



# building the blocks



Annual Report (1999-2000)

## tents of this annual report

• the first page 3 • mission 4 • values 6  
• the big print 7 • chairman's strategy  
audit 10 • ten minutes with the director,  
finance 12 • creating shareholder value 18  
• management discussion and analysis 19  
• ratio analysis 46 • financial highlights 48 •  
shareholders' Information 50 • notice 55  
• proxy form 57 • directors' report 59  
• annexure to the directors' report 62  
• auditor's report 63 • annexure to the  
auditor's report 64 • understanding our  
financials 66 • balance sheet 68 • profit and  
loss account 69 • schedules 70-83  
• balance sheet abstract 84 • cash flow  
statement 85 • section 212 87 • subsidiary  
accounts 88-100 • corporate information 101  
• list of showrooms 102 • scribbling pad  
103-104



We present this annual report with the dedication and commitment that we have brought to our business over the last four decades.

The transparency of the document is broadly in line with the international standards of information disclosure. The report reflects the sober responsibility with which we continue to attract the intelligence of thousands of children and students across India. So that they may not just study, but become enlightened citizens. So that they may not just examine, but also explore.

May you find it educative. In more senses than one !

## building the blocks !

Investing minds with knowledge

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2

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# e first page

what we are



The Navneet story began in Dhanlal Brothers, a small bookstore in Mumbai in 1945. It sold new and second-hand books. In 1959, the shop issued its first book - under the Navneet brand. A company was incorporated in 1984 under the name of Bookwing Publications and Trading Co. Ltd. The name was changed to Navneet Publications (India) Limited in 1991. The company has three manufacturing locations at Dantali, near Ahmedabad, at Vasai in Thane district near Mumbai and at Silvassa (Union Territory).

Over the decades, Navneet has emerged as the premier educational products and services company in India. The company possesses a copyrighted archive in excess of 2700 titles in English, Gujarati, Hindi, Marathi and a few other Indian languages. The only listed educational products and services company on the stock exchanges in India.

The company's products are sold under the Navneet, Gala and Vikas brand names. Navneet's syllabus portfolio includes high quality education books, supplementary books like guides and 21-question sets among others in Hindi, English, Marathi and Gujarati. As per the estimates, the company has a dominant market share in Gujarat and Maharashtra. In the non-syllabus segment, Navneet produces general category material like activity books for children and general reading. The company

enjoys a leading position in the premium stationery markets in India, the Middle East, parts of Africa, USA and Europe.

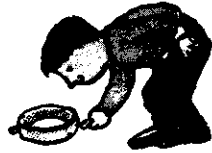
Navneet's three brands - Navneet, Vikas and Gala - are spearheading the rapid offtake in the company's products in the marketplace. These brands were acquired from a group company for a token payment of rupee one.

To keep in step with a dynamic environment, Navneet launched an Internet initiative called Navneet Edutainment Limited. This company was set up (with the express purpose) to leverage the Net and provide superior localised educational content. Navneet expects to capitalise on its longstanding presence in the conventional format to drive its success in the dynamic Internet environment.

The company posted a turnover of Rs.174.82 crore and profit after tax of Rs.28.16 crore in 1999-00, a growth of 21 per cent and 19 per cent respectively, over the preceding financial year. The promoters of the company hold a stake in excess of 60 per cent in the company. The shares of the company are listed on the National, Mumbai, Ahmedabad, Saurashtra-Kutch and OTC stock exchanges. Navneet's market capitalisation stood at Rs 359 crore (based on the market price on the BSE) on 29th September, 2000.

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3



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



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# Values

## Customer Focus

Navneet's products will continue to conform to the highest standards in quality education - content, printing, paper - so that students may achieve their immediate and long-term objectives to their fullest satisfaction.

## Respect for the laws of the land

Navneet is committed to working within the laws of the land, demanding a high level of individual and collective integrity from within the organisation.

## Ethics

This is our prime commitment. Above all, we promise fairness in our dealings to our authors, professionals, trade partners, employees and shareowners.

## Community and environment

Navneet is committed to making the world a better place to live in. This will continue to be reflected in the company's endeavour to provide quality material to create a more educated country and world; it will also be reflected in non-business initiatives that benefit society at large.

## Respect for people

Navneet's success is the result of a deep respect for its various stakeholders - authors, professionals, trade partners, employees and shareowners. We will always remember that we are essentially in the business of managing people with understanding and sensitivity. The books follow later.

## Shareholder value

Navneet's commitment to generate a superior return on the investment made by its shareholders in its business is paramount and will be balanced in its responsibility to keep its education portfolio relatively affordable for all.



# the big print

highlights 1999-00

- Turnover and profit increased by 21 per cent and 19 per cent to Rs 174.82 crore and Rs 28.16 crore respectively.

- The pre-tax return on average capital employed increased from 30.91 per cent in 1995-96 to 42.15 per cent in 1999-00

- The company achieved a valuwise growth of 30 per cent in the children and general books category.

- The company published 169 new titles (57 in educational books and 112 in children's and general books categories) taking the total number of active titles to over 2700.

- The benefits of a Business Process Re-engineering programme helped increase production by approximately 12 per cent.

- The company increased its presence in Madhya Pradesh and Rajasthan for education books (non-syllabus), in children and general books and stationery categories, the company accessed nine new markets, increasing the company's reach to across 17 states.

- Exports of stationery increased from Rs 16.95 crore to Rs 27.93 crore in 1999-00, a growth of 65 per cent.

- Printed books were introduced under the Navneet brand in the overseas market.

- Navneet Edutainment Limited, the company's 100 per cent subsidiary launched [www.connectschool.com](http://www.connectschool.com), an authoritative e-learning site for Indian students. The site was made live with an investment of Rs.1.50 crore, till date, drawing an encouraging response from 282 schools.



- Navneet increased its market penetration from 12 states in 1998-99 to 17 in 1999-00.

- More than 100 new titles have been introduced each year for the last two years.

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