



Knowledge is wealth

# Investor Presentation

As On 31st March 2021



# A Premium Education House



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The background of the slide is a composite image. On the left, a semi-circular area shows a group of children in school uniforms running on a track. The rest of the slide has a light gray background with a repeating pattern of white line-art icons. These icons represent various educational fields: science (microscope, lightbulb, gear), art (paint palette, pencil, brush), music (musical notes, piano keyboard), and general learning (books, puzzle pieces, Venn diagrams, clouds, and stars).

# **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.

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**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

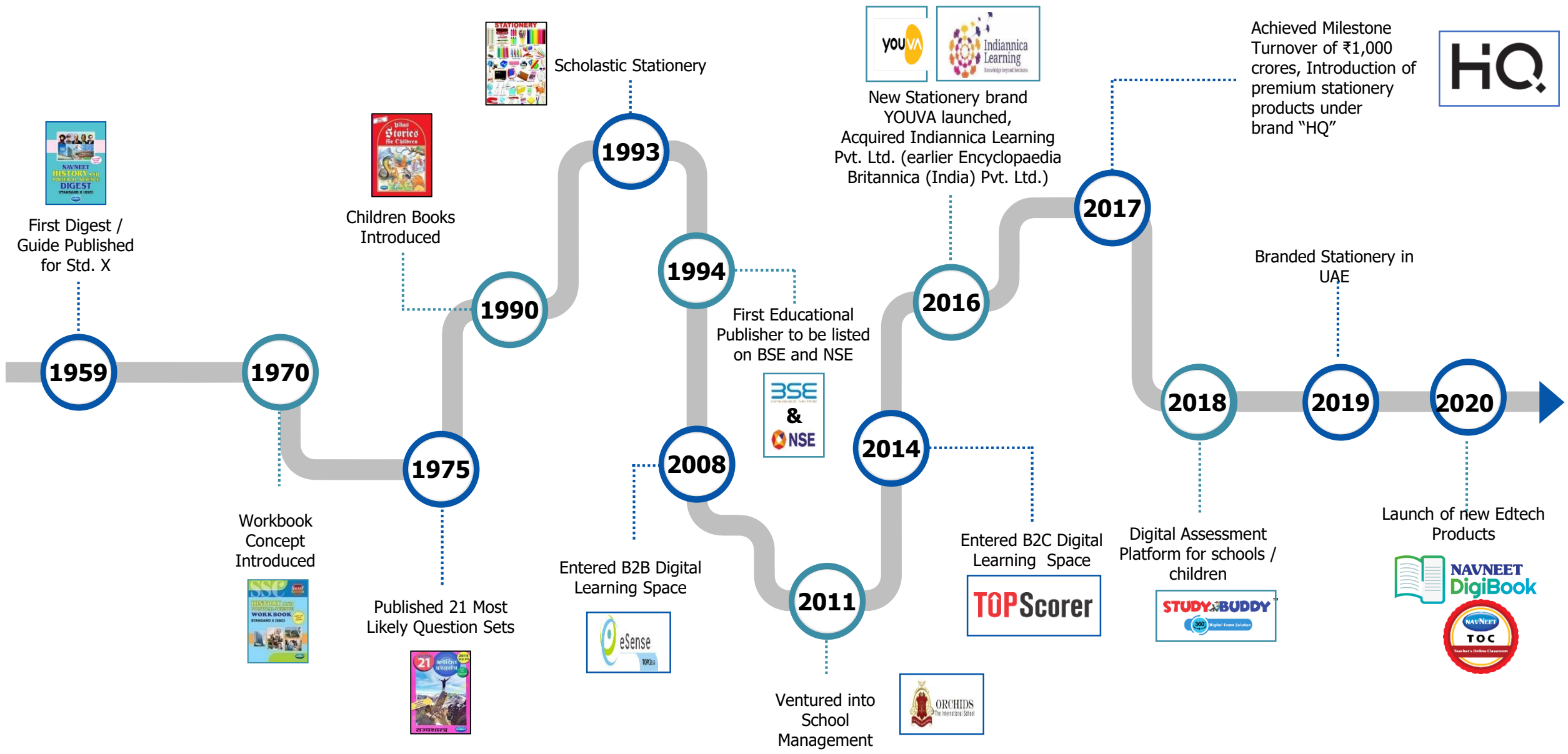
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Proactive

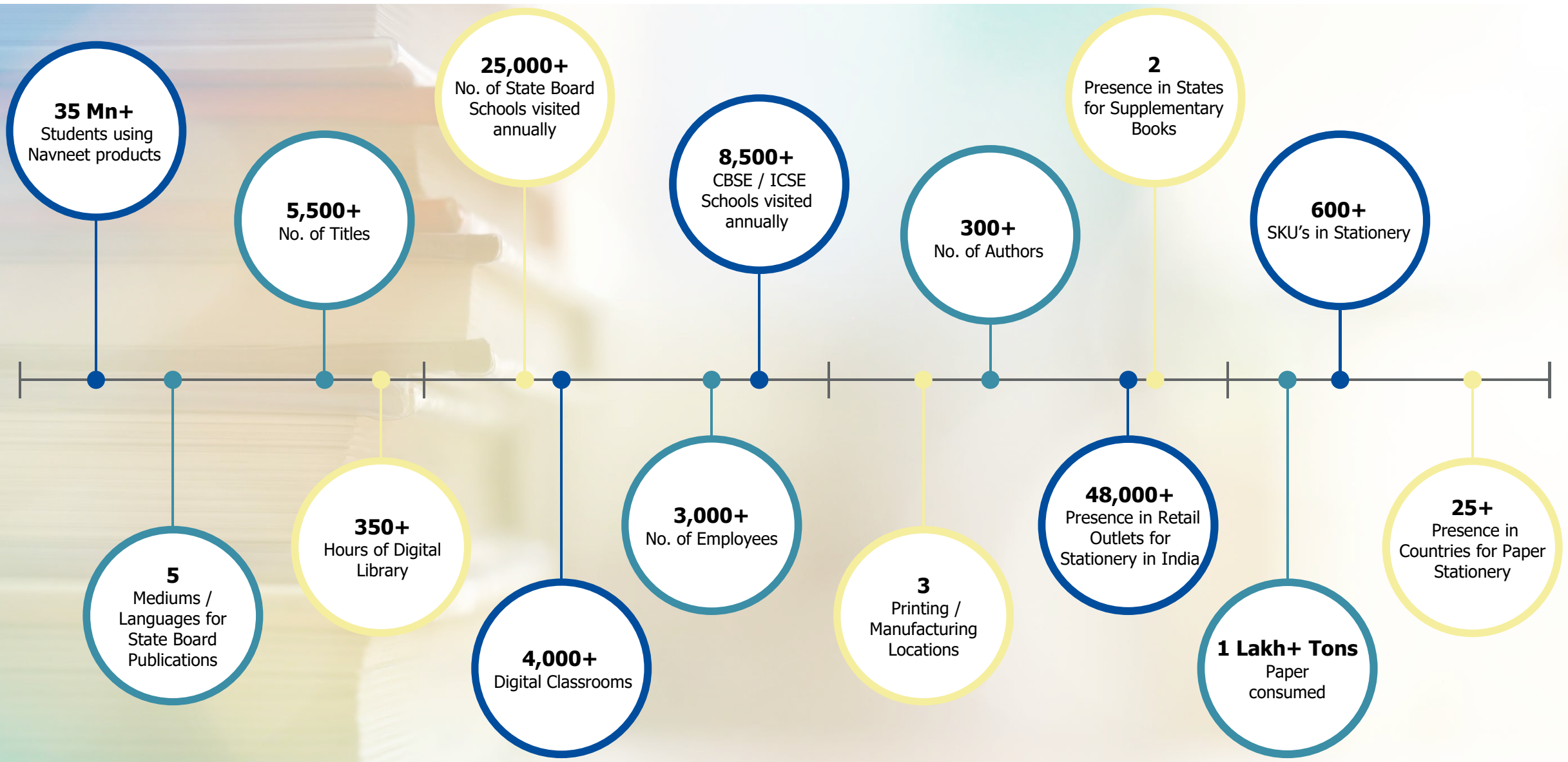
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Student Centric

