

Mapping Study for Children's Literature in India

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Promoting innovative publishing in education

A SIR RATAN TATA TRUST INITIATIVE

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1. Children's Literature in India

1.1 Background

Sir Ratan Tata Trust (SRTT), established in 1919, is one of the oldest philanthropic institutions in India. The Navajbai Ratan Tata Trust (NRTT), established in 1974, works with the SRTT to support initiatives in education, health, livelihoods and civil society and governance.

To address the paucity of age appropriate literature for children, *Parag*, an SRTT initiative has been working for over five years to promote children's literature (CL) in India. *Parag* is contributing to the development and publication of CL and educational material in different Indian languages, development of dissemination channels, creation of resource material, and promotion of reading among children, among others.

Parag collaborates with many organizations to achieve its goal, notable among them being:

- Eklavya in Bhopal – a well-known organization that develops, tests, innovates, provides support, develops curricular material and publishes CL and educational material
- Centre for Learning Resources (CLR) in Pune - provides technical support through training and materials to improve the quality of elementary and early childhood education
- Anveshi, a Research Centre for Women's Studies in Hyderabad - supports and strategizes on women's issues including education

1.2 Objective of the study

With education and literacy garnering more attention and resources in the last few years, the number of children enrolling in primary schools is on the rise, there is need for age appropriate educational material and recreational material.

Sir Ratan Tata Trust recognizes that there is scarcity of reading material for children in various languages and there are many challenges faced by key stakeholders in the CL value chain.

Over the years *Parag* has contributed in various ways to strengthening the CL and educational publishing in India. In order to plot a future strategy and select areas of focus to further strengthen its efforts, the *Parag* team commissioned a mapping study of CL to ValueNotes, with the following broad objectives:

- To look at the CL sector at large, identify the success areas, trends and key gaps
- To understand how *Parag*'s current work and future plans are in the context of the sector
- To recommend way forward for *Parag* to effectively address and fill sector gaps

1.3 Scope

The areas of focus for this study were defined as under:

- Target products: The literature read should be solely for pleasure and should be non-curriculum
- Languages: English, Hindi, Kannada, Marathi
- Target end user: Children from 0-14 years

The key information areas (KIAs) defined are:

1.3.1 KIA 1: Market analysis - Children's literature in India

Introduction to children's publishing sector in India - Brief overview of the children's publishing sector in India and growth opportunity and challenges faced by this sector.

Quantum of the current market in India for the products under study – The key questions addressed will be:

- The overall market size in India for CL (non-curriculum) by volume and value
- Estimated growth of CL in the coming 3-5 years (by volume and value)
- Breakdown of the current market/books published under the following broad categories:
 - By age groups (0-6;6-11; 11-14 years)
 - By genre – Mythology, fiction, nonfiction etc.
 - By languages in which the literature is published (Hindi, Marathi, Kannada and English)
 - Ratio of number of books published per year (last 2-3 years) per language verses the total population of the target group
 - Others – Educational material/teacher resources

Key trends

- Benchmark the number of books (CL) per child in other countries (Top 5 economies in the world – The US, China, Japan, France and Germany or equivalent to India)
- Adoption levels of CL in India to indicate the level of reading of non curriculum books among children, for example, total number of CL sold/ number of children
- Currents trends witnessed among the following in publishing industry for children:
 - Private, government or grant supported
 - Differences between dedicated publishers for CL and those publishing textbooks and curricular material along with CL. The differences in their overall distribution channels - does it help or hinder; what are the challenges
 - Those with international publishing house support / subsidiary as against home grown publishers, among others
- Pricing trends followed by publishers for publishing CL

- Current challenges and inhibitors in sustainability

1.3.2 KIA 2: Supply chain

Overview of the supply chain in CL publication - Insights into the overall supply chain in children's publishing sector in India and the industry best practices followed by publishers in India and abroad for marketing CL

- Key established channels for distribution
- Gauge the viability of CL from a supply chain perspective
 - Whether CL as a product is retail friendly
 - How can publishers/entities improve bottlenecks
 - Basis on which bulk purchases by government schools, public libraries are made
 - How can quality be posed as a single major USP for marketing these products to buyers?
 - Other innovative distribution channels that can be created/ supported / tapped?
- Key trends followed by publishers in other developed countries to sell their products

1.3.3 KIA 3: Key stakeholders other than publishers

Publishing sector includes authors/illustrators/translators, librarians as well as bodies such as Association for Writers, Illustrator for Children (AWIC), National Book Trust (NBT) and National Council for Children's Literature (NCCL), Publisher's Action Group for Promoting Quality Publishing for Children (Page), book fair / festivals which are designed to play a promotional role for the sector.

- What are the gap areas, their needs and what is needed to groom new talent in the sector?
- What kind of capacity building exist and platforms needed?
- Which established ways of recognizing and visualizing talent in the sector, if any such as fellowships / courses / awards?
- Is there need for such initiatives? Whose primary mandate is it / should it be?

1.3.4 KIA 4: User profiles

What is the user profile - Children from 0-14 years of age, teachers and student teachers / parents / librarians are key potential users of children's books.

- Brief introduction to the users in SES, rural/urban/private/government, first generation, multi-lingual user base in India
- Overview of needs/gaps prevailing in the country for CL in India - For children aged between 0-14 years
 - How many children aged between 0-14 years are accessing CL.
 - Kind of CL accessed by users aged between 0-14 years

- Key sources/channels of access for CL in India. What are the key challenges faced while accessing these channels?
- What are the gaps present while accessing CL for the channels/sources
- What do current reader feedback studies available indicate on about reader preferences / needs / responses? [Preliminary research indicates there is existing research, which can provide some insights on children's reading habits, needs, etc.

1.3.5 KIA 5: “So what” for SRTT – Actionable intelligence / recommendations

- What are the bottlenecks leading to low CL adoption in India and what are the ways in which SRTT can intervene effectively?
- Identifying key areas and specific actions that SRTT can take
- Insights on how publishers are managing pricing and quality at the same and whether it is sustainable
- Insights on what should be done to promote and groom new talent in India to promote CL
- Specific and tangible insights on what SRTT can propose to be done at the level of policy pertaining to book promotion, libraries and education department to infuse vibrancy in the sector, ensure selection, distribution of use of quality books for children

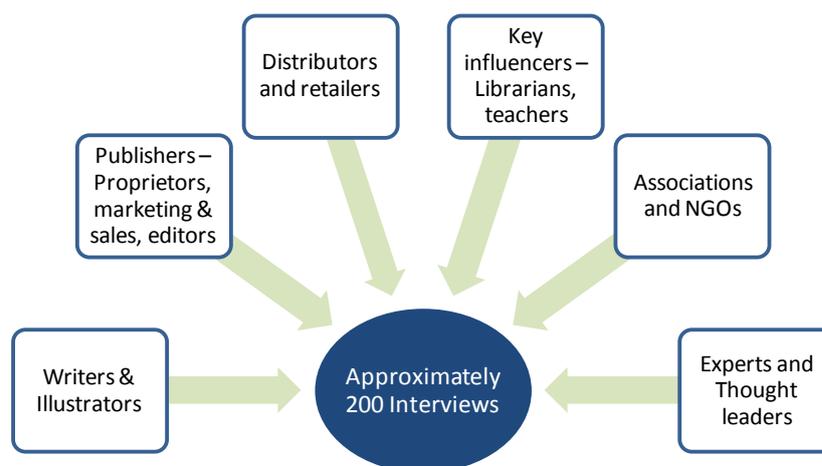
1.4 Methodology

Given the mandate of the study, ValueNotes conducted an extensive research exercise with inputs from desk research and interviews. For desk research, we conducted an in-depth study of the websites of the various governing boards, publishers, not for profit organizations among others. We also went through a large number of articles and publications with a focus on CL. We also looked at variety of reports that were available with SRTT.

The original plan required interviewing 115 respondents but considering the highly fragmented nature of the industry, ~200 respondents were interviewed across the spectrum including experts, publishers across all relevant languages, authors, illustrators, key influencers, office bearers in different associations, nonprofit organizations, etc (Exhibit 1). We also got in touch with more than 40 teachers and librarians across rural and urban areas to understand accessibility trends.

The following categories of respondents provided inputs to the study.

Exhibit 1: Interviews by different respondent types



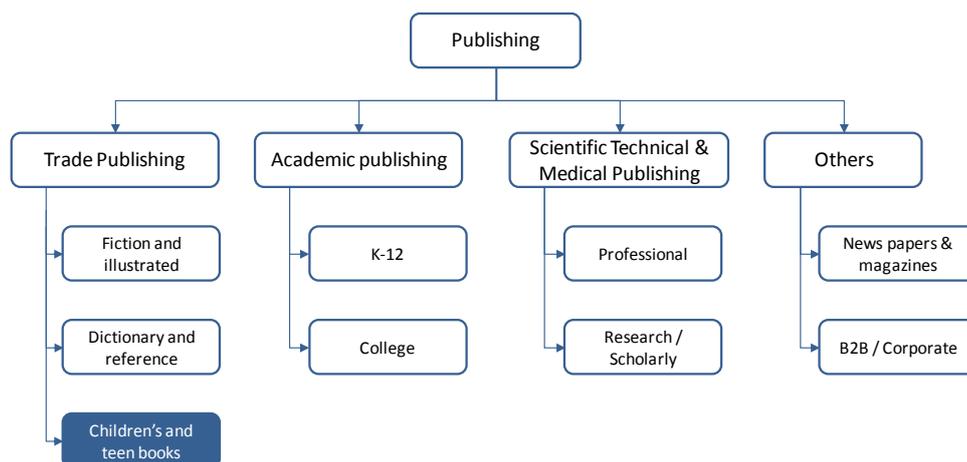
We had in-depth conversations with these respondents, where they shared their experiences and thoughts on the current situation of CL in India. [Annexure I](#) has an indicative list of respondents. The data gathered through desk and primary research was aggregated, analyzed and then incorporated into this report.

1.5 Definition

According to Association for Library Service to Children, USA, CL is defined as the body of books published for an intended and potential child audience. Such books display respect for children's understanding, abilities, and appreciation. Children range from birth through age fourteen.

The following schematic diagram indicates the position of CL in the overall publishing industry.

Exhibit 2: Position of CL overall publishing industry



Source: ValueNotes Analysis

1.6 Structure of the report

Chapter 1 provides the purpose of the report, a brief definition of the CL market in India and methodology.

Chapter 2 discusses the market size and market segmentation, and a broad overview of the drivers and challenges.

Chapter 3 of the report gives an overview of the value chain in CL.

Chapter 4 discusses book creation process, and challenges faced by the creators.

Chapter 5 covers the analysis of publishers and distribution system in detail and the challenges.

Chapter 6 elaborates the procurement and selection process by each procurer in the value chain and their challenges.

Chapter 7 of the report will give details about the typical user profile – age, location, language and preferences.

Chapter 8 discusses the role of key influencers, what they are doing and the challenges faced with respect to these key influencers

Chapter 9 will discuss recommendations based on need analyses in the previous chapters.

Chapter 10 the concluding part of the report will focus on key action areas for SRTT.

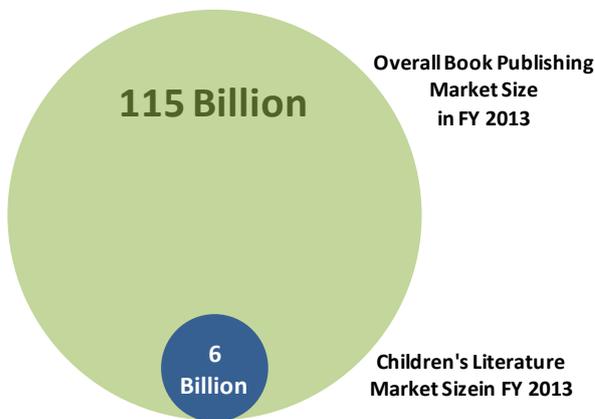
2. Market Size and Segmentation

2.1 Market size

During our study, we found that there were no published estimates of the size of the children's literature market. Further many publishers and association do not treat CL separately from other forms of publishing making it harder to arrive at estimates.

Our estimates are based on multiple approaches where we have considered the demand and supply side estimates along with expert opinion. These were triangulated to arrive at the final set of market size and segment numbers. As in all such exercises there is a range of error that is captured in the range provided in the estimates.

Exhibit 3: Children's literature market size



Source: ValueNotes Analysis | Market Size in INR

The Indian children's literature market in FY 2013 was estimated to be INR ~6 billion, in terms of volume, the equivalent was ~70 million books per year. This market is growing quite fast at an estimated 20%-25% annually. We believe that the market will continue to grow at a similar rate in the foreseeable future.

With around 373 million Indian children in 2012, between the ages of 0-14 years¹, there is only one book available for five children; clearly, a huge gap when compared to U.K. where the norms are 4 books per child and USA with 5 books per child².

As per FICCI estimates, the Indian book publishing industry was worth INR 100 billion in FY 2012 with a growth rate of 15% p.a. Based on this, the estimated market for the Indian book publishing industry for FY 2013 is worth INR 115 billion. Hence, children's book publishing is mere 5% of the total book publishing industry.

¹ Census of India 2011 – 368 million children and applied a growth rate of 1.4%

² Neilson BookScan 2010, GBO New York 2010, United States Central Bureau, UK National Statistics 2011

2.2 Market size methodology

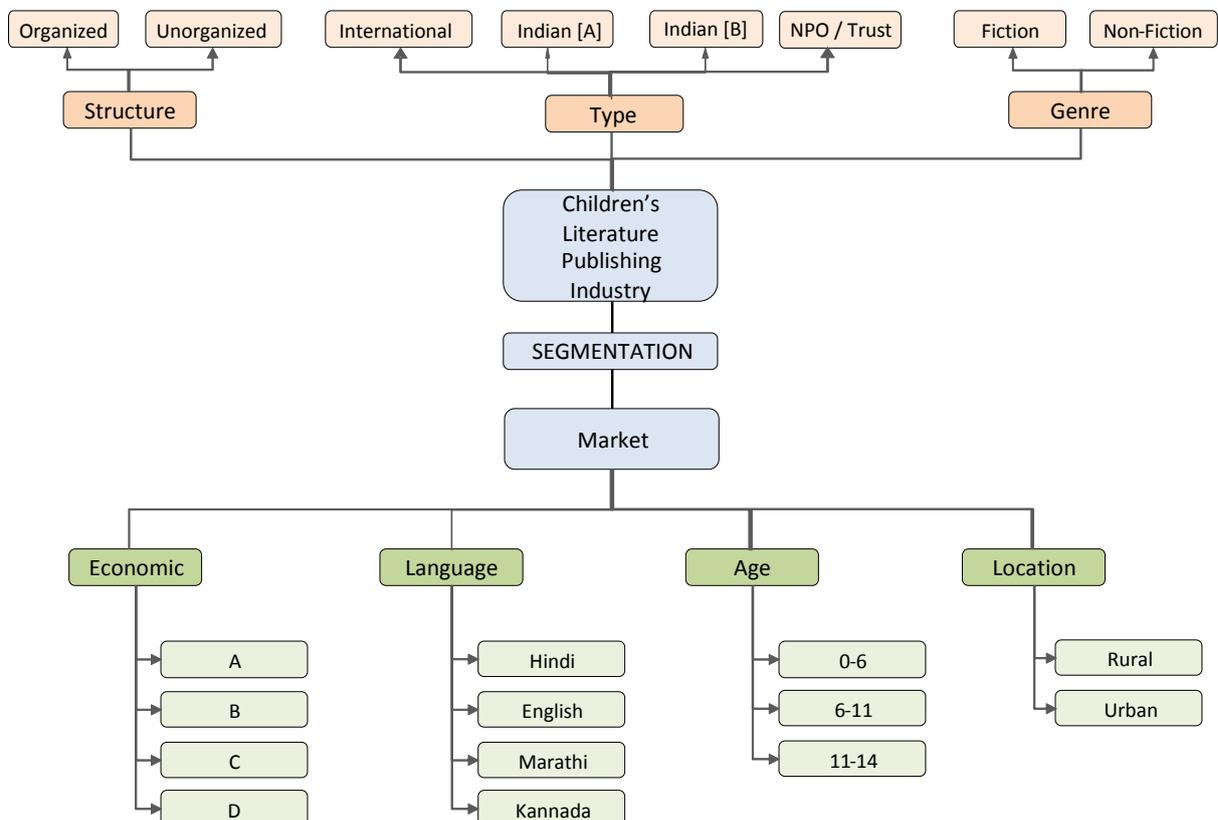
ValueNotes arrived at market size numbers using a triangulation approach to validate the assumptions. Triangulation essentially combines multiple approaches to arriving at the same result. This helps to eliminate bias as well as sampling or hypothesis errors. We arrived at the market size using four different sets of data:

- Analysis of sales of key suppliers - publishers
- Analysis of information on sales; sales by age group, language, genre from distributor/retailer interviews
- Analysis of inputs from information provided by industry experts – associations for publishers, authors, libraries, people involved in this industry to get estimates on the market size and breakup by segments – age groups, languages, genre
- Insights gathered from mining of secondary sources

2.3 Segmentation

The children’s book publishing industry and market can be segmented based on a number of parameters as described below:

Exhibit 4: Market and industry segmentation



2.3.1 Industry segmentation

The supplier base for CL can be segmented on portfolio focus of publisher, genre and structure.

- **Type** of the publisher:

International Publisher: International publishing house with Indian subsidiary

Indian Publisher [A]: More than 50% CL titles in the publisher's portfolio

Indian Publisher [B]: Less than 50% CL titles in the publisher's portfolio

NPO / Trust Publisher: Publisher supported by a trust or grant

- The industry has also been broadly segmented according to the **genres**, fiction and non-fiction categories to understand the popularity.
- The industry has been segmented on how it is **structured**, organized and unorganized. We have defined an organized industry participant as one with full-fledged operations, book development team, marketing and distribution team, catalogue of its product offering, online presence and official premises. An unorganized publisher does not have full-fledged operations; almost 100% of book development will be reproduced content, doesn't have online presence and in some cases even physical infrastructure is absent.

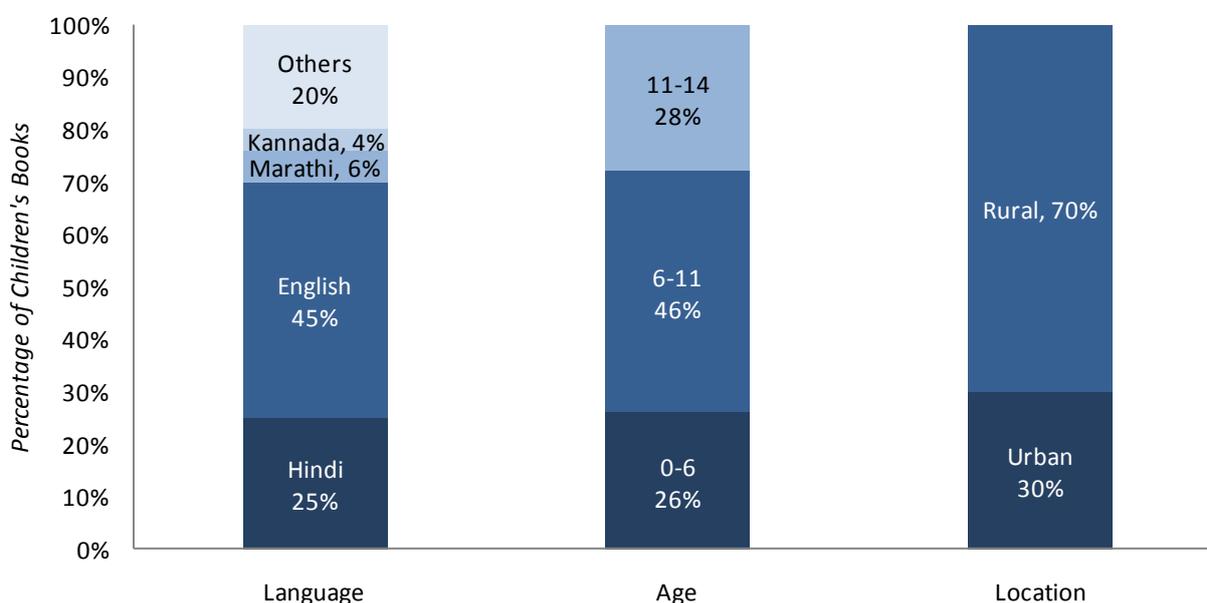
2.3.2 Market segmentation

The demand for CL is affected by various psychographic characteristics, behavioral attributes and geographic location. For the study, we have segmented the market based on economic strata, location (rural / urban), language (Hindi, English, Marathi and Kannada), age group and access channels.

- Demand is directly affected by **economic condition** of the consumer. Consumers are segmented based on economic strata using the socio-economic classification system and grouped in four categories.
 - A: Household income of more than INR 1,000,000 per annum
 - B: Household income of more than INR 500,000 – 1,000,000 per annum
 - C: Household income of between INR 100,000 – 500,000 per annum
 - D: Household income of less than INR 100,000 per annum
- The consumers' dwelling impacts the demand, whether the consumer is located in **urban or rural** area.
- Segmentation is also based on **age groups** as reading ability and preferences change according to age.

