



Knowledge is wealth

Investor Presentation

As On 30th September 2019



A Premium Education House

Table Of Contents

1	Company Overview	03
2	Navneet Group Business Insights	08
3	E-Learning Business Overview	13
4	Indiannica Learning	15
5	K12 – School Management Company	16
6	Industry Insights	18
7	Financial Performance	24
8	Shareholders Information	37



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.

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

To provide students with scholastic stationery products.



Core Values

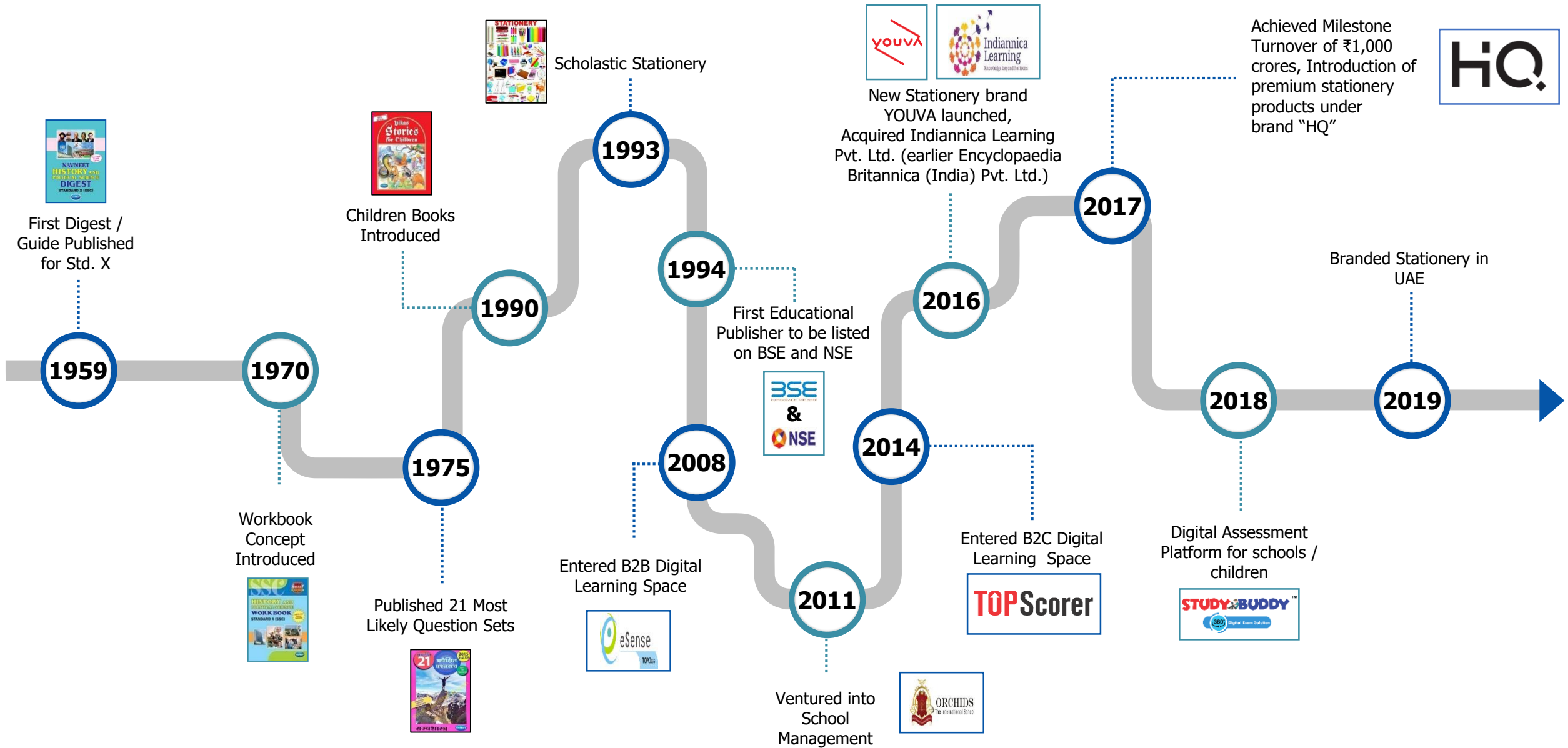
