

*It's time to flip
the page over.
However,
the chapter
of knowledge
continues...*





NAVNEET Knowledge is wealth



NAVNEET Knowledge is wealth

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Board of Directors

Shivji K. Vikamsey	Chairman
Amarchand R. Gala	Managing Director
Jaisinh K. Sampat	Joint Managing Director
Dungarshi R. Gala	Director – Educational Books Publishing
Shantilal R. Gala	Director – Educational Books Publishing
Harakhchand R. Gala	Director – Sales & Distribution
Jitendra L. Gala	Director – Marketing
Kamlesh S. Vikamsey	Director
Liladhar D. Shah	Director
Dr. R. Varadarajan	Director
Vijay D. Rai	Director
Tushar K. Jani	Director
Mohinder Pal Bansal	Director

Company Secretary

Amit D. Buch

Auditors

Ghalla & Bhansali
Chartered Accountants, Mumbai

Bankers

ICICI Bank Ltd.
Barclays Bank PLC
Kotak Mahindra Bank Ltd.
HDFC Bank Ltd.
DBS Bank Ltd.
Deutsche Bank

Registered Office

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

Ahmedabad Office

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

Works

- Village Dantali, Behind Kasturi Nagar,
District and Taluka - Gandhinagar, Gujarat.
- Gokhiware, Chinchpada,
Vasai (East), Dist. Thane.
- Village Sayali, Silvassa.
- Dabhel, Nani Daman
U.T. Daman & Diu
- Rakanpur, Taluka Kalol
Dist. Mehsana

e-mail

investors@navneet.com

Website

www.navneet.com

Dear Shareowners,

I have a mixed feeling while presenting this report – Firstly; I would like to express our solidarity for those affected at recent Bomb blast in Mumbai, Tsunami in Japan and elsewhere in the world. The terrible event that hit Japan brought to the forefront the inborn quality of the Japanese, who in an unspeakable calamity showed rare character, discipline and determination; a lesson for all of us to learn from. On the other hand, our Men in Blue gave us tremendous joy and satisfaction when they brought back home the Cricket World Cup after 28 years!

On the business front, your company concluded FY11 with revenues at ₹ 548 crore, led by the publication business which grew 8% at ₹ 299 crore and stationery segment grew by 2% at ₹ 244 crore. The balance revenue of ₹ 5 crore was from other sources. However with the syllabus change continuing in the State of Maharashtra in FY12 and Gujarat likely to follow suit, the company expects good growth for the publications segment over the next few years. And on Stationery front, company's restructuring initiatives for domestic markets have shown encouraging results in FY11 resulting in double digit growth in this segment. The situation looks more promising in FY12 with steady improvement in margins. However the overall performance of the stationery segment was lower than what we had anticipated as a result of exports taking a beating as fierce competition from other markets and currency fluctuations did not allow us to offer finer prices to the customers.

The progress in e-learning activity was almost at par with expectation. Now that the company has completed the full range of primary & secondary state level curriculum in Maharashtra & Gujarat, substantial improvement is expected in FY12 performance. Your company is confident that with more and more schools including this module in their day-to-day teaching activities, this segment will gain impetus and your company with its strong brand and relationship built over many decades will create a sustainable long term business model.

The last decade belonged to the Information technology, communication and entertainment sector, but this decade will belong to education and innovation – i.e. innovation in any field. Education sector is a high priority thrust area for the Government of India. Current literacy rate in India is close to 60% and the Government wants it to be close to 85% in the next 5 years. Simultaneously Education field is growing much faster in various services, be it school education, Coaching activities including vocational trainings provides huge opportunities not only to grow but also to service the society. Navneet is hopeful of participating in these activities directly and/or indirectly.

With the opportunities opening up in this sector on account of increased government spends, willingness by parents to spend on quality education and the improving student-enrolment ratio, the scope for players like Navneet to deliver education based products is so large that we are confident of reaching our target of ₹ 1000 crore revenue mark in next couple of years.