2.4 Analysis of the market

Exhibit 5: Segmentation of Children's literature market by volume

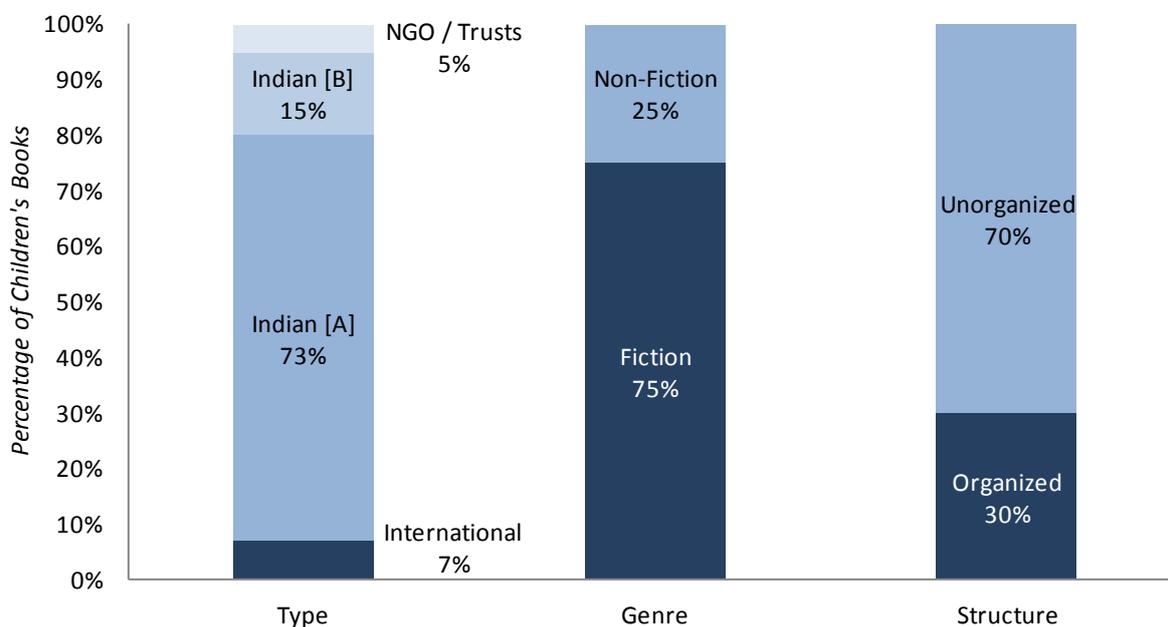


Source: ValueNotes Analysis

- Analysis of CL market based on languages reveal that Hindi and English together have the lions share, 70% of the total market. CL is almost non-existent in other languages.
- According to age group, it can be noted that almost every second book sold is in the 6-11 age category. Share by language within this category will be similar to overall distribution according to languages.
- The 0-6 age group is dominated by English language books, with as high as 90% share. A large proportion of picture books are imported in this category.
- Books reaching urban Indian children are through individual purchases from retail stores, online media and institutional purchases by schools and library systems.
- The approximately 20 million books sold in urban India are dominated by individual purchases from children belonging to 'A' and 'B' categories of the economic class. The 50 million odd books sold in rural India are to NPOs, schools, libraries and the governments. These institutes cater to a large population of children from 'C' and 'D' category, who don't buy books.
- It is important to note that the urban and rural split would lead us an erroneous conclusion that books per child to urban and rural children is similar. Our research found that of the 70% share of books for rural India, only 50% reaches the intended audience. The rest is "procured" but not delivered to schools and libraries as intended. This is mainly due to the afflicted state of procurement and corruption in CL in rural India.

2.5 Analysis of industry

Exhibit 6: Industry segmentation of Children's literature market by volume



Source: ValueNotes Analysis

- The international publishers' and NPO / Trusts publishers' share of volume in the market is very low at 7% and 5% respectively. Bulk volume of books in the market is from the Indian [A] publishers which includes a large section of "bogus" publishers.
- Fiction is the popular genre with 3 / 4th of sales in this category. There are no estimates for the sub-categories within fiction but for most publishers mentioned that picture books, concept books (alphabet, number, animal pictures etc.), Aesop fables, folk-tales, mythological books were most popular.
- Within the non-fiction category biographies of freedom fighters and celebrated personalities in the field of art and sports were the most popular followed by reference books.
- The CL industry is highly fragmented, it has over 2500 publishers. The organized market comprises of about 100 publishers across all languages. These organized industry participants contribute 30% of the volumes sold and 35% in terms of value, ~ INR 2.1 billion.

2.6 Drivers of growth for Children's literature market in India

India is among the world's youngest nations with a median age of 25 years approximately and 30% of the population is under the age of 14. The following table indicates the breakup.

Exhibit 7: Breakup of children by age groups

	Population – 2012	Population (in %)
India	1,257 million (E)	100%
Age 0-14	373 million (E)	29.70%
Age 0 - 6	163 million (E)	13.05%
Age 7-11	131 million (E)	10.40%
Age 12-14	79 million (E)	6.25%

Source: India Census 2011; (E) Estimated

Note: Population growth rate assumed 1.4% across all age groups

Such a large population under the age of 14 should have resulted in a huge market for CL, which has not happened. At the same time this represents the enormous demand potential and urgent need.

2.6.1 Growing middle class and increasing affordability

The growing middle-class population will be the key consumer segment in the current decade which will drive growth in CL publishing industry.

Exhibit 8: Number of households in India according to economic strata

Economic Class	2011	2013E	2015F	2020F
A	2,500,000	3,100,000	3,800,000	6,400,000
B	4,400,000	5,300,000	6,200,000	15,200,000
C	32,100,000	44,400,000	61,500,000	80,700,000
D	205,100,000	202,900,000	201,000,000	178,700,000

Source: ValueNotes Analysis, Census 2011

E: Estimated; F: Forecasted

A: Disposable income > INR 1,000,000 p.a. | B: Disposable income between INR 500,000-1,000,000 p.a. | C: Disposable income between INR 100,000-500,000 | D: Disposable income < INR 100,000

Maslow had pointed out in his theory on hierarchy of needs that basic needs of food, clothing and shelter have to be fulfilled then only one can think of other needs. Most of India's population is struggling to meet this basic necessity and therefore need for books is not in the list of priorities. For families

belonging to 'D' category, their entire income is spent on meeting basic needs. Similarly 80%-90% of 'C' category's income goes towards basic necessities.

Current demand may look bleak but a large proportion of population will move into B categories from C category and into C category from D category. The B and C category comprised of 15% of the total households in 2011 and it will grow to 39% of total households in India as highlighted in Exhibit 8.

During the course of the study many experts asserted the purchasing power capacity of majority of Indians is significantly low but it will rise to a sizeable portion in the current and next decade where they would have larger share of income to spend on things other than food, clothes and shelter.

By 2020, B and C category will have larger sum of total disposable income which will enable them to suffice their basic needs and have larger sum at their disposal, increasing the affordability.

Percentage of household expenditure on education across a lot of comparable countries and developed countries is much higher than in India, South Korea – 16%, China – 15%, Brazil – 13%, US – 12% and India – 5%. This is likely to grow to 8% by 2020. Increase in expenditure and increase in disposable income will have a quadruple effect on the potential demand.

2.6.2 Improving literacy, enrollment and readership in schools

Literacy rate has increased from 65% in 2001 to 74% in 2011 according to the Census of India. Its an impressive decadal growth, but does the literacy rate qualify India's reading ability?

Exhibit 9: Reading Level of Class V students in selected states of rural India

States (Rural)	% of class V students that can read class II text
India	46.8%
Maharashtra	58.3%
Karnataka	48.5%
Rajasthan	46.9%
Chhattisgarh	46.1%
Bihar	44.4%
Uttar Pradesh	42.7%
Madhya Pradesh	33.1%

Source: ASER 2012

According to the Census of India, literacy rate of class 5 students who have access to formal education is 98.5% and literacy rate of class 5 non students is 97.8% but in one study (Kothari et al, 2011) it was found that literacy rate calculated based on reading level would be different. The class 5 students having access to formal education had literacy rate of 74.5% and non students belonging to same class had literacy rate of mere 62.1%.

Not even 50% of all children in class 5 had reading level that of class 2. They were at least three levels behind where they should be (ASER 2012). Reading level of children in the Hindi speaking belt of India is even lower than the national average (Exhibit 9). This gap can be seen as an opportunity area.

Enrollment in schools has increased by over 14% in the last decade and now there are 228 million children enrolled in schools but a lot of children dropout of schools by the time they turn 14.

There are various initiatives taken by international organizations, NPOs, central and state governments under their literary and education programs to curtail dropouts and increase readership. Right to Education is a big leap towards ensuring education for all. In next few years the impact of the efforts will translate into more number of students enrolled in the public and private schools having improved reading levels, creating better accessibility for children's books and consecutively increasing the demand for CL.

2.6.3 Reforms in the education sector

Post 2005, lot of work has been done by the HRD ministry and educational bodies at the central and the state level in the field of education including measure such as RTE (Right to Education), National Curriculum Framework and NCERT's list of recommended books. These reforms will further boost the need for quality CL.

Under the Union budget 2013-2014, the government of India has allocated INR 272.58 billion (US\$ 4.5 billion) to Sarva Shiksha Abhiyaan (SSA). It is a decentralized from the central government level and every state will run their own SSA. Over and above the allocation in union budget, each state government will also be allocating funds to their respective state specific SSAs.

Of the many duties mandated under SSA, procurement of non-curriculum books is also one of the responsibilities. Higher expenditure in education will have a spillover effect on the CL publishing market.

2.6.4 Increasing activity of NPOs

Many NPOs are working towards women empowerment, rural development, improving education and literacy levels and in the last few years many NPOs have started initiatives towards readership, developing libraries, school libraries and inculcate reading habit in children born in this millennium. Their activities are mostly in and around urban centers but have started reaching out in the rural India too. NPOs' activities will also be one of the key drivers for CL in India.

2.7 Children's literature market in India is fraught with challenges

Traditionally, authors of western origin have dominated the children's book market in India. Enid Blyton, J.K. Rowling, Suzanne Collins are best sellers in India reflecting the trends the world over.

Despite efforts to convert some of the popular local stories into books, the survival of the rich folklore across generations has largely depended on verbal narrations. For CL to make an impact, it needs quality content in regional languages which is almost non-existent, as more than 50% of children population read in regional languages. There is a need for an effective supply chain that can meet the huge demand potential, which is currently suffering from huge bottlenecks and corruption.

2.7.1 More focus on formal education and literacy

With the government, parents and teachers focusing on education, reading for leisure takes a backseat. Individual book purchases continue to be a prerogative of the educated, upper middle class, typically those that reside in urban areas. This means that access to books for most children across India is either simply non-existent or is through ill-equipped libraries. Not-for-profit organizations that specifically deal with access related issues have made inroads but their scope is limited in terms of geographical presence. While NCERT has recommended some books that children can read during an academic year, it is not mandatory. Most of the Government policies also focus on increasing literacy and providing education, but not one literature.

2.7.2 Unbalanced distribution hampers accessibility of literature

The children in urban areas have multiple access points such as small and large retail outlets, school and libraries. The accessibility for children in rural areas is restricted to sparsely equipped school libraries and those run by not-for-profit organizations. The school libraries have less than 100 books and are just cabinet put in classrooms. Another major issue is lack of functional public libraries. According to a report by Child Relief & You (CRY) in 2012, 74% schools do not have libraries.

Publishers and distributors state that with limited scope for sale of CL in rural areas, and lack of structured retail chains, they typically do not view this as a target segment. According to them the investment and challenges of reaching out to children in rural areas far outweigh the benefits from the sales.

2.7.3 Children's literature is not a lucrative segment for most publishers

Of the estimated 19,000 publishers, the number that caters to CL shrinks to a meager 2,000. The disparity in CL demand arising from factors such as differences in languages, location (urban-rural), and purchasing power mandate that publishers create multiple unique offerings. To meet requirements across 20 languages, age groups, reading abilities, clearly, one model will not work. Low sales volumes restrict number of copies in first and subsequent print runs, which are usually around 2,000 copies and pricing, usually in the range INR 30 – INR 70. These in turn hamper the extent of experimentation and release of new content.

2.7.4 Promotion of Children's literature is not a priority

Various societies and bodies for CL such as National Book Trust (NBT), The National Centre for Children's Literature (NCCL), Association of Writers and Illustrators for Children (AWIC), have clearly fallen short of the huge gaps persistent in the CL industry. Challenges across the value chain that talk about lack of clarity on how CL should be designed, authored, and distributed; lack of illustrators and writers; vague procurement and selection criteria; lack of training, among others clearly indicate that the efforts are infrequent and inconsistent. Each organization has a different agenda and there seems to be little or no concentrated effort to make requisite changes.

2.7.5 Vague standards and guidelines for Children's literature

As mentioned above, there are no guidelines or standards that writers, illustrators or publishers can adhere to, when creating or selecting content for children. It is a vicious circle, where publishers cite lack of authors trained to create content for children and writers blame lack of guidelines and training. Some guidelines that do exist are vague at best with instructions such as, 'should be age appropriate' and 'should be interesting and colorful'. While NCERT does publish a recommended book list, there are no guidelines on what books will be suitable for each age group. The entire book selection exercise by the ultimate procurers is subjective and based on what teachers, librarians, and school principals may 'like' based on their experience. [Annexure V](#)

2.7.6 Technology is restricted to a privileged few

CL in India has only recently started to feel the impact of technology. Consumption of e-books is also still restricted to a tiny fraction of populace in urban areas. While technology could lead to significant changes, currently only large and international publishers are able to produce e-books. The investment needed to produce e-books is not something that the small and vernacular publishers can afford. Though penetration of mobiles and computers is increasing, it will take a few more years for children to use these to access literature.

2.7.7 Corruption in the system compounds the problems

The governments – central and state are the largest procurers of CL. However, publishers are vociferous about the rampant corruption. The government rules mandate only 2-3 titles from a single publisher. To counter this many publishers have floated multiple companies and are entering the tendering process under different names. During the course of the study, we approached multiple publishers and realized that different phone numbers and company names led to same office. Similarly, one publisher we visited in New Delhi had four different names clearly displayed at their office entrance.

The formation of PAG-E is testimony to the lack of transparency in the system of procuring children's books by the Government. Publishers are either not aware of release of tenders, or their books are rejected without any explanations. Distributors mentioned that authorities at schools ask for extra discounts over and above the invoices. Schools are restricted when the education authorities provide them with a list of distributors to contact for all school related purchases.

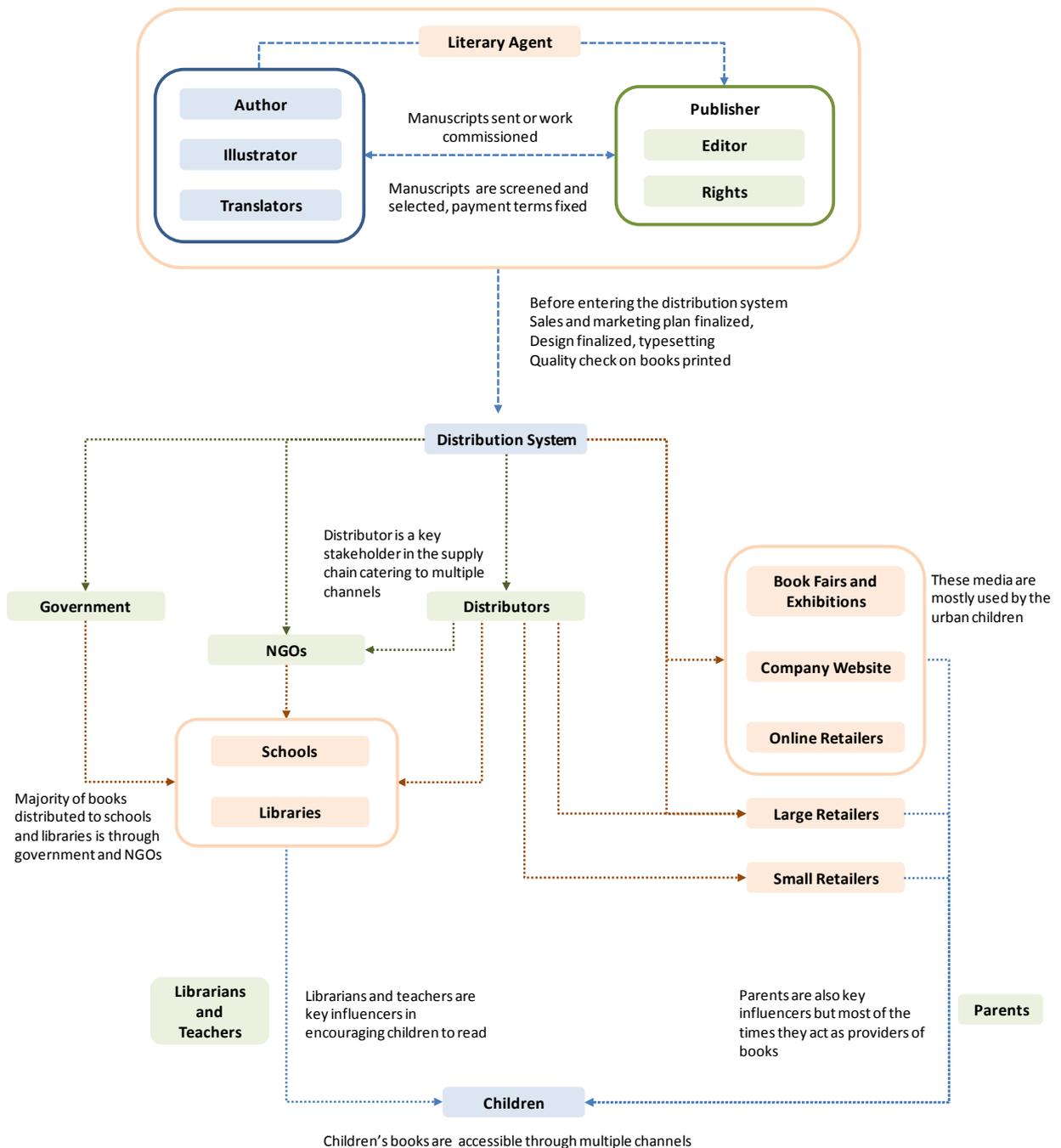
As literacy rates climb, a dearth of books is clearly on the anvil due to challenges related to availability and accessibility. If the 373 million children in India were to take to reading seriously, the entire publishing industry would be queuing up to meet their demand and still fall short. For majority of children in India get access to good quality books, every stakeholder in the value chain needs to deliver.

The challenges in CL in India can broadly be categorized as lack of availability of CL, especially quality CL, poor accessibility to CL and low reading ability of children. These are further covered in detail in the chapters in the report.

3. Value Chain – Children’s Literature in India

The CL value chain is very similar to the publishing industry with multiple stakeholders. Authors, illustrators, translators and publishers collaborate in content creation. The publisher is responsible for book production and distribution. The value chain is represented schematically in exhibit 10 with each entity in the value chain being discussed in detail in the subsequent chapters of the report. There are external entities like NPOs, associations and government bodies that influence various stakeholders within the value chain.

Exhibit 10: Schematic representation of CL publishing value chain

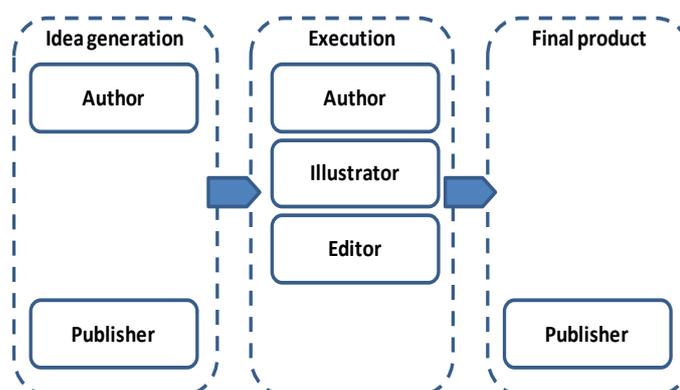


4. Book Content Inception and Creation

The process for creating and commissioning a book for children is time consuming and involves multiple stake holders. The book is essentially a result of collaboration between an author, an illustrator, editor, and a publisher. The author is responsible for creating a storyline and content, the illustrator provides visuals, the editor fine tunes content and the publisher is ultimately responsible for creating and marketing a finished book. The extent of responsibility and involvement may however vary depending on the type of the book and the target age group.

The following diagram is a schematic representation of the process. While it is not very different from the process followed when producing literature for adults, the degree of contribution by various entities may differ and is discussed below.

Exhibit 11: Stakeholders and their responsibility



Source: ValueNotes Analysis

Book creation is a lengthy process that starts with an idea and culminates in the form of a book in the hands of the reader. The process typically takes one of the following routes:

- The author creates a theme, writes content and submits a manuscript to a publisher of his / her choice
- The publisher creates a concept and commissions an author to write it
- The publisher commissions translations to ensure wider reach of best sellers
- The publisher acquires rights for international titles

The ensuing result of each of these is a book that either contains original content or reproduced content (translated or republished).

“Tulika gets manuscripts from authors, some of these manuscripts are good and in others the idea is good. Depending on this, the content is polished and is appropriately added to the Tulika portfolio. In some cases, an author is commissioned to write a particular book, which Tulika feels would do well in the market.”

-Radhika Menon, Tulika Publishers

4.1 Books with original content

Original content is created when an author creates a theme, writes and submits a manuscript to the publisher. The publishers usually select manuscripts that:

- Are easy to understand and have content relevant to children
- Have new themes, characterization and innovative approaches to storytelling
- Have good language that is age appropriate

We found that international publishers, those that mostly publish in English and publishers with a significant focus on CL are open to trying new authors and content. They however are risk averse when it comes to publishing in regional languages. Most Hindi and small publishers who cater to readers of languages such as Marathi and Kannada prefer stories that they know will appeal to local readers. Authors in these languages are allowed freedom only if they are well known.