Excellence

Proactive

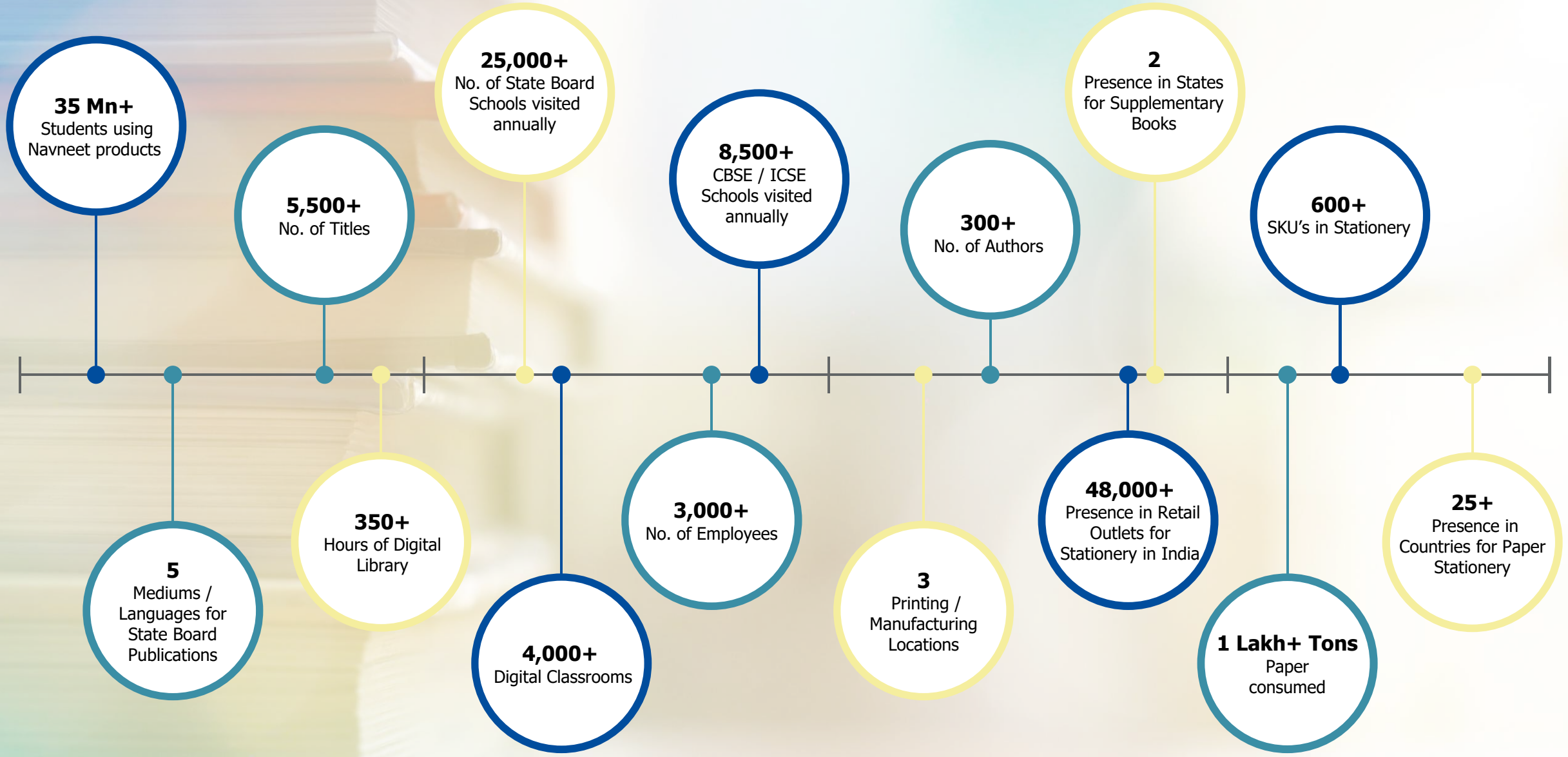
Student Centric

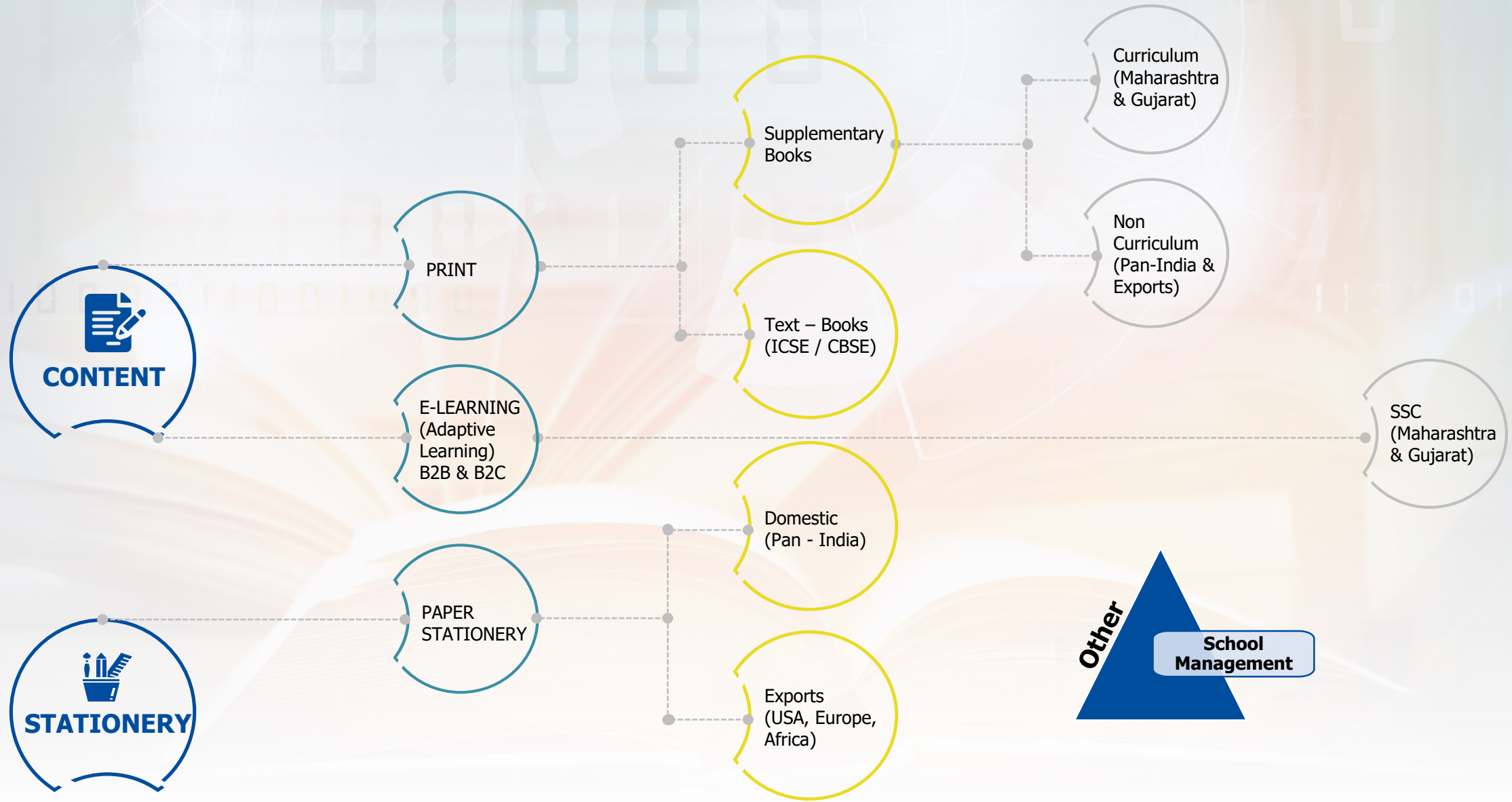
Transparency

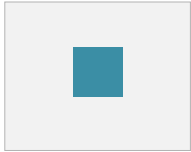
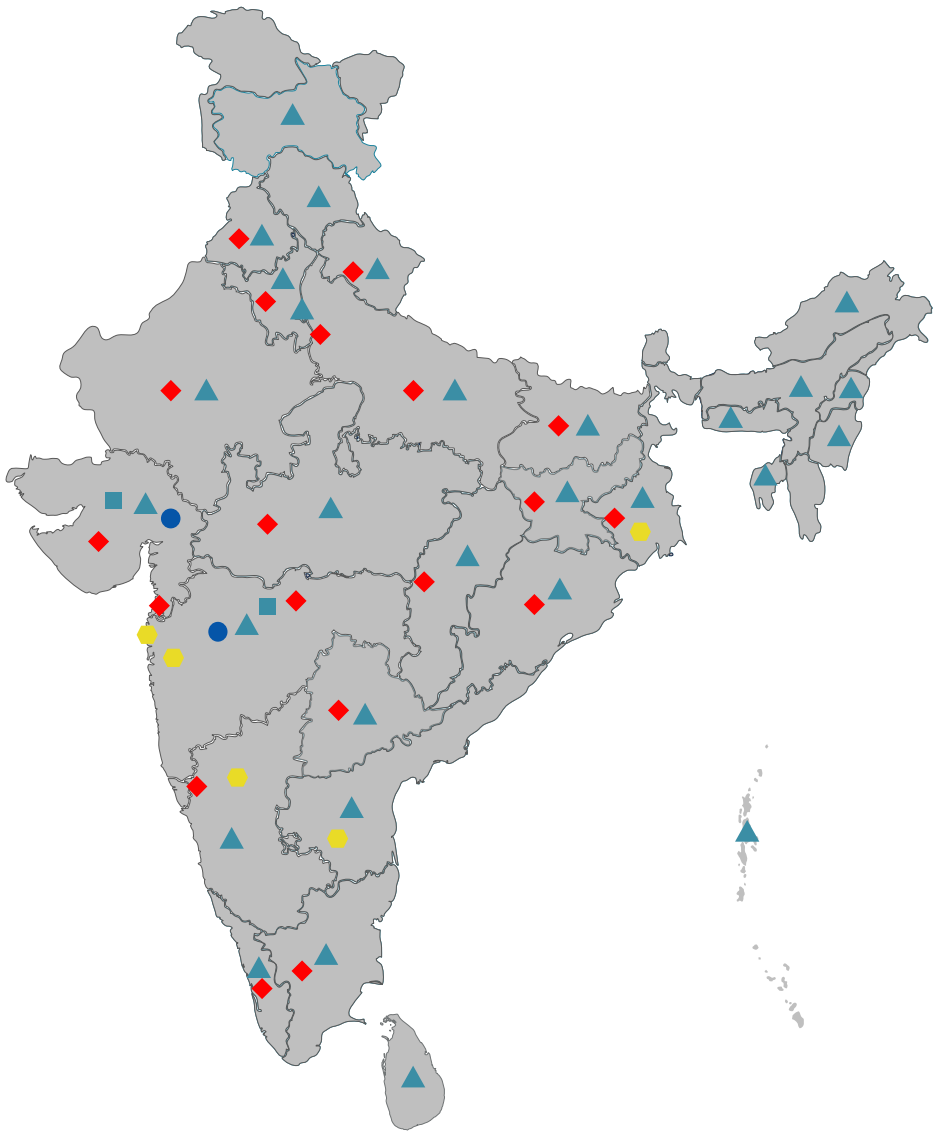
6 DECADES OF NAVNEET – A SNAPSHOT



KEY FACTS







Supplementary Books
Maharashtra & Gujarat



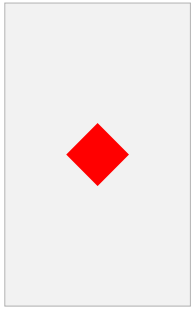
Digital Presence
Maharashtra & Gujarat



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



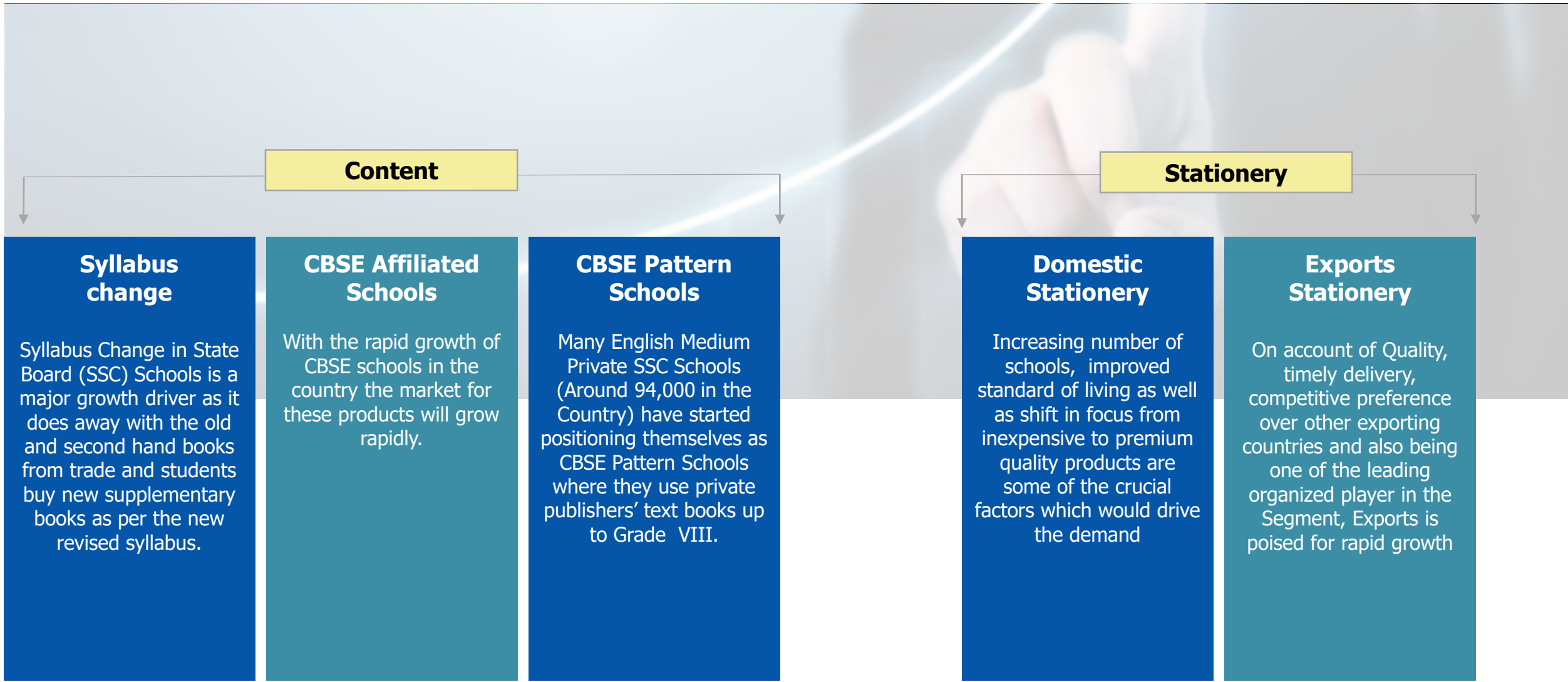
- 1. Canada
- 2. U.S.
- 3. Mexico
- 4. Honduras
- 5. Jamaica