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Transparency



6 DECADES OF NAVNEET – A SNAPSHOT

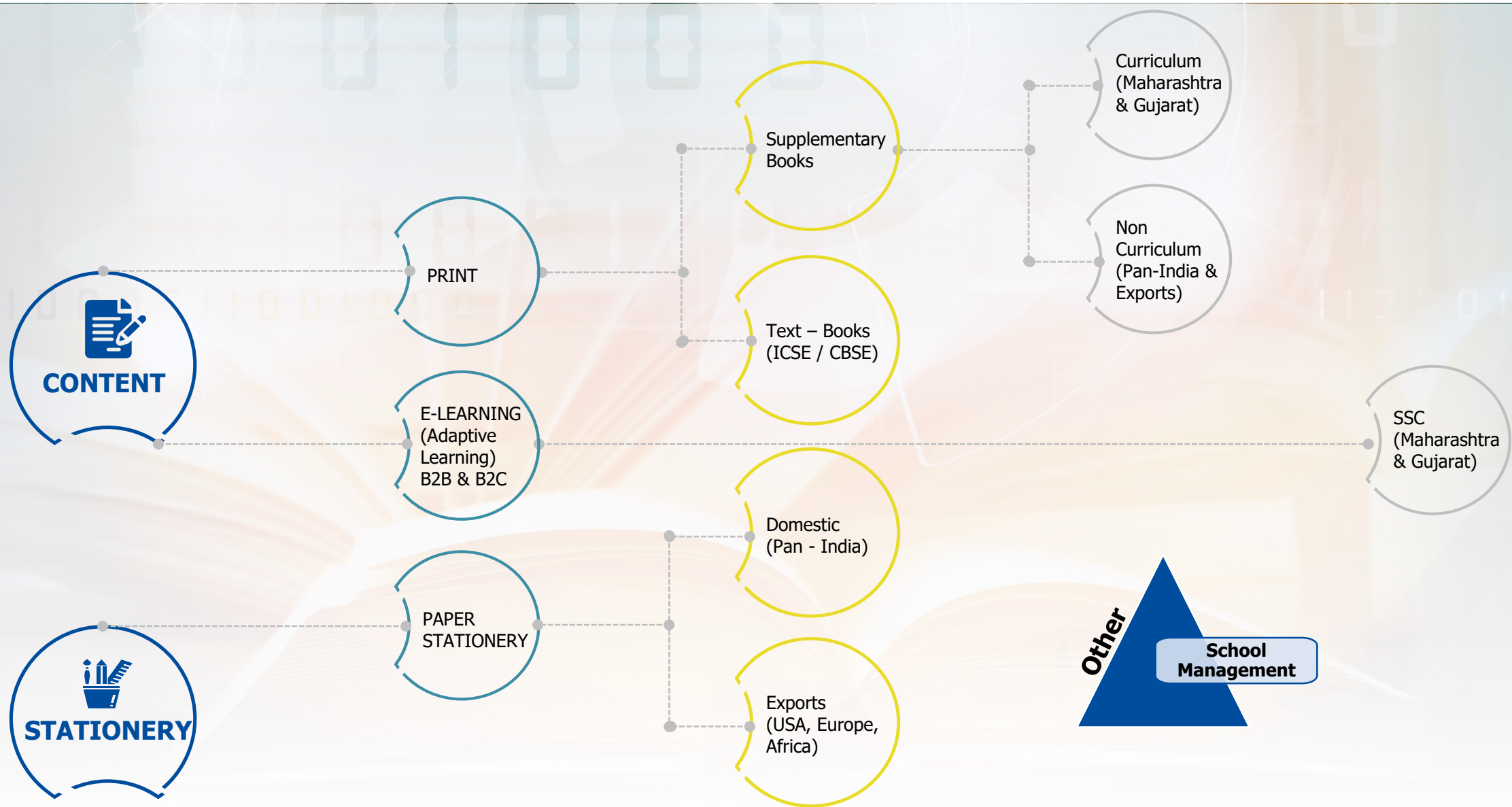


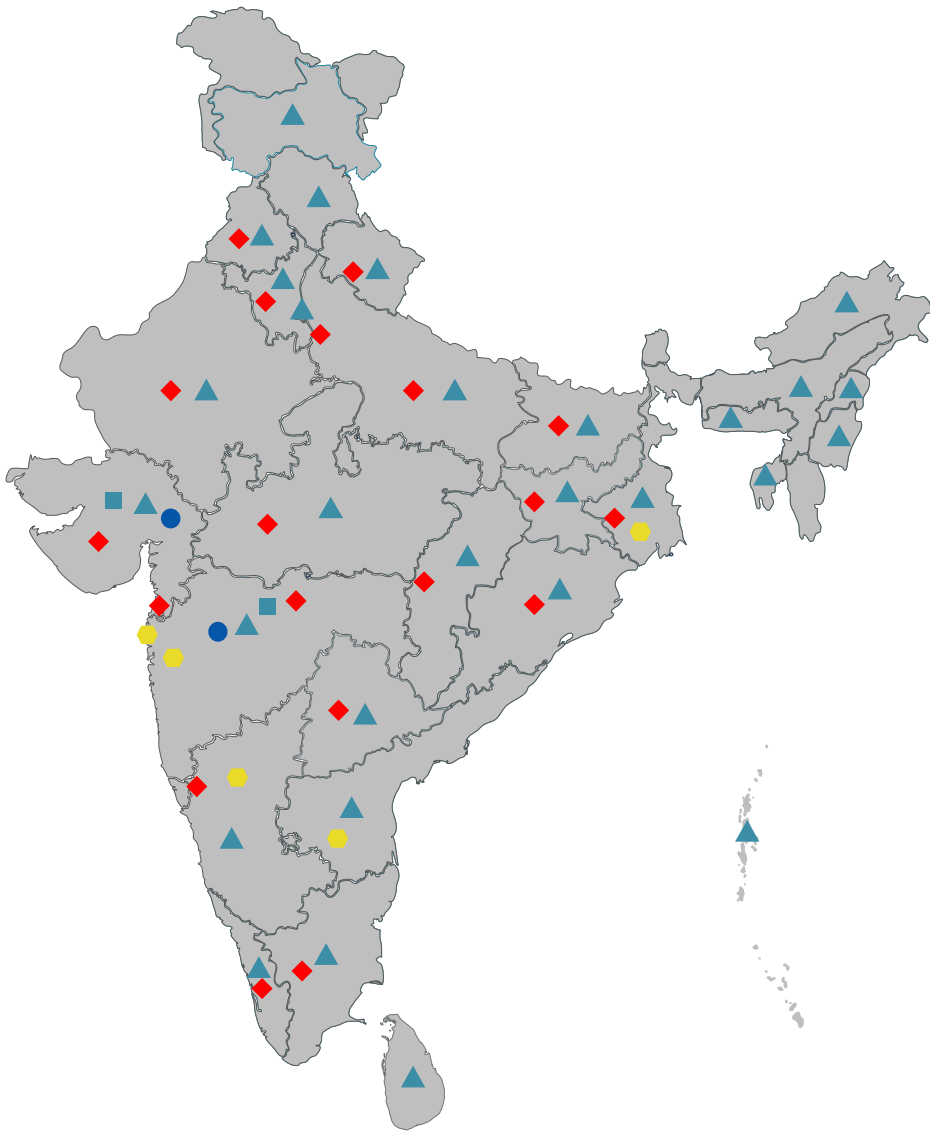




# **NAVNEET GROUP BUSINESS**







**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

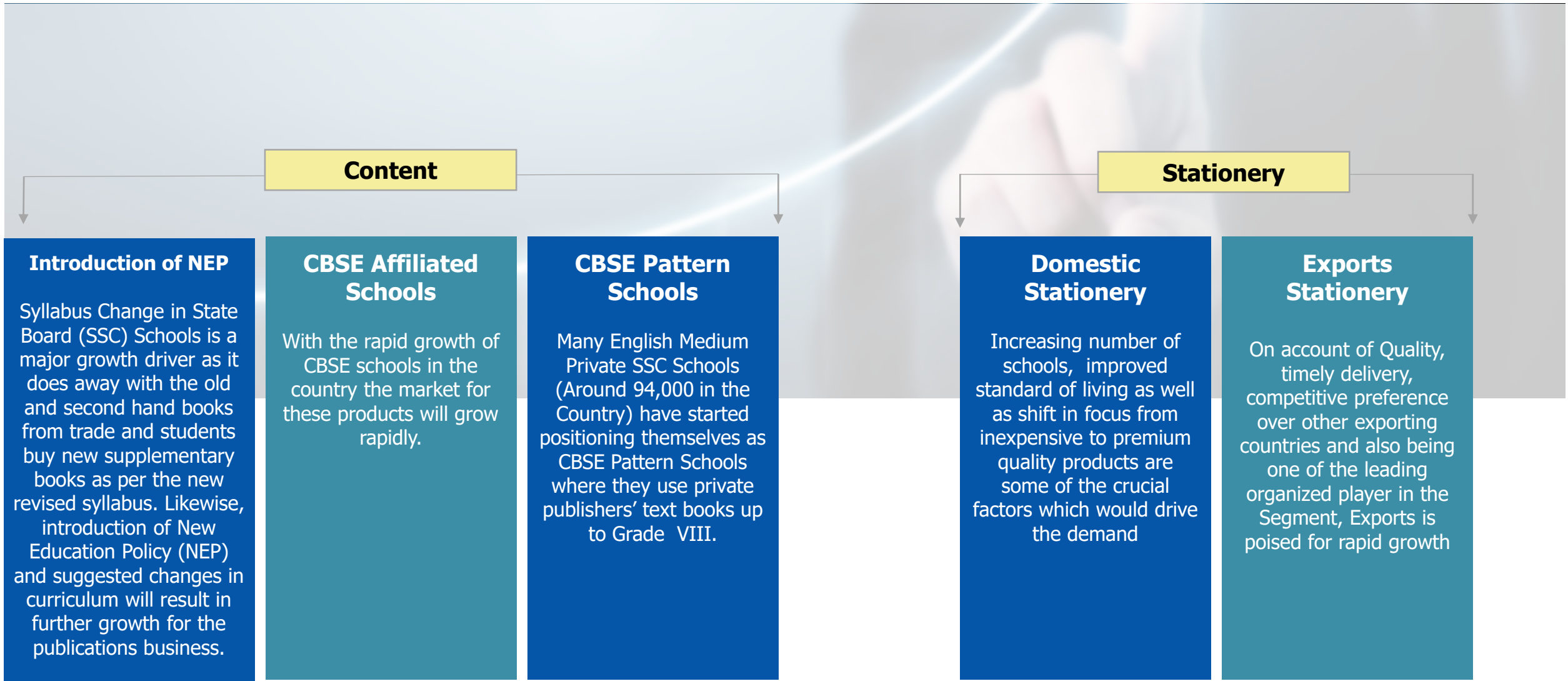
- 6. Puerto Rico
- 7. Costa Rica
- 8. Panama
- 9. Ireland
- 10. Norway

- 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+**

Institutes using TOPClass

**15,000+**

Classrooms digitised

**1.2mn**

Students learning  
through TOPScorer

**210+**

Team of authors,  
Illustrators and  
animators

**350+**

Hours of digital content

**15,000+**

Videos

**2,00,000+**

MCQs

**YOUNG POPULATION :**

India has the largest population in the world of about ~ 500 Mn in the age bracket of 5-24 years of which over 250 Mn are school going students, more than any other country. Also, Tech acceptability is higher among the youth

**BEYOND INDIA & BECOMING GLOBAL**

Technology has enabled delivering education globally. Targeting Indian diaspora across global locations is getting more relevant with times

**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 :**

As per statistics, there were 624.0 million internet users i.e. 45% in India in January 2021. With high internet penetration, quality delivery of education is becoming accessible even in remote places.

**LOW COST ALTERNATIVE :**

- Online education is around 53% cheaper than offline alternative, due to lower infrastructure costs.

**GOVERNMENT INITIATIVES**

Government of India has taken several initiatives through the Ministry of Education and UGC to promote electronic learning or e-learning for students and same has resulted in Digitization in Educational Institutions.

**UNEMPLOYMENT & CONTINUED LEARNING**

Approximately 280 Mn job seekers are expected to enter the job market by 2050 and current Unemployment Rate in India averaged around 9%. This would require relevant training and upskilling for improving the employability of job-seekers.

**LACK OF QUALITY EDUCATION :**

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

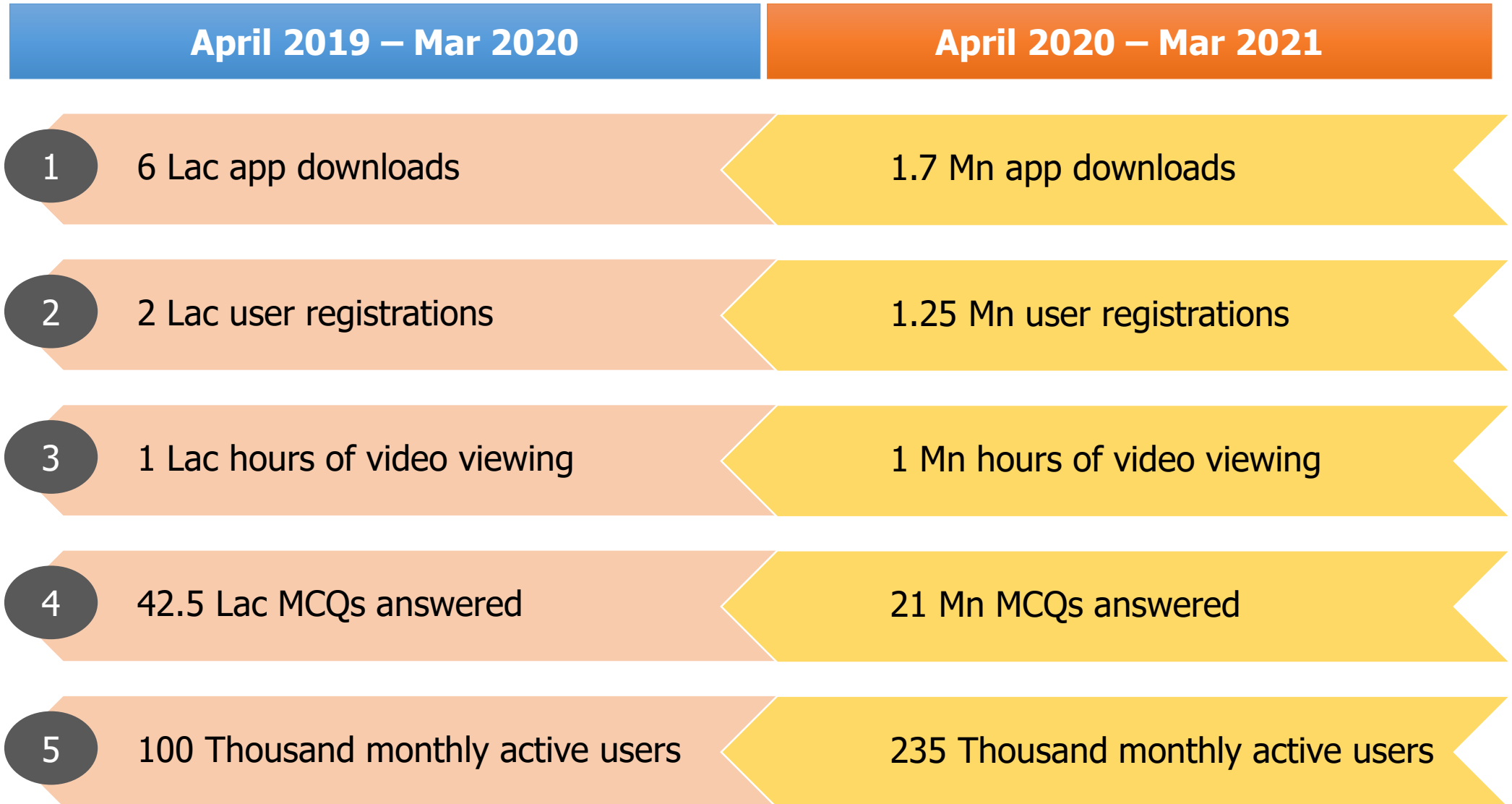
**GROWING YOUNG POPULATION :**

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





## TOPScorer– Lock down Highlights



## Navneet Digibook

- Launched in Dec'20
- Total Books for Usage – 458
- No of Unique Students Registered and Using – 46,616
- Needs Revamp - Started