There are no standard parameters for selection of manuscripts. Publishers depend on their experience and understanding of the market when deciding titles for release. The feedback from sales teams, teachers, children and marketing surveys contribute to final selection decisions. Large and established

“We have workshops where mid-level authors and journalists are selected to write books and are guided by senior authors. Recently we held a workshop in Goa with the aim of developing twenty titles.”

-Senior Officer. NBT

publishers also use the Nielsen Book Scan for gauging book sales and determining widely accepted titles. However, the scan is not representative of the entire market as it only takes into consideration the organized retail format, which accounts for ~7 % of the total books market. In the absence of organized book readership surveys, Marathi and Kannada publishers largely rely on the feedback from their sales team and readers who write to them.

Alternately, the publisher conceptualizes the story and commission an established author or author they have worked with before to write the book. The concept idea emerges from market assessment and sales performance of previous titles.

Sometimes, publishers organize writing workshops where new authors receive training and work opportunities.

4.2 Reproduced content

Reproduced content is created when publishers acquire rights for international titles or translations. The international publishing houses acquire rights to the international titles to reproduce in India. These are typically in English and meant for children in the urban areas. Certain publishing houses like Pan Macmillan do not have local authors writing for CL in India and their offerings in the Indian market comprise only of international titles.

The publishers also translate international bestsellers in regional languages to ensure a wider reach. Many best sellers in English authored by both Indian and foreign authors have been translated to Hindi and other regional languages by publishers. Popular examples include the Harry Potter series translations in Hindi and Marathi and The Hobbit translation in Marathi. Another example is the Hindi translation of the popular fantasy series, Chronicles of Narnia by HarperCollins. Indian publishers like NBT and Pratham translate their own popular titles in different languages to reach a wider market.

“Every year we release 30 to 35 original titles which are further translated into a minimum of 6 languages and a maximum 11 languages.”

-Manisha Chaudhry, Pratham

In the case of Marathi and Kannada, a decline in original content and a strong translation movement have been noticed.

4.3 Challenges faced by content creators

The process of creating a book for children has its own unique set of challenges. Content creation is a challenge for the authors considering the lack of research in child psychology and well defined writing standards in Hindi, Marathi and Kannada. Once content is created and the author submits the manuscript, an uncertain, lengthy process of selection by the publisher poses a huge challenge.

The publisher faces the uphill task of identifying quality authors and good content; this makes the final selection of manuscript a tedious process. These challenges are discussed in detail in the following section.

4.3.1 Lack of guidelines and research

Content creation in Hindi, Marathi and Kannada is hindered by lack of writing guidelines (such as Dolch word list³) in these languages.

³ Dolch list, compiled by Edward William Dolch on the basis of children’s books of his era, is a list of 220 words frequently used in the English language.

Generating content ideal for different age groups is hampered by lack of research on child psychology as an input to creating literature. Authors and illustrators remain unclear about the content that interests children due to lack of relevant research.

Content creation is not just a challenge for the author but also for the publisher. A major challenge faced by

the publishers in Marathi and Kannada is the lack of good quality authors that write for CL. One of the Hindi publishers interviewed had commissioned a non-children's author for a children's book citing lack of quality children's authors in Hindi as the main reason for doing so.

"There is no well defined standard as compared to English (such as the Dolch word list of 220 words). Such standards need to be established for authors to have a guideline for writing children's books."

-Mrinal Pande, Hindi Author

4.3.2 Subjective nature of selection criteria and long waiting period

Once the content is created, there are no established standards for selection of manuscripts by publishers. This makes the entire selection process, combined with the waiting period, a huge challenge for new authors. In some cases waiting period can be as long as a year making it extremely difficult for new authors to earn from their writing.

4.3.3 Lack of training

The skill and knowledge of CL authors and illustrators suffers due to the lack of quality institutes in India offering courses in children's book illustration and writing. Many such institutes exist across the United States and the United Kingdom, for instance the University of Central Lancashire that offers courses on Children's Book Illustration and Writing for Children.

4.3.4 Limited promotion of children's literature in India

Though there are government bodies such as NCCL to promote CL; the extent of their efficacy is limited. Associations for promotion of CL in India include AWIC however lack of funds can sometimes result in decreasing the extent of activities for such organizations. Both these organizations have been covered in detail in [chapter 8, section 8.3](#)

Publishers and associations in USA and UK conduct talent development initiatives such as seminars and workshops. Seminars and workshops are also conducted in India but the frequency and scale are much lesser than what is required for a market as large as India.

4.3.5 Low remuneration

When original content is created by the author, the terms and conditions for remuneration is decided post the selection of manuscript. It is either a combination of advance paid against royalties or a one-time lump sum payment. The percentage of royalties is usually in the range 7% to 10%, with 10% being offered by established international publishers.

The volume of book sales in CL is usually lower as compared to books for adults. Since royalty is directly proportional to number of copies sold, this translates into lower remuneration for CL authors as compared to authors that write books for adults. There is also a disparity in remuneration of authors writing in Marathi and Kannada when compared to authors writing in English. This can be attributed to higher number of copies sold in English due to a wider reach of publisher as well as higher (on an average) price of English books.

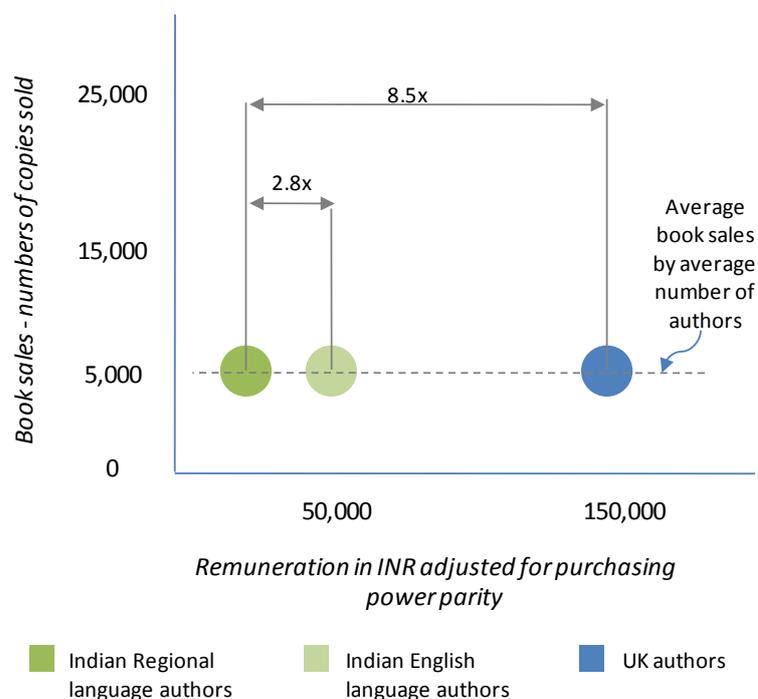
“Author royalties for non-illustrated books are around 7%. If it's an illustrated book the royalties are equally split between author and illustrator, 3.5% and the illustrators receives 3.5%”

-Manasi Subramaniam, Karadi Tales

“Hindi authors face a major issue of payments – they are paid a lot lesser as compared to their English counterparts; they are highly motivated and are ready to write scripts for throw away prices just so that the books can reach out to as many people as possible.”

-Mrinal Pande, Hindi author

Exhibit 12: Remuneration comparison between Indian English, regional languages and UK authors



The graph in Exhibit 12 gives an estimated comparison of the remuneration received by Indian regional language authors, Indian authors writing in English and UK authors. In the exhibit, the price of the book is assumed at INR 50, INR 100 and INR 300 respectively. Royalties are considered as 7% for regional language authors and 10% for Indian English authors and UK authors. As observed there is a vast disparity in remuneration with English language authors earning close to 2.8 times more than the regional language authors.

Tight margins, especially in case of regional publications result in low remuneration for illustrators. This discourages talented authors and illustrators from venturing into the field of CL, directly affecting the quality of talent available to publishers.

4.3.6 Lack of recognition

Though there are awards for CL in India, the degree of recognition associated with these awards often pales in comparison to what is granted in western countries where awards result in inclusion of books in teacher's lesson plan and significant increase in book sales.

Internationally, recognition is also granted to authors that deal with a specific content for example the Michael L. Printz Award by YALSA for the best book in teenage literature and the Caldecott Medal, an annual award for the best American picture book. Such book category and content specific book awards for CL are limited in India.

Illustrators get even lesser recognition for their work as compared to authors. Even after their work has been published, poor quality of paper used by publishers does not do justice to quality of illustration. This undermines the work of the illustrator making it difficult for them to display their potential and promote their work.

Initiatives of Association for Library Service to Children (ALSC), USA

The Newbery Medal – Annual award to authors for significant contribution to American children's literature

The Caldecott Medal - Annual award for the best American picture book

Exhibit 13: Key Takeaways

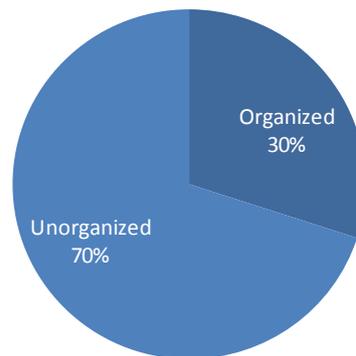
- Shortage of original Indian content
- Only international and a few Indian publishers are producing good quality original content. Most of the content in the market is reproduced. New content especially in Marathi and Kannada is limited
- Lower remuneration and recognition does not make children's literature a lucrative proposition for authors and illustrators
- Lack of initiatives in grooming and developing new talent for Children's Literature

5. Book Production and Distribution

Book production and distribution are two of the most important linkages in the publishing value chain. The publishers manage book production, while both the distributor and the publisher contribute to management of distribution. This section focuses on the various publishers operating in the CL space in India and various distribution channels used by them.

5.1 Overview on Children's literature industry

Exhibit 14: CL industry structure

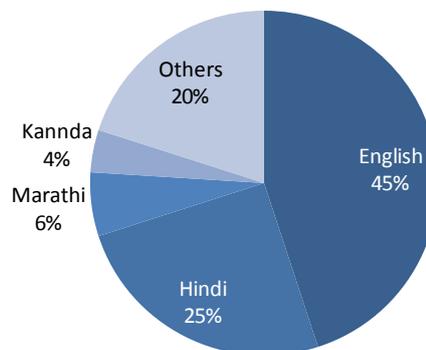


Source: ValueNotes Analysis

The CL publishing industry is highly fragmented with only about 30% players present in the organized segment. The unorganized market, which contributes almost 70% to the market, is largely dominated by bogus publishers, who are sister concerns of larger publishing houses. The huge size of this segment is due to the large government purchases under various schemes like 'Sarva Shiksha Abhiyaan' and 'Rashtriya Madhyamik Shiksha Abhiyan'. The Hindi publishers form the largest component of the unorganized segment.

About 70% of the publishing in CL space is in English and Hindi. Marathi and Kannada have a combined share of 10%. The other major languages include Malayalam, Bangla, Tamil, Gujarati and Urdu amongst others. This is detailed in Exhibit 15.

Exhibit 15: Market share by language



Source: ValueNotes Analysis

5.2 Analysis of CL publishers

For this report, we spoke to about 40 publishers across English, Hindi, Marathi and Kannada languages. The list of publishers can be seen in [Annexure I](#).

These publishers have been grouped as International and Indian. The Indian publishers have been further divided based on their focus towards CL. Publishers operating on not-for-profit model were also studied.

International publishers are large international publishing houses typically with an Indian subsidiary. They are mostly based in and around Delhi, the book publishing capital of India. A few examples of international publishers in India are:

- Scholastic Inc.
- Puffin (children's imprint of Penguin)
- HarperCollins
- Hachette
- Pan Macmillan India

Indian publishers are segmented based on the extent of focus towards CL and further divided based on four languages: English, Hindi, Marathi and Kannada. These publishers are largely based in and around Delhi. Other local language publishing hubs include cities like Allahabad and Delhi (Hindi), Pune (Marathi), Chennai (Tamil), Bengaluru & Dharwad (Kannada) and Kolkata (Bengali).

The [A] category includes publishers with over 50% of their total portfolio dedicated to CL.

Examples are:

- Dreamland Publications (Delhi)
- Tulika Publishers (Chennai)
- Amar Chitra Katha (Mumbai)
- Jyotsna Prakashan (Pune)
- Media Fusions' Appu Series (Bengaluru)

The [B] category includes publishers with less than 50% of their total portfolio dedicated to children's. Most of these publishers are primarily focused either on education or literature for adults.

Few examples are:

- B. Jain Publishers (Delhi)
- Vani Prakashan (Delhi)
- Navneet Publications (Mumbai)

- Majestic Prakashan (Mumbai)
- Mehta Publishing House (Pune)
- Navakarnataka (Bengaluru)
- Sapna Book House (Bengaluru)

A few **NPOs** and **trusts** in India also have publishing units. A majority of these publishers are publishing in over 5 languages. A few examples include

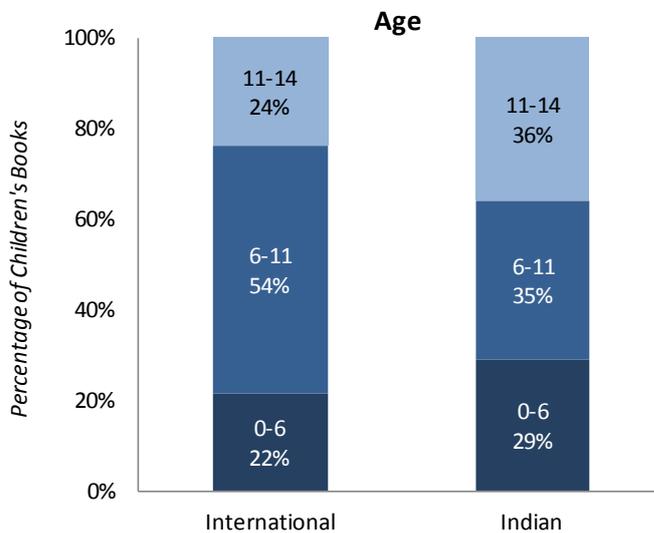
- Eklavya Publications (Bhopal)
- Pratham Books (Bengaluru)

An overall analysis was conducted on these publishers based on their latest portfolio. These publishers have been compared across the language, age group and genre of books produced in the next section. Overall analysis on catalogues of 11 publishers (Most notable ones, 2 – International English, 2 – Indian English, 2 – Marathi, 2 – Kannada, 1 – Hindi, 2 – NPO / Trust) was also carried out on parameters such as number of CL titles, % of CL titles of the total, language, age group, genre, price range and print run range. Detailed analysis is outlined in [Annexure III](#).

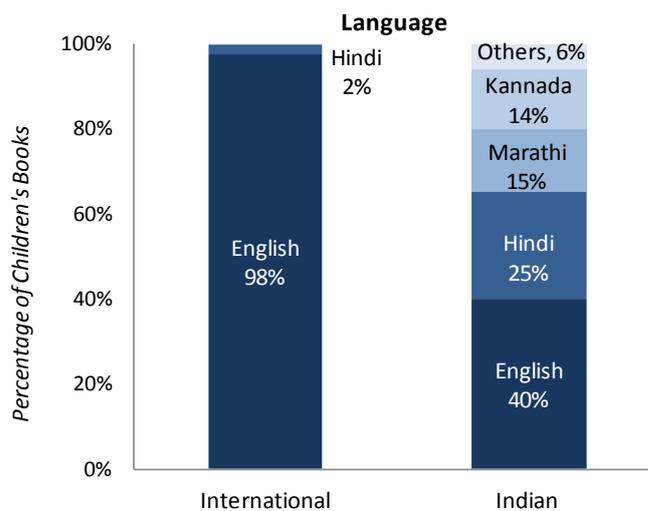
5.2.1 International and Indian publishers

This section compares books published by international publishers with Indian publishers across age, language and genre.

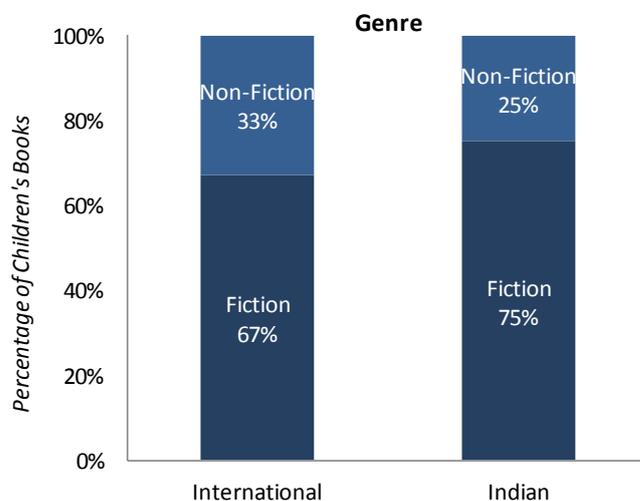
Exhibit 16: Comparison of International and Indian publishers



The age distribution comparison shows that Indian publishers have more books published in 11-14 age groups. The largest difference is seen in the 6-11 age groups where a larger number of international titles are focused. In the 0-6 age group, Indian publishers are marginally ahead. However this space is dominated by English language publishers. Hindi, Marathi and Kannada publishers have a limited presence in this age group.



About 98% of International publishers have their children's portfolio in English. Only about 2% of international publishers are publishing in Hindi. Indian publishers have 40% of children's titles in English. Hindi follows this at 25%. Marathi and Kannada contribute 15% and 14% respectively. The 6% of other languages includes Tamil, Bengali, Gujarati, Malayalam and Urdu.



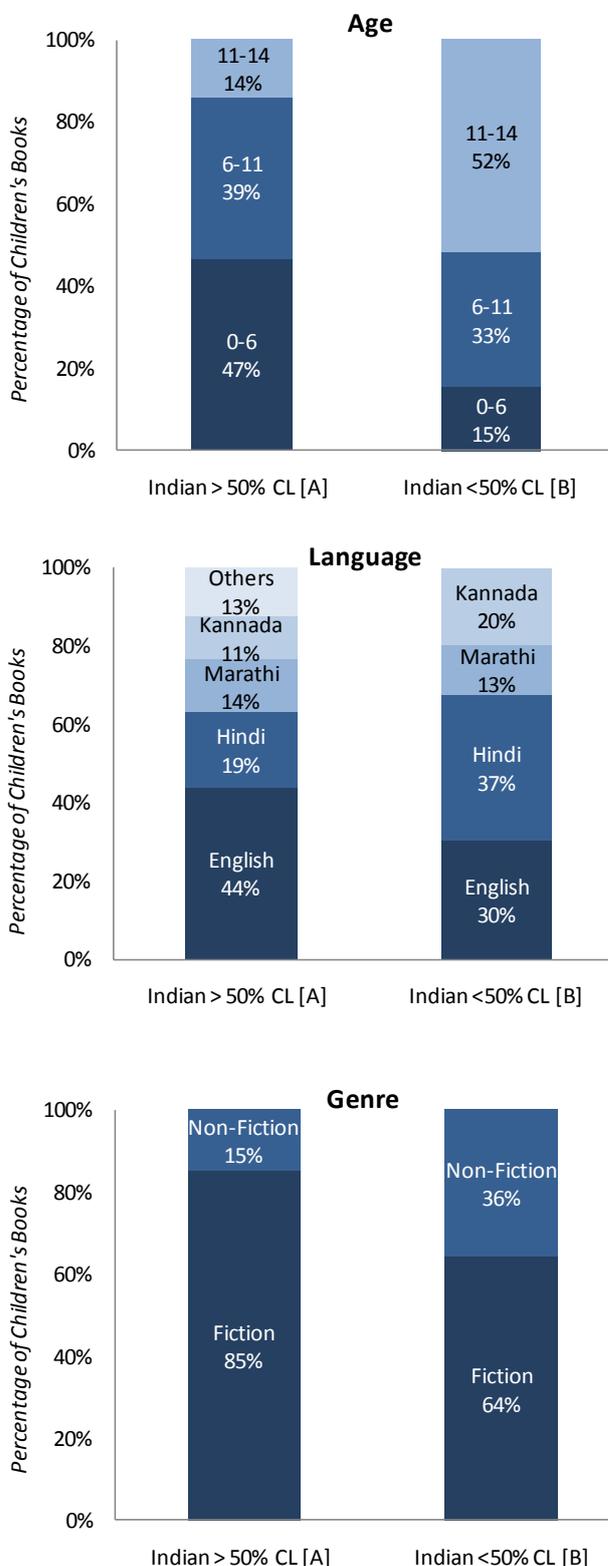
Indian publishers tend to produce more fiction books in comparison to international publishers. Higher fiction genre can be attributed to the fact that both categories of publishers have over 60% titles in for the 0-11 age group, which typically reads more fiction, compared to non-fiction.

Source: ValueNotes Analysis

5.2.2 Indian publishers

This section compares two categories of Indian publishers across language, age and genre. Publishers with more than 50% CL in their portfolio [A] and Publishers with less than 50% CL in their portfolio [B]

Exhibit 17: Comparison for Indian publishers



A clear difference is observed in the [A] and [B] category of publishers. The [B] category of publishers are clearly focusing on the 11-14 age group with over 50% of the children's titles produced for them. It is completely opposite for the [A] category of publishers who have a larger focus on the 0-6 age group. Comparatively the 6-11 age groups are equally distributed amongst the two publishers.