- 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

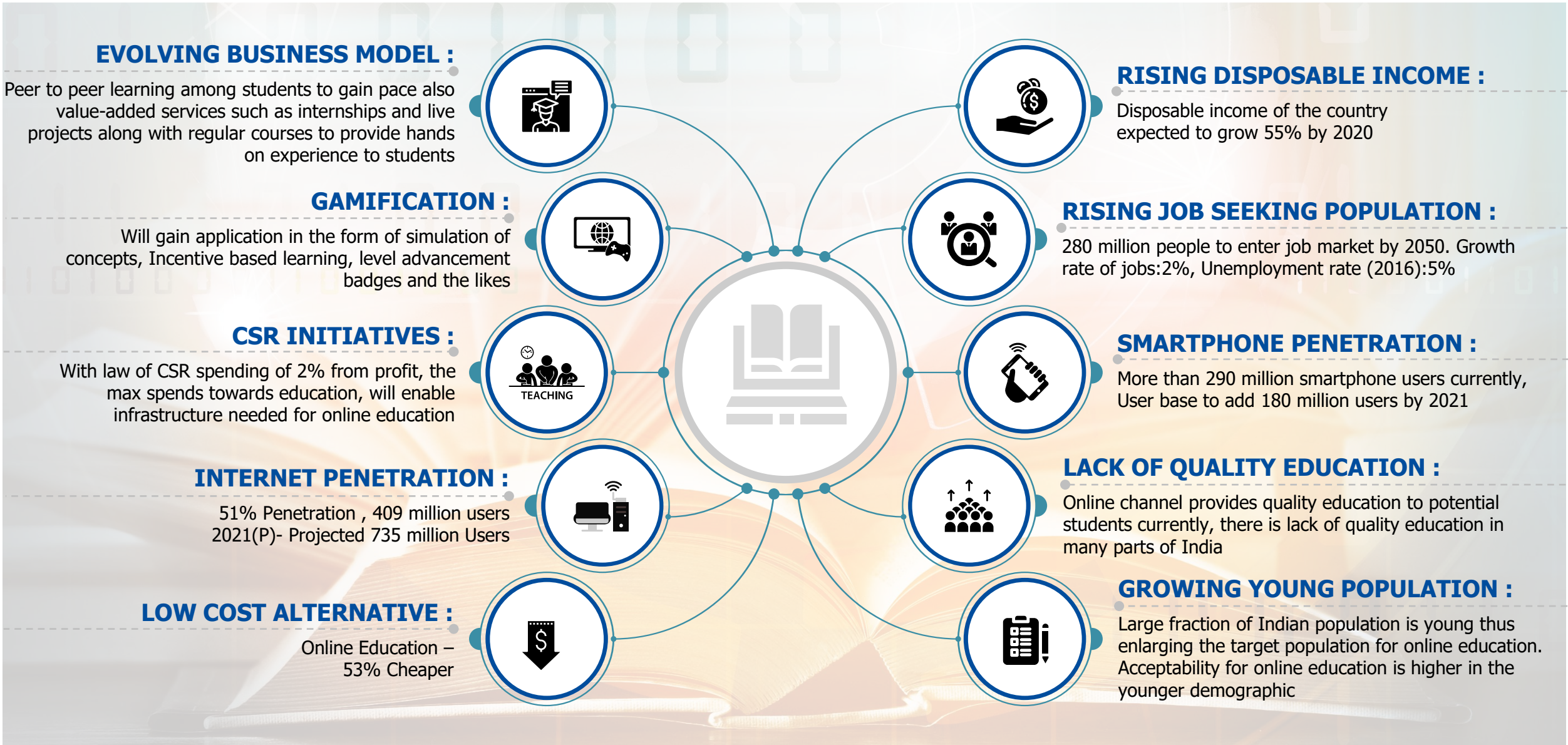
150+
Team of authors,
Illustrators and
animators

350+
Hours of digital content

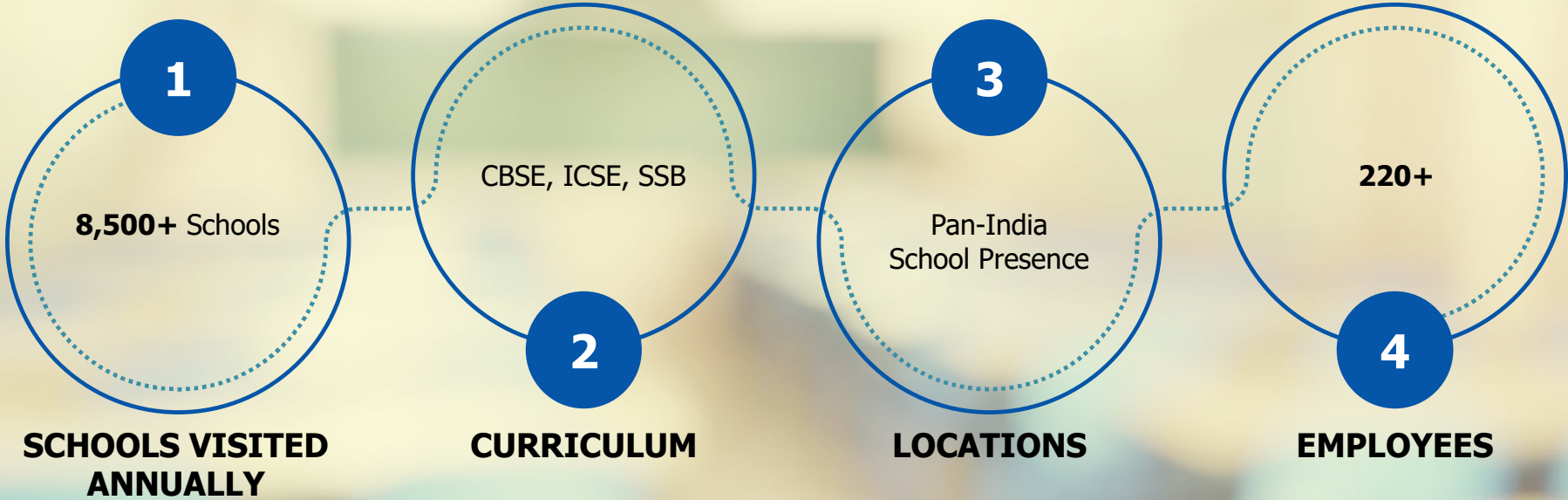
15,000+
Videos

2,00,000+
MCQs

GROWTH DRIVERS - E-LEARNING EDUCATION



Source: KPMG



TARGET REACH

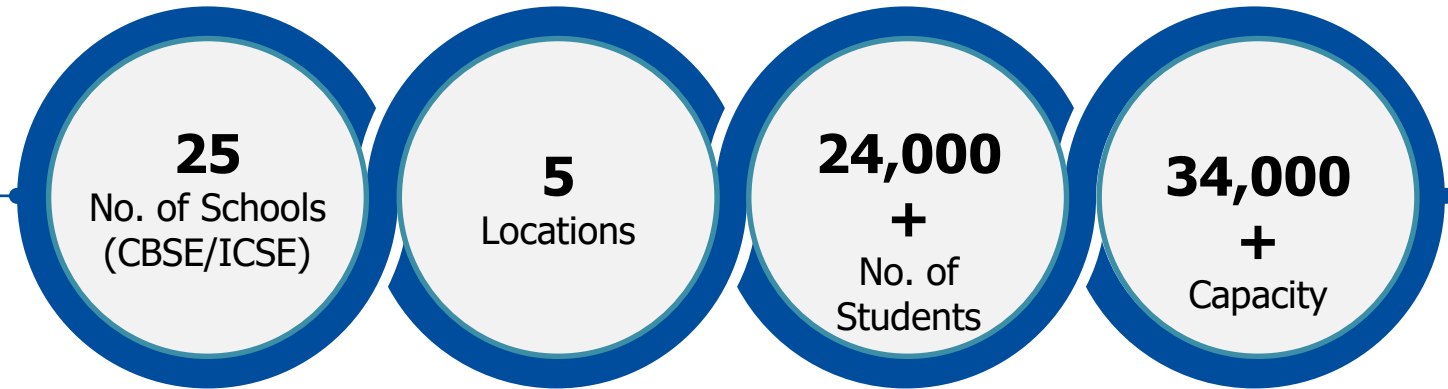
25,000+ CBSE / ICSE & 20,000+ SSC Schools

- 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.

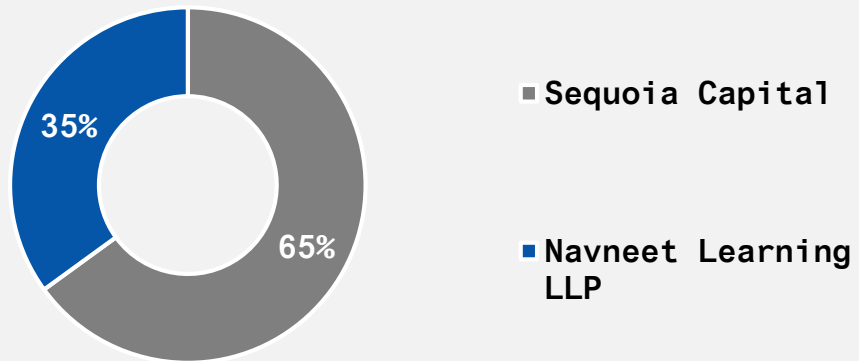
Over the last few years, quality Direct Education is in great demand in the Country and hence seen a sudden growth.



ORCHIDS – THE INTERNATIONAL SCHOOL



SHAREHOLDING



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

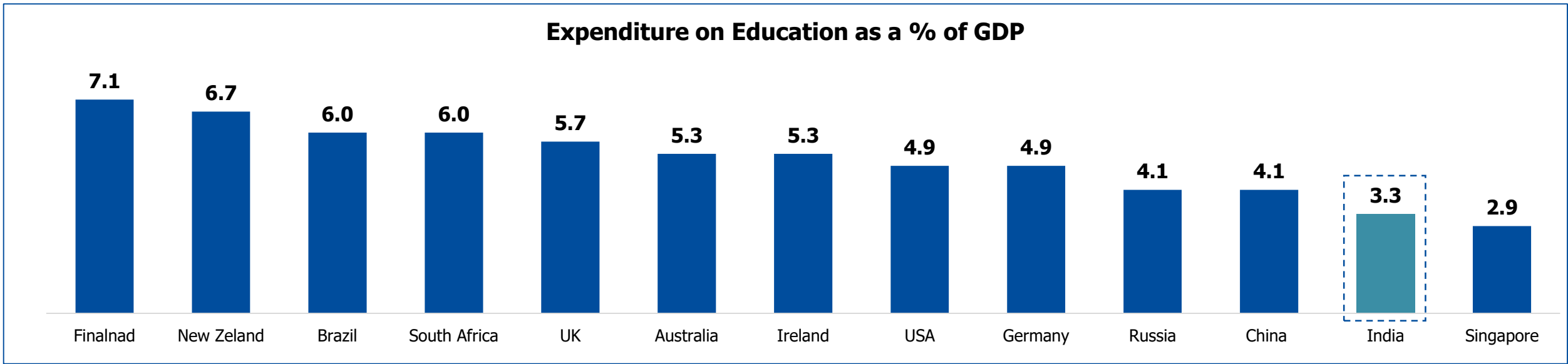
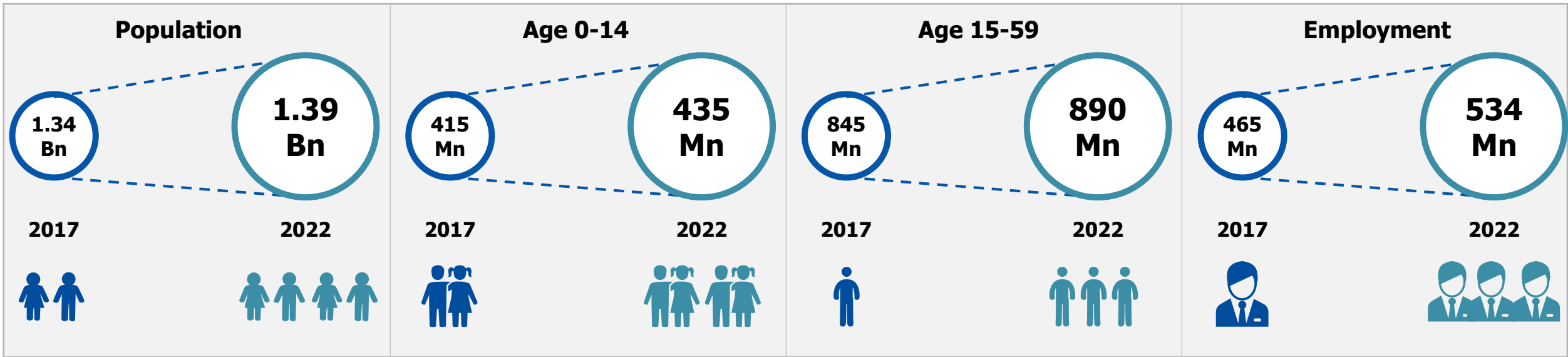
- 21,000+ children benefited in 117 classrooms digitalized in 87 schools in 18 districts through software learning program installation and hardware equipment
- 2,000 children and youth trained and developed for state, national and international sports competitions
- Economic empowerment for 5,000+ tribal 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**