Shivji K. Vikamsey

Dividend Policy :

Keeping in line with the low capital expenditure requirements for the business, the company continues with its liberal dividend policy and accordingly the company declared and paid interim dividend of 30% or ₹ 0.60 ps per share. The company has now proposed dividend of 40% or ₹ 0.80 ps per share. The dividend as proposed alongwith the interim dividend already paid works out to 50% pay out (including dividend distribution tax) for FY10-11. Depending on the capital expenditure requirements for newer initiatives this could change. However, the company expects that a 25% dividend payout will continue.

Wealth Creation for Shareholders :

Over the years by following sound business policies and taking prudent investment decisions Navneet has successfully created a Net worth of ₹ 339 crore. Further, the shareholders have been consistently receiving a handsome dividend every year.

Business Overview / Outlook :

Publications Segment :

Revenues from publications business grew 8% on a y-o-y basis at ₹ 299 crore. However with the syllabus change continuing in the state of Maharashtra and Gujarat from FY12 the company expects good growth for the publications segment over the next few years.

Stationery Segment :

On Stationery front, revenues grew at 2% on a y-o-y basis at ₹ 240 crore which was lower than Company's expectations as exports took a beating. However the restructuring initiatives for domestic markets have shown encouraging results in FY11 resulting in double digit growth in domestic market. The situation looks more promising in FY12 with steady improvement in margins. Exports look bleak as competition from other markets and currency fluctuations are the main bottlenecks to offer better prices to the customers.

Other Segments:

The revenue of ₹ 5.1 crore from other segment comprises mainly of revenue generation from windmills.

Operating margins and its likely improvement:

Operating margins (before Other Income) stood at ₹ 126 crore in FY11 (22.99% of sales) as compared to ₹ 110 crore in FY10 (21.16% of

sales) on account of efficiency in the Material Consumption, Marketing, Sales promotion and Admn.exp.

Capex plans for the current year:

The company is in the process of expanding its storage facilities to cater to its increased volumes and may also invest in some additional office premises for its various activities and some minor additions to the plant.

Update on eSense-an e-initiative by Navneet :

The aggressive marketing drive has seen considerable improvement in the numbers of eSense. The company has received encouraging response for its classroom oriented e-learning modules in Gujarat and Maharashtra. As this e-learning module is gaining acceptance from student and teacher community in both states, the company has accelerated its efforts on production and marketing. In FY 10-11 the company has sold its classroom teaching module to 487 institutions and is confident of achieving significant improvement in the number of school enrollments by the end of FY12. Also by creating full range of primary & secondary state level curriculum in Maharashtra & Gujarat, your company is on fast track to achieve a good performance for FY12.

Update on the Spanish acquisition:

Spanish acquisition was to promote children books products in European markets. With recessionary trends continuing for last couple of years and likely to continue further, your company has decided to keep Spanish office as only marketing office going forward. With this change the company has achieved deductions in its costs. However, it still believes in the potential of IPRs of Grafalco.

Future Growth Drivers, Opportunities, Risks :

The size of the Indian education space is estimated at USD 25.6 bn, which is slated to grow at a rate of 22% per annum. Growth is expected across segments, most prominently in K-12 and higher education, valued at USD 11.5 bn and USD 8.6 bn, respectively. The growth rates could be higher in case regulatory changes are introduced. (Edelweiss-Indian Education Report).

Demand for education is set to rise in India in the years to come due to:

- Population in the working group set to increase substantially.

- We are increasingly becoming a knowledge economy a shift from Rural or Agriculture based economy. This changing structure creates the need for better education system.
- Increasing income levels lead to higher aspirations which in turn lead to a demand for not just education, but “quality” education.

Navneet is ready to ride the growth curve on the basis of the ride of the middle class and its income organically or inorganically. Further, the huge demand-supply gap in quality education means that innovators will stand to gain. Navneet aims to continue its focus on providing quality education through its strong content. Further, we'll aim to improve our profits by improving our efficiency all across the board and strong internal controls.

Risk Factors :

Competition from Other Players :

The Education Business is one of the high growth and happening industry. The Company operates in highly competitive environment that is subject to innovations, changes and varying levels of resources available to each player in each segment of business. This may be a matter of concern if the Company does not adapt to the changing face of the Industry. The Company has been keeping itself abreast of latest changes in the industry to implement the same in its operation to keep itself ahead of competition.