The [A] categories of publishers favor publishing in English, which clearly shows the increasing demand for these books. The [B] category has around 30% of its children's books dedicated to Hindi and English. The remaining languages are almost equally split for the [A] category. Kannada contributes about 20% of publishers who are printing for CL in the [B] category.

Over 80% of major CL players in India are publishing fiction for children. A similar trend is observed for international publishers who concentrate more on fiction books. The children have limited access to non-fiction books, especially in the ages of 11 and above. This space is largely occupied by the [B] category of publishers.

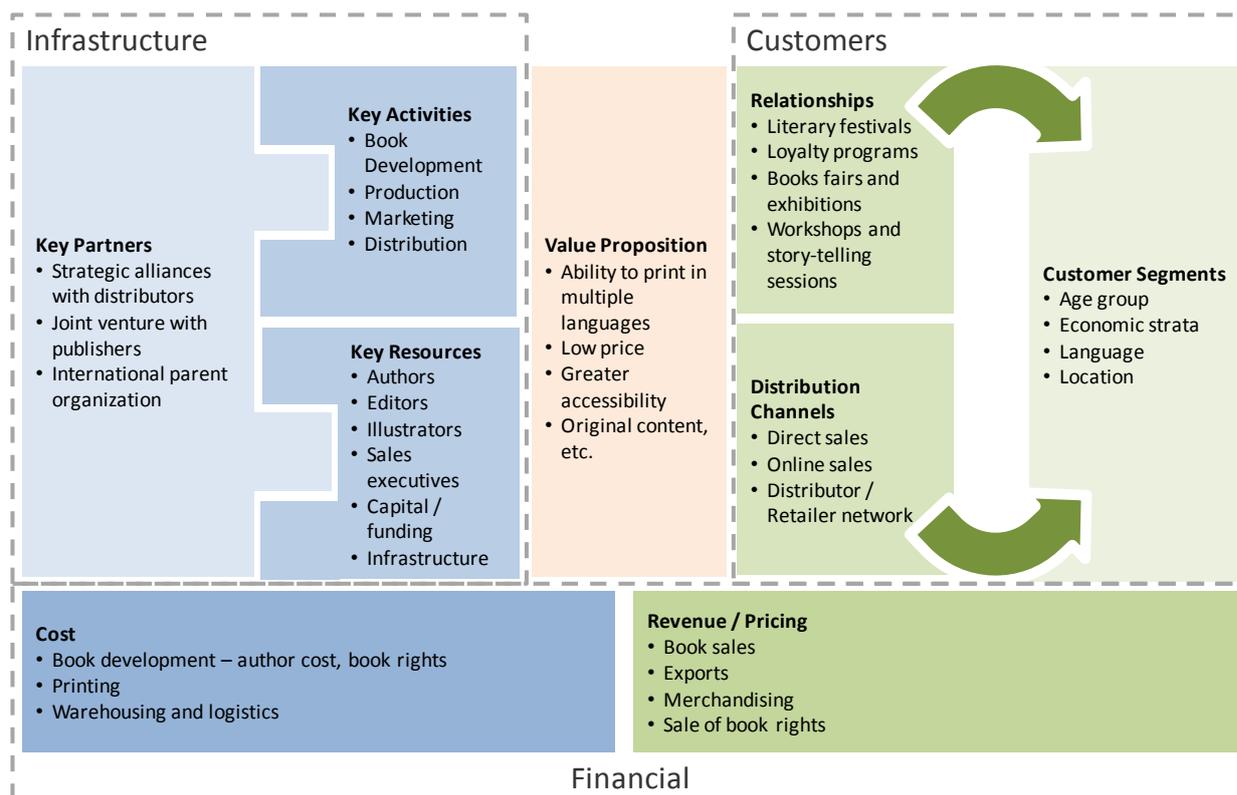
Source: ValueNotes Analysis

It has been observed that there are differences based on being an international publisher or a home grown publisher, extent of focus towards CL and various languages. These differences are a resultant of variation in business models of the publishers.

5.3 Business model canvas for Children’s literature publishing

The following exhibit presents an overall functional layout of Indian CL publishing business model and its key components.

Exhibit 18: Business model canvas for CL publishing



5.4 Various components in Children’s literature publishing and differences across publishers

5.4.1 Value proposition

Value Proposition is what distinguishes any publisher from rest of the competitors. Every publisher will have different value proposition based on what they are selling, benefits of using their product, target customer and uniqueness about their offering. Some publishers pitch for originality and design, while others will propose greater accessibility and least price.

5.4.2 Infrastructure

5.4.2.1 Key activities

Book development is one of the key activities of a publisher. Some publishers develop original content and a large number of publishers use reproduced content. Original content in the market was mostly from International publishers, few Indian English language publishers and fewer regional language publishers. Novelty was almost non-existent in regional language publishing. Other key activities entail marketing and distribution - how effectively one markets its books to the audience and how efficiently it is distributed.

5.4.2.2 Key resources

The resources are necessary to create value for the customer. These resources are personnel – authors, illustrators, editors, translators, designers and sales executives; financial – funds from international parent organization or philanthropy; physical infrastructure – office location, printing press.

Exhibit 19: Key resources for different CL publishers

Key resources	International	Indian > 50% [A]	Indian < 50% [B]	NPOs / Trusts
Personnel – access to good authors, illustrators, editors, translators, designers and sales executives	Very High	Medium to High	High to very high	High
Capital / Funds	Very High	Low to Medium	Medium to High	Low to Medium

International publishers have good access to key resources; availability of high amount of capital, good infrastructure helps them attract good talent in the publishing industry. It is similar for [B] publishers, due to their other operations they cross subsidize and make larger amount of funds available for book development, marketing and distribution.

A majority of Marathi and Kannada publishers from [A] category are always short of financial resources, which hamper their key activities like book development, distribution and marketing. Hindi publishers are marginally better off than these publishers.

NPOs and Trusts operate on the funds received through grants, donations or any philanthropic activity. They operate with low amount of funds but as they are not-for-profit enterprises, availing good resources is feasible.

5.4.2.3 Key partners

Key partners are complementary business alliances in terms of customer-buyer relationships, distributor network in form of strategic alliances or joint ventures between competitors or non-competitors. Few examples include – Ratna Sagar and Harper Collins, Zubaan and Penguin, Braft and Westland.

Exhibit 20: Key partnerships for different CL publishers

Key partners	International	Indian > 50% [A]	Indian < 50% [B]	NPOs / Trusts
Key partnerships – distributors, publishers, printers, government	Very High	Low to High	High	Medium

These alliances exhibit a strong customer-buyer relationship, prominent with larger international publishing houses.

- [B] Publishers generally have strong partnership with distributors and retailers.
- There are a few English language publishers in [A] category who exhibit good partnerships with other stakeholders in the value chain just like international publishers.
- Within [A] category publishers, Marathi and Kannada publishers have low degree of partnerships.
- Large numbers of Hindi language publishers forming the unorganized segment tend to have good relationship with the government.
- NPOs and Trusts work on building good relations with trusts formed by corporations who have large corpus going towards CSR (corporate social responsibility) initiative.

5.4.3 Customer segments

Children’s publishers identify their customers and segment them according to age group, economic strata, language spoken and location of the target demography.

Exhibit 21: Customer segments for different CL publishers

Customer Segments	International	Indian > 50% [A]	Indian < 50% [B]	NPOs / Trusts
Economic	Mostly ‘A’	Across all segments	Across all segments	Mostly ‘C’ and ‘D’
Location	Urban	Urban and rural	Urban and rural	Mostly rural

International English language publishers would typically target the ‘A’ segment of the population as their books are priced high and mostly affordable to this segment. Publishers in Kannada and Marathi would largely cater to the ‘B’ and ‘C’ segment of the population in urban and rural regions.

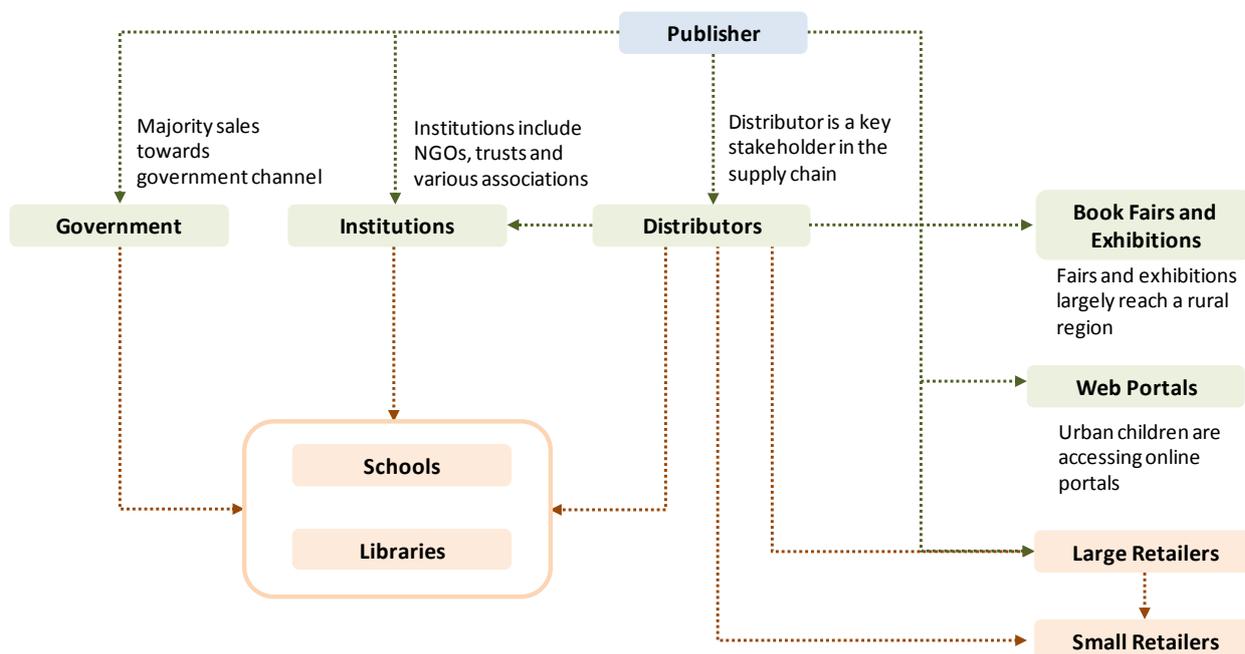
The readers for a Hindi language publisher are spread across multiple states, and since it is one of the largest spoken languages in India, they command a large readership across all economic sections of

the society. NPOs and trusts target readership across all economic sections but their focus is towards improving readership and accessibility for 'C' and 'D' economic category, the underprivileged children in rural India.

5.4.4 Distribution channels

An Indian children's publisher would have 3 main channels of distribution – direct sales, distributor sales and sales via web portals. The network further diversifies to book fairs, exhibitions, retailers, institutions (NPOs), school and libraries which enable a publisher to reach larger and varied geographies. The exhibit below outlines the broad distribution channels for CL publishers in India.

Exhibit 22: Distribution network for publishers



The section below explains the distribution channels used by various CL publishers in India, based on how important each of these channels is to the different types of publishers.

Exhibit 23: Dependence on various distribution channels by different CL publishers

Distribution Channels	Inter-national	Indian >50% CL				Indian <50% CL				NPOs / Trusts
		E	H	M	K	E	H	M	K	
Distributor	H	H	H	M	M	H	H	M	M	L
Retailer	H	H	H	H	H	H	H	H	H	L
Institution	L	L	L	L	L	L	L	L	L	H
Government	-	M	H	M	M	L	L	L	L	M
Book fairs	M	L	L	L	L	L	L	L	L	M
Online	H	L	L	L	L	L	L	L	L	L

Source: ValueNotes Analysis

Header: E: English, H: Hindi, M: Marathi, K: Kannada | Table: H: High, M: Medium, L: Low

5.4.4.2 Distributor

Exhibit 24: Dependence on distributor channel by different CL publishers

	International	Indian > 50% [A]	Indian < 50% [B]	NPOs / Trusts
Dependence on distributor	High	Medium to High	Medium to High	Low
Gross Margin / discount	40%-50%	30%-40%	30%-45%	Very low

Source: ValueNotes Analysis

All publishers are highly dependent upon sales through distributors except NPOs and Trusts where dependence is low.

Approximately 50-60% of CL sales are through distributor and retail channels and it increases to 60-70% for international publishers. International publishers give high margins to distributors who further pass on high margins to their retailers (exhibit 24). Hindi publishers provide lower margins compared to international

“Distributors typically do not take up our books for distribution. Our books are so priced that the distributors do not make high profits, so they are not interested.”

-Neera Jain, National Book Trust

publisher as their books are priced lower. Small Marathi and Kannada publishers, especially with large CL portfolio reach out directly to retailers as they often cannot pass on margins to distributors. Their markets are more local, which allows them to reach retailers directly.

In order to maximize their distribution potential, some international publishers have partnered with Indian publishers and Indian subsidiaries of large international publishers. A few examples include

- Ratna Sagar, a large children’s publisher markets the famous Collins dictionaries by Harper Collins for Indian school children.
- Hot Key Books (children’s division of Bonnier Publishing, UK) have tied up with Penguin India to distribute their books in India, for children in 9-19 age groups.
- Pan Macmillan India is the sales and distribution partner for Walker Books and Frances Lincoln Children's Books in India.

Examples of few regional language publishers using distributor network

- Mehta Publishing a Marathi language publisher has 122 distributors, sub distributors and retailers across Maharashtra.
- Majestic Prakashan, another Marathi language publisher distributes their own books. Almost 20%-30% sales from own distributorship. Rohan Prakashan follows a similar model.
- Sapna Book House, Kannada language publisher and distributor is the one largest book distributors in Karnataka. Many local publishers have tied up with them for book distribution

Distribution model of Navneet, an Indian publisher in [B] category be accessed in [Annexure II](#).

5.4.4.3 Retailer

Exhibit 25: Dependence on retailer channel by different CL publishers

	International	Indian > 50% [A]	Indian < 50% [B]	NPOs / Trusts
Dependence on retailers	High	High	High	Medium
Sales through organized retailers	High	Low	Medium	Nil
Sales through small retailers	Low	High	High	Medium
Margin/ discount	25%-40%	25%-40%	25%-40%	30%-40%

Source: ValueNotes Analysis

Dependency on the retail channel is also very high, just like the distributor channel. NPOs and Trusts are not dependent upon the distributors for sales but sell directly through a good network of retailers. This is the reason they can offer better margins.

International publishers sell majority of their books through organized retail chains like Landmark, Odyssey, Oxford, and Crossword. The net margins offered to retailer by international publisher and regional language publisher are similar but since international publisher's books are priced 5-10 times higher than their regional counterparts, organized retailers tend to stock books from former.

“What is happening in Karnataka is that more parents are sending their children to English medium schools as a result of which the local literature is suffering. Only if it is compulsory for children to read Kannada books in schools, would parents go ahead and purchase them. If it is not important, then they do not buy these books.”

- Shankar Halagatti, Chillipilli Prakashana

As regional language publishers cannot compete with international publishers, they tend to have sales through local retailers and small retail stores and use innovative approaches to selling. The same is the situation for NPOs and Trusts. They do not get shelf space in big retail formats so they partner with small retailers offering large margins or have their own stores which sell their imprints and other publishers' titles.

Examples of publishers retail networks:

- Media Fusion, a large media conglomerate based in Bengaluru sells its famous 'Appu Series' through about 700 retailers based in and around Bengaluru. They target retail shops like departmental stores, supermarkets, stationary shops, grocery outlets and toy shops, which are frequented by mothers. With

this medium they are reaching out to a facilitator (mother) to the reader (children). About 80% of their book sales are through this channel. Since they are Bengaluru-based, about 60% of their titles are in English. Their remaining books are English-Hindi and English-Kannada bilingual books. Their book price range from INR 20 – INR 150.

- Publishers like Pratham Books have special agreements with about 100 retailers across India to sell their books.
- Eklavya has setup over bookstores called ‘Pitara’ in over 20 towns in India. The ‘Pitara’ stores also serve as counter sale outlets for about 50 other publishers and display about 2500 titles, on an average. About 50% of display space is dedicated to these publishers and the remaining is reserved for Eklavya books.

5.4.4.4 Institutions

Exhibit 26: Dependence on institutional channel by different CL publishers

	International	Indian > 50% [A]	Indian < 50% [B]	NPOs / Trusts
Dependence on Institutions	Very low	Low	Low	High
Discount	N.A.	N.A.	N.A.	15%-20%

Source: ValueNotes Analysis

To sell through this channel most, the important characteristics of books should be good quality ([Annexure V](#)) and low price. NPOs and Trust publisher sell through this channel and other publishers are not very dependent upon this channel.

International publishers’ books are priced much higher than the procurement volume and budgets of institutions and therefore their sales to institutions are very limited. Similar is the situation for [B] category English language publisher. Marathi, Kannada and Hindi language publishers do not have high sales on this channel as they often do not qualify on the quality parameters.

“Biggest advantage of institutional sales is - once books are sold, they are not returned, compared to a routine trade channel where books are returned if they do not sell.”

-Sales Personnel, Katha Books

5.4.4.5 Government

Exhibit 27: Dependence on government channel by different CL publishers

	International	Indian > 50% [A]	Indian < 50% [B]	NPOs / Trusts
Dependence on government	Non existent	Low to High	Low to High	Low to Medium
Margin / discount	-	30%-40%	30%-40%	20%-30%

Source: ValueNotes Analysis

The government is the largest procurer of CL books in India. All publishers would want to sell through this channel but due to corruption and non-transparent systems, majority of sales to this channel is by bogus publishing units. A few of these companies are sister concerns of large publishing houses. This is due to bidding criteria which are supposed to help split orders amongst multiple publishers.

“Hindi children’s literature publishers are dependent on bulk purchases by the government. In fact most of them are surviving on it.”

-Surinder Malik, National Publishing House, Delhi

For Marathi and Kannada publishers approximately 10-15% sales came through government channels. Most of government sales are through [B] category Hindi publishers, many of who exclusively sell to the government.

NBT, a government funded organization uses this channel to reach out to rural India ([details in section 8.3.3](#))

An example on government backed Kannada Book Authority can be found in [Annexure II](#).

5.4.4.6 Online

Currently, online sales are dominated by international publishers and English books. They have a large backend support system to sell books on their own website and can provide high margins to other online portals. As a lot of online retailers are expanding their reach into larger number of cities and towns, regional language publishers have started realizing the potential of this medium. BookGanga an online book retailer sells books from various small and large Marathi publishers. Similarly, Sapna Book House has online portal that

“Customers will go online to get a larger discount. The online players are offering larger discounts as compared to the distributors and retailers. These discounts are evened out with the sales of other products on their portal. They are giving discounts ranging from 50% to 65% whereas we are only providing them with 45%”

-Rahul Sirohi, Hachette India

serves majority of Kannada publishers.

5.4.4.7 Book fairs and exhibitions

Sales through book fairs and exhibitions are very limited. Only international publishers and trusts have sizeable sales through this channel, while other publishers have low a volume of sales through this medium.

Scholastic uses book fairs and exhibitions to market and sell their books. It is detailed out in [Annexure II](#).

5.4.5 Marketing

To achieve high sales publishers need to market their books, but with extremely tight operating margins, marketing is a luxury for most publishers. International publishers have the finances to carry out marketing activities like book fairs, participation in book exhibitions, merchandising and storytelling sessions on a large scale. These activities are largely conducted only in urban cities like Mumbai, Delhi, Bengaluru and Kolkata. The rural reach of such activities is negligible.

A few examples include –

- Penguin India recently conducted their annual ‘Spring Fever’ literature fest in Delhi, which included their entire collection of children’s books
- Penguin India also regularly conducts book signing events with authors like Ruskin Bond in large retail chains like Crossword
- Hachette India conducts various storytelling session, competitions and creative programs under the ‘Taranuts’ series of books for children under the ages of 8 to 12

“International publishers come with very deep pockets and in terms of visibility of titles they come with a lot of recognized authors because of which these titles can easily occupy shelf space. This makes lesser shelf space available for other publishers. Also the kind of marketing muscle they are able to put behind a small book and the kind of media space they are able to garner is difficult to compete with.”

-Meera Johri, Rajpal & Sons, Delhi

Indian publishers, especially regional publishers do carry out marketing activities on a smaller scale. They seek the help of regional associations for marketing or form a consortium of publishers to market books collectively. These activities are conducted at a local level, and unlike international publishers, they do not have a pan-India reach. These activities largely involve children in urban and semi-urban regions.

Examples of marketing activities by Indian English and regional language publishers:

- In **Karnataka**, The annual 'Pustaka Parishe' conducted by Srushti Ventures, Kannada Pustaka Pradhikara and the Kannada Book Authority (KBA). Also, 'Kannada Pustaka Mela' which is held annually is supported by KBA. These are not specific for CL though.
- In **Maharashtra**, 'Granth Mahotsav' conducted jointly by Zilla Parishad (ZP) and the Marathi Literary Association in rural areas. The annual book exhibition conducted by 'Akhil Bhartiya Marathi Sahitya Sammelan' across various towns in Maharashtra. Patil Enterprises and Akshardhara based in Pune conduct over 15-20 exhibitions across the state annually. Like various exhibitions in Karnataka, these events are not specific to CL.
- Manohar Granthmala (Dharwad, Karnataka) and Mehta Publishing House (Pune) famously have book clubs with various promotional schemes for their subscribers
- The marketing activities by Hindi publishers are limited at best.
- **Hindi publishers** actively participate in fairs and exhibitions conducted by the National Book Trust (NBT) across various cities in India.
- Apart from participating in fairs, English language publishers also market using innovative methods. Navneet airs commercials on TV and radio. Dreamland Publication sends out promotional emails to schools to market their book titles.