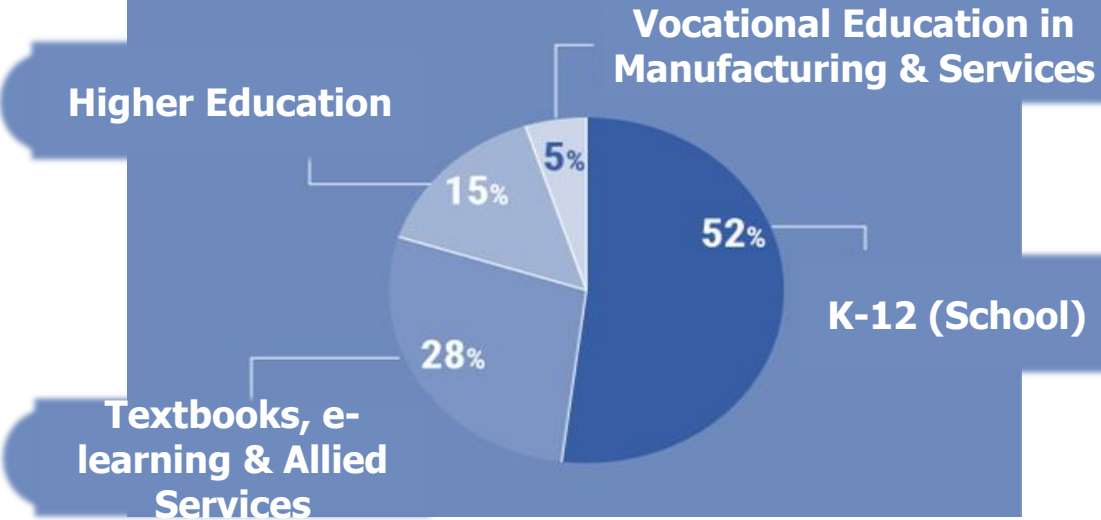
Source: World Bank, Census Data

HOW BIG IS INDIA'S EDUCATION MARKET

K-12 segment offers the largest market in business



Figures in dollar and billion



Source: Technopak Analysis

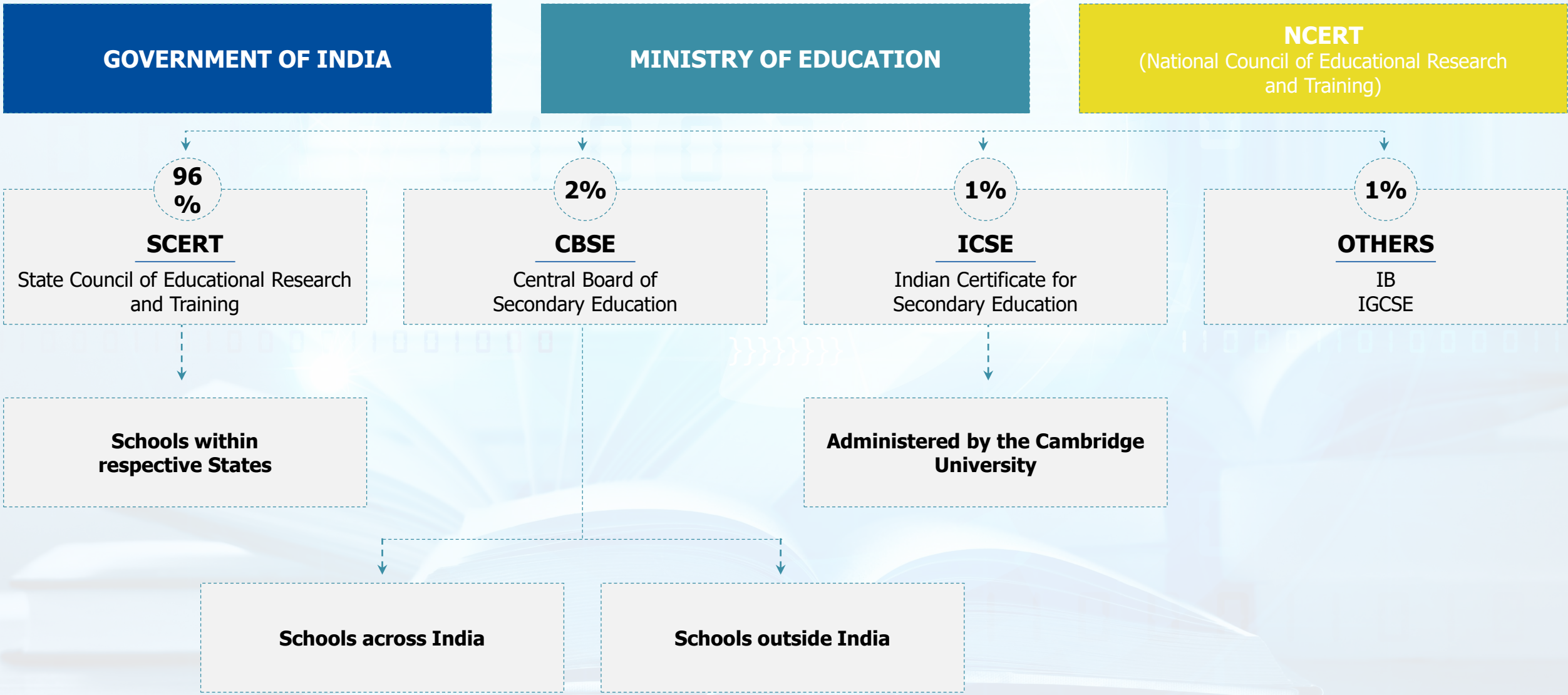
Segments

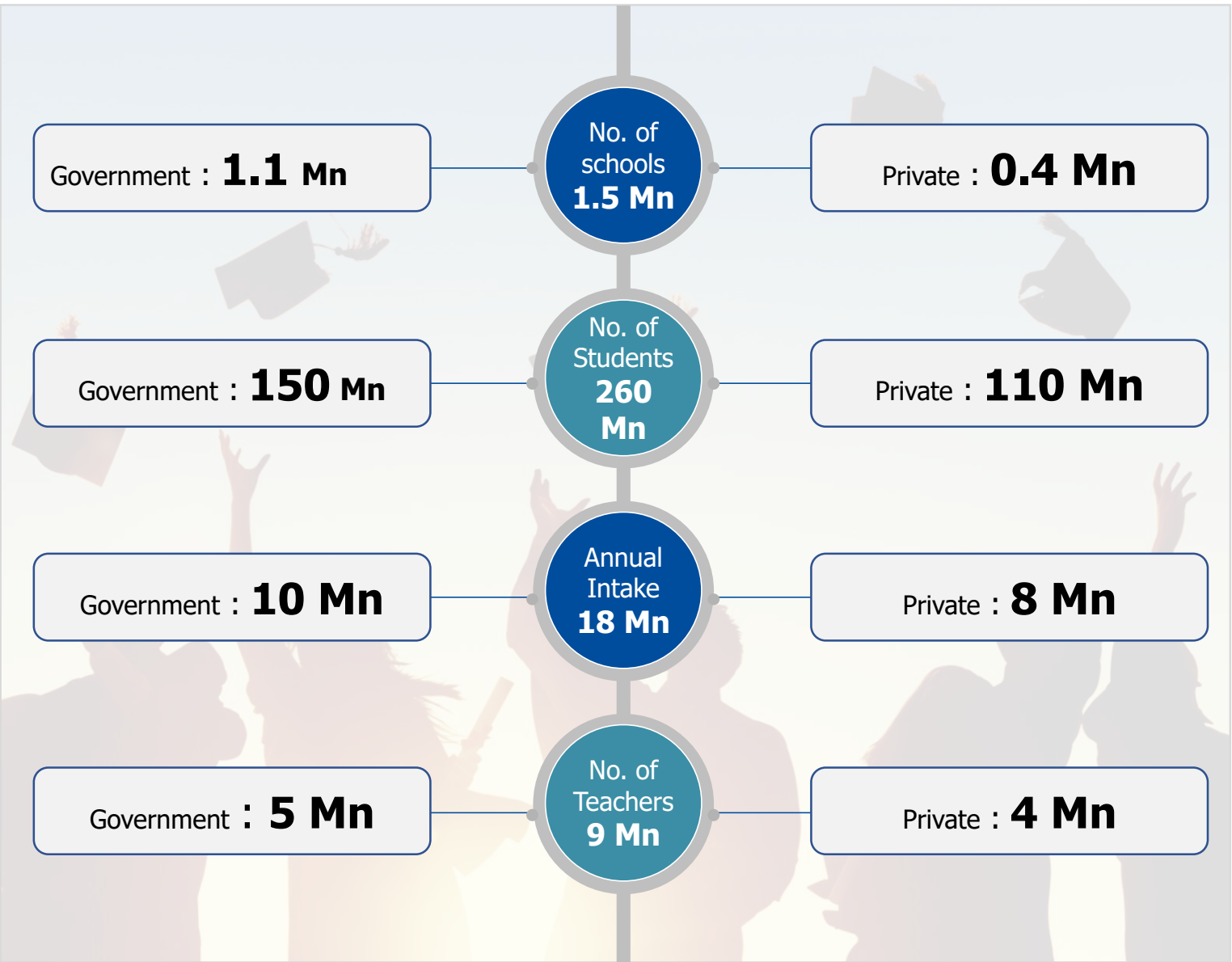
Market Opportunity

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

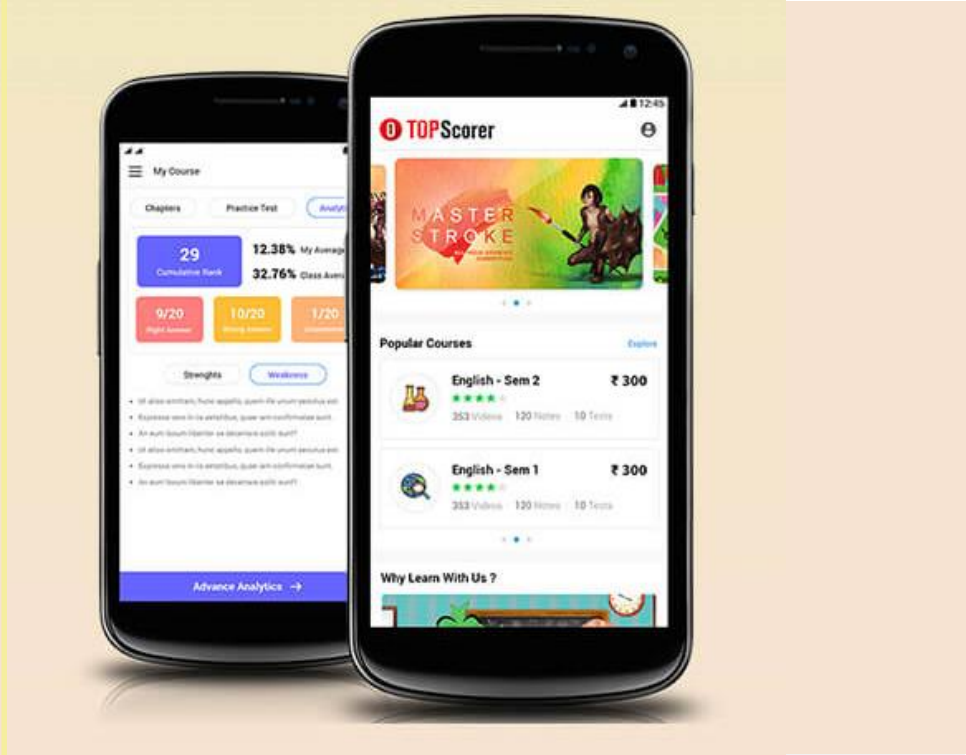
INDUSTRY OVERVIEW – E-Learning

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

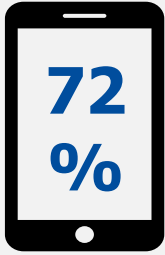