## Navneet Kids Platform

- **Platform for the age group 0 – 8**
- **Key Features**
  - Uniquely positioned to deliver a hybrid (Kit + Digital) learning experience
  - Learning journey will be pre-set according to a curriculum but will be personalized to child's individual need & capabilities
  - Heavy emphasis on learning by doing and harmony between kits and digital interface
  - Gamification of content to ensure that content is interactive and fun
  - Topics will be taught to kids in a drip-fed manner and will be age appropriate

## Navneet TOC (Teachers Online Course)

- Launched in Aug'20
- No. of Registrations – 30,465
- Needs Revamp

# Ed-Tech Digital Initiatives

## Repurpose

Repurposing present digital content at eSense and creation of fresh content for All India markets. Investment between 25 – 40 cr. In 2 years

## Digital Books

Introduction of Value-added Digital books of most important physical books of Navneet.

## Interactive

Creation of interactive digital content for the young age group ( 0 – 8) and to be launched in next 6 months via App and Web with an Investment of 25 cr.



## Platforms

Dissemination of newly designed digital content through other platforms & Partnership

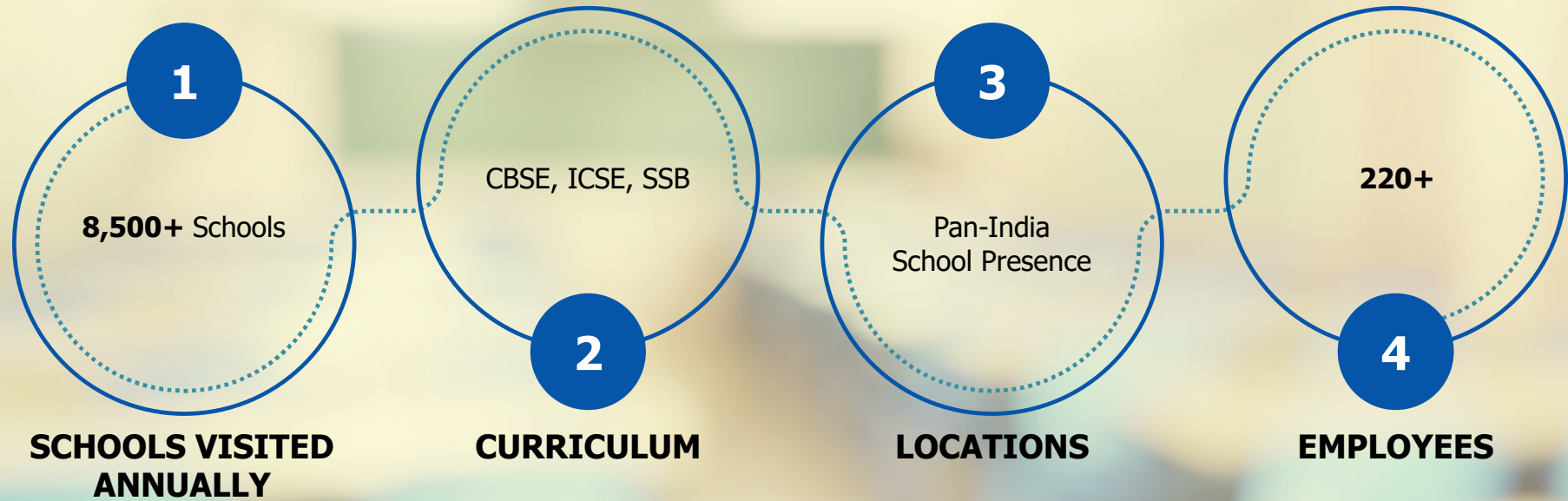
## Investments

Identifying and investing in relevant Ed-Tech companies to further enhance the market share of Navneet Group in various activities related to K – 12 segment.

## Partnerships

Partnering with other companies to grow seamlessly





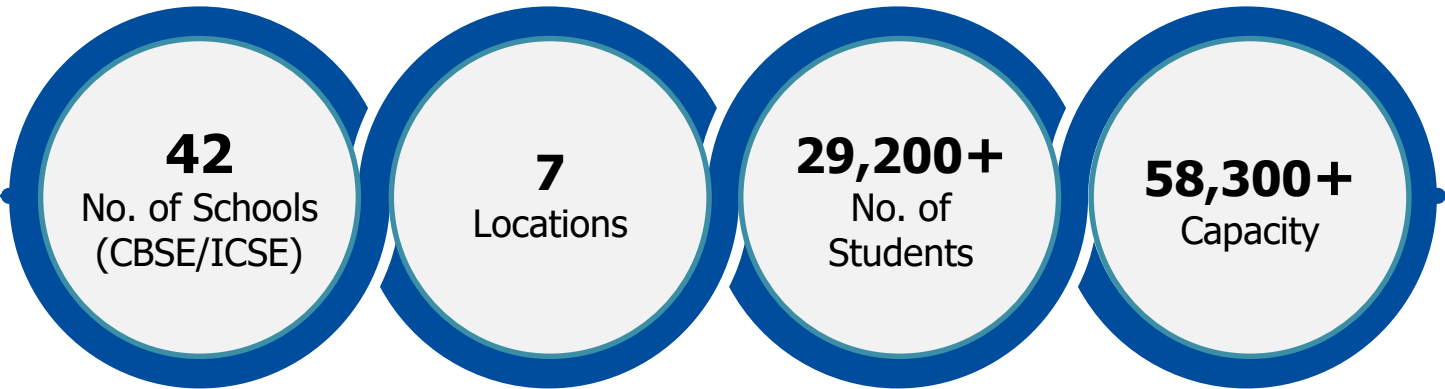
TARGET REACH	25,000+ CBSE / ICSE & 20,000+ SSC Schools
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- Extensive product catalogue comprising educational, instructional and information products & technology solution.
- Offers specialized curricular learning solutions consisting of textbooks, interactive student, teacher resources and training materials.
- Key export markets include Sri-Lanka, Nepal and GCC.

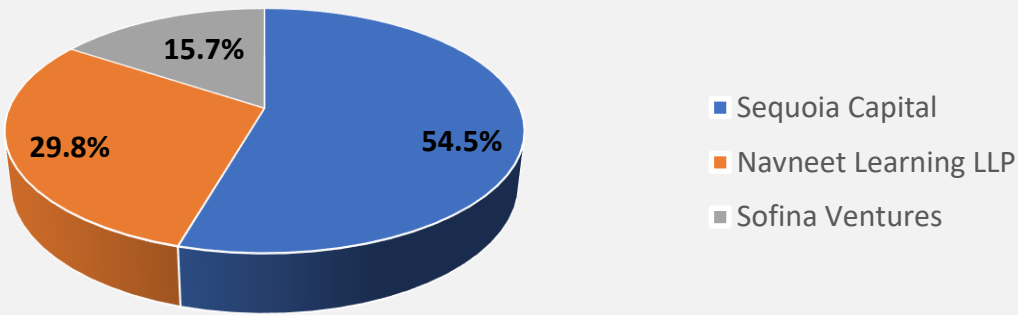
Over the last few years, quality Direct Education is in great demand in the Country and hence seen a sudden growth.



ORCHIDS – THE INTERNATIONAL SCHOOL



Shareholding Pattern



Locations	No. of Schools
Bangalore (16 Schools + 1 College)	17
Mumbai	13
Hyderabad	2
Pune	7
Kolkata	1
Chennai	1
Gurgaon	1
TOTAL	42

The COVID-19 pandemic had a significant impact on the Company's results for the FY 21. The Company took immediate expense reduction actions to mitigate the impact of liquidity. The Company continued to cater the International Clientele which help the company to sail through this tough year.

Though the 2<sup>nd</sup> wave of COVID-19 seems to be of concern, we are hopeful that things will revive faster and it is being envisaged that the schools shall open during the ensuing year (FY'22) and the company shall be able to do a decent business in Publication segment. The International Business of Stationery shall continue to do a strong Business.

The Company with the advise of its Board, continues with its previously announced review of strategic opportunities. As previously disclosed, the Board's review is designed to accelerate the execution of Ed-tech Digital Strategic initiatives and enhance value for shareholders, including, but not limited to, continued execution of the Company's current business plan, new partnerships, joint ventures and other potential opportunities.

PANDEMIC DISASTER MANAGEMENT - COVID 19	
▪ Food kits distributed	44316
▪ Protection kits distributed in Govt. hospitals	4900
▪ Masks distributed in Govt. hospitals	5150
▪ Life saving medicines donated	300 vials
▪ RO Plant installed at covid jumbo centre NESCO	1 Centre
▪ ICU Beds distributed in Govt. hospitals	50
▪ Steamers distributed in Govt. hospitals	4500
▪ Ventilators distributed in Govt. hospitals	3
▪ Bedsheets and pillows distributed in Govt. hospitals	2400
▪ Hygiene Kit distributed in Gujarat jail	250
▪ Blood Plasma donation camp	2 camps
▪ Digital education for children in rural areas	15000



NON - COVID INTERVENTIONS	
Education Intervention	
▪ School kit distributed	600
▪ Syllabus / Curricular books distributed	5530
▪ Stationary and note books distributed	1108
▪ English learning program at rural school	900 children
▪ School repair and maintenance support	2 schools
▪ Books distributed in libraries in Kutch	400 libraries
▪ Children suffering from cancer supported for education	23
▪ Higher studies and coaching support for girls	35
▪ Individual education aid	11 students
▪ Education fees for children in school	123
▪ Coaching and mentoring for civil, banking, judiciary and entrance studies	447
▪ Webinars training and workshops – 35 conducted for teachers on teaching methods, impact of pandemic on teachers and children	1,00,000 participants



**MEDICAL & HEALTH INTERVENTION**

▪ Individual medical support	110
▪ Special needs children given food	35
▪ Individual medical aid	91
▪ TB patients provided with monthly nutritious food kits	53 patients
▪ Awareness web series on special needs challenges and success	10 series
▪ Eye surgeries conducted during eye camp	591 patients
▪ Blood kits provided for 70 children suffering with thalassemia	145 kits
▪ Butter milk distributed to 500 families every day	7,30,000 Ltrs.
▪ Heart surgeries supported	350
▪ Medical insurance provided for families in 53 villages	3306
▪ Tribal villagers provided medical care	6000 patients