"With Marathi children's literature books, we feel it lacks publicity to a great extent - publishers need to promote their books in the market. We understand that margins are lower and the publishers are operating on very low levels, but some promotional activities need to be carried out to make the people aware that there are books for children in the market."

- Uday Patil, Patil Enterprises, Pune

The book character based merchandising largely remains an unexplored area for Indian publishers. This space is completely dominated by international players.

A marketing example used by Akshardhara in Maharashtra can be found in [Annexure II](#).

5.4.6 Financial

5.4.6.1 Revenue / Pricing

The primary revenue source for publishers is book sales through various channels. Other avenues of income are through sale of title rights, merchandising and exports. Merchandising however is limited to international publishers only.

Exhibit 28: Book pricing by different CL publishers

	International	Indian > 50% [A]	Indian < 50% [B]	NPOs / Trusts
Average Price range	INR 150-500	INR 30-50	INR 50-150	INR 10-30
Print run	3,000-10,000	1,000-2,000	2,000-3,000	1,000-2,000

Source: ValueNotes Analysis

Book prices vary according to the target segment of the publisher. Broadly, English books would be the most expensive, followed by Hindi, Marathi and Kannada. Pricing is decided based on the affordability of the target audience, profitability required and cost of production and distribution. As seen from the target customer segments, international publishers target mostly 'A' category of economic class so the pricing is on the higher side. NPOs and Trusts target 'C' and 'D' economic classes so pricing is 5-10 times lower than international publishers.

5.4.6.2 Cost

Cost primarily depends upon what kind of business structure the publisher chooses, cost driven or value driven. Cost characteristics like economies of scale, economies of scope and split between fixed and variable costs affect the financial consequences for publisher. Major cost areas in publishing are book development, distribution and marketing. Book development costs are very similar across all the languages, the difference would be marginal. Regional language publishers do not have high marketing costs, in many cases no marketing costs as they don't have the funds for such activities.

The biggest problem for regional language publishers arises due to their inability to achieve economies of scale. Grooming talent for original content is an investment intensive activity which is not very feasible for smaller publishers considering the tight margins they operate on.

The end price for a children literature book in some cases can be as low as INR 30 in case of Marathi and Kannada books. Ensuring good quality of writing, illustration and paper, while keeping profits in mind is often a daunting task for the publishers.

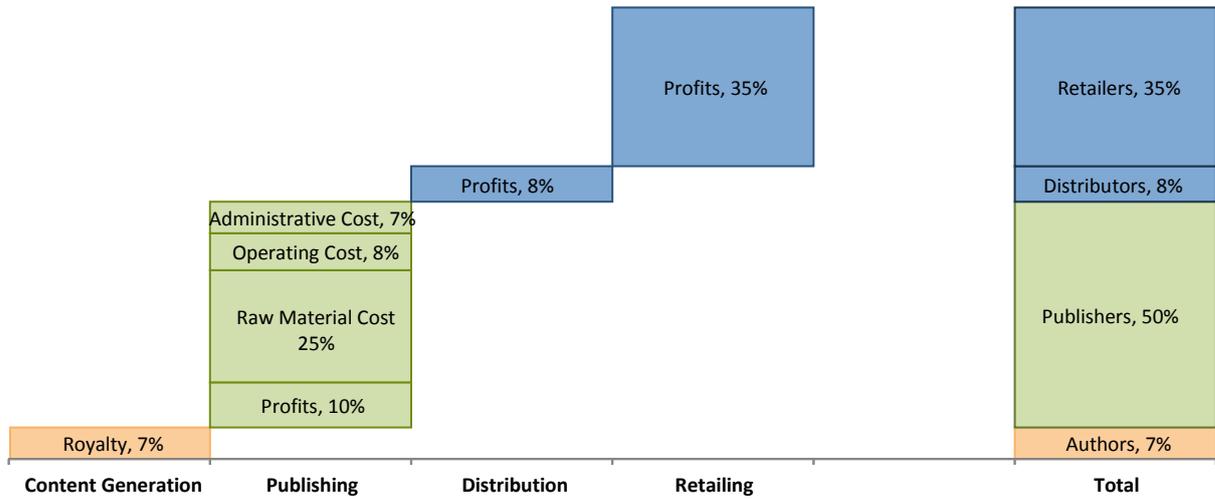
"The problem with children's literature, especially in regional languages, is that there is not much scope for pricing the books high, as the customers are not willing to pay over INR 100 for these books. The profits earned therefore are not much - just around INR 8-10 per book."

-Proprietor, Mehta Publishing House

"When a low price book is released for a price between INR 20-40, the margins are definitely going to be low. Cost of input (printer, paper, graphic designers, layout etc.) will keep on increasing as the economy grows. So a publisher has to take a call on whether he can keep on publishing these books or not and whether he can maintain the quality at the price being offered."

-K. Raqhu, Navneet Publications

Exhibit 29: Value split in CL publishing



Source: ValueNotes Analysis

Exhibit 29 highlights profits reaped by retailers and distributors, royalties for authors, various cost areas for publishing and the profit margin for publisher.

5.4.7 Publisher sustainability

Exhibit 30: Sustainability for different types of publishers

	International	Indian > 50% [A]	Indian < 50% [B]	NPOs / Trusts
Average Price range	INR 150	INR 30	INR 50	INR 10
Print run	3,000	1,000	2,000	1,000
Revenues from one title from first print run	INR 450,000	INR 30,000	INR 100,000	INR 10,000
Profit Margin	10%	10%	10%	10%
Profit from one title from first print run	INR 45,000	INR 3,000	INR 10,000	INR 1,000
Profit if 2 print-runs in a year	INR 90,000	INR 6,000	INR 20,000	INR 2,000
Profit if 5 print-runs in a year	INR 225,000	INR 15,000	INR 50,000	INR 5,000
Royalty if 5 print runs and sold	INR 157,500	INR 10,500	INR 35,000	INR 3,500

Exhibit 30 outlines estimated annual revenues from one title for different types of publishers. It can be seen that revenues for International publisher are 45 times more than NPO / Trust publisher, 15 times more than Indian [A] publisher and 4.5 times more than Indian [B] publisher. For NPO publisher and Indian [A] publisher the annual estimated profits are paltry. With such kind of cash flows it is extremely difficult to sustain. To sustain, these publishers need either mammoth volumes in sales or cut costs.

NPOs and Trust publishers are able to sustain themselves due to institutional funding, subsidies and donations, any drop in funding would adversely affect the sustainability of such publishers.

Similar is the situation for Indian [A] publisher, but they do not have any kind of grants or philanthropic receipts. To sustain themselves, these publishers cut costs aggressively, which adversely affects the quality of books published by them.

Indian [B] publishers are in much better position. These publishers are not completely relying on their CL sales to sustain. For these publishers CL sales are better than most Indian [A] and NPO publishers.

For quality CL publishing to be viable and self sustaining it needs enormous volume sales.

5.5 Challenges for publishers

The publisher is the most crucial stakeholder in the chain of book publishing. The publisher links the supply side (authors, illustrators) with the demand (distributors, retailers). The presence of multiple stakeholders increases the challenges for the publisher, as seen in the following section.

5.5.1 Limited reach to children in rural India

- A large number of booksellers in India are concentrated in urban areas and rural India has almost no bookstores present
- A majority of institutes working in rural regions focus on education of children and there is limited attention towards pleasure reading
- Government is largest procurer of CL in India, but is providing low quality books to its schools and libraries
- *Benaami* publishers get their books selected for government purchases using unscrupulous means and have corrupted the entire system of government procurement
- With overall lower margins, distributors and retailers are reluctant to stock children's books. Apart from stocking, these booksellers do not have a large reach; with almost no marketing activities they are unable to promote their books
- The thin spine of children's book further leads to low visibility of children's books amongst books shelves
- Rural children can only afford to buy books priced under INR 20 – INR 30. The publishers who provide books at these prices cannot give the required margins to the distributors and retailers

“There are only about 5000 booksellers all over India, compared to a leading stationary manufacturer who has about 125,000 outlets selling stationary for children. A majority of these 5000 book retailers cater to upper income children and are primarily based in urban areas. The distribution chain for books is not evolved - a high cost distribution model exists in India.”

-Suzanne Singh, Pratham Books

5.5.2 Inability of Indian publishers to invest in marketing

- Book marketing has largely remained a stronghold of international publishers who are able to do so due to the backing of their international parent body. With lower prices for their books, Indian publishers often cite paucity of funds to conduct any kind of marketing activities for their books.
- Local language publishers rely on book fairs and exhibitions to market their books to children. However, these fairs are not conducted regularly and provide small sections to children's books
- With limited marketing opportunities, Indian publishers are not able to promote their books and attract a wider readership

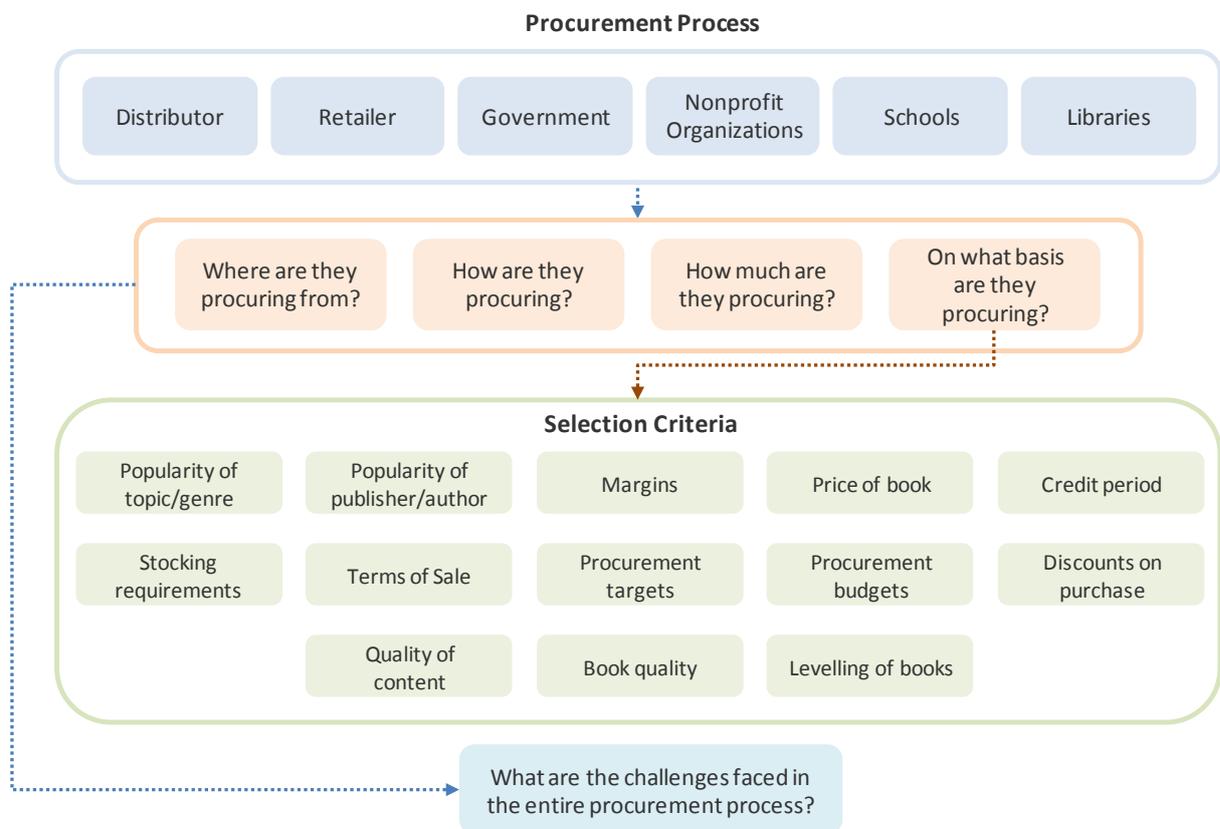
Exhibit 31: Key takeaway

- Scale of operations very low, which makes CL publishing unsustainable
- There is high dependency of publishers on distributors and retailers for selling books
- The book distribution channel in India is not evolved and is completely absent in rural India
- NPOs and Trusts working in rural regions have a limited reach

6. Procurement of Books by Various Channels

As discussed in the earlier chapter, publishers use a wide range of channels to reach the end users. The channels include distributors, retailers, government, nonprofit organizations, schools and libraries. These channels have various terms and conditions for procuring books which are governed by their understanding of the market, rules and regulations set by government or institutions. The following exhibit indicates the procurement processes of different channels which are discussed in detail in the subsequent sections:

Exhibit 32: Selection criteria for each procurer is different



Source: ValueNotes Analysis

6.1 Types of procurers

- **Distributors:** They can be broadly segmented as large and small based on their geographic reach and stocking patterns. There are large distributors who typically stock a large number of titles from more than 15 publishers and have a wide geographic reach. For e.g. India Book Distributor in Pune, Maharashtra covers the Western region of India for Penguin, Hachette and HarperCollins. Their Western region includes Gujarat, Maharashtra (except Mumbai) and Goa.

There are **small distributors** that stock lower number of titles than their larger counterparts and have books from 5-15 publishers, mostly local and regional publishers. They have a smaller geographic reach. For e.g. **Regal Book Depot** in Delhi stocks titles from Dreamland and other local publishers, mostly in English (70%) and supplies only to the Delhi region.

- **Retailers:** CL retailers include organized retail chains like Crossword, Landmark, Om Book stores, small bookshops and online retailers like Flipkart, Bookganga etc.
- **Government:** The Central Government involvement in procurement and selection of CL is limited to provision of grants and funds to the State Governments. The State governments are responsible for selection, purchase, distribution of books and are the largest procurers of CL books in the country.
- **Nonprofit organizations, schools and libraries:** NPOs with operations on a smaller scale buy books from distributors or large retailers situated nearby and who are able to provide a variety of titles whereas the larger NPOs typically procure directly from the publisher. Schools both public and private, approach the nearest retailer/distributor for procuring books.

6.2 Comparison of procurement patterns

Various procurers of Children's literature and their sources of procurement	
Distributor	<ul style="list-style-type: none"> • Large distributor procures CL from >15 publishers which include international publishing houses and established Indian publishers • Small distributor procures CL from ~5-15 publishers which include larger and smaller publishers mostly in regional languages
Retailers	<ul style="list-style-type: none"> • Larger retailers such as Crossword and Landmark procure books directly from the publisher or a large distributor whereas a smaller bookseller largely procures from a distributor or a local publisher • The small retailers procure their books from the local distributor or directly approach the publisher – mostly regional publisher
NPOs	<ul style="list-style-type: none"> • Large NPOs typically procure directly from the publisher • NPOs with operations on a smaller scale buy books from distributors or large retailers situated nearby, who are able to provide a variety of titles. Examples in exhibit 33.
Government	<ul style="list-style-type: none"> • Books are procured directly from the publishers through a tendering process. Each State Government issues its own tenders for procuring books. • Procurement is done under 'Sarva Shiksha Abhiyaan' (SSA). The SSA scheme

	encompasses all the lower primary and upper primary schools in a state.
Schools	<ul style="list-style-type: none"> • Schools receive books through SSA and also procure books on their own based on their budgets • Schools, both public as well as private, typically approach the nearest distributor/retailer for procuring CL
Libraries	<ul style="list-style-type: none"> • Public libraries approach local retailers/distributors recommended by the State Government for their book requirements. • The public libraries prefer to select books from central and state government organizations engaged in publishing such as Publications Division, Sahitya Akademi, National Book Trust, NCERT State / Sahitya / Granth Akademies, etc. as they are cheaper than private publications.

Exhibit 33: Procurement of different kinds of nonprofit organizations

Organization and operations	How do they procure CL?
<ul style="list-style-type: none"> • Sanskriti Samvardhan Mandal (SSM), Sangroli, Maharashtra: Manages one of the largest residential rural schools in India imparting education to 4,000 rural boys and girls and also runs a public library in the village 	<ul style="list-style-type: none"> • From major retailers such as Crossword, Landmark or distributors in Pune
<ul style="list-style-type: none"> • Rural Relations, Pune, Maharashtra: A relationship based communication organization covers 40,000 villages in India and has set up over 1,000 libraries in Maharashtra in less than two years 	<ul style="list-style-type: none"> • Rural Relations pays the distributor a lump sum amount of INR 5,000 for CL. Patil Enterprises, a distributor in Pune, is responsible for procurement and distribution of CL directly to libraries.
<ul style="list-style-type: none"> • Akshara Foundation, Bengaluru, Karnataka: under its Library Program, the foundation works towards setting up multiple libraries in government schools across Karnataka each month 	<ul style="list-style-type: none"> • Procures CL in bulk directly from the publisher (Akshara Foundation procured ~34,000 books last year for their library program)
<ul style="list-style-type: none"> • Room to Read, New Delhi: Has set up over 5,000 libraries in schools across India 	<ul style="list-style-type: none"> • Self published over 100 CL titles and distributes these within their libraries; also procures books directly from publishers in bulk

Source: ValueNotes Analysis

6.3 Selection bodies for CL procurement

There are no formal selection bodies for retailers and distributors but government, schools, libraries and NPOs have instituted selection committees to help select books.

- **NPOs:** The trustee, project lead, selection team or a

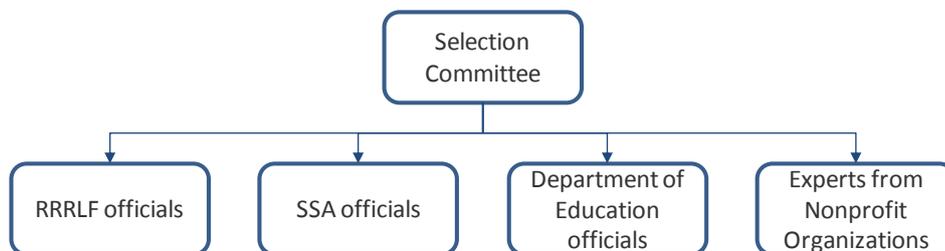
“The library program was a part of the selection process for children’s literature books in Karnataka.”

-Arvind Venkatadri, Akshara Foundation Head, Library Program, Akshara Foundation

combination of the two manage the procurement of books for nonprofits operating on a larger scale. Example of book selection and procurement for Akshar Bharati is detailed out in [Annexure IV](#).

- **Government:** An appointed committee is responsible for selection of titles across languages (Hindi, English and regional languages), age groups, genres (fiction/non-fiction), etc. The members of a Selection Committee may include various officials as shown in Exhibit 34:

Exhibit 34: Selection committee composition for government procurement



Source: ValueNotes Analysis

In most cases, selection committees comprise of government officials from the State Department of Education and a combination of RRRLF or SSA officials. There have been instances where experts from nonprofit organizations have contributed to the selection process.

- **Schools:** For public schools, under the SSA scheme, the School Management Committee (SMC) which includes parents, teachers, local educationalists and principals, are responsible for selection of children’s books.

Under CBSE (Central Board of Secondary Education), responsibility for selection of books for all schools is with NCERT (National Council of Educational Research and Training).

CBSE recommends that each school set up a ‘Book Selection Committee’ comprising of the principal, librarian, students and representatives of subject departments in order to meet the ‘educational’, ‘informational’, ‘inspirational’ and ‘recreational’ needs of the children.

- **Libraries:** In India, the State governments have a Public Libraries Act which entails the classification of libraries, grants, selection and supply of books to libraries, guidelines for book selection, operation and maintenance of libraries, etc. So far, only 19 states have passed the Public Libraries Act and implemented it. The remaining states have failed to pass the Act till date and hence do not have policies for selection and procurement of books.

“We have a procurement team which is responsible for selection of all kinds of books. We do not have any experts dealing only in children’s literature within Just Books.”

-Project Coordinator, Just Books

The Raja Ram Mohan Roy Library Foundation (RRRLF) provides broad selection guidelines for libraries for CL.

In case of private libraries a dedicated procurement team is responsible for selection of books across all age groups, genres, languages and from various publishers.

6.4 Selection criteria for Children’s literature books

Exhibit 35: Key selection criteria for different procurers

	Distributor and Retailer	Government	NPOs	Schools and Libraries
Selection Criteria	<ul style="list-style-type: none"> • Popularity of authors / publisher • Popularity of topic • Higher margins • Stocking requirement • Price of the book • Credit period 	<ul style="list-style-type: none"> • Price • Quality • Supply target 	<ul style="list-style-type: none"> • Scale of operations • Price • Procurement budget • Procurement target • Discounts on purchases • Quality of the content • Leveling of books 	<ul style="list-style-type: none"> • Price • Procurement budget • Procurement target • Discounts on purchases • Quality of the content • Leveling of books

6.4.2 Price

Price is the most important selection criterion for all procurers. For distributor and retailer it determines the profitability; for government, NPOs, schools and libraries it defines the procurement volume based on the budget.

6.4.3 Margins / Discounts

- **Distributors** may stock titles with new themes from a lesser known author/publisher if the margins offered are higher than 45%. For instance, some regional publishers provide margins up to 50% to urge a distributor to stock new titles.

In addition, publishers may provide discount schemes for clearance of stocks, titles with low demand and new titles. In such cases, higher margins clubbed with other discounts are decisive factors while selecting the book.