It is expected that Online Education sector will witness a growth of 44% CAGR. Userbase will rise to 9.6 million by 2021

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



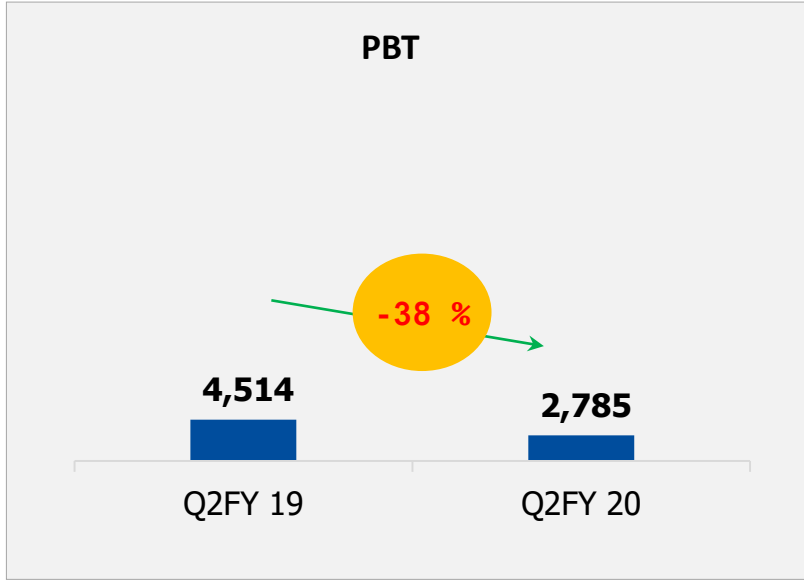
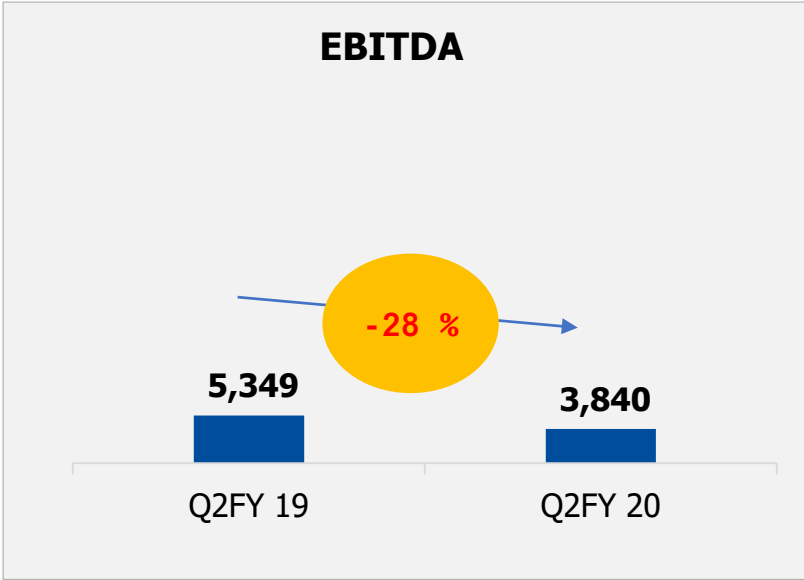
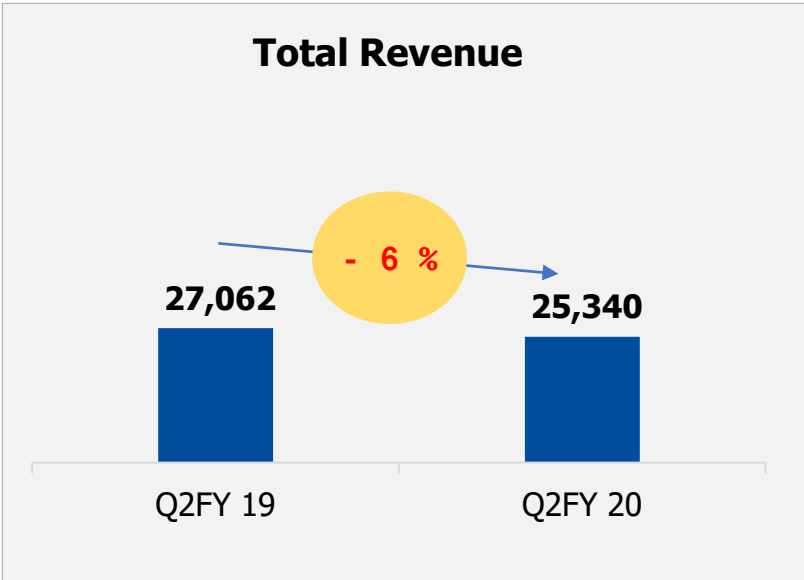
“ Driven by combination of Demand, Supply & Macroeconomic drivers ”



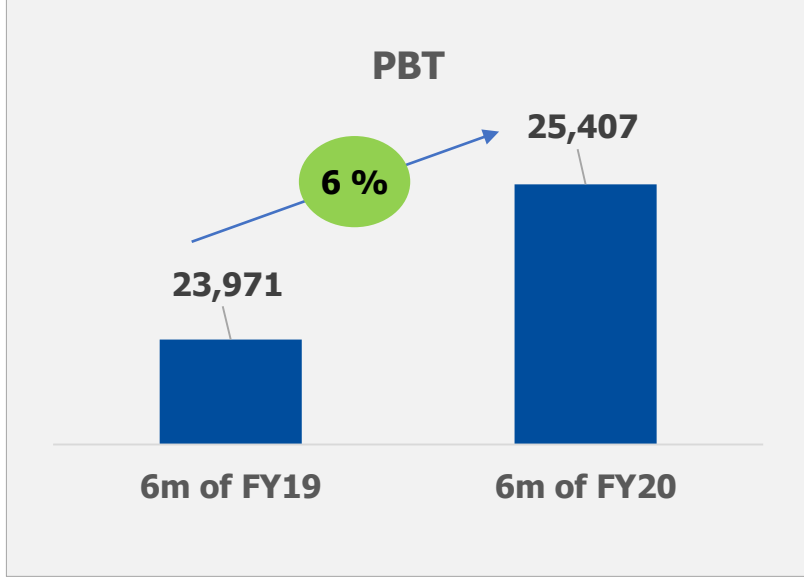
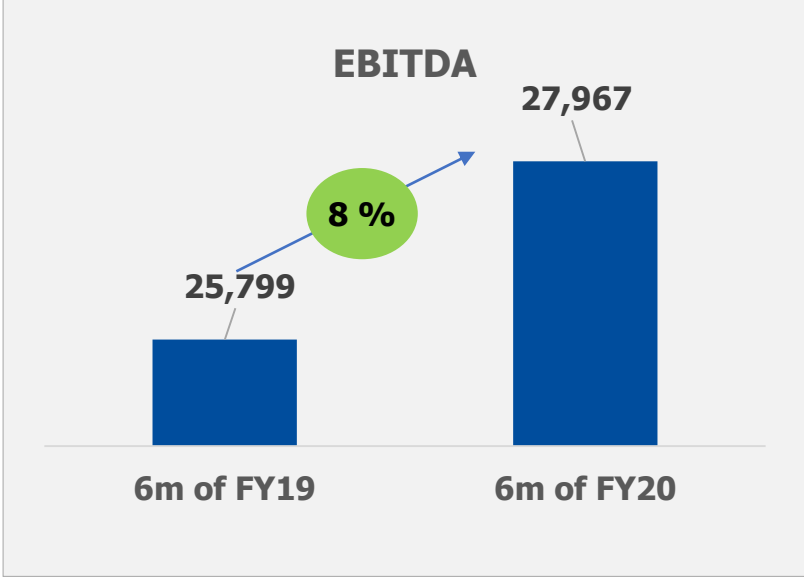
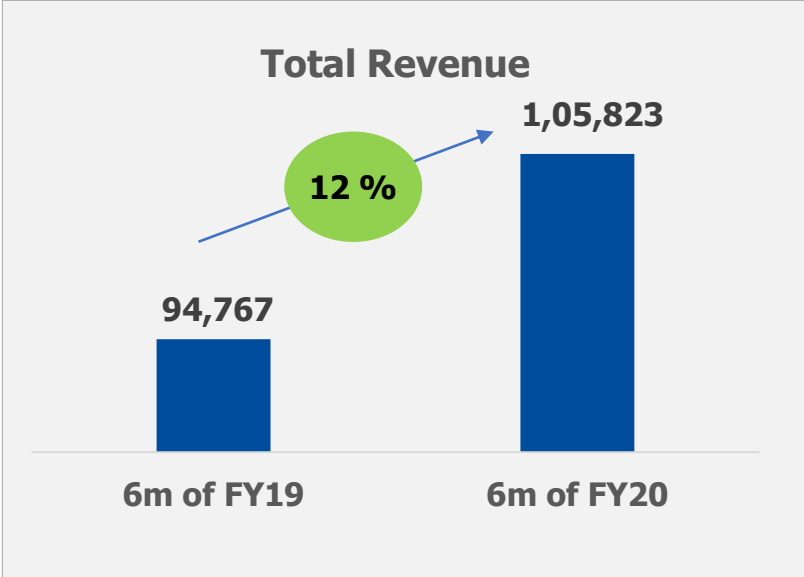
Students prefer laptops over mobile phones for accessing online course content