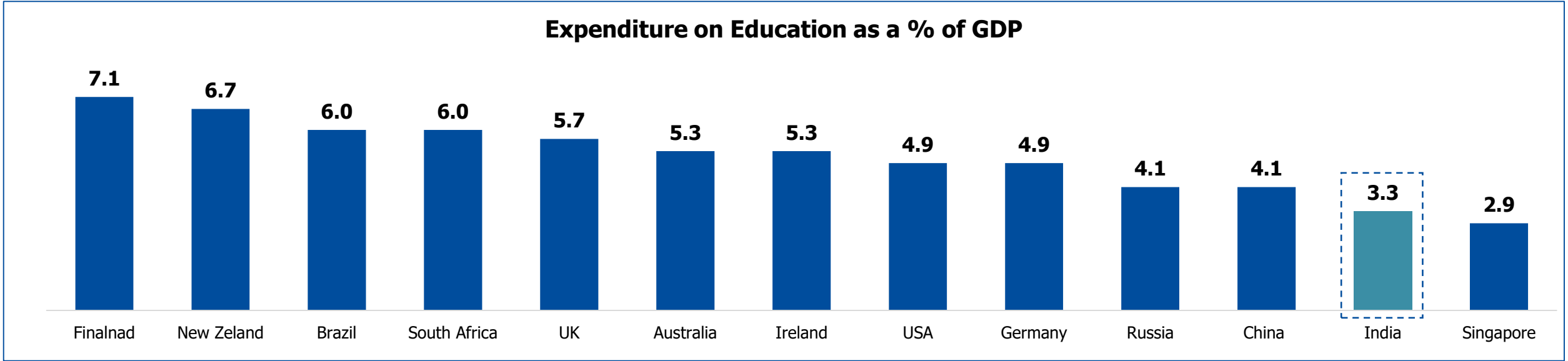
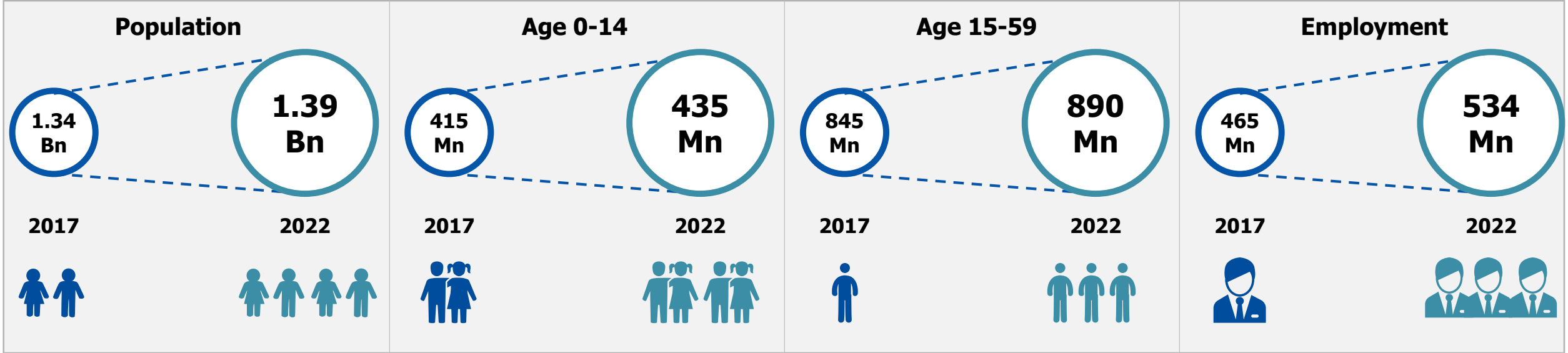


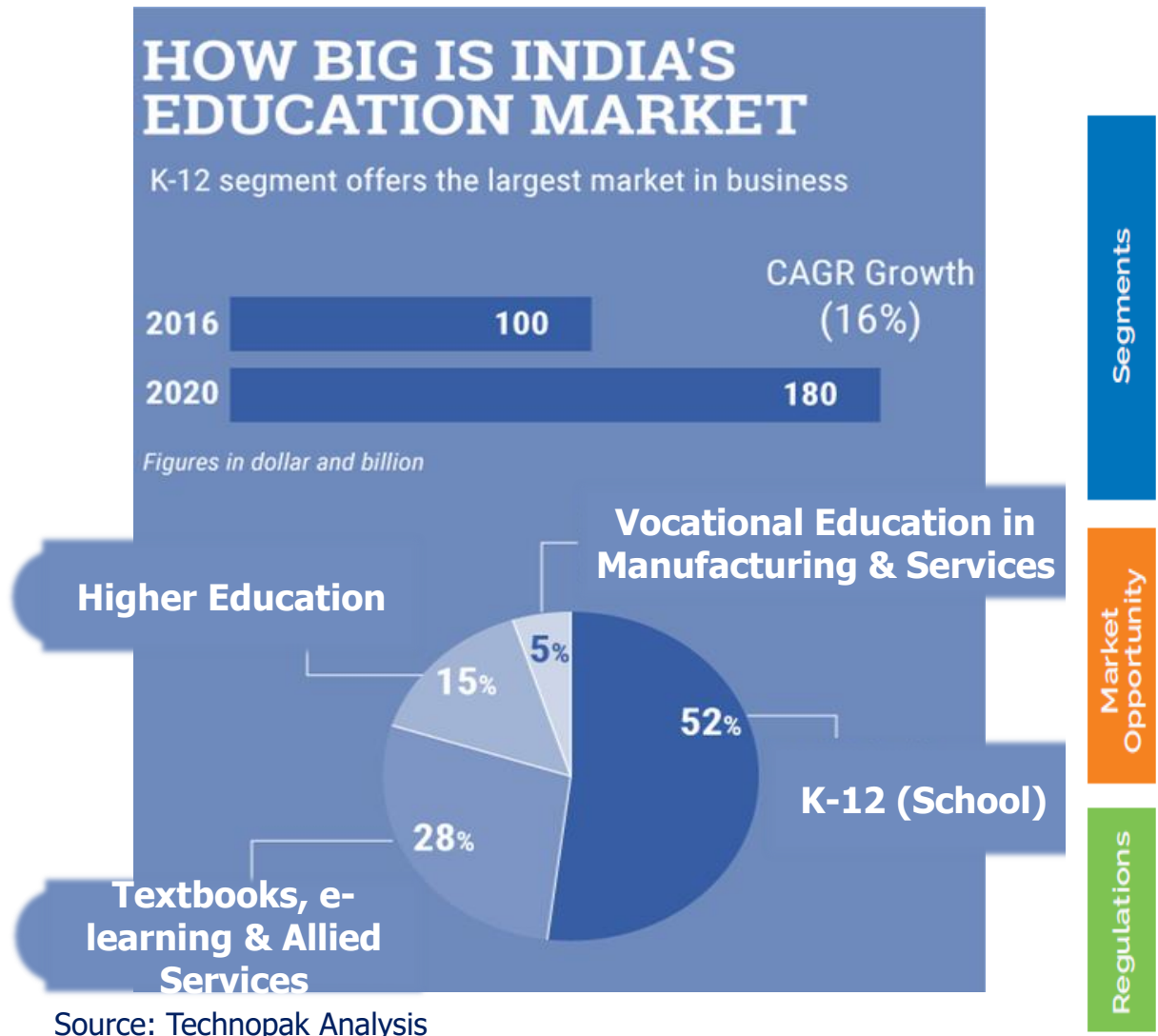
**OTHERS**

<b>Community and Tribal Development</b>	
▪ Income generation for tribal women in Mushroom farming	2200 women
▪ Income generation for tribal women in Milk dairy retail setup - 3 shops in Lonavala, Talegaon, Pune	3000 women
▪ Vocational Training for tribal women	9100 women
▪ Farmer's training in organic farming	1145 farmers
▪ Mental illness treatment for patients in tribal area	300 patients
▪ Herbal garden developed with donation of medicinal plants in PHC at Tribal village	107 saplings
▪ Animal shelters supported for fodder and medical care	188
▪ Old age homes supported	24
▪ Sports development supported	355 persons