- **NPOs-** discounts on purchases: Since the purchase of CL is price sensitive, discounts play an important role in the purchase decision of the NPOs. Typically distributors offer discounts ranging from 10%-25% while publishers can offer up to 35% discounts. These NPOs come together with publishers who work on a not-for-profit model such as Pratham, Katha, Eklavya, etc. and may get further discounts. For instance, Akshara Foundation is associated with Pratham and procures a larger quantity of books from them.

- **Schools**-discounts from distributors/retailers: With fixed procurement budgets, schools rely on discounts from distributors/retailers. The State government recommends certain distributors and retailers of children’s books so that schools can avail of appropriate discounts. Private schools often approach distributors offering a variety of children’s books or may procure books through exhibitions and book fairs held within their premises. These discounts range from 10%-20%.

6.4.4 Quality

- While NPOs and schools do look at the quality of books, in government procurement quality is often the lowest priority. For distributors and retailers quality is synonymous with good publishers or good authors.
- The criteria for quality is not different from quality as defined in Section 4, [‘Book Content Inception and Creation.’](#) Some of the key points are covered below in brief:
 - Concept/storyline: The basic storyline of the book should not be disjointed, lengthy, boring or highly factual. Creativity in the writing style is crucial.
 - Quality of language, illustrations, print: Quality of the editing, language, font size and book dimensions are important as they affect the readability of the books.
 - Books preferred (language, genre, and age groups): Selection committee tries to cover different book genres (fiction/non-fiction) such as folk tales, biographies, self-help books, dictionary, physical education, science, knowledge building, and sex education.
- Large private schools give a lot of importance to the selection and purchase of good quality children’s books. While selecting books, the SMC (School Management Committee)/teachers takes into account various quality aspects such as size of the book, language quality, illustrations and paper quality. In the absence of quality standards, selection of ‘good quality’ books is continues to be subjective.

6.4.5 Popularity of authors / publishers

- Plays an important role for distributor and retailer but not for the others.
- If the topic is new and unavailable in the market, popularity of the author is vital for a book to create demand among readers. Each region and language has a set of reputed authors. For instance, books authored by Madhuri Purandare in Marathi, Ruskin Bond in English will generate sales.

“Sales personnel from different publishers approach us and recommend various titles which they feel will move fast. They do influence our decision to stock titles.”

-Owner, Retail outlet, Chhattisgarh

If neither the topic of the title nor the authors are famous, selection is based on the goodwill of a publisher. This is more prominent in regional language publishing (Marathi and Kannada).

6.4.6 Popularity of topic / themes

- Plays an important role for distributor and retailers but not for the others.
- Retailers refuse to take risks with titles that do not have a popular theme and always prefer fast moving titles.
- Popularity and on sales of similar titles in the past: In

Hindi and Marathi publishing, 'Panchatantra', 'Akbar Birbal', biographies of freedom fighters and folk tales are always in demand. In Kannada CL, 'Chanakya', 'Tenali Raman' and fairy tales, are examples of fast moving titles.

Recently, translations of bestsellers in English such as Diary of a Wimpy Kid series and Dr Seuss books gained a lot of popularity among the readers in Hindi and regional languages.

"We stock only CL recommended by the CBSE as readers for standard IX to XII as they are fast moving and have a lot of demand."

-Owner, Distributor

6.4.7 Leveling

- For **NPOs**, leveling of books is the systematic grading of books based on various parameters such as sentences per page and complexity of the language for determining the reading level of books for various age groups. The nonprofits typically select titles based on the leveling of the books. Books selected for students in first grade have little text (around 1-2 sentences per page) and more illustrations (picture books), whereas those selected for students in the eighth grade include fiction/non-fiction books with less illustrations and more text.
- **Schools:** The SMC in government schools and teachers in private schools typically select titles based on the leveling of the books.

6.4.8 Credit period

- Large distributors stock larger number of books as compared to smaller distributors and thus have higher risks in their business. They are in a position to demand a longer credit period ranging from 120-180 days from the publisher.
- Smaller distributors typically operate on credit periods ranging from 60-90 days from the publisher.

6.4.9 Procurement budgets and targets

- **NPOs:** Most NPOs buy books once a year. They depend solely on funding from other organizations (corporations, trusts, etc.) or individuals and follow budget allocations. These budgets depend on the number of libraries to be set up in the year or on the funds allocated for children's books. For instance, a 'Gyan-key' library set up by Rural Relations has a fixed budget of INR 5,000 and buys 180-200 books for children.

"The most important parameter is the price of the books; our budget is usually INR 50 – 100 per book"

-Sanjeev Sagrolikar, Sanskriti Samvardhan Mandal

- **NPOs** set targets such as number of books to be procured, number of local language books, books for different age groups and across different genres. Some targets are based on books per child ratio (e.g. Three books/child, class of 50 students = 150 books). These NPOs typically procure around 80% - 85% CL books. The remaining 15% - 20% would include teachers learning and training material and adult books (fiction as well as non-fiction).
- **Schools:** Every alternate year, primary schools receive a grant of INR 3,000 and upper primary schools INR 10,000 for set up, refurbishment and expansion of libraries in the school under the SSA initiative. Nearly 40% - 50% of the grant is used for the purchase of children's books (exhibit 36). Within private schools, each subject teacher is be given a fixed budget for procuring books. As per the requirements, teachers try to procure as many books as possible and thus, the price plays an important factor.

Exhibit 36: Budget allocation and guidance for selection of books under the CBSE

Type of School	Grant per student (INR)	Grant per teacher (INR)	Guidance for Books Selection (CBSE)	Share
Primary/Middle Schools	30/-	150/-	General and recommended	30%
Secondary Schools	40/-	150/-	Reference	20%
			Hobby	10%
			Fiction	30%
			Audio Visual Material	10%

50% of the grants are for books

Source: Organizing School Libraries, CBSE

- **Libraries:** Every library will have budget with respect to procurement of CL books. RRRLF has outlined guidelines for books selection to the libraries (Exhibit 37) and further detailed out in [Annexure IV](#).

Exhibit 37: Guidelines for books selection from the RRRLF

Guidance for Books Selection	% to procure
Art & Literature	20%
Social Science, History and Others	15%
Philosophy and Religion	05%
General and Reference books	20%
Popular Science	20%
Children's literature including literature for Neo Literates	20%

Source: RRRLF Guideline for Matching Scheme

"As most members are Marathi speaking and prefer Marathi books we keep more Marathi books as compared to English and Hindi books."

- Librarian, Govt. District Library, Jalna, Maharashtra

6.4.10 Language

- **NPOs:** The selection of books in different languages is typically based on the school's medium of instruction or the region where the library is situated. For instance, Akshara Foundation procures 75%-80% Kannada books for a school where the medium of instruction is Kannada (similar for Hindi and Marathi). CL in English comprises 10% of the total share whereas bilingual books have a share of 10% - 15% of the total books procured.

"I currently keep books in Hindi and English only. 99% of my books are in Hindi and only 1% is in English. The main reason is that we are in the Hindi speaking belt in the country."

- Distributor, Jaipur

- **Government:** The government schools located in rural areas and villages procure almost 70%-80% CL in regional languages and remaining 20% is split between English and Hindi. The schools in urban areas have a majority share of English CL and the remaining is either in Hindi or in the local languages. The private schools give more importance to English CL followed by Hindi CL with regional language books comprising of a very small share.
- **Libraries:** Almost 80% of the books procured by public libraries are in the local languages excluding central and district libraries as they procure more English and Hindi books. The remaining 20% include publications from Hindi, English and other regional languages.

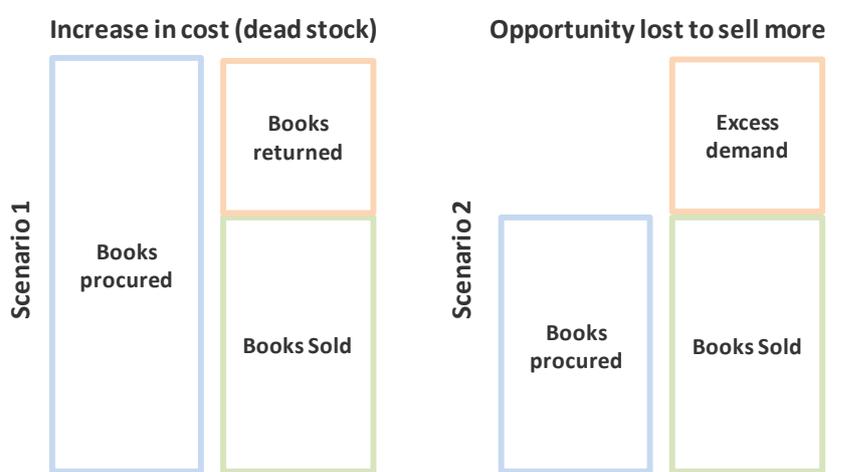
6.5 Challenges

6.5.1 Challenges faced by distributors

6.5.1.1 Disconnect between books stocked and expected demand

With cost of warehousing going up, distributors need to take informed decisions with respect to selected titles and the number of copies per title. Due to absence of timely and adequate market information from the supply chain and lack of clarity in communication, procurement planning cannot be streamlined. The distributors are unable to forecast books sales accurately. Exhibit 38 highlights the challenges faced by distributors in procurement of CL.

Exhibit 38: Improper procurement planning is a major challenge



Source: ValueNotes Analysis

Due to disconnect in supply and demand and improper procurement planning, distributors are forced to maintain higher stocks. The distributors interviewed cited difficulty in forecasting demand for different titles which in turn impacted the ability to optimize inventory. Higher stock result in higher operating costs and impacting the viability of business especially since volume of sale for CL books is lower than books for adults. This challenge is faced by the industry as a whole and is common across all language publishing.

6.5.1.2 Margins

General books other than CL have high volume sales and higher prices, thus the returns for general books are substantially higher for a distributor. Thus there is a need to offset the lower returns on CL by demanding higher margins (over 45%). In case of CL, retailers continue to demand higher margins from the distributors as shelf space is at a premium. However, publishers are often not in a position to provide higher margins as it affects sustainability, especially in case of Marathi and Kannada where the demand for these books is much lower as compared to English CL. The distributor thus faces a challenge in operating on tight margins while dealing in CL.

6.5.2 Challenges faced by retailers

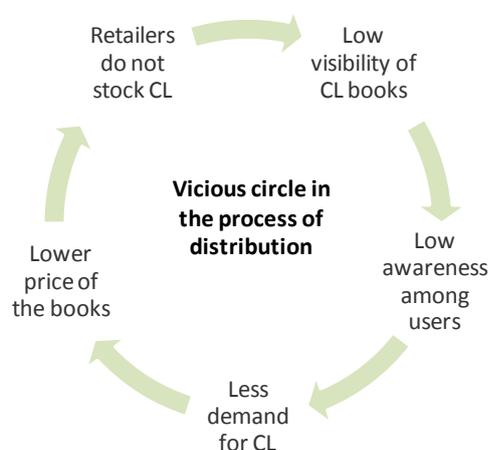
6.5.2.1 Limited visibility of CL books

- Children's books typically have less content (~10- 40 pages) as compared to other general books (~250 pages and above) and hence are very thin. In order to display these books effectively, retailers need to spread them out face-front, which is not possible due to the constraint of space. General books (fiction/non-fiction) and reference books are thick and easy to display. This thicker spine also makes it easy to browse such books.

“Within children’s books, activity books have the highest demand, so we display them in the front and then the classic stories for children. We do not have place to display other fiction/non-fiction CL books.”

-Owner, Retail outlet, Delhi

Exhibit 39: Retailers do not stock children’s literature books due to low price and low demand



Source: ValueNotes Analysis

- Children’s literature books are priced between INR 10-INR 500, with most books falling under INR 150 whereas other general books are mostly priced between INR 350-INR 900. With margins similar across different types of books, lower absolute returns and lower volume of sales make retailers reluctant to stock children’s literature books as displayed in the Exhibit 39.
- Within children’s books, activity books have high demand whereas literature books (fiction/non-fiction) have a considerably lower demand due to low awareness; as a result retailers are reluctant to stock these titles.

6.5.3 Gaps and issues faced within the procurement process for the Government

Guidelines established by the government are often non-transparent right from obtaining grants, selection, procurement and finally distribution of books to public schools and libraries. This has resulted in various loop holes in the system exploited by corrupt individuals within the government and by publishers. The corruption is most rampant in:

- **Selection of books:** Often, the corruption within the selection process results in supply of poor quality books with inappropriate content. The publishers are expected to pay commissions to the selection committees for ensuring selection of their titles. The advertisements of tenders for procuring books are placed in small local newspapers which results in most established publishers being unaware of such requirements.
- **Purchase of books:** Publishers, especially in regional language publishing operate under a number of fictitious publisher names for gaining larger orders in government tenders. This practice seems to have increased since the State governments have restricted one publisher to a maximum of 3 -8 titles per tender and is more pronounced in Hindi CL publishing.

The **Punjab Education Department** had **sanctioned INR 92.8 million** for supply of library books to primary and upper primary schools within the State of which books worth **only INR 2.2 million were supplied** to schools of three districts. Further, the books contained vulgar, inflammatory literature and were **supplied by a timber merchant**, not by someone dealing in books.
News articles in Business Standard and Indian Express

6.5.3.1 Other challenges:

- **Grants provided** to the State Governments **by the Central government** are **often misused** with only small portions of it actually utilized for purchase of books.
- Government has **broad selection guidelines** which have been in place for the last decade and have **not been updated** to suit the current requirements within schools and libraries.
- **Key stakeholders** such as Principals, teachers, etc. who are aware of reader preferences and needs **have limited involvement** in the procurement of books.

“In Jharkhand last year (2012) the government bought books worth INR 220-240 million and more than half of that order went to a single publisher under different names.”

-Arvind Kumar, PAG-E Convener

6.5.4 Challenges faced by nonprofit organizations

- **Matching low budgets with quality:** Working on tight budgets, NPOs prefer low cost, quality books under INR 30. This can lead to publishers compromising on quality of print, paper, illustrations and language for making books available at such low price points.
- **Travel long distances for purchase of books:** NPOs based in the interiors of a State need to travel long distances to access the nearest bookstore which stocks a variety of children’s books. Officials from

Adharshila School, Sheopur, Madhya Pradesh run by Samrakshan Trust travel a distance of almost 150 km to Gwalior to purchase CL. This emphasises the poor penetration of distributors and retailers in rural India.

6.5.5 Challenges faced by public and private Schools

6.5.5.1 Limited budgets for procuring books:

Schools work on fixed, limited budgets based on the number of subjects to be covered and the number of books to be purchased. The principals and teachers face a tough task in selecting high quality books within their budgets. For instance a primary school which has a budget of INR 1,500 (to procure CL) is required to buy books across languages (regional language, English and Hindi), genres and age groups. Average price of CL purchased by a public school would be ~INR 40. This amounts to less than 40 books that have to cater to all the students of the school.

"We are given a fixed budget and need to buy as many books as we can within it. In case of books, however much you buy, it always seems less."

-Teacher, Pune

6.5.5.2 Limited choice:

Principals and teachers often complain of limited distributors in the region and therefore are restricted to a limited choice while selecting children's books. Also, distributors stock titles only from certain publishers and may or may not possess titles across different languages and genres. There is a lack of original and creative titles in the market and most distributors/retailers are flooded with reproduced content and retold classics.

6.5.5.3 Lack of selection guidelines:

The onus for selection of good quality books is on the principal/teacher. Few private schools may establish selection guidelines in terms of the quality, publisher, price, etc. but in most cases, especially public schools, there is a dearth of standard selection guidelines.

"The State Government does not provide any guidelines for book selection. Each school has separate requirement for books."

-Teacher, Rajasthan

6.5.6 Challenges faced by public and private libraries

6.5.6.1 Grants from the government

The State Governments provide grants to libraries each year in two installments. Libraries have to spend the amount of the grant in advance which is reimbursed later. Failure to spend the amount in advance leads to deductions in the grants in the succeeding installment. Government auditors visit each library to monitor the status of the grants spent. Corruption in the audit process of the libraries is

rampant with auditors demanding bribes, especially from smaller libraries (Grade C and Grade D). This is creating hurdles for libraries to obtain grants from the government and expand their current book collection. For instance, if a Grade D library offers a bribe of INR 1,000 to an auditor, it is left with only INR 6,500 for procuring books and thus even lesser for CL ~INR 1,300 only.

6.5.6.2 Limited procurement budgets

Each year, libraries purchase periodicals, newspapers, library stationary, library equipment, stacks etc. As a result, the budgets dedicated for procurement of new books, especially in case of public libraries is low. Libraries cater to various age groups and thus find it difficult to procure sufficient titles. For instance, grade D public libraries have a budget of INR 1,500 per year to purchase CL from which they procure at least 1-2 dictionaries (Regional language – English, Regional language – Hindi) which may cost between INR 300 – 400 leaving a meagre sum for procuring CL.

6.5.6.3 Limited choice

Similar to the problems faced by schools, librarians too complain of limited distributors outside of the cities. While distributors/retailers stock some original and creative content in English, reproduced content and retold classics are stocked for Hindi, Marathi and Kannada publications. Thus librarians have complaints with regards to choice and availability of CL in these languages.

Exhibit 40: Key takeaways

- Government procurement is riddled with corruption
- Government and NPO educational budgets are low
- Selection is vague and is based on experience; no set guidelines
- Price is the most important determinant
- Quality is not of great importance except for NPOs and private schools
- NPOs tend to have the best selection criteria amongst all procurers
- Low volumes and profits deter distributors/retailers from procuring CL

7. User Profile

Children between the ages of 0-14 years are the end consumer of children's literature. Their preferences depend on the age, spoken language, economic strata and location (rural /urban). This chapter discusses typical reading profiles, preferences and access for Indian children.

7.1 User classification

7.1.1 Economic strata

A large population of the children in India belong to the economic class D (Exhibit 41). The per capita monthly disposable is less than INR 700 for people belonging to this class, making purchase of books for leisure the least important of their expenditures. Budget allocated for books is limited to curriculum books. Books accessible to them are mainly through schools and libraries. Children belonging to C category of economic class display similar preferences. Key influencers for these children are teachers and librarians.

Most individual buys are from A and B categories with negligible contribution from C category. The A segment of children mostly dwell in urban centers of India; go to English medium schools and read English language books. These children are influenced by parents, teachers, librarians, peers and other sources of marketing messages disseminated by publishers and retailers.

Exhibit 41: Children by economic strata

Economic Strata	Population – 2012	% share
Age 0-14	373 million (E)	100%
A	3 million (E)	0.8%
B	5 million (E)	1.2%
C	40 million (E)	11%
D	325 million (E)	87%

Source: India Census 2011; (E) Estimated, ValueNotes analysis

Note: Population growth rate assumed 1.4% across all age groups

7.1.2 Age group

Almost 1 / 3rd of India's population are under the age of 14. As shown in the exhibit 42, for the age group 0-6 years, the number of books per child is the least when compared to books available per child for the other two age groups. This is due to following reasons:

- As most of the children in this age group do not go to school, their primary means for accessing books is through purchase and from libraries. Primarily children belonging to 'A' and 'B' category of economic class are able to buy these books.
- Good quality books in this bracket are relatively expensive (10-20% higher than books in other age groups) making it unaffordable for large section of the society and that's another reason these books are mostly bought by children belonging to 'A' and 'B' economic class.

Exhibit 42: Classification of children by age groups

Age group	Population – 2012	% share	Maximum Books Available	Books / Child
Age 0-14	373 million (E)	100%	70 million	1/5
Age 0 - 6	163 million (E)	44%	18 million	1/9
Age 7-11	131 million (E)	35%	32 million	1/4
Age 12-14	79 million (E)	21%	20 million	1/4

Source: India Census 2011; (E) Estimated, ValueNotes Analysis
 Note: Population growth rate assumed 1.4% across all age groups

7.1.3 Language

Hindi is most widely spoken language in India, 153 million children speak the language, but only 18 million books are available to them (Exhibit 43). According to the publishers, distributors and authors, only 20% of the books qualify as good quality literature, which makes the number of quality books per child strikingly low at 1/42. It's the same story when it comes to lack of quality books for children speaking Marathi and Kannada; a good quality book has to be shared by 33 and 25 children respectively.

The situation is completely different for English language speakers with 5 books available for 7 children. This is primarily because 45% of all children's literature published is in English.

Exhibit 43: Children by language

Languages	Population – 2012	% Language speakers	Maximum Books Available	Books / Child
Age 0-14	373 million (E)	100%	70 million	1/5
Hindi	153 million (E)	41%	18 million	1/8
English	45 million (E)	12%	32 million	5/7
Marathi	26 million (E)	7%	4 million	1/7
Kannada	15 million (E)	3%	3 million	1/5

Source: India Census 2011; (E) Estimated, ValueNotes Analysis
 Note: Population growth rate assumed 1.4% across all age groups

7.1.4 Location

Close to 68% (estimate) of the children in India are in rural areas while 32% are present in urban areas. This difference in location plays a major role in determining content preferences, accessibility to children's literature and readership levels of children.

In rural India, only 50%* of published books reach out to the intended audience, i.e. 1 book for 11 children (Exhibit 44). If the amount of quality books available to children is factored in, the number is abysmal at 1 book per 100 rural children. Children are hardly aware of story books as the availability is very low. Factoring in the accessibility for certain remote locations the number of books / child can be as low as 1 book per 500 children.