**FINANCIAL
PERFORMANCE
Q2FY20**



Segmental Revenue	Publications	Stationery - Domestic	Stationery - Exports
Q2 FY20	12765	2294	9571
Q2 FY19	17952	2425	5933



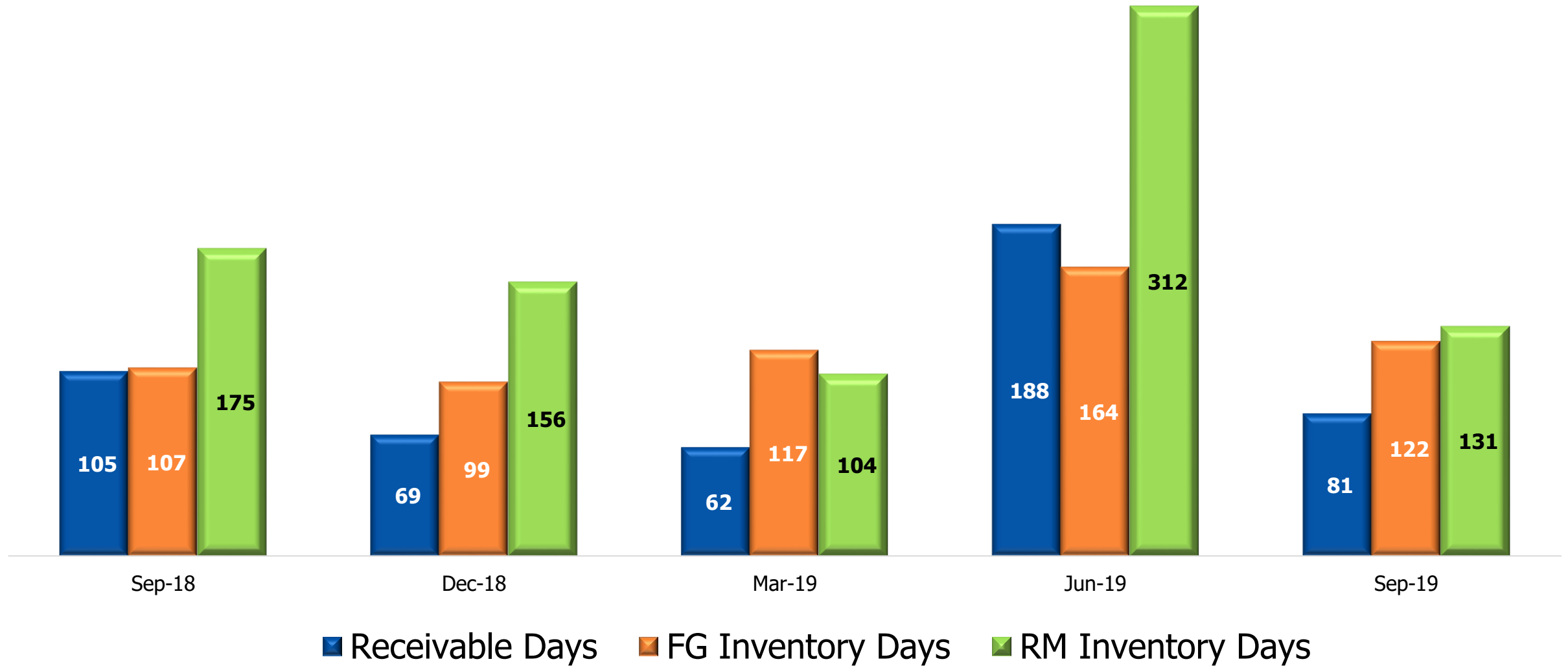
Segmental Revenue	Publications	Stationery - Domestic	Stationery - Exports
6m of FY20	55,983	13,238	34,875
6m of FY19	54,547	12,786	25,910

STANDALONE FINANCIAL RESULTS – Q2 & YTD ended Sep'19 of FY 20



(INR in Lakh)

Particulars	Quarter ended Sep `19				YTD ended Sep `19 (6 months)			
	Q2 FY20 (Unaudited)	% of Revenue	Q2 FY19 (Unaudited)	% of Revenue	YTD- FY20 (Unaudited)	% of Revenue	YTD FY19 (Unaudited)	% of Revenue
Income from Operations	24,677		26,347		1,04,176		93,343	
Other Income	663		715		1,647		1,424	
Total Revenue	25,340		27,062		1,05,823		94,767	
(a) Cost of materials consumed	11,219		13,660		37,321		36,342	
(b) Purchases of stock-in-trade	9		12		34		45	
(c) Changes in inventories	1,118		(1,599)		16,761		10,936	
(d) Employee benefits expense	3,832		3,440		7,663		6,735	
(e) Depreciation and Amortisation	877		603		1,681		1,176	
(f) Other expenses	5,322		6,200		16,077		14,910	
Total Expenses	22,377		22,316		79,537		70,144	
Profit / (Loss) from ordinary activities	2,963	12%	4,746	18%	26,286	25%	24,623	26%
Exceptional Items	-		-					
Profit / (Loss) after exceptional Items	2,963	12%	4,746	18%	26,286	25%	24,623	26%
Finance Costs	178		232		879		652	
Profit / (Loss) before tax	2,785	11%	4,514	17%	25,407	24%	23,971	25%
(a) Provision for Taxation	(1,921)		1,777		6,570		9,006	
(b) Provision for Deferred Tax	456		(155)		(156)		(556)	
(c) Excess/(Short) Provision	-		-					
Net Profit / (Loss) after tax	4,250	17%	2,892	11%	18,993	18%	15,521	16%
Other Comprehensive Income (OCI) net	(302)		(332)		(620)		(717)	
Total Comprehensive Income	3,948	16%	2,560	9%	18,373	17%	14,804	16%



(INR in Lacs)

	Revenue from Ops		Summary of EBITDA		Summary of PAT	
	H1 of FY'20	H1 of FY'19	H1 of FY'20	H1 of FY'19	H1 of FY'20	H1 of FY'19
NEL	1,04,176	93,343	27,968	25,799	18,995	15,521
eSense	1,359	1,766	130	801	(119)	624
Indiannica	946	750	(1,262)	(1,971)	(2,044)	(2,343)
NLLP	-	-	(0)	(2)	(0)	(2)
NHKL	85	19	(1)	6	(1)	6
K12					80	306
Inter co Adjust	(84)	(274)	(191)	(164)	(23)	(84)
Total	1,06,482	95,603	26,643	24,468	16,887	14,028

Publications

Publication Business for current year shall have marginal growth on account of limited changes in the syllabus in Maharashtra

Indiannica Learning Private Limited's acquisition looks promising this year onwards on account of introduction of new workbooks / content and also it's venturing into ICSE Board Content. Quarter 4 shall be crucial to know the growth.

eSense (E-Learning)

B2B sales expected to grow with more schools opting for digital learning.

Indiannica Learning Private Limited's content will add value to current library and promote sales in Q4

Stationery & Exports

Focus sales and branding efforts on selected States to maximize impact with marketing efforts will increase domestic business

Exports will continue to grow at a good pace backed by orders

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

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

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

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



Educational system is getting influenced due to the digitalization era.

The educational system is going through rapid transformation due to which, the children of this generation are be limited to traditional textbooks.

“Digital India” aims to bridge this gap by connecting the remotest villages through WIFI and broadband

By 2030, India will have the largest population in the world resulting in increased bracket of students eligible for higher learning and educational courses.