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# **INDUSTRY INSIGHTS**





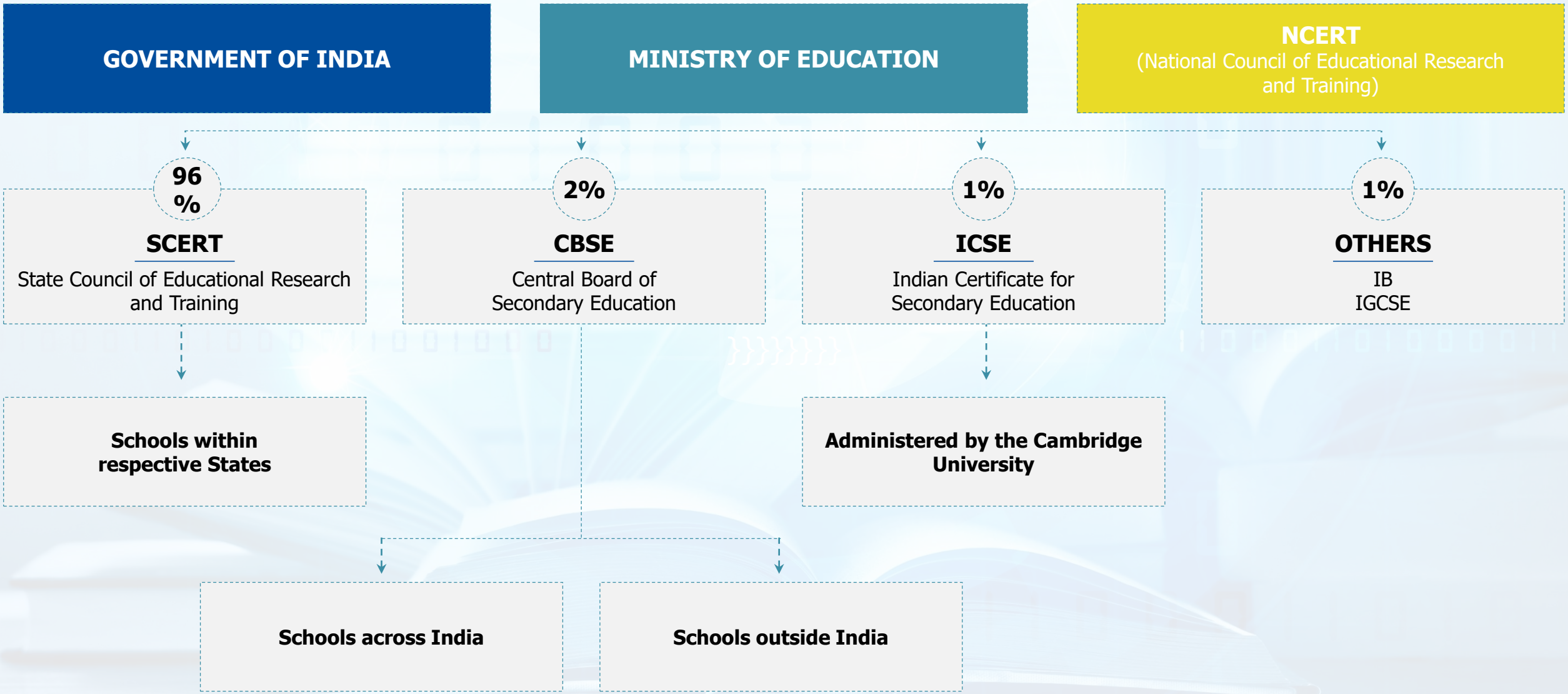
Segments

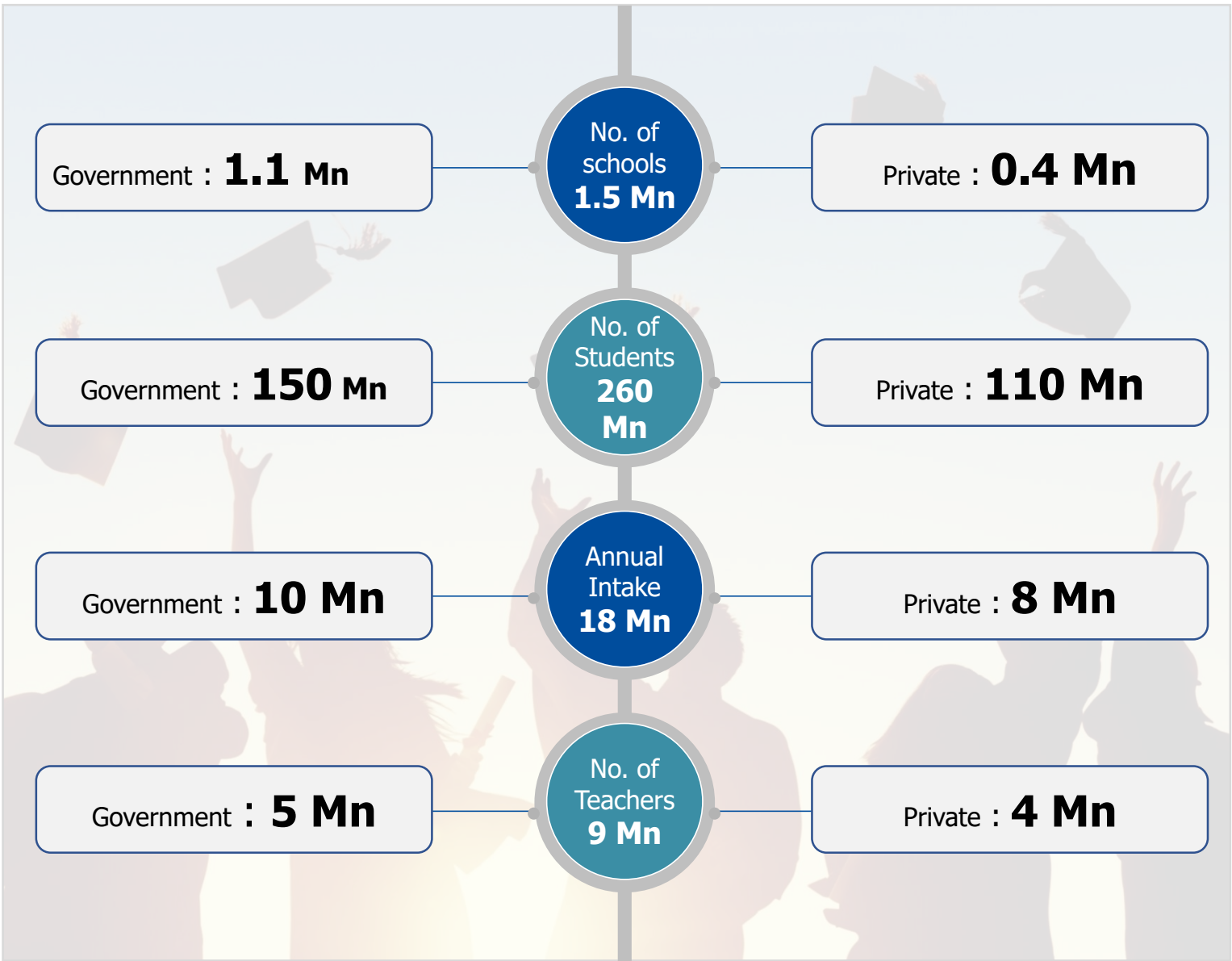
Market Opportunity

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

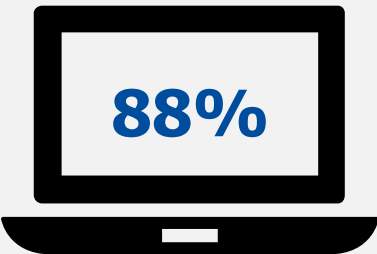
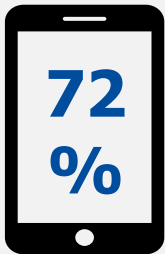
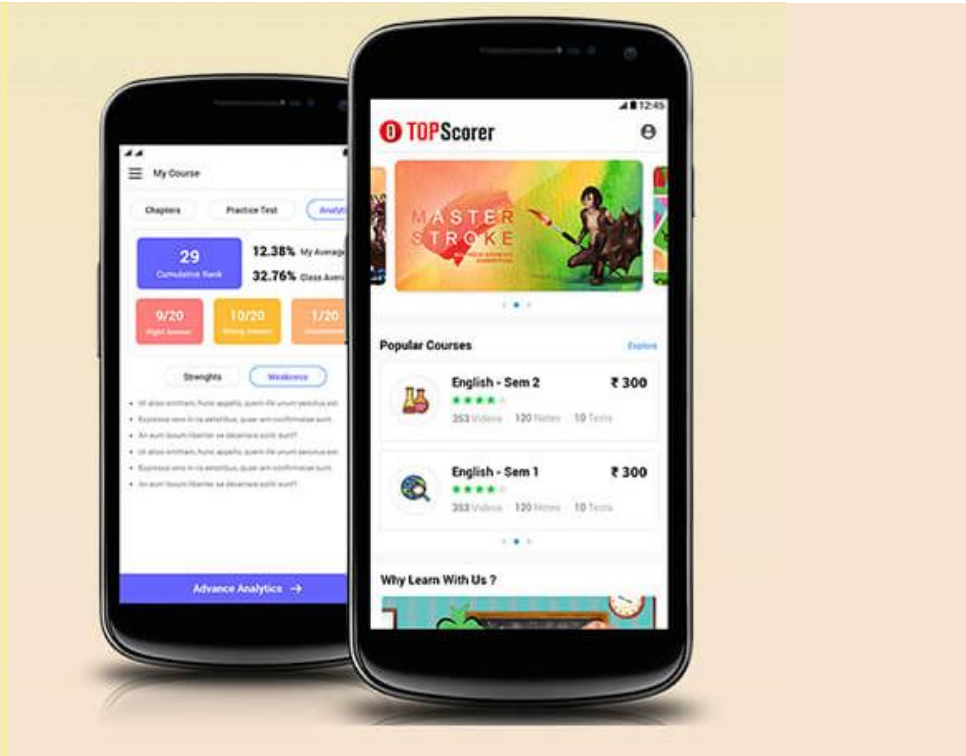
India’s Online Education market size to grow by USD 1.96 billion in 2021

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**  
”



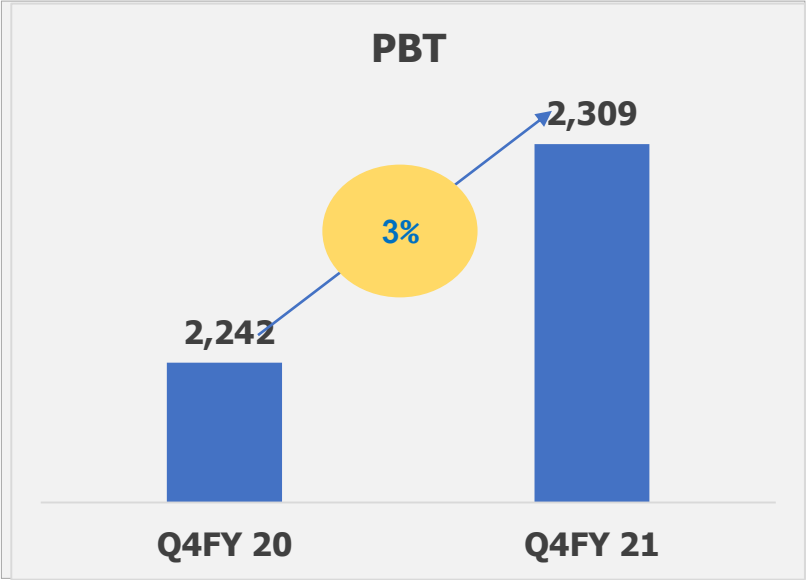
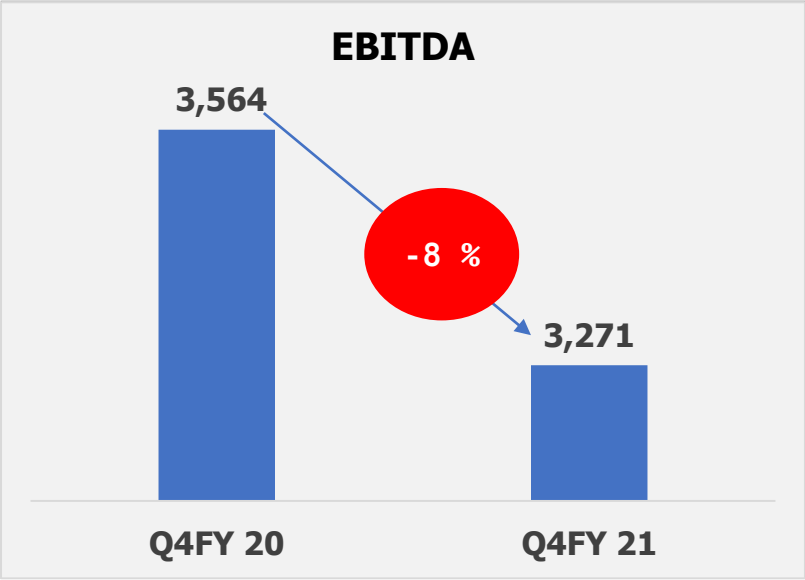
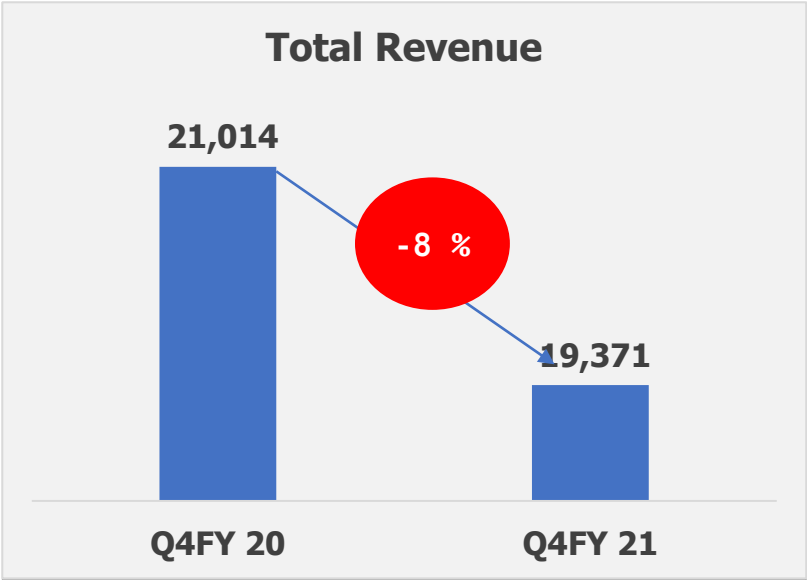
Students prefer laptops over mobile phones for accessing online course content