High Input Cost :

The persisting inflationary pressure could certainly increase the Company's input costs. With the company's policy to keep the prices of its products within affordable range of the masses could adversely affect the company's profits. However the Management is keenly monitoring the cost at each level and shall take appropriate steps to limit its cost to the minimum level and pass on if necessary.

Regulatory Risk :

Government's recent pronouncement of removing the export subsidy came as big setback to Company's export operation. If there is also the pressure of exchange rate from the competitive countries, the Company might need to relook at its export model in future.

The company relies on intellectual property rights and Proprietary rights which may not be adequately protected under current laws. Further, in view of the kind of business in which Company is, it may be subjected to defamation suits, which may have adverse effect on its business.

Regulatory enactments are monitored regularly and the Company shall be de-risking its Education business model from time to time. Further, all necessary legal vetting is done by the management to ensure that Intellectual Property Rights relating to contents/rights have requisite protection.

Corporate Social Responsibility :

Your Company continues to use eco-friendly materials for most of its major products catering to environmental needs and also continues with its corporate social responsibility initiative and donates mainly in areas of medical aid, education and rehabilitation programmes. For FY11 the company donated ₹ 2.74 crore.

The management will continue to fulfill its social responsibility on an ongoing basis towards society in whatever best possible manner.

Internal Controls :

The Company has in place adequate internal control systems, commensurate with its size and nature of operations so as to ensure smoothness of operations and compliance with applicable legislation. The Company has a well-defined system of management reporting and periodic review of business to ensure timely decision-making.

Industrial Relations :

Industrial Relations were cordial at all locations. In a challenging environment and business conditions, the support from the workforce was positive throughout.

Cautionary Statement :

The Management Discussion and Analysis describing the Company's outlook, projections, expectations and estimates regarding future performance are based on current economic scenario. The management believes this scenario to follow as per its expectation to the best of its knowledge at the time of preparation of this report. However, these economic conditions are subject to uncertainties, which could cause actual results to differ materially from those which may be indicated in the above analysis.

(1) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Corporate Governance at Navneet is a combination of several factors to achieve the objectives of transparency, full disclosure, a system of checks and balances between the shareholders, directors, auditors and the management. The Company continuously strives to attain higher levels of accountability, transparency, responsibility and fairness in all aspects of its operations. Navneet's basic philosophy behind an endeavour towards better Corporate Governance is to enrich the value of shareholders by achieving business excellence. Your Company is committed to the principles of good Corporate Governance.

(2) BOARD OF DIRECTORS

2.1 Composition

The Board of Directors comprises of 13 directors. The Company has 6 Independent Directors, 1 Non-Executive Director and 6 Promoter / Executive Directors. The Chairman of the Board is an Independent Director.

2.2 Attendance / Remuneration of Directors

The details of attendance of Directors at the meeting of the Board of Directors of the Company, last Annual General Meeting attended and remuneration paid / payable for Financial Year 2010-11 are as follows :

Sr. No.	Name of Director	Category	Board Meetings during 2010-2011		Salary (₹)	Other Benefits (₹)	Contri. To PF (₹)	Sitting Fee* (₹)	Total Remuneration (₹)	Last AGM attended
			Held	Attended						
1.	Shri S. K. Vikamsey	ID	5	5	0	0	0	32,500	32,500	Yes
2.	Shri A. R. Gala	PD	5	5	24,84,000	17,65,020	2,98,080	0	45,47,100	Yes
3.	Shri J. K. Sampat	PD	5	5	24,84,000	17,65,020	2,98,080	0	45,47,100	No
4.	Shri D. R. Gala	PD	5	5	24,84,000	17,65,020	2,98,080	0	45,47,100	Yes
5.	Shri H. R. Gala	PD	5	5	24,84,000	17,65,020	2,98,080	0	45,47,100	No
6.	Shri S. R. Gala	PD	5	5	24,84,000	17,65,020	2,98,080	0	45,47,100	No
7.	Shri J. L. Gala	PD	5	5	24,84,000	17,65,020	2,98,080	0	45,47,100	No
8.	Shri Mohinder Pal Bansal#	ID	5	2	0	0	0	10,500	10,500	N.A.
9.	Shri K. S. Vikamsey	ID	5	5	0	0	0	42,500	42,500	Yes
10.	Shri L. D. Shah	ID	5	4	0	0	0	33,500	33,500	No
11.	Dr. R. Varadarajan	ID	5	0	0	0	0	0	0	No
12.	Shri V. D. Rai	NED	5	2	0	0	0	8,000	8,000	Yes
13.	Shri Tushar K. Jani	ID	5	2	0	0	0	8,000	8,000	No