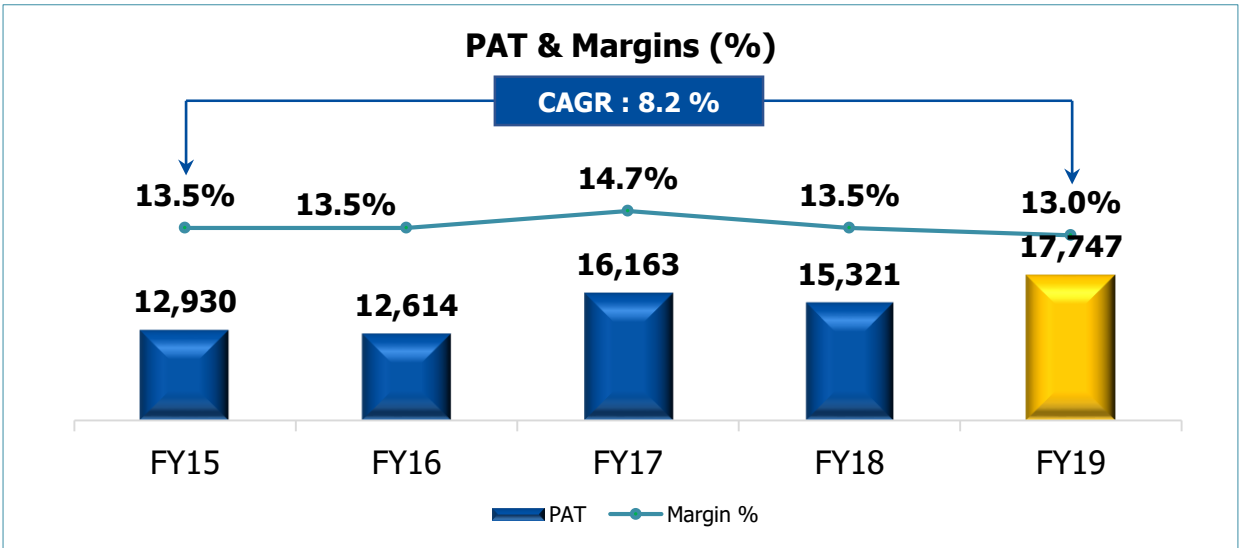
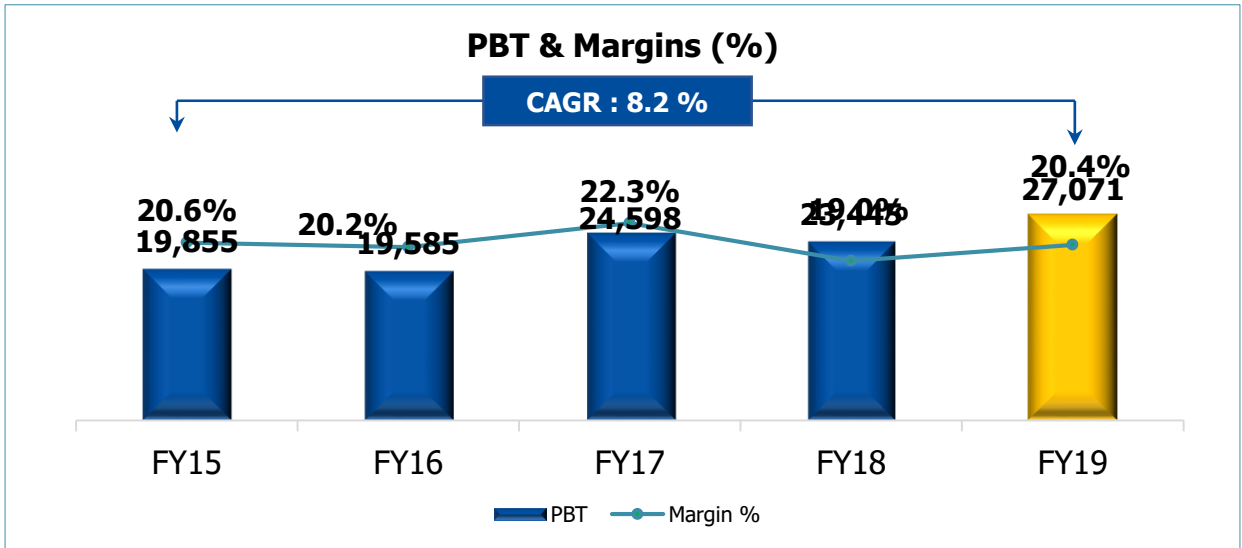
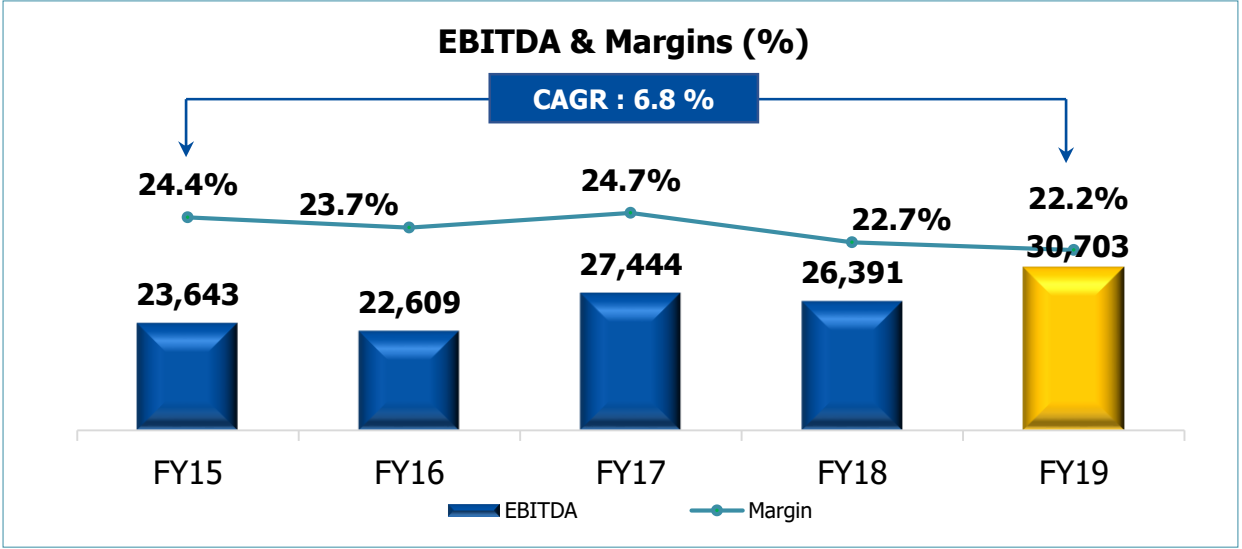
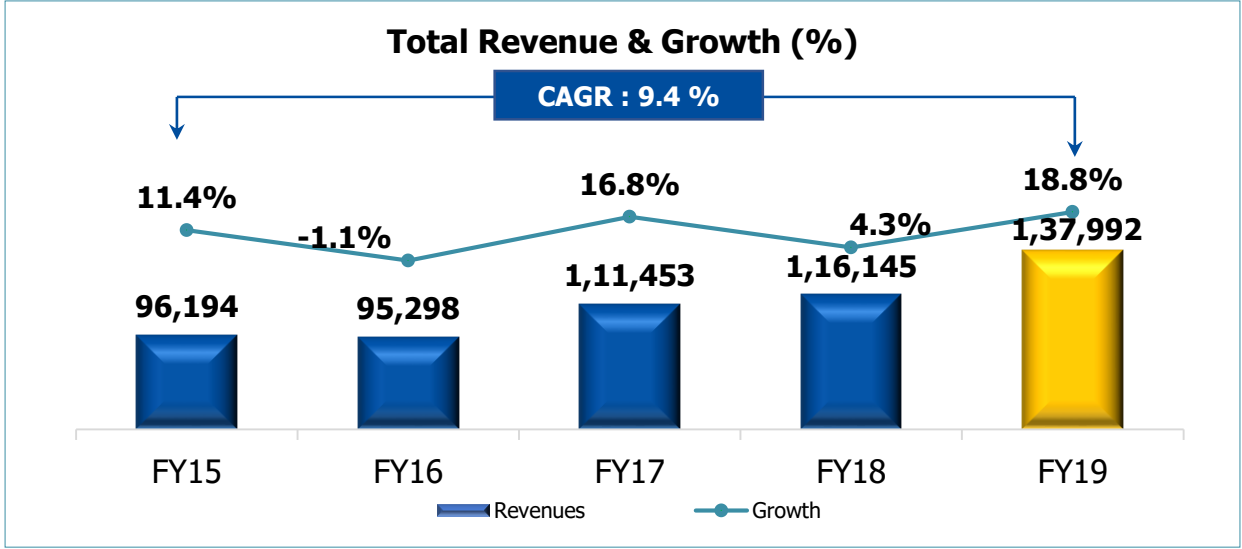
Various government initiatives are being adopted to boost the growth of distance education market, besides focusing on new education techniques, such as E-learning and M-learning.