Source: KPMG



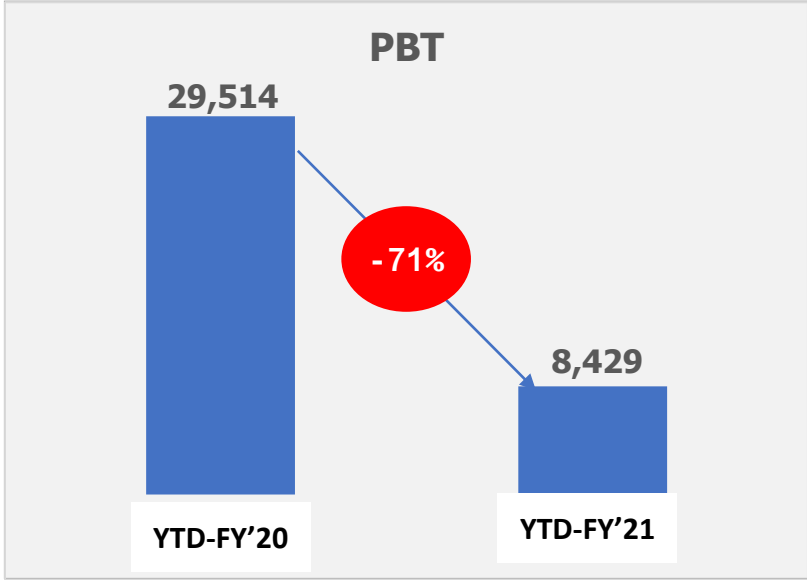
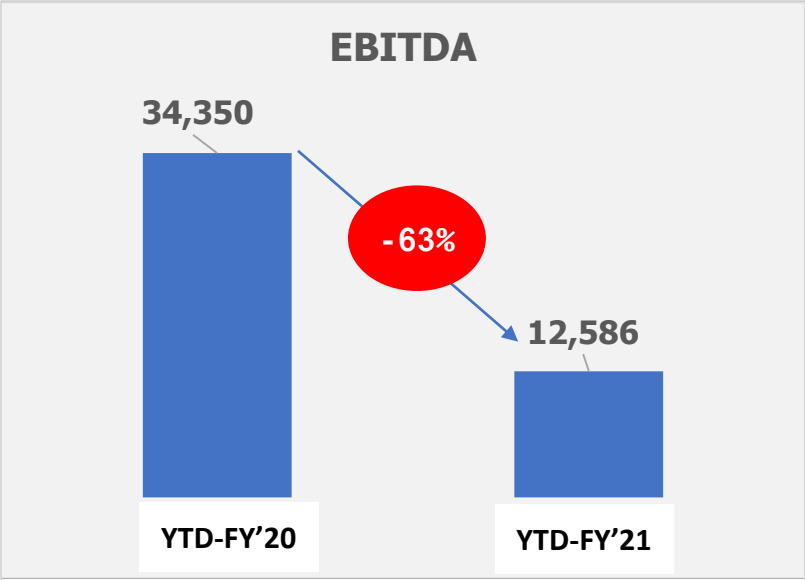
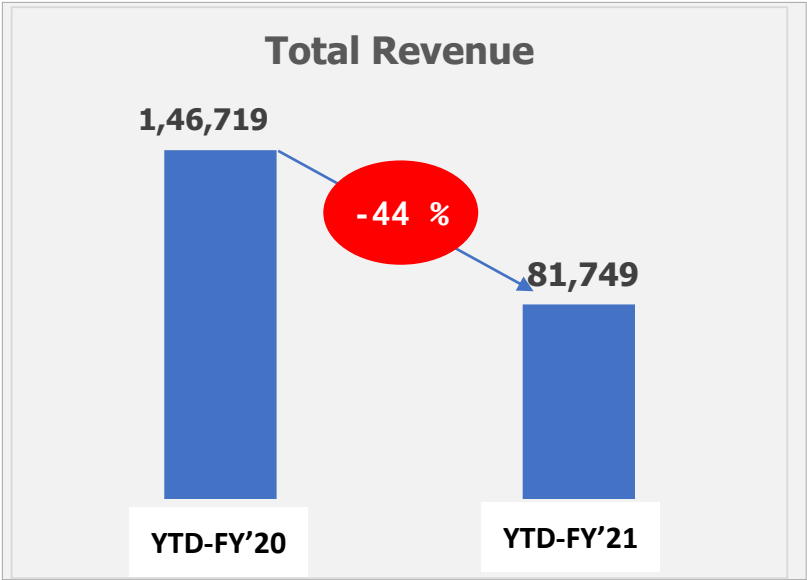
# **FINANCIAL PERFORMANCE Q4 & YTD FY'21**





Segmental Revenue	Publications	Stationery - Domestic	Stationery - Exports
Q4 FY21	9,069	4,404	5,560
Q4 FY20	5,588	8,657	6,438

(INR in Lacs)

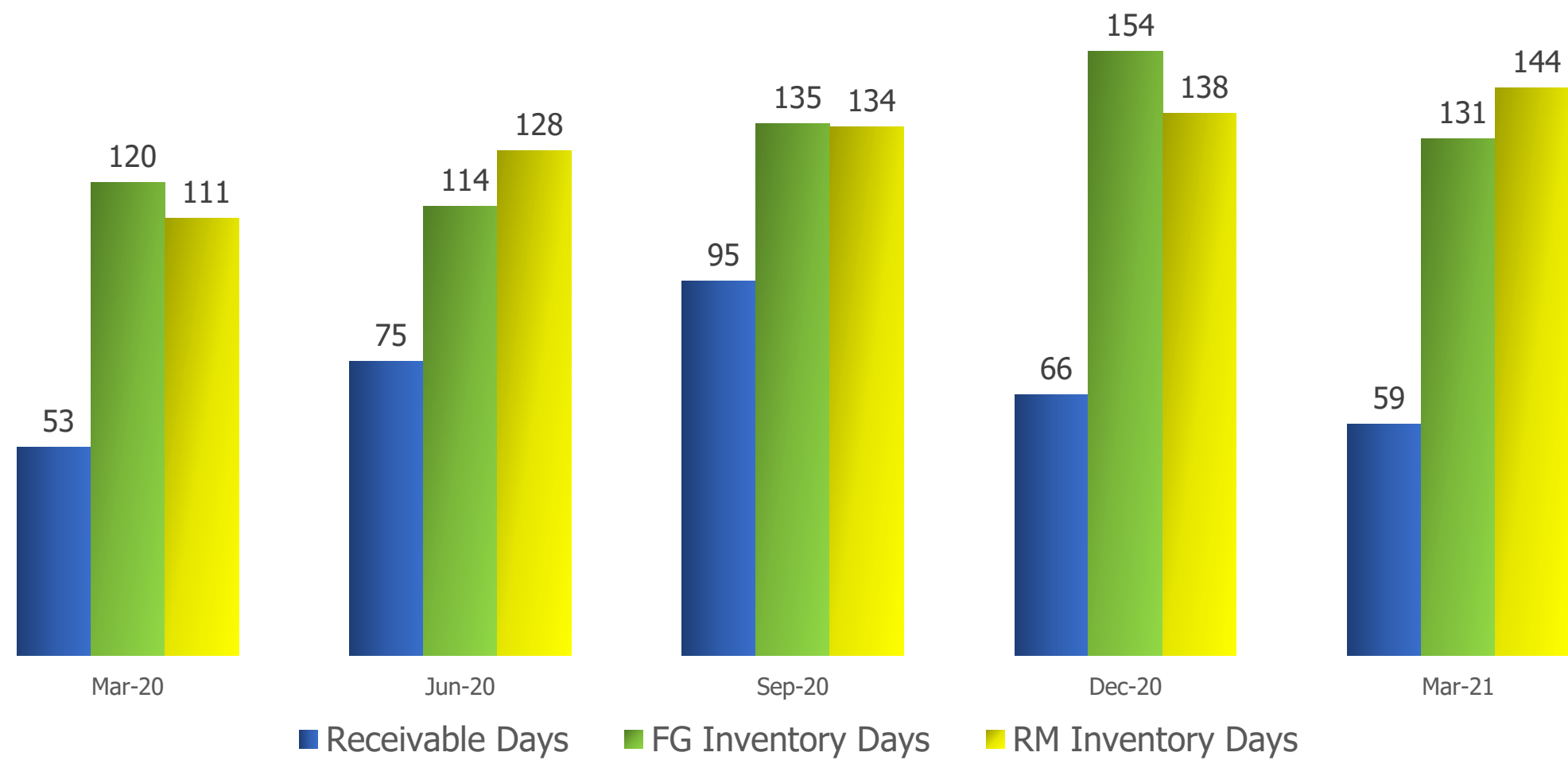


Segmental Revenue	Publications	Stationery - Domestic	Stationery - Exports
	<div>58 %</div>	<div>53%</div>	<div>21%</div>
12m of FY20	29,464	11,778	38,896
12m of FY19	69,875	24,858	49,266

# STANDALONE FINANCIAL RESULTS – Q4 & YTD - FY 21

(INR in Lacs)

Particulars	Quarter ended Mar'21				YTD ended Mar'21			
	Q4 FY21 (Actual)	% of Revenue	Q4 FY20 (Actual)	% of Revenue	YTD- FY21 (Audited)	% of Revenue	YTD FY20 (Audited)	% of Revenue
Income from Operations	19,077		20,722		80,297		1,44,180	
Other Income	294		292		1,452		2,539	
<b>Total Revenue</b>	<b>19,371</b>	-7.8%	<b>21,014</b>		<b>81,749</b>	-44.3%	<b>1,46,719</b>	
(a) Cost of materials consumed	11,348		18,904		34,606		68,964	
(b) Purchases of stock-in-trade	26		25		44		112	
(c) Changes in inventories	(3,406)		(10,978)		3,806		1,614	
(d) Employee benefits expense	3,596		3,467		13,608		14,781	
(e) Depreciation and Amortisation	886		939		3,473		3,529	
(f) Other expenses	4,537		6,032		17,100		26,898	
Total Expenses	16,987		18,389		72,637		1,15,898	
<b>Profit / (Loss) from ordinary activities</b>	<b>2,384</b>	<b>12%</b>	<b>2,625</b>	<b>12%</b>	<b>9,112</b>	<b>11%</b>	<b>30,821</b>	<b>21%</b>
Exceptional Items	-		-					
<b>Profit / (Loss) after exceptional Items</b>	<b>2,384</b>	<b>12%</b>	<b>2,625</b>	<b>12%</b>	<b>9,112</b>	<b>11%</b>	<b>30,821</b>	<b>21%</b>
Finance Costs	76		383		684		1,307	
<b>Profit / (Loss) before tax</b>	<b>2,308</b>	<b>12%</b>	<b>2,242</b>	<b>11%</b>	<b>8,429</b>	<b>10%</b>	<b>29,514</b>	<b>20%</b>
(a) Provision for Taxation	748		624		2,568		7,671	
(b) Provision for Deferred Tax	(70)		-		(249)		(141)	
(c) Excess/(Short) Provision					(54)		49	
<b>Net Profit / (Loss) after tax</b>	<b>1,630</b>	<b>8%</b>	<b>1,618</b>	<b>8%</b>	<b>6,164</b>	<b>8%</b>	<b>21,935</b>	<b>15%</b>
Other Comprehensive Income (OCI) net	(51)		(980)		1,151		(1,521)	
<b>Total Comprehensive Income</b>	<b>1,579</b>	<b>8%</b>	<b>638</b>	<b>3%</b>	<b>7,315</b>	<b>9%</b>	<b>20,414</b>	<b>14%</b>
EBITDA	3,270	17.1%	3,564	17%	12,585	15.7%	34,350	23.8%





# Consolidated Financial Results – Summary of 12 months



	Revenue from Ops	
	YTD of FY'21	YTD of FY'20
NEL	80,297	1,44,180
eSense	1,037	2,058
Indiannica	3,107	5,497
NLLP	-	-
NHKL	211	283
K12	-	-
K12 Diminution Gain	-	-
Inter co Adjust	(1,195)	(814)
<b>Total</b>	<b>83,457</b>	<b>1,51,205</b>

Summary of EBITDA	
YTD of FY'21	YTD of FY'20
12,585	34,350
(839)	(55)
(1,611)	(739)
(0)	(0)
(7)	(3)
-	-
-	-
(62)	40
<b>10,066</b>	<b>33,593</b>

Summary of PAT	
YTD of FY'21	YTD of FY'20
6,163	21,935
(1,428)	(684)
(2,587)	(1,856)
(0)	(0)
(7)	(3)
281	(6)
3,279	-
(111)	339
<b>5,591</b>	<b>19,724</b>

Publications

Publication Business for the ensuing year is lot dependent on the Schools re-opening. It is envisaged that the Schools shall open during the current year and there shall be decent growth in Business.