Exhibit 44: Children by age groups

Age group	Population – 2012	% population	Maximum Books Available	Books / Child
Age 0-14	373 million (E)	100%	70 million	1/5
Rural	254 million (E)	68%	24 million*	1/11
Urban	119 million (E)	32%	21 million	1/6

Source: India Census 2011; (E) Estimated, ValueNotes Analysis

Note: Population growth rate assumed 1.4% across all age groups

7.2 Reading preferences of children

Reading preferences of children across age groups are discussed in detail in the following exhibit.

Exhibit 45: Reading preferences across age groups

Age-group	Reading Preference
0-6 years	<ul style="list-style-type: none">• Picture books with colorful illustrations, language not very important• Mythology and fairy tales are preferred
7-11 years	<ul style="list-style-type: none">• Prefer adventure, fantasy, mythology etc. Fiction is more popular than non-fiction even in this category.• The children reading Marathi and Kannada have fewer options and biographies are a popular segments in non-fiction category
12-14 years	<ul style="list-style-type: none">• Read popular and young adult fiction.• In the non-fiction category, books focusing on general information, knowledge and biographies are popular.

“English language has witnessed unprecedented growth due to higher demand. Regional languages are not doing too well due to lack in variety of titles. Children prefer reading English children’s literature books due to the wide range and variety available.”

-Senior Personnel, Navakarnataka Publications

“The overall ratio of English books being lent out to the number of Hindi books being lent out is 8:2. The main reason for this is that parents strongly prefer their children read English literature as compared to Hindi.”

-Librarian, (Dr. B.C. Roy Children’s Reading Room and Library) CBT

The children from rural areas prefer reading books in Hindi, Marathi or Kannada (only in Maharashtra and Karnataka respectively). Those in urban areas are increasingly accessing books in English language. This preference for English is also due to the greater range of content available in English as compared to Hindi, Kannada and Marathi.

7.3 Channels for accessing Children’s literature

Amongst the various channels present for accessing children’s literature, schools and libraries are the most convenient. Other channels for access include retail outlets, book exhibitions, fairs and children’s literature festivals (Exhibit 46).

Exhibit 46: Accessibility channels

Channels	Statistics and description
Schools	<ul style="list-style-type: none"> 169* million school going children do not have access to school libraries as they are non-existent
Libraries	<ul style="list-style-type: none"> There are more than 150,000 libraries public libraries in India. Lesser number of libraries in rural areas along with the fact that they remain non functional in some areas make accessibility an issue The libraries which are operational, most of them either do not stock enough CL or do not loan books out to the children
Book exhibitions, fairs and festivals	<ul style="list-style-type: none"> NBT organized children’s literature festival and Bookaroo are examples of popular children’s literature festivals NBT also holds mobile van exhibitions for increasing access Most of these book festivals and exhibitions are limited to urban areas
Book retailers	<ul style="list-style-type: none"> There are large retail chains such as Crossword and Landmark present in urban areas There are about 5,000 retail book stores present in urban and semi urban areas of India, translating to just one store per 75,000 children
Online access and digital books	<ul style="list-style-type: none"> With 12% internet penetration in India only 145 million online accessibility There were only 25 million buyers for e-books in India as of 2012 with number of

buyers for children's literature being even lower

Assumptions*:

- 1.3 million Schools in India with 229 million children (All India Education Survey, AISES 2009), therefore number of children per school ~176
- 74% of the schools do-not have library (2012 report by CRY)
- Assuming number of schools and enrollment of children in school has not increased in the last 3 years
- Total number of schools with no libraries=0.962 million
- Considering 176 children per school
- Children having no access to school libraries ~169 million children

Accessibility channels for different economic sections are explained below (Exhibit 47).

Exhibit 47: Accessibility channels for different economic section

Channels	A	B	C	D
Schools	<ul style="list-style-type: none"> • International schools • Private schools 	<ul style="list-style-type: none"> • International schools • Private schools • Public schools 	<ul style="list-style-type: none"> • Private schools • Public schools 	<ul style="list-style-type: none"> • Public schools
Libraries	<ul style="list-style-type: none"> • Private libraries • Public libraries 	<ul style="list-style-type: none"> • Private libraries • Public libraries 	<ul style="list-style-type: none"> • Public libraries • Private libraries • NPO run libraries 	<ul style="list-style-type: none"> • Public libraries • NPO run libraries
Book exhibitions, fairs and festivals	<ul style="list-style-type: none"> • Accessibility limited to urban areas across all categories • Accessibility through fairs and exhibitions in schools across all categories 			
Book retailers	<ul style="list-style-type: none"> • Accessibility limited largely to urban and semi-urban areas across all categories 			
Online access and digital books	<ul style="list-style-type: none"> • Accessibility limited largely to urban and semi-urban areas across all categories 			

Children dwelling in urban centers belonging to 'A' category of economic class have accessibility to all the channels. These children buy books and also loan books from libraries. Children belonging to 'D' category residing in urban and rural areas are poverty stricken and have access to books only through school libraries. These children do not buy books.

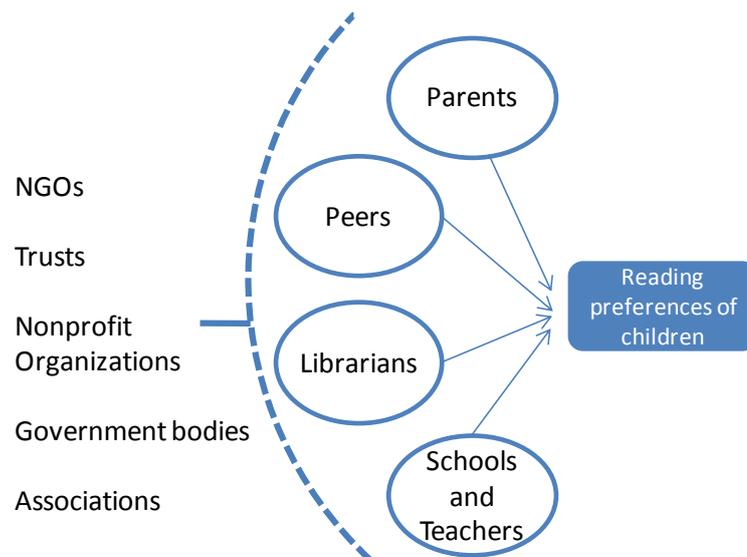
Exhibit 48: Key takeaway

- At one book for 11 children, the availability of books per child in rural India is extremely low
- Availability of quality books per child in rural India can be as low as 1 / 100
- Children in rural areas have very limited channels to access books, the best means to reach them is through schools and libraries, unfortunately 169 million school going children do not have access to libraries
- Estimated ~960,000 schools in India do not have libraries

8. Key influencers

Schools, teachers, parents, librarians and peers directly influence the books a child reads thus playing a major role in shaping reading habits and preferences of children. Apart from these direct influencers there are NPOs, trusts, nonprofit organizations, associations and government bodies that affect the environment by creating channels of access for children and the direct influencers.

Exhibit 49: Key Influencers shaping reading preferences



Children between the ages of 0-3 years are introduced to books by parents who read out loud to them. Children that are first generation literates are introduced to books much later through schools. Both the parents and the teachers play a major role in shaping the reading habits and preferences of children especially the ones between 4-6 years. For children between 7-14 years, in addition to parents and teachers, peers also play a role in access to books as children borrow books from each other.

8.1 Direct key influencers

Parents introduce children to books by reading to them, purchasing books for them and accompanying them to libraries and retail outlets. As children grow older they are able to purchase books and access libraries on their own. Parents and location influence the language being read by the children and most parents in urban areas prefer English as compared to other languages. It was

“Most of the children that come here do so because their fathers and mothers were members of the library and so make sure their children come here.”

-Librarian, Dr. B.C. Roy Children’s Reading Room (CBT)

observed during the course of the study that parents in urban areas of South India provide greater encouragement to their children for reading non-fiction.

However most parents nowadays do not encourage reading children's literature due to reasons that are discussed in detail in [the section 8.3.1](#).

Teachers strongly influence children by suggesting books relevant to the curriculum, even making it a part of children's holiday homework in some cases.

Schools play an important role in influencing and encouraging reading habits by organizing reading competitions, quiz competitions and plays based on books read.

Exhibit 50: Role of teachers as influencers

A survey of **40 schools** was conducted in **Karnataka, Madhya Pradesh, Uttar Pradesh, Rajasthan** and **Maharashtra** by ValueNotes. The survey helped us understand the nature and extent of the influence that teachers and schools with libraries can have on reading habits of children.

Survey Results

78% schools have libraries

25% have library period for all classes for 30-45 minutes every week

85% teachers recommend books to children

91% recommend books on their own understanding and content relevant to the child

5% recommend based on list recommended by government

4% on librarian recommendation

56% teachers recalled names of authors, but merely **10%** could name Children's literature authors and no one could name any contemporary authors

56% schools conduct activities to encourage reading.

44% Competitions

30% Awards

13% Drama on books read

9% Reading during assembly

4% Test following reading

Librarians play an important role in ensuring that children can access to engaging content. This however is not a widespread in India as most librarians mainly handle the issuing and return of books and are not very involved in introducing children to books and reading.

A book is not read by a single child but multiple children can access the same book by borrowing. Peers play a strong role in shaping the reading preferences as children are especially impressionable and popular books are strongly preferred by them.

8.2 Indirect key influencers

These key influencers not just impact the reading habit and preferences of children but also the overall environment, influencing channels of access and decision makers that purchase books for children. These are mainly government bodies, associations, trusts, NPOs and nonprofit organizations. These bodies carry out various activities such as workshops, seminars, conferences and exhibitions for promoting children's literature and encouraging reading.

8.2.1 Government bodies

NCCL is the key government body responsible for promotion of children's literature. Its role is explained below in detail:

- NCCL has set up Reader's club in different schools with the aim of promoting reading habits. In 2011-2012, NCCL established 1855 reader's clubs⁴ across the country.
- NCCL has a library and documentation center catering to the requirement of authors, illustrators, editors, translators and researchers working in the field of children's literature.
- NCCL publishes a monthly bilingual magazine for children titled Reader's Club Bulletin which prioritizes articles written by children and reviews of new books.
- NCCL conducts workshops seminars and exhibitions for promotion of children's literature.
- Activities conducted during national book week include storytelling sessions, reading of stories and poems by children, calendar making and storytelling workshops.

Though NCCL was set up with a mandate of carrying out research in children's literature, the body now primarily performs activities related to grooming of talent in the children's literature sector.

⁴ NBT annual report 2011-2012

8.2.2 Associations

Apart from providing support to content creators, AWIC (Association of Writers and Illustrators for Children) is an association dedicated to promotion of children's literature. It is the Indian section of International Board on Books for Young People (IBBY). The association comprises of authors, illustrators, editors, publishers, translators and librarians. They are directly involved in promotion of children's literature through various initiatives.

"We have 500-600 members and conduct a large number of activities. We go to schools for storytelling and these schools are mostly located in Delhi. Storytelling activity is done once in every two to three months. We also conduct creative writing workshops for children."

-Girija Rani Asthana, AWIC

- AWIC had compiled a list of recommended books for CBSE for promoting good reading habits amongst children.
- AWIC conducts close to 3-4 workshops every year for authors and librarians. They conduct an international conference once in every two years.
- Once a year they conduct a story writing completion for member authors, resulting in a collection of stories that are ready for publishing.
- AWIC has opened up 114 libraries across India where children can easily access books.
- Under the Kathavachan project, AWIC conducts story telling sessions for children at schools, with most of these schools being located in Delhi.
- They also conduct creative writing workshops for children. They had launched a book therapy project for promoting book usage during difficult times in a child's life.
- They publish a quarterly journal on children literature.
- AWIC grants awards once in every two for recognizing contribution of individuals to children's literature. This year AWIC honored Arup Kumar Dutta with the 'Lifetime Achievement Award' for his contribution to children's literature.

The organization does conduct seminars and workshops that contribute in talent development; however the frequency of such activities is limited when compared to the requirement for a market as large as India.

8.2.3 National Book Trust

National Book Trust was established in 1957 by the government of India (Department of Higher Education, Ministry of Human Resource Development). Apart from publishing books for children, it plays a major role in promotion of reading by organizing a large number of activities.

- NBT organizes book fairs and exhibitions across the country for promoting reading habits. They organized 15 book fairs across the country from April 2011 to March 2012⁵ and are also the organizer of the New Delhi Book fair. Book fairs organized often include interesting activities for children like drawing, essay, storytelling and spelling competitions.
- NBT conducts conferences, author meets and panel discussions on children’s literature.
- Other Initiatives of NBT include mobile exhibition vans that promote and sell books in areas that may lack accessibility.
- NBT provides financial assistance to voluntary and private organizations for conducting book promotion activities such as seminars, training courses, workshops and book fairs. In 2011-2012, 255 such organizations received grants for meeting 75% of the approved expenditure for these activities⁶.
- NBT organizes courses in book publishing as well as workshops and seminars for those involved in book publishing and distribution.

NBT as a publishing house and as a promotional body does contribute significantly to children’s literature by organizing a large number of activities and workshops.

8.2.4 NPOs/Trusts

NPOs, trusts and nonprofit organizations play a pivotal role in ensuring access of underprivileged children to books and also influence the kinds of books these children can access. To understand their impact we have included a few initiatives by some of these organizations.

Hippocampus Reading Foundation

Hippocampus reading foundation is a trust that encourages reading habits especially in case of disadvantaged children by setting up libraries in association with other NPOs.

- Hippocampus has a GROWBY program that which matches children with a particular reading level. There are six reading levels, green, red, orange, white, blue and yellow. Green is the lowest level of reading with ten simple words present per page while yellow is the highest and includes books that comprises of chapters.
- Reading level of children is assessed at the beginning of the school year with the help of simple reading cards. This ensures that the books provided are as per the understanding of the child.

“I don’t think children in rural areas buy children’s literature books from retail outlets as the number of retail outlets present in these areas is very low and usually far from their residence.”

-Yamini Vijayan, Hippocampus Reading Foundation

⁵ NBT Annual report 2011-2012
⁶ NBT Annual report 2011-2012

- Hippocampus also provides schools with a list of recommended book which play an important role in guiding schools to the right books.

Akshara Foundation

Akshara foundation is involved in conducting library programs and *anganwadi* programs across India.

- Under the library development program, Akshara foundation sets up libraries in government schools. They use the GROWBY program of Hippocampus.
- After grading the books, the children mark on a chart the books read by them with a particular pin color (GROWBY). The X axis is the months whereas Y axis is the GROWBY standard. The children mark the books taken each time making a histogram that gives a good idea of the child's progress.
- *Anganwadis* are government run pre-school centers. Under the *anganwadi* program, Akshara foundation services 1700 Anganwadi schools in and around Bengaluru. Since teachers at *anganwadis* have no aid or resources, Akshara supports them by providing teacher resource material and bilingual books in both English and Kannada to improve their understanding and knowledge.

Room to Read

Room to Read is dedicated to setting up of libraries and the steps it undertakes are as follows:

- The government divides its schools in each district and each district has several blocks. Each block has about 125-150 schools (some districts even have 30-40 schools in a block, depending on size). Below each block is a cluster which has about 15-18 schools.
- After a cluster is recognized, Room to Read signs a MoU (memorandum of understanding) with the state government defining the blocks and clusters which they will first target. This is decided in consultation with the education department in each district.
- Room to Read commits to work with the school for a period of 3 years after which the support is gradually phased out. In the first year, Room to Read helps in setting up the library by providing furniture in the space provided by the school. If a room or hall is not available, a reading corner is setup in a classroom.
- Depending on the enrollment in the school or cluster, books are provided in the library. Room to Read provides a minimum of thousand books to each library. The thousand books are provided in a phased manner, six hundred in first year and two hundred each in the subsequent years.

Though there are many non profits and trusts that are operating in India for promoting children's literature and good reading habits, the frequency and reach of their activities and efforts are limited when compared to the large size of the underprivileged population they try to reach.

8.3 Challenges that impact children's reading habits

There are various challenges that impact the reading habits of children; these are discussed below in detail.

8.3.1 Lack of awareness and initiative amongst parents

Low literacy levels in family result in a number of challenges faced by children that are first

“Awareness is not there amongst parents so it is difficult to make them understand the importance of books. There is a need to educate the customer about the different types of books available in the market. Not many people know about single story books. I had to make them aware about these books.”

-Mamta Govardhan, Pitara

generation readers as there is no culture of reading and low awareness regarding books available. This lack of awareness amongst parents translates into poor reading habits of children. Even if parents are literate, they are not aware of the different types of books available in the market for a child of a particular age group. In many urban nuclear families where both parents are working, lack of time is often cited as a reason for not taking children to the library. Some parents discourage older children from reading literature books as they feel it reduces their focus on studies.

8.3.2 Untrained teachers

The study conducted clearly highlighted the low awareness of teachers regarding quality authors in children's literature. Lack of training and initiative are the two main reasons for this. This is especially true for government school teachers in rural areas. Schools lack teacher's resource books that enable them improve their knowledge and teaching techniques.

8.3.3 Untrained librarians

A major issue is the lack of trained librarians that can successfully guide children to books with relevant content. India lacks influential associations like ALSC (Association for Library Service to Children) which offer fellowships and scholarships to individuals interested in children's librarianship. Limited institutions that offer quality courses to librarians are a major issue. Often librarians in rural areas are run by untrained librarians working for wages as

Some initiatives of ALSC, USA for children's library services

The Frederic G. Melcher Scholarship includes two annual scholarships of \$6,000 awarded to individuals for pursuing MLS degree with an intention of working in children's librarianship

The Bound to Stay Bound Books Scholarship and The Louise Seaman Bechtel Fellowship are few more initiatives offered for taking up library studies

low as INR 500 per month; this seriously hampers attracting quality librarians.

8.3.4 Lack of reading culture

Focus is shifting from reading with children typically preferring video games, television and surfing the internet to reading. This shift in preferences has resulted in a decline in reading habits

8.3.5 Lack of accessibility

Schools and libraries are two most basic infrastructure requirements for enabling access to children's literature.

The penetration of libraries, both in urban and rural areas of India is very low. Non-functional libraries make the situation worse. Lack of staff, untrained staff operating the libraries, undue responsibility of maintaining books on teachers / librarians do not help in creating an

environment conducive to reading. For children in rural areas, school libraries and those run by nonprofit organizations are the only options for accessing books. Channels for access remain inadequate due to inefficient measures by the government and corrupt bureaucracy.

Other factors such as lesser number of retail outlets in rural India further limit the accessibility of books for children in these areas.

Some external factors such as infrequent electricity and low penetration of the internet make online access and purchase of children's literature difficult for readers in rural India.

8.3.6 Inadequate institutional efforts

There are different organizations present for promotion of children's literature however they all face certain challenges. NCCL suffers from lack of manpower and often finds field implementation of activities difficult. Associations like AWIC are voluntary organizations that suffer from a lack of funds, this severely limits the scope of their activities. NPOs depend heavily on donations and lack of funds can prove to be a major challenge for them.

This lack of funds often translate in lesser number of workshops, seminars, conferences, competitions, book fairs and exhibitions for promotion of children's literature.

"As far as my estimates go there must be more than 150,000 public libraries in India and South India must have 40,000-50,000 libraries."

-P. Jayarajan, Member, Raja Rammohun Roy Library Foundation

"AWIC is a voluntary organizations and we lack funds. Currently we do-not grant any scholarships to authors and illustrators though we would want to but we are not in a position to do so."

-Girija Rani Asthana, AWIC

8.3.7 Other challenges

In addition to the above stated challenges, children's literature also grapples with certain other challenges such as poor content. Issues such as incorrect leveling, poor quality of print and books result in low levels of interest amongst children.

Often children themselves are ill equipped to read books. This can be due to poor quality of education imparted at schools with many children being unable to read books meant for their age group.

As per a press release by the Ministry of Human Resource Development, as many as 3 million children between the ages 6-14 years had dropped out of school in India. This high dropout rate of school going children translates into a lot of children losing their primary channel of access to books.

Exhibit 51: Key takeaway

- Lack of training amongst teachers and librarians limit awareness of children regarding good books
- Lack of awareness amongst parents translates into poor reading habits
- Lack of funds is the major challenge faced by the indirect influencers

9. Recommendations

The following section focuses on the actionable intelligence which can be undertaken by SRTT under their 'Parag' initiative. These recommendations are provided based on larger issues facing the children and children's literature publishers in India.