Appointed as additional director w.e.f. 14/09/2010

ID – Independent Director PD – Promoter Director / Executive Director NED – Non-Executive Director

Non-Executive, Independent Directors do not receive any other remuneration except sitting fees for attending Board / Audit / Investors' Grievance Committee Meeting.

2.3 Directorships in Other Public Limited Companies of the Directors as at 31st March, 2011:

Sr. No.	Name of Director	No. of Directorships	No. of Committee Positions Held *	No. of Committees Chaired *
1	Shri Shivji K. Vikamsey	2	-	-
2	Shri Amarchand R. Gala	-	-	-
3	Shri Jaisinh K. Sampat	-	-	-
4	Shri Dungarshi R. Gala	-	-	-
5	Shri Shantilal R. Gala	-	-	-
6	Shri Harakhchand R. Gala	-	-	-
7	Shri Jitendra L. Gala	-	-	-
8	Shri Kamlesh S. Vikamsey	10	7	3
9	Shri Liladhar D. Shah	-	-	-
10	Dr. R. Varadarajan	-	-	-
11	Shri Vijay D. Rai	6	4	1
12	Shri Tushar K. Jani	-	-	-
13	Shri Mohinder Pal Bansal	1	-	-

* includes Audit Committee and Investors' / shareholders' Grievance Committee.

2.4 Number of Board Meetings held and dates on which held:

There were five Board Meetings held during 2010-2011 and gap between two Board Meetings did not exceed four months. The dates of the Board Meeting are - 27th April, 2010, 24th June, 2010, 26th July, 2010, 28th October, 2010, 31st January, 2011.

2.5 A brief resume of Directors seeking appointment / re-appointment:

Shri Shivji K. Vikamsey

He is a Chartered Accountant by profession. He has more than five decades of experience in the field of Accounting, Auditing, Taxation and Management consultancy.

Shri Harakhchand R. Gala

He has wide experience in the field of sales & distribution of educational books.

Shri Kamlesh S. Vikamsey

He is a renowned Chartered Accountant by profession and has specialised in the field of Accounting, Taxation and Management advisory services.

Shri Mohinder Pal Bansal

Shri Mohinder Pal Bansal was appointed as an Additional Director w.e.f. 14th September, 2010. He is a Chartered Accountant by profession and has over two decades of experience in M&A,

Strategic Advisory, Capital Markets, Portfolio Company integration and post-acquisition performance management in India, Asia and Europe. He holds 4000 shares of the Company.

2.6 Shri Amarchand R. Gala, Shri Dungarshi R. Gala, Shri Harakhchand R. Gala and Shri. Shantilal R. Gala are related as brothers and Shri Shivji K. Vikamsey and Shri Kamlesh S. Vikamsey are related as father and son.

(3) CODE OF CONDUCT FOR DIRECTORS & SENIOR MANAGEMENT PERSONNEL

The Board at its meeting held on 7th November, 2005 have adopted the Code of Conduct for the Directors and Senior Management Personnel.

A copy of Code of Conduct has been put on the Company's Website www.navneet.com

Code of Conduct has been circulated to all the Members of the Board and Senior Management Personnel of the Company and compliance of the same is affirmed by them. A declaration by the Managing Director under Clause 49 of the Listing Agreement regarding compliance with Code of Conduct is given below :

In accordance with Clause 49(D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that all the Members of the Board and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct guideline as applicable to them for the Financial Year ended 31st March, 2011.

Amarchand R. Gala Managing Director

(4) AUDIT COMMITTