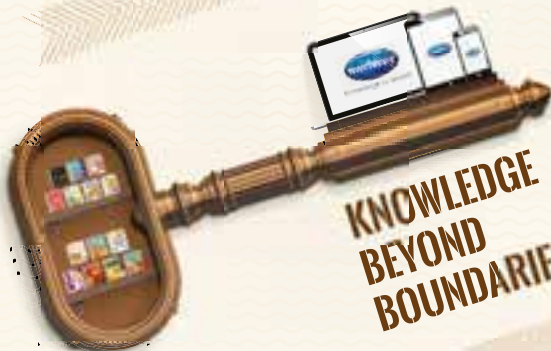


33<sup>rd</sup>

Annual Report  
2018-2019



Knowledge Beyond Boundaries



**KNOWLEDGE  
BEYOND  
BOUNDARIES**



“

**KNOWLEDGE  
BEYOND  
BOUNDARIES**

”

Knowledge is invaluable – to both people and the development of society. Knowledge has no boundaries and is limitless. The model of education has reached an exciting phase where the information revolution has swept away the old format of learning. Navneet Education Limited (NEL) enables access to knowledge from education, learning and researched learning materials while bringing sustainable community development. The Company has earmarked its presence over the years and is inspired by its vision to provide the highest quality of educational products and services to students and customers.

Education not only builds one's life but also establishes a new world with greater positivity. Navneet Education Limited (NEL) speaks highly of spreading the thought that Knowledge is Beyond Boundaries, as knowledge can be acquired across different sources. At NEL, we constantly strive to create a global village of student community and provide innovative digital learning solutions.

Navneet Education Limited has strategically crafted to match internal competencies with the ever-evolving opportunities of a growing Indian market. Having said this, NEL has evolved itself into a robust, self-motivated and forward-looking company over the last few decades.

“Creativity is the key to success in the future, and primary education is where teachers can bring creativity in children at that level.” - A. P. J. Abdul Kalam

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### Forward-looking statements:

In this annual report, we have disclosed certain forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral - that we periodically make certain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried wherever possible to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes', and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

# CORPORATE INFORMATION

## Board of Directors

Kamlesh S. Vikamsey (Chairman)  
Gnanesh D. Gala (Managing Director)  
Raju H. Gala (Joint Managing Director)  
Bipin A. Gala (Whole time Director)  
Anil D. Gala (Whole time Director)  
Shailendra J. Gala (Whole time Director)  
Atul J. Shethia (Whole time Director)  
Mohinder Pal Bansal (Director)  
Nilesh S. Vikamsey (Director)  
Tushar K. Jani (Director)  
Dr. Vijay B. Joshi (Director)  
Usha Laxman (Director)

## Company Secretary

Amit D. Buch

## Chief Financial Officer

Deepak L. Kaku

## Auditors

N.A. Shah Associates LLP  
Chartered Accountants, Mumbai

## Internal Auditors

Mahajan & Aibara  
Chartered Accountants, Mumbai

## Bankers

Kotak Mahindra Bank Ltd.  
The Hongkong and Shanghai Banking Corporation Ltd.  
DBS Bank India Ltd.  
ICICI Bank Ltd.  
HDFC Bank Ltd.  
BNP Paribas  
Yes Bank Ltd.  
FirstRand Bank Ltd.  
Qatar National Bank  
Standard Chartered Bank

## Registered Office

Navneet Bhavan,  
Bhavani Shankar Road,  
Dadar (West),  
Mumbai – 400 028.

## Corporate Identity Number

L22200MH1984PLC034055

## Ahmedabad Office

Navneet House, Gurukul Road,  
Memnagar  
Ahmedabad - 380 052.

## Works

- 📍 Village Dantali, Behind Kasturi Nagar  
Dist. & Tal. Gandhinagar Gujarat.
- 📍 Village Sayali, Silvassa  
Rakanpur, Taluka Kalol, Dist. Mehsana.
- 📍 Village Khaniwade  
Tal. Vasai, Dist. Palghar

## E-mail

investors@navneet.com

## Website

www.navneet.com

## Registrar and Share Transfer Agents

Link Intime India Pvt. Ltd.  
C - 101, 247 Park,  
L.B.S. Marg,  
Vikhroli (West),  
Mumbai-400 083  
Tel : +9122 49186000  
Fax : +9122 49186060  
E-mail - rnt.helpdesk@linkintime.co.in  
Website - www.linkintime.co.in



# CHAIRMAN'S COMMUNIQUÉ

## Dear Shareholders,

At Navneet, FY2018-19 was a year of exceptional growth and excellence. While we made great progress in many areas of the business, we also laid the groundwork for what will be a multi-year strategic plan. The plan will center on how to better serve our customers, with a greater emphasis on quality of books. During the year, we have continued to introduce newer products to our portfolio, expand our reach across geographies and ensure greater commitments towards our customers.

The year 2018 witnessed extreme external situations arising out of rising oil prices, trade rivals between major global trading partners and the normalisation of monetary policies in the larger advanced economies have

contributed to a significantly weakened global expansion. Following a notable tightening of financial conditions in late 2018, market sentiment rebounded in early 2019. As a result, the global growth is now projected to be at 3.6% in 2020. The outlook for emerging market and developed economies is expected to remain favourable. In 2018-19, the Indian government has taken several initiatives to improve the education and infrastructure sector. According to the latest UN report, Indian economy will grow to 7.1% in 2019-20 and it continues to remain the fastest growing economies of the world.

I would like to highlight that the company's financial performance for this year was a remarkable one. The company ended the year with a total revenue of ₹ 1,37,992 Lakhs; a growth

of 19% and Profit after tax at ₹ 17,747 Lakhs.

The segments highlights are as under:

- Publication Revenues increased by 13.1% to ₹ 71,076 Lakhs.
- Stationery Revenues increased by 29.4% to ₹ 64,812 Lakhs.

We aim to strategically explore into new potentials, seizing new opportunities, implementation of emerging trends, synergising strengths and chasing perfection endlessly. The opportunities that lie ahead are significantly vast to ensure sustainable value creation for each of our stakeholders. Over the last six decades, your company has become the pioneers in the industry as we have worked hard to revitalise the company

**By 2030, India should stand as the third-largest economy in the world and aspires to become a high-middle level country.**

**₹1,37,992 Lakhs** Total Revenue

**₹17,747 Lakhs** Net PAT

“  
**We aim to strategically explore into new potentials, seizing new opportunities, implementation of emerging trends, synergising strengths and chasing perfection endlessly**  
 ”

as a promising and robust brand in the Educational content and Scholastic stationery sectors.

During the year, our exports contribution to our total revenues have increased exponentially as compared to previous years. With reduced competition from China and NEL being the preferred vendor overseas our products have witnessed steadfast growth in the scholastic stationery segment.

As a new age company, NEL focuses on enriching and providing an effective learning experience digitally. Indiannica Learning Pvt. Ltd. and eSense Learning Pvt. Ltd., aid your company to broaden its content business segment. In the year under review, the revenue from operations stood at ₹ 6,447 Lakhs and ₹ 2,330 Lakhs, respectively of these

companies. The e-learning segments continues to scale up as more students are inclined towards digitized learning rather than the conventional form of learning. Internet penetration among the rural masses is set to increase in the coming years gearing up the performance of this segment.

We have always believed that healthy business can be built through consistent cash flows from the Company's core operations, and in the year 2018-19 this thought has strengthened amongst us and we have also successfully maintained our stability through our visions and strength.

Moving forward, we continue to nurture our relationships with customers and employees. There is enthusiasm among the team to provide quality products to

students at affordable prices.

As we continue our journey, we believe in creating better milestones by aligning ourselves with our core values and the preferences to be a part of building new India and create enduring value for our stakeholders.

Thank You,  
**Kamlesh S. Vikamsey**  
 Chairman

# OUR IDENTITY

**Navneet Education Limited** founded by the Gala Family is an educational syllabus-based content provider in Print & Digital medium, a manufacturer of Scholastic Paper stationery, a publisher of General & Children books and also has a wide range of Scholastic Non-Paper stationery products.

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. And, with a new range of supplementary books for students of CBSE and ICSE Boards, its educational products are now available across 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

# KEY FACTS

Students using  
Navneet products

**35Mn+**

**5,500+**

No. of Titles

Printing /Manufacturing  
Locations

**3**

**5**

Number of  
languages  
published

Number of  
subsidiaries

**3**