Also with the introduction of NEP, many new subjects and also change in curriculum with help Navneet to Grow rapidly.

eSense (E-Learning)

The Company has started developing its new products to cater into the CBSE Segment. This shall help the company to grow its Business in the upcoming years

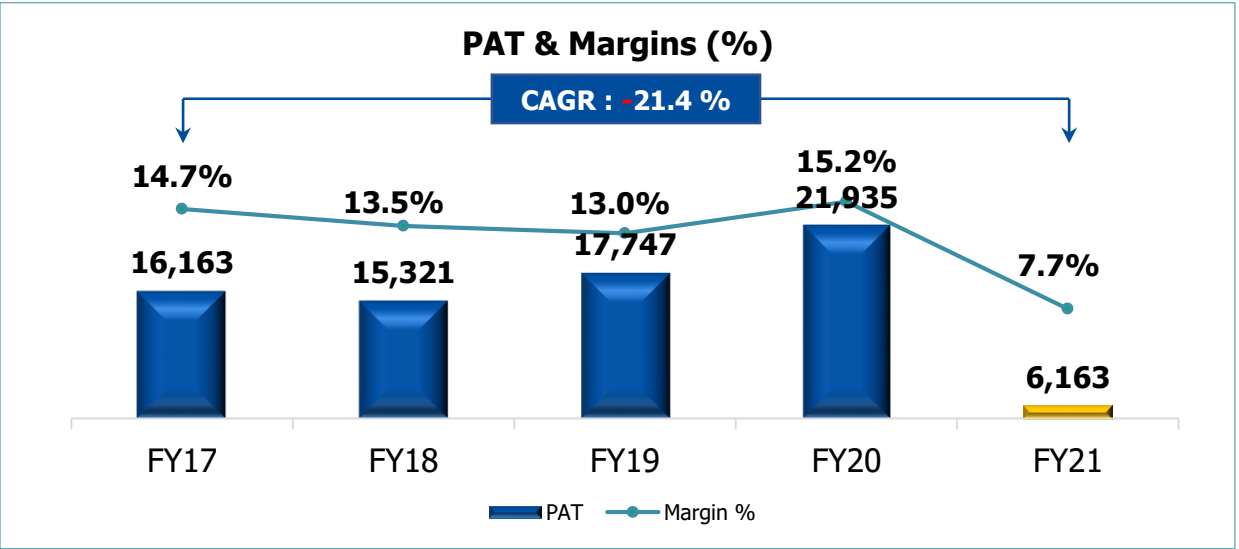
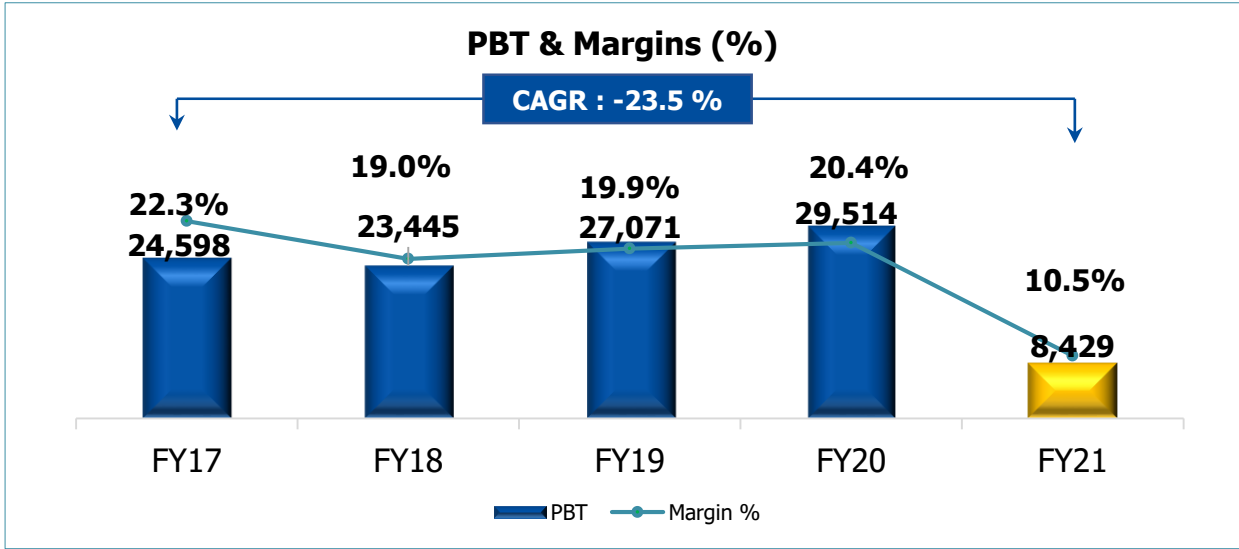
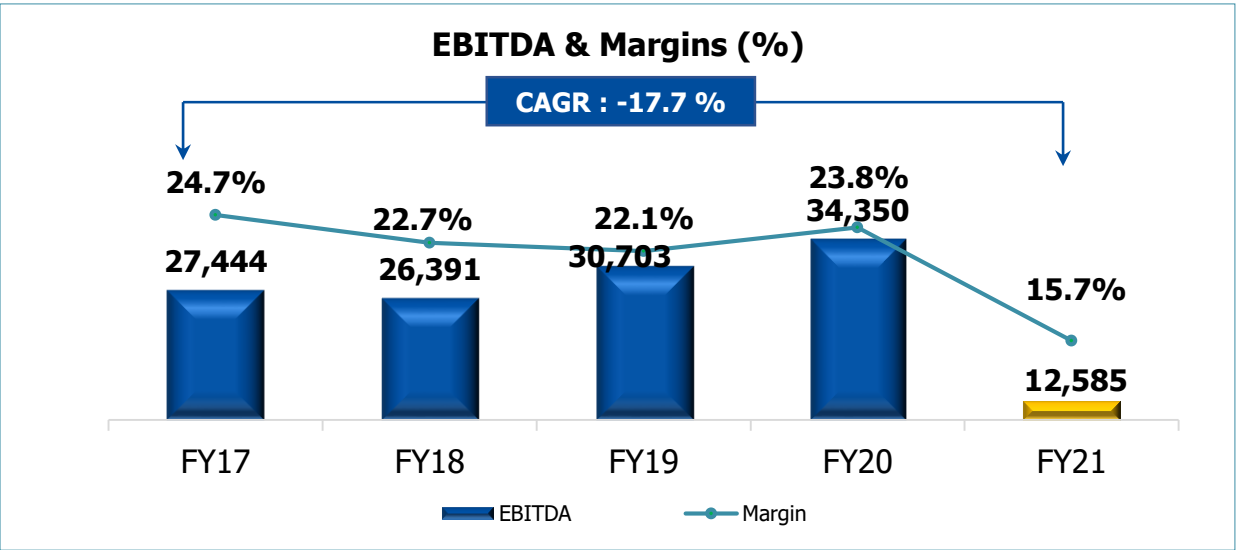
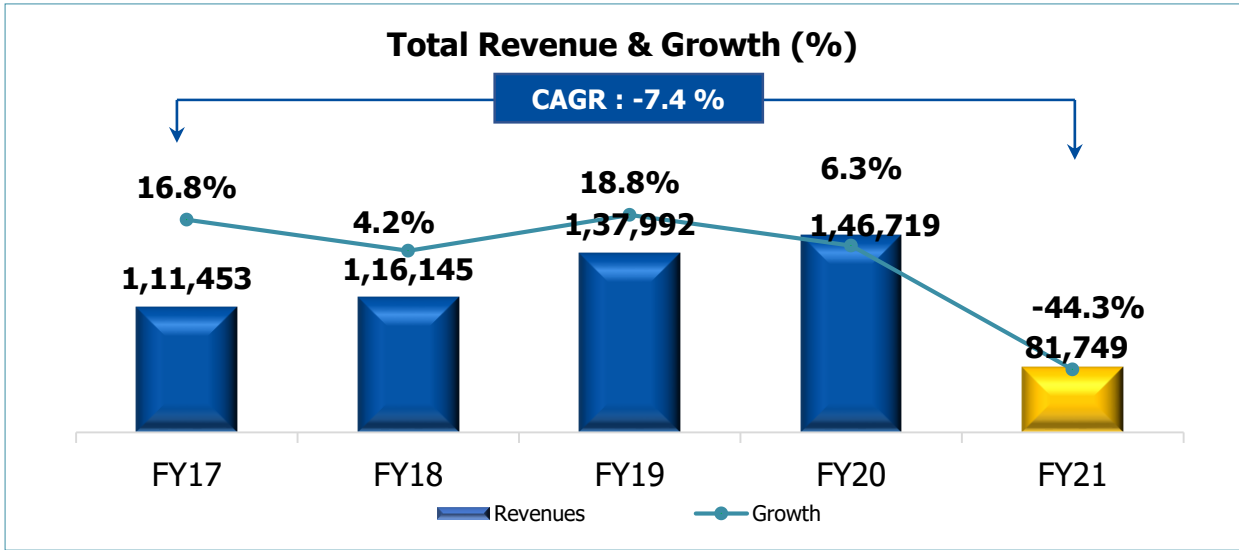
Stationery & Exports

Exports will continue to grow at a good pace backed by orders. Also the company has expanded into new Products in the International Market to support the growth momentum. Also many new customers have started enquiring about our products.

