +91 22 6662 6565 | **Mobile:** +91 98199 58878

**Email Id:** [roomy.mistry@navneet.com](mailto:roomy.mistry@navneet.com)