9.1 Lack of accessibility channels

Problem	Need	Possible Role of SRTT
According to a CRY report, 74% of schools in India do not have a library. Of the schools which had libraries, 80% did not have story and general knowledge books.	Lots of libraries ~ 1million school libraries are needed in India	<ul style="list-style-type: none"> • Increase grants and funding to the organizations working in developing libraries • Create a mechanism to increase awareness of such institutions
Expensive proposition to setup libraries, especially in low population areas as cost of acquiring land and infrastructure and running library not feasible	Cost effective library system, mobile library, that can serve as model for improving access for children	<ul style="list-style-type: none"> • There have no successful examples of mobile libraries in India. SRTT can think of working with an appropriate NPO to develop or adopt such a model
The book retail reach in India is very poor. There is 1 bookstore per 75,000 children in India. Standalone bookshops are not viable in small towns and villages	There is a need for innovation in the book distribution and retail model in India	<ul style="list-style-type: none"> • SRTT can assist publishers to follow the model of Pratham and Eklavya who have alliances with retailers across India • The impact of tie ups can be increased by creating awareness in the media

9.2 Government procurements are corrupt

Problem	Need	Possible Role of SRTT
Due to corruption books procured by government is of dismal quality and they do not reach the children	Ensure transparency in the procurement process by state governments	<ul style="list-style-type: none"> SRTT should facilitate developing more organizations like PAG-e and provide them funding. This needs to be replicated in every state. Parag can start an initiative where schools can be told to rate the publishers whose books are being supplied to the government, and the poor performing publishers can be barred from participation
No clear guidelines for book selection in each state	Universal book selection guidelines in each language	<ul style="list-style-type: none"> There is a need to facilitate initiatives like Sonapani Consultation and NCERT guidelines across various states in India Lobbying in associations with organizations who are trying to influence state government in making changes to policies related to procurement and selection To adopt these standards across government purchases towards schools and libraries in each state

9.3 Lack of importance to non-academic books

Problem	Need	Possible Role of SRTT
Parents and teachers do not think of pleasure reading as a priority for children. Academic literature is considered first priority	Awareness across society especially influencers like librarians and teachers needs to be increased	Publisher associations need to be provided grants to promote CL amongst their region by conducting book promotion activities like exhibitions, fairs, storytelling session for children

9.4 Quality of books is not up to the mark

Problem	Need	Possible Role of SRTT
There are no guidelines on how to write and publish for children	<ul style="list-style-type: none"> Standards are to be established on what constitutes a well written book Authors need to be trained to write specifically for children. There is a need for courses for authors and editors on how to write books for children 	<ul style="list-style-type: none"> The Sonapani guidelines and the forthcoming 'Guide to Good Books' by NBT should be provided to various NPOs and selection committees SRTT should work with authors and editors to create modules for children's literature with premier institutes like Asian School of Journalism and IGNOU who have courses in creative writing These modules can further be adopted by universities and private institutes who can provide training in children's literature
	Illustrators need to be trained on how to illustrate for children	<ul style="list-style-type: none"> SRTT in association with Institutes like NID, Ahmedabad and Srithi, Bangalore can work towards creating a course specific to children's literature
	Translators need to be sensitized on how to translate for children across various languages	<ul style="list-style-type: none"> Quality translation modules and institutes need to be established in each state with the help of local NPOs

9.5 Key Influencers are not well trained

Problem	Need	Possible Role of SRTT
Teachers are not well equipped to advise children on books to be read, and are focused towards curriculum learning	Teachers need to be trained on how to increase pleasure reading amongst children	<ul style="list-style-type: none"> • There is need to fund current institutes or new institutes towards teacher training • Alternatively NPOs can be supported to conduct refresher courses for teachers
Librarians are ill equipped to guide children to select books	There is a need for more courses for librarians and make it a viable career option	<ul style="list-style-type: none"> • Experts like P. Jayarajan and Usha Mukunda need to be roped in to create a courses module for librarians in India • These modules can be given to various universities to adopt

9.6 Children's literature is not looked at as viable business

Problem	Need	Possible Role of SRTT
The low volume and low prices due to the low demand have resulted in extremely low returns for publishers, distributors and retailers.	CL publishers need to focus towards bulk institutional and government purchases	<ul style="list-style-type: none"> • SRTT needs to facilitate tie-ups between quality publishers and institutions to ensure books are being sold to the right channel and publishers are able to sustain themselves • Forums like PAG-e need to be funded to ensure that good quality books are being procured and distributed by the government

For now, the efforts of SRTT seem to be focused towards talent grooming, book dissemination and promotion of children's literature. The more fundamental issues, as per our analysis, seem to be around -

- Increasing accessibility channels for children
- Improving the quality of government purchases

A short term measure can be seen as focused approach towards increasing the number of accessibility channels. This can be done by -

- Increasing the number of libraries in India

- Improving the quality of libraries which are already present across India

There are multiple organizations working towards creating libraries in school and under the Parag initiative, SRTT can support them towards creating more access channels for children.

Also, platforms can be created at a district level in each state where authors, publishers and booksellers are brought together to promote a book reading culture by conducting-

- Storytelling sessions
- Creative writing competitions

SRTT can work with publisher association in various states to create platforms like book fairs and exhibitions. Book visibility is another major issue which can be tackled in this fashion. These events can be advertised in local newspapers, TV and radio channels to ensure a large reach and visibility amongst readers.

As a long term measure, SRTT needs to work towards cleaning the government procurement system with the help of institutes like PAG-e which have made headway in this respect. State-wise chapters need to be created to ensure transparency in government purchases. The government is seen as the largest procurer of books in India, and a clean procurement system will ensure availability of quality books to each child.

Addressing these issues would ensure quality literature being made available to the children in India.

10. Annexure – I: Respondents

Publishers	
Karadi Tales	HarperCollins
Arvind Kumar Publishers	Urja Prakashan
Pratham	Young India Books
Duckbill Books	Macaw Books
Young Zubaan	Anmol Prakashan
Padmagandha Publishers	Rajpal and Sons
Parag Prakashan	Sharda Prakashan
Lokayat Prakashan	Parragon Books
Eklavya	VS Publishers
Scholastic	Vishv Books
Punya Publishing	Zubaan Books
Navneet Publication	Orient Publishing
Navakarnataka Publications	New Age International Publishers
Dreamland Publications	Prakashan Sanstha
Manohar Granthamala Prakashana	Akshay Prakashan
Mehta Publishing	Blueberry Books
Tulika Publishers	Hachette India
Majestic Prakashan	Pan Macmillian India
Tushar Publications	Scholastic India
Vani Prakashan	Ratna Sagar
Mango Books	B. Jain Publishers
National Book Trust	Media Fusion's Appu Series
Bhartiya Gyan Vigyan Samiti	Anurag Prakashan
Jyotsna Prakashan	Penguin (Puffin)
Mehta Publishing House	Rohan Prakashan
Evergreen Publications	Chilipili Prakashana
Children's Book Trust	Kannada Book Authority (KBA)
National Publishing House	Prabhat Prakashan
Katha Publishers	

Schools	
Lingeswar Adarsh Vidyalay	Shasakiy Prathamik School
Shri Samartha Kanya Prashala & Uchha Madhyamik Vidyalay	Shasakiy Junior High School (Wari Bujarg)
Zilla Parishad Purna Prathamik Shala	Shasakiy Junior Highschool (Pipra)
Lalaji Daulat Patil Madhyamik Vidyalay	Shasakiy Junior Highschool (Jori Bk)
Dnyanda Prashala	Aa Ja Ka Prathamik Shala - Dhunari Tola
Shree Kedareshwar Madhyamik Vidyalay – Akoshi	Prathamik Shala – Bundela
Karanjawade High School	Prathamik Shala – Piparkhuta
Hansvahini Vidyaniketan	Hiranandani Foundation School
Madhyamik Shala	Dnyanganga Vidyaniketan
Madhyamik Vidyamandir	Dyan Uday Vidyamandir
Adarsha Vidyalay	Government Primary School - Kaneri
Padavi Purva Prathamik Shale (Jambagi(A))	Serswati Vidyamandir
Padavi Purva Prathamik Shale (Karjol)	Om Foundation School, Noida
Kannad Gandu Makkal Shale	Swami Vivekanand Internatinal School
Sarkari Kannad Gandu Makkal Shale - Hadalsang	St. Joseph's Convent High School, Nagpur
Sarkari Gandu Makkal Shale – Babalad	Ratra Vidyalaya Andheri Municipal School
Sarkari Hiriya Prathamik	MHI Public School
Sarkari Hiriya Prathamik Shale – Shirkanhalli	Chirag School
Kannad Hiriya Prathamik Shale – Gornal	Shasakiy Madhyamik Shala
Shasakiy Junior High School	Akshardhara

Trusts and Associations	
Association of Writers and Illustrators for Children (AWIC)	Room to Read
Hippocampus	Rural Relations
Akshara Foundation	Sanskriti Samvardhan Mandal
Centre for Learning	Book Lovers Program for School
Saranga Trust	Heptulla
Sanskriti Samvardhan Mandal	Society of Children's Book Writers and Illustrators (SCBWI)
Akshar Bharati	Teach For India
Pune Zilla Association of Libraries	Rural Relations

Retailers and Distributors

Prakash Book Depot	Universal Book Centre
Akarsh Book Depot	Geetha Book House
Nagina Pustak Bhandar	Flipkart
Radhika Book Centre	King More
Crossword	Pitara
Prakash Book Depot	Universal Book Centre
General Book Depot	Metropolitan Book Co. Private Limited
Regal Book Depot	SV Book Supply Company
Mehta Educational Store	Kohli Book Dsitributors
Delhi Book Store	Prakash Distributors
Patil Enterprises	India Book Distributors

Libraries

Bookworm	Delhi Public Library
Just Books	Govt. District Library, Jalna
Govt. District Library, Chandrapur	Govt. Divisional Library, Pune

Government Organizations

NCERT	Raja Rammohun Roy Library Foundation
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Apart from these our respondents included various independent authors, illustrators, and publishing industry experts.

11. Annexure - II: Publishers

Scholastic India

The Indian subsidiary of Scholastic Inc. is the world's largest publisher and distributor of children's books. Scholastic India was setup in 1997 and has one of the **largest portfolios** of children's books in **English**. They have published books of some of the most well known children's authors in India, including **Ruskin Bond, Paro Anand, Manjula Padmanabhan and Anuska Ravishankar**.

Scholastic world over is renowned for its unique distribution model which includes **Book Fairs** and **Book Clubs**. The Indian arm follows a similar model of distribution where in Book Fairs and Book Clubs are conducted in over **3000 schools across India**. This mode of distribution contributes over 60%-70% to its overall sales. A select few books are published exclusively for distribution in the trade channel.

School Selection Criteria

- Size of the school
- Number of children in the school
- Area available to conduct a book fair

Depending on these criteria, schools are broadly classified into A, B and C categories. The 'A' category includes schools which have a larger number of children and have an adequate hall / room to conduct the book fair. Schools with smaller number of children and limited space are further bracketed as 'B' and 'C' categories. However, these categories are not fixed, and they change as per the requirement and demand of the school.

Book Fairs

- Fairs are typically held twice in a year in urban schools across India.
- On an average these fairs have about 400-600 titles on display.
- Scholastic decides the titles to be displayed depending on the age group, school requirement and the economic ability of the children in the school.
- About 10% of the sales generated from these fairs is given to the school for their development.
- Along with these fairs, other activities like - quizzes, book character interaction, author reading sessions and various games are conducted as per the school requirements.
- Book fairs contribute about 35%-40% to the total sales of Scholastic India.

Book Clubs

- Books clubs are held thrice in a financial year - June, September and January

- The Book Club caters to three segments – pre-school to Grade 2 (ages 0-7), Grades 3, 4, 5 (ages 8-10), Grades 6 and up (ages 11 and above)
- Every age group would have about 3-4 catalogues which are distributed to them during schools hours, and each catalogue has about 40-45 titles with a short synopsis on each title
- The child can tick mark the books he/she likes on the order form and give it to their respective teachers which are further forwarded to the Scholastic executive
- Book clubs contribute about 25%-30% to the total sales of Scholastic India

Navneet

Navneet Publications (India) Limited founded in 1959, is one the largest children’s publishers in India. A majority of their 5,000-strong portfolio caters to curriculum based related reference and guide books, CL forms about 10%-15% of their portfolio. In 2012-13, Navneet sold books worth about INR 240 million in the children and general books segment (this includes activity books). Almost 80% of the Navneet titles sold are in English, 10%-15% are in Hindi and the remaining in various other languages like Gujarati and Marathi.

Distribution:

- With over 700 distributors and over 400 sales representatives across India, Navneet has one of the largest distribution network for children’s books
- Almost 100% sales of Navneet book sales are through distributors
- Of these, almost 90% are facilitated by the sales representatives, and the remaining 10% are direct sales

Distributor Terms and Conditions:

- About 40% margin is given to distributor on the MRP of the books
- Additional 2.5% given if payment is done via Demand Draft
- If sales target is achieved before stipulated time period, additional 5% is given on next purchase
- In all, distributor can get a maximum margin of 47.5%, of which about 30% is offered to retailer
- Upon direct cash payment, retailers are given an additional 2% margin
- Discounts are offered on bulk purchases by retailers, which may be up to 5%-10%

Akshardhara

Akshardhara is a Pune based **book distributor** and **retailer**, which conducts book fairs and exhibitions across Maharashtra. They have conducted over 250 exhibitions in Maharashtra, Goa and Karnataka since 1994. Each exhibition lasts for about 15-20 days. Akshardhara has books from over 150 Marathi publishers, and they stock a minimum of 5-25 copies of each title, depending on the popularity of the author.

Exhibition Portfolio:

- About 25% of the total titles in an exhibition are CL
- Of these, 95% titles are in Marathi and 5% are in English
- About 10% of titles are for the 0-6 age group, 20% for the 6-11 age group and about 70% towards children aged 11 and above.
- About 70% of the titles are non-fiction and the remaining titles are fiction

Children's Exhibition:

- Akshardhara conducts about 3-5 children's exhibitions in a year
- In these exhibitions, 75% of the titles are CL
- The average price ranges from INR 30 – INR 60

Kannada Book Authority (KBA)

It is a government-funded organization which purchases books from publishers and distributes them to over 1000 schools and colleges in Karnataka.

In 2012, KBA purchased about **0.4-0.5 million non-curriculum books worth over INR 12 million** to distribute amongst schools in Karnataka. Apart from these, KBA **publishes books** and encourages various institutes and publishers to **conduct workshops** and seminars for Kannada literature.

The **KBA** is renowned for conducting and supporting various book fairs in Karnataka. The KBA itself conducts 2 '*melas*' (fairs) annually by inviting publishers.

Publisher Selection Criteria:

- Publisher should have published over 100 titles
- Overall market reputation
- Overall sales figures

The KBA conducts two *melas* annually – a general and another one is subsidized. These fairs are highly publicized with advertisements in local newspapers, radio stations, TV channels, newspapers and magazines.

General Mela

- The General Mela is usually held in district capitals of Karnataka
- They have about 400–500 stalls
- Invited publishers are allowed to sell books at the MRP

Subsidized Mela

- In subsidized melas publishers are given 25% rebate of the books sold
- This discount is further passed on to the reader
- Some state universities given up to 50% rebate
- Subsidized melas typically have about 100 stalls
- These subsidized melas are typically held in urban towns like Bengaluru

12. Annexure – III: Publisher Analysis

Language, age group, Genre wise data for publishers across categories:

Publisher Type	Publisher	Language					Age groups			Genre	
		English	Hindi	Marathi	Kannada	Others	0-6	6-10	10-14	% Fiction	%Non- fiction
Indian - Hindi	Rajpal and Sons		100%				40%	60%	30%	70%	
Indian - Kannada	Navakarnataka Publications	5%			95%		35%	65%	40%	60%	
Indian - Kannada	Sapna Books	10%			90%		5%	45%	50%	33%	67%
Indian - Marathi	Jyotsna Prakashan	5%		95%			40%	40%	20%	80%	20%
Indian - Marathi	Mehta Publishing House	2%		98%				20%	80%	80%	20%
English - Indian	Dreamland Publications	97%	3%				55%	30%	15%	84%	16%
English - Indian	Tulika Books	17%	13%	9%	12%	49%	35%	50%	15%	60%	40%
English - International	Scholastic	95%	5%				15%	75%	10%	55%	45%
English - International	Penguin	95%	5%				10%	25%	65%	75%	25%
Trust	NBT	17%	41%	3%	1%	38%	10%	41%	49%	80%	20%
Trust	Pratham Books	15%	18%	14%	13%	40%	40%	30%	30%	60%	40%

Source: ValueNotes Analysis, Catalogues of publishers, primary respondents

Portfolio, price range and print runs for publishers across categories:

Publisher Type	Publisher	Portfolio				Price range	Print run range
		Total titles in Portfolio	Non children's literature title	Children's literature titles	% CL title		
Indian - Hindi	Rajpal and Sons	800	650	150	19%	30-40	3,000-5,000
Indian - Kannada	Navakarnataka Publications	1000	800	200	20%	50-100	1,000-2,000
Indian - Kannada	Sapna Books	4500	3825	675	15%	20-40	-
Indian - Marathi	Jyotsna Prakashan	400	80	320	80%	30-40	1,000-2,000
Indian - Marathi	Mehta Publishing House	3000	2700	300	10%	40-60	2,000-2,500
English - Indian	Dreamland Publications	800	280	520	65%	60-100	5,000-10,000
English - Indian	Tulika Books	410	20	390	95%	90-120	250-2,500
English - International	Scholastic	3200	160	3040	95%	150-350	2,100-3,100
English - International	Penguin	3250	2762	488	15%	300-350	5,000-25,000
Trust	NBT	1700	1003	697	41%	10-20	1,500-5,000
Trust	Pratham Books	1300	130	1170	90%	20-30	1,000-3,000

Source: ValueNotes Analysis, Catalogues of publishers, primary respondents

The print run range for Tulika Books varies substantially as regional language books in Telugu, Bengali and Malayalam have print runs as low as 250 while print runs for Hindi and English can be as high as 2500. In case of Penguin, established authors like Ruskin Bond have high print runs. For NBT English and Hindi print runs are around 5,000 while print runs for other languages vary from 1,500-2,000.

13. Annexure - IV: Procurement

Akshar Bharati: An NPO setting up libraries in schools and communities.

Mission:

1. To inculcate reading habit in children, especially in the rural areas
2. Providing access to CL in rural areas

Current Activities:

Akshar Bharati has set up over 420 school libraries across 11 states in the country. It collaborates with local NPOs and corporate companies (especially IT companies) for setting up a library. Akshar Bharati takes up the responsibility of establishing the library while the operations and maintenance rests with the teachers and head master/principal at these schools. They have set a target of 100 libraries for 2013.

Akshar Bharati Library:

1. Cost of setting up one library in a school is approximately INR 25,000 and includes:
 - A cupboard for storage of books
 - Around 800-1000 books of which 80% are in the regional language, 15% English and 5% Hindi books
 - Separate sets for Primary and Secondary students
2. Book Selection:
 - Project coordinator and trustees of the nonprofit organization are responsible
 - Inputs and feedback on books to be selected from volunteers, teachers and existing libraries
 - Selection parameters of books based on: Price, storyline and quality of writing
 - Average price of a CL book procured is INR 35
3. Procurement Process:
 - Shortlist around 9-10 publishers for various languages, genres and age groups
 - Akshar Bharati approaches publishers directly for procuring books
 - Books are purchased at discounts ranging from 15% - 25% from publishers

RRRLF- Raja Rammohun Roy Library Foundation

Directorate of Libraries, Maharashtra: Efforts to increase number of public libraries

Grants:

The State Government sets a library budget in each financial year. The Raja Ram Mohan Roy Library Foundation (RRRLF) provides a matching grant to the State Governments based on their library budgets.

For instance, if the State sets a library budget of INR 15 million, the RRRLF will provide another INR 15 million which results in a total of INR 30 million for libraries in the State. Details of these grants are given below:

- Provides grants to all public libraries (includes divisional, district, taluka and grampanchayat libraries) within the State
- Grants aim to cover 90% of the operating expenses of a public library; remaining 10% is to be raised by the library from private funding
- 50% of the grants dedicated for remuneration of librarian, rent for premises, other infrastructural costs, and so on
- 25% to be used for purchase books, 20% on newspapers and periodicals and 5% on stationeries
- Grants are provided to the libraries through two installments in a year
- Libraries have to spend the amount of the grant in advance; they are reimbursed later through the installments

Classification of Libraries:

The libraries within the State are classified under four grades i.e. Grade A, B, C and D and receive grants based on this grading mechanism:

Selection of CL:

As per the prescribed RRRLF guidelines, public libraries within the State procure a minimum 20% of the books for CL. For instance, a Grade D public library in Maharashtra receives INR 30,000 annually as a grant from the State Government, with INR 7,500 available for procuring books, of which only 20% i.e. INR 1,500 is for CL.

There are no established selection guidelines provided to the libraries within the State. Each library can purchase books based on their requirements.

Selection of books is based on certain basic criteria such as:

- The price of the book
- High quality: Content and print
- Leveling of books: Based on different age groups
- Language: Almost 70% books are in Marathi in case of Maharashtra

Procurement:

The Directorate prescribes distributors and retailers within the State that should be approached to purchase books as they are appointed by the government and will provide libraries with a bigger discount. Libraries approach the nearest distributor/retailer in the region to procure books.

14. Annexure – V: Quality

N.C.E.R.T guidelines for selection

- There is no fixed criterion on the number of books to be selected every year. The books selected are usually a mix of stories, poems, plays, some reference books in English and Hindi
- The broad guidelines for book selection are the content, language, layout, design and illustration
- Content should not be abstract and should match the intelligence and cognitive levels of the particular age group.
- Content should be factually correct, it should have constitutional values, no gender/tribal/disabled stereotypes, content should not be too moralistic, stories should be relevant and the storyline should flow
- One important factor is the local content in a book; children should be able to identify with the content easily
- Language should be simple with familiar words that the children use in their daily life and slangs should be avoided
- Apart from the content, the presentation (illustrations) should be able to make the child understand the content. A good illustration is the one which makes the child understand the content of the book
- Colored illustrations are essential for Classes 1-2 to give the children a better understanding of the content
- Non-fiction books are checked for factual errors
- There is no specific guideline on the price limit of the books but it is kept in mind that some government schools may not be able to purchase books beyond a certain price. Also if the content, story line and illustration of the book is good, the price is irrelevant
- The broad parameters / guidelines for Classes 1 and 2 are similar
- The broad parameters / guidelines for the Classes 3, 4 and 5 are similar
- The parameters might change as per interest areas of children and their language familiarity in each of these age groups