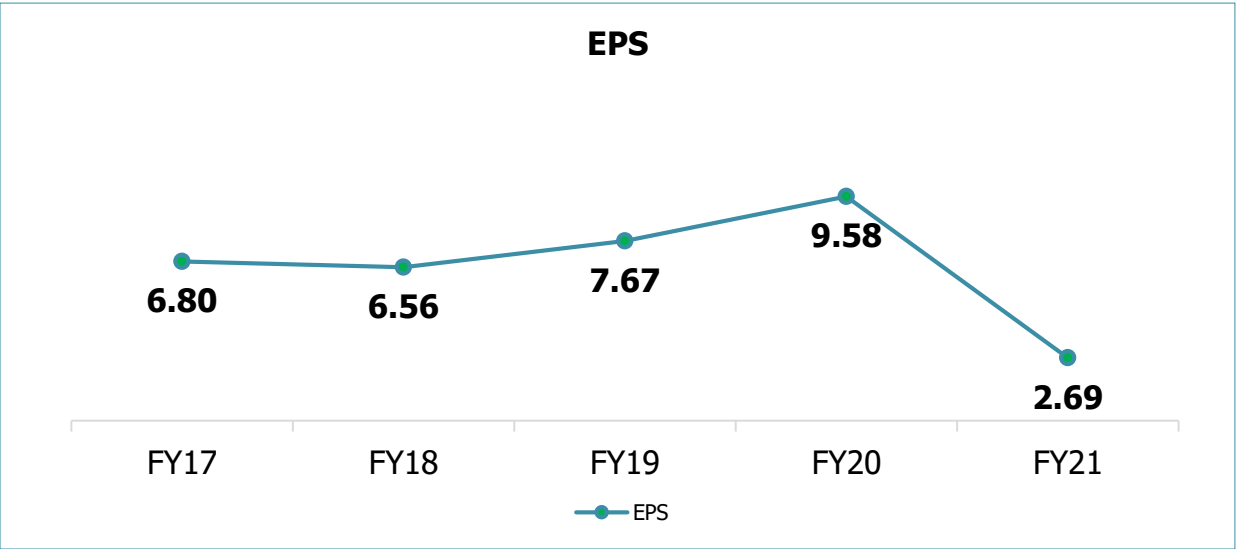
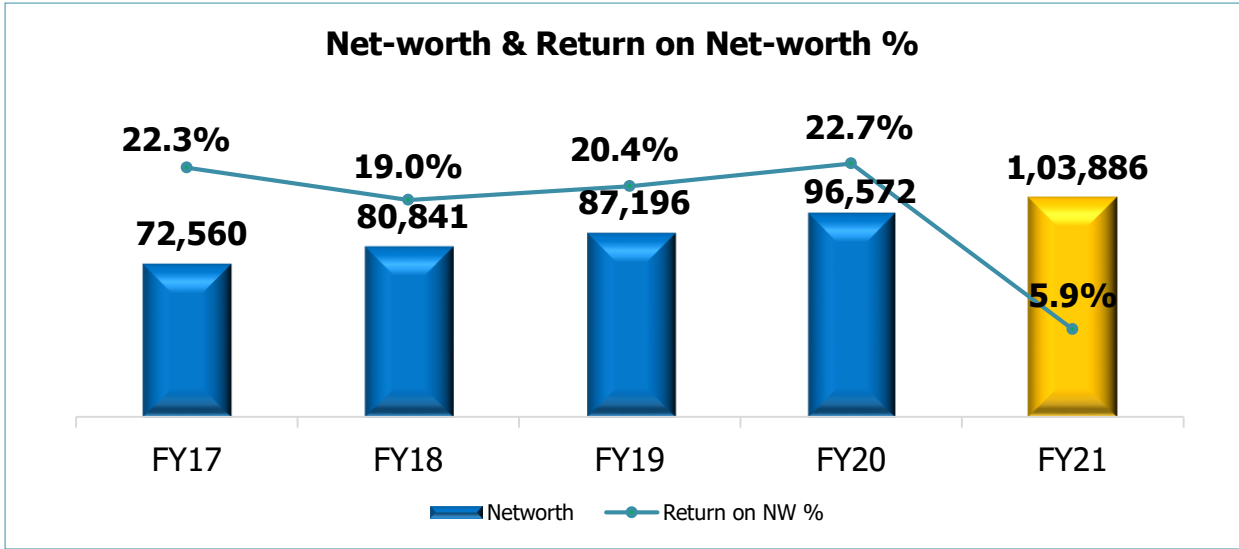
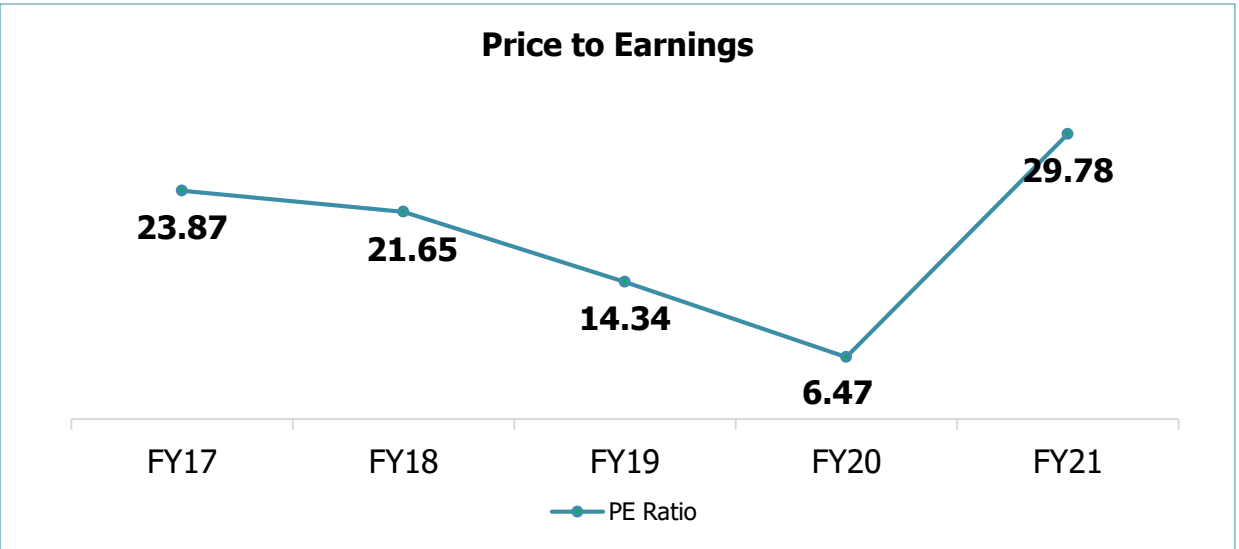
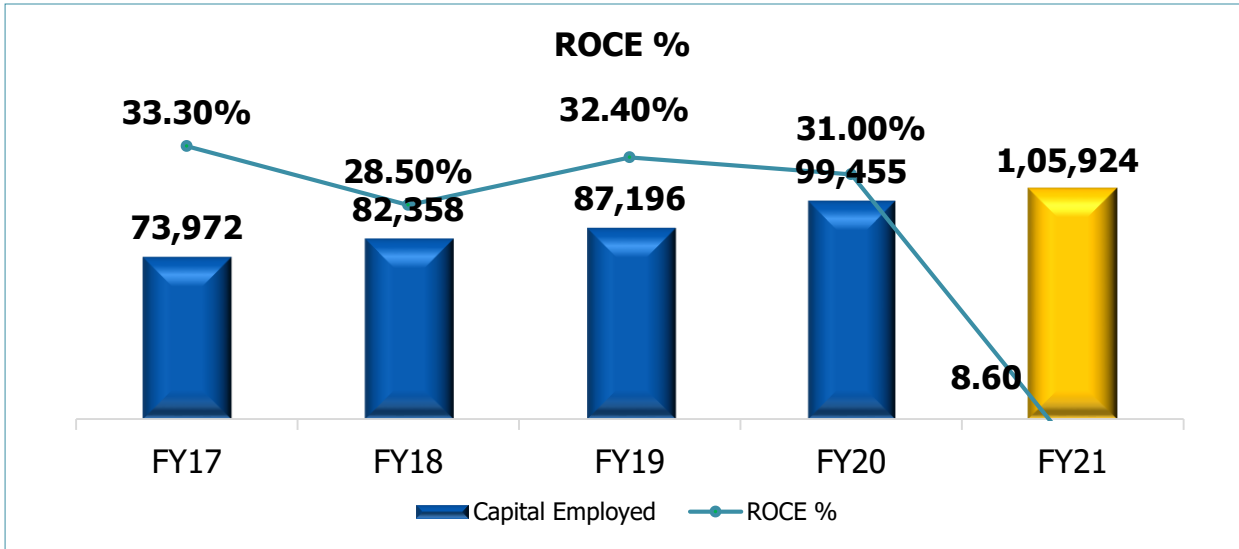
STANDALONE FINANCIALS (LAST 5 YEARS)



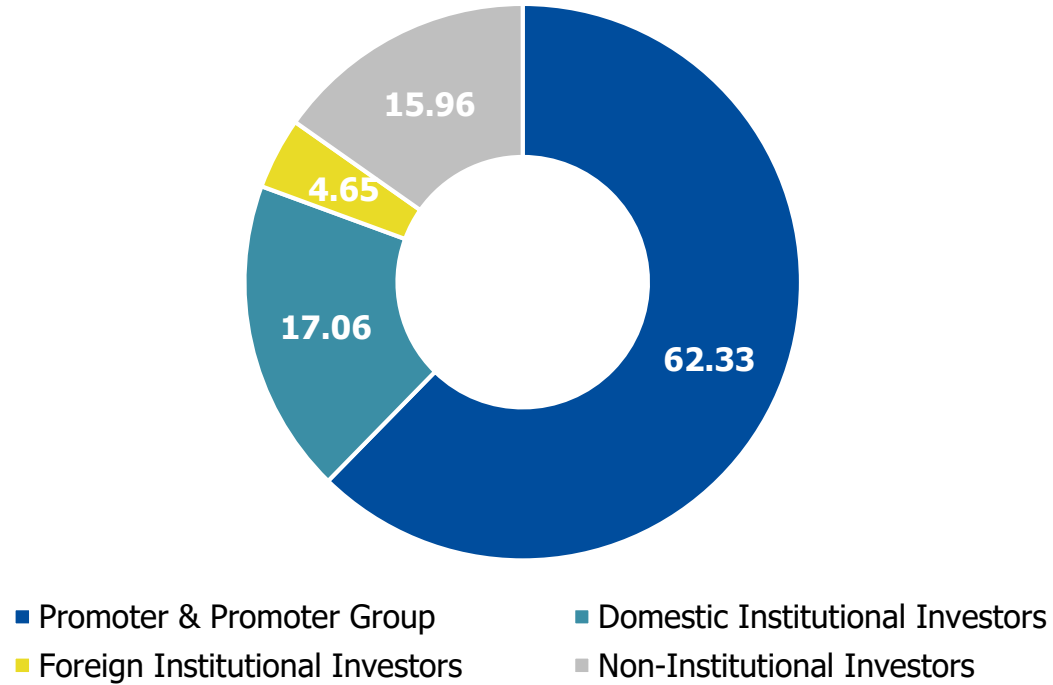
(INR in Lakh)



(₹ in Lakh)



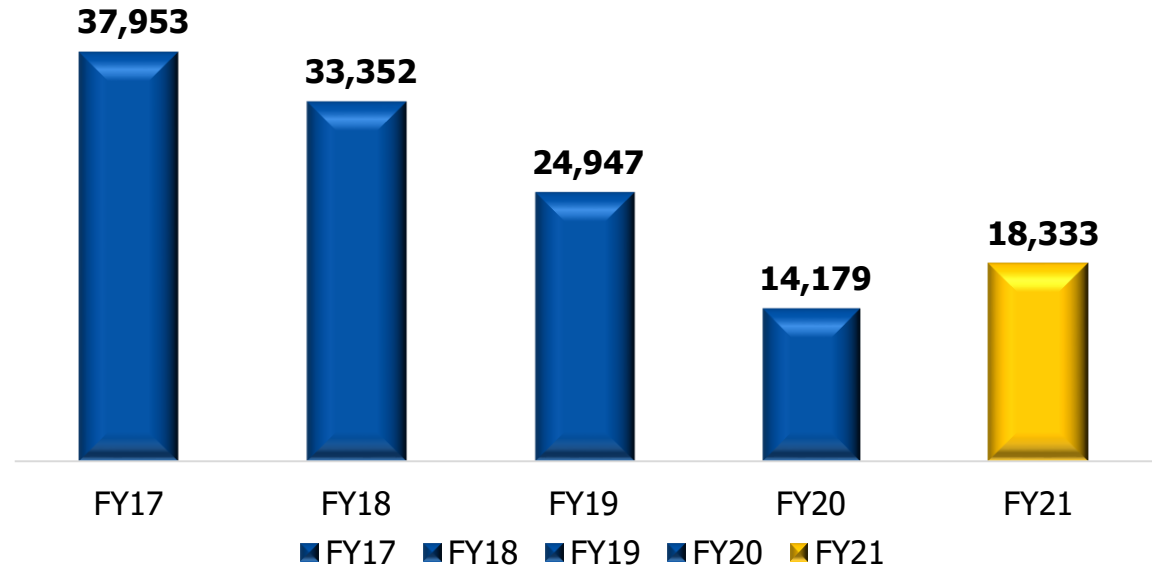
Shareholding as at March 31, 2021



Trusted by **25,000+** Shareholders

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

(INR 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

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