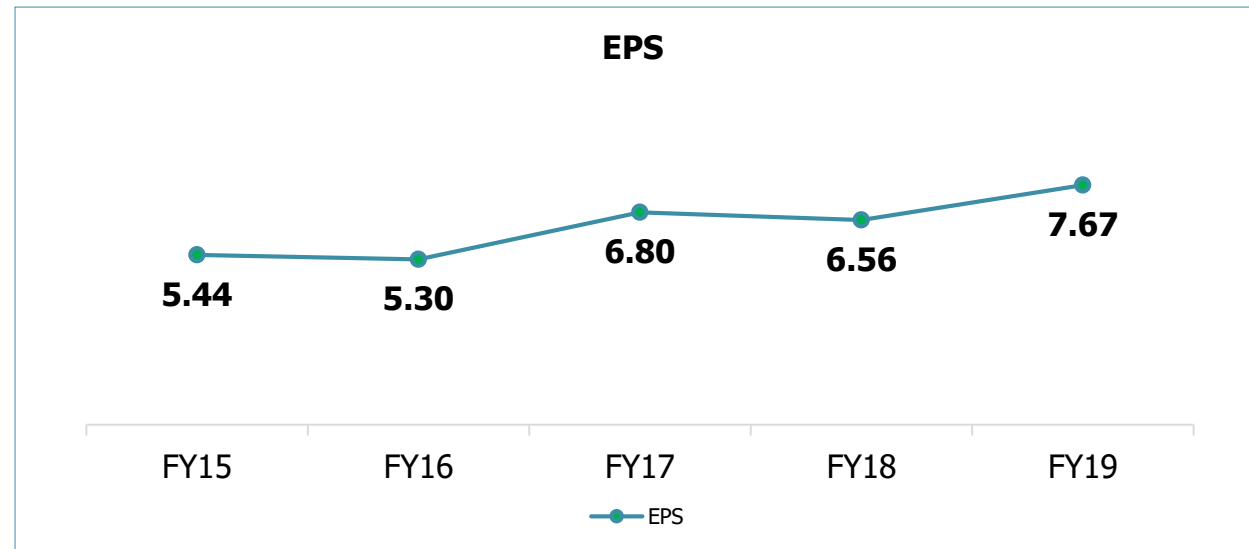
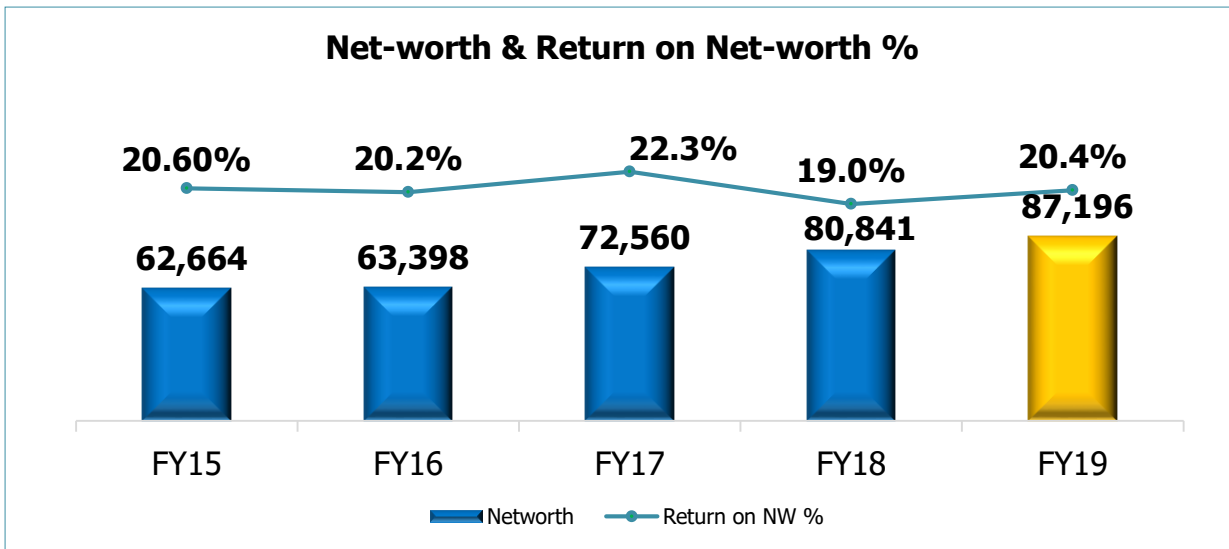
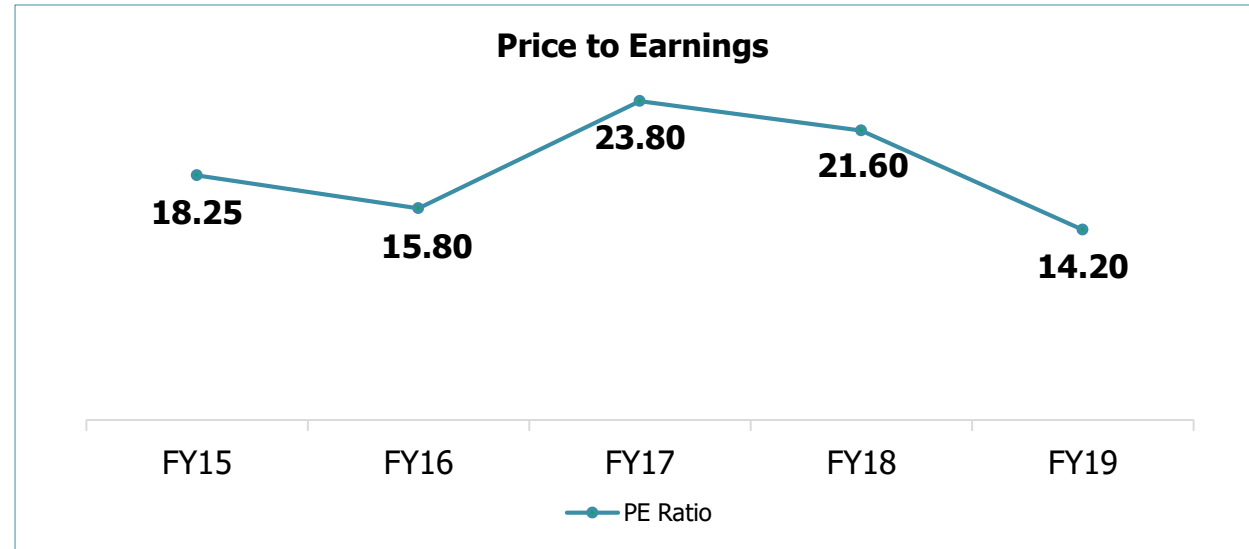
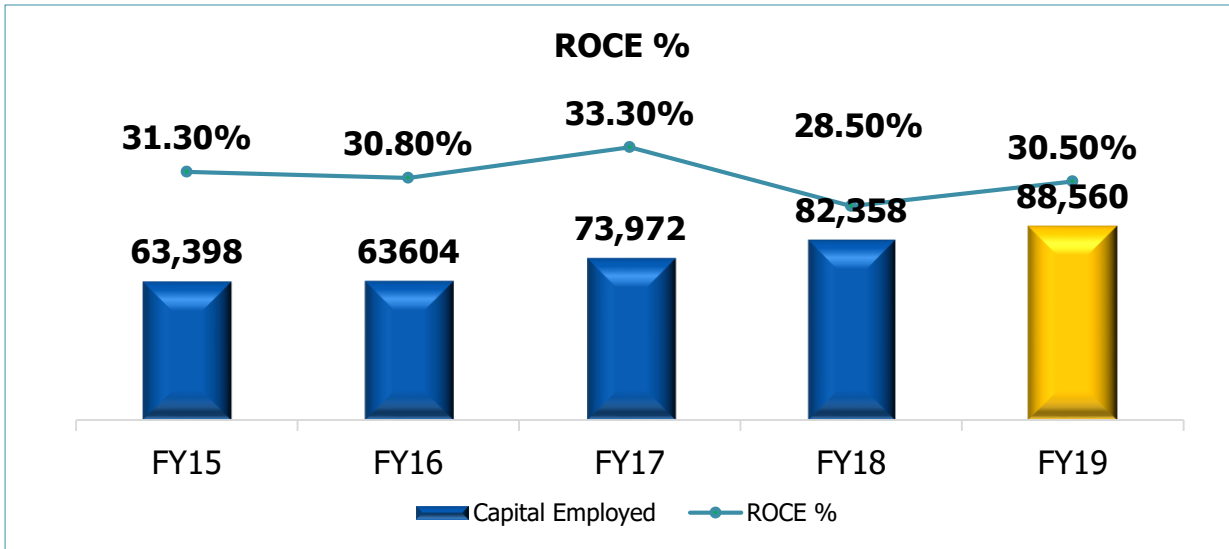
Operational autonomy, flexibility in norms for setting up of private institutions, modifying and implementations of education bill, and access to global curriculum design framework will not encourage the private players but also promote the cause of higher education in India to a whole new level.

Technology is being utilized to reach to maximum number of people with a view to reduce digital illiteracy, rising opportunities in the field of educational providers, providing uniform education to students in rural and urban areas.

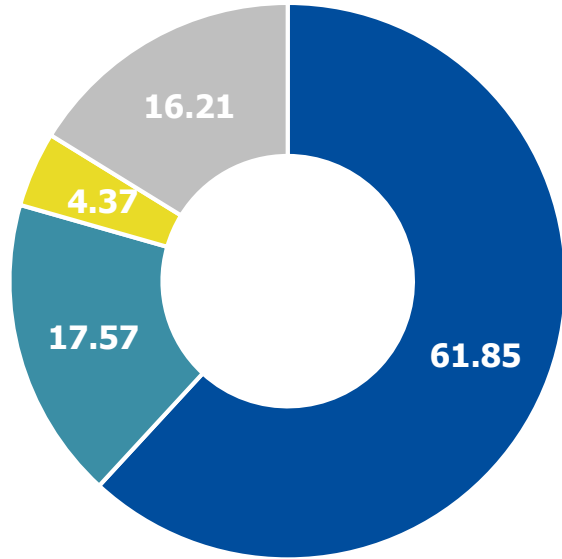
STANDALONE FINANCIALS (LAST 5 YEARS)

(₹ in Lakh)

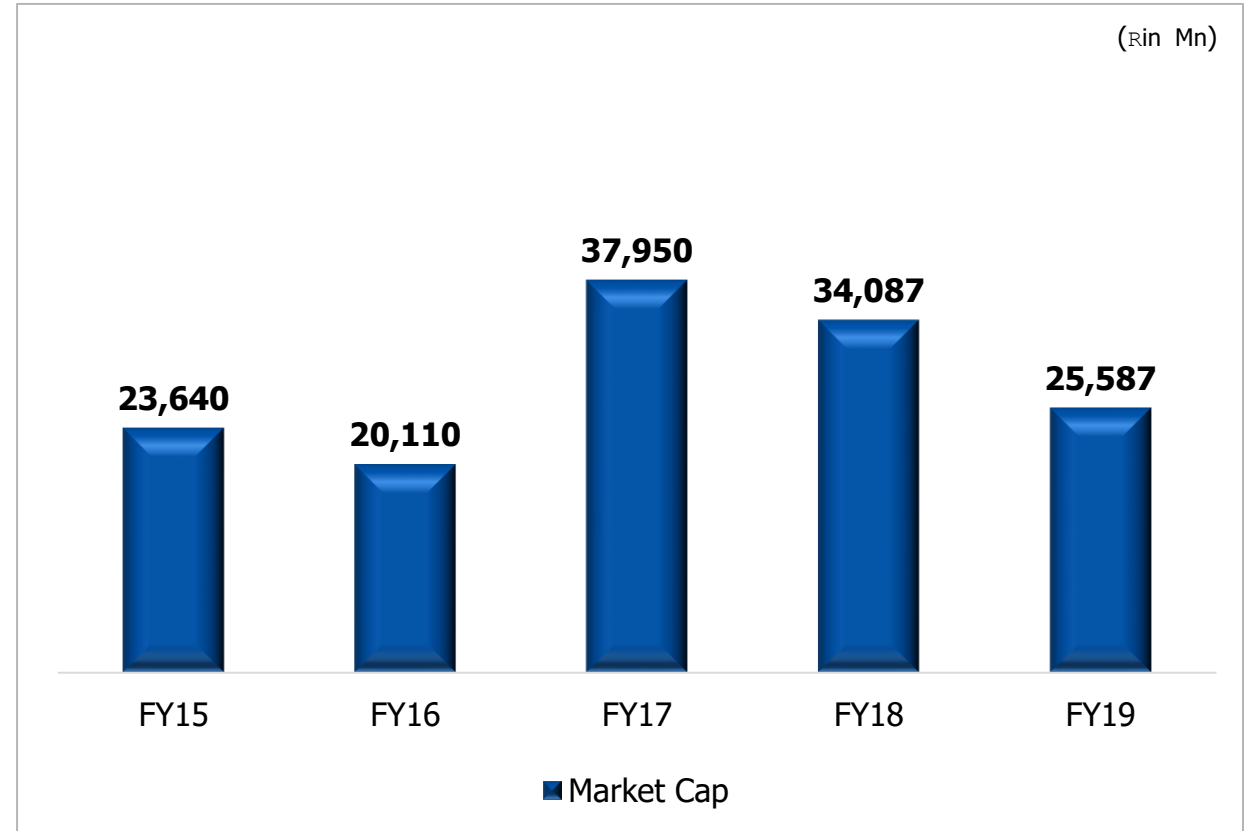




Shareholding as at September 30, 2019



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



Trusted by **25,000+** Shareholders

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

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

E-mail Id: 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



Knowledge is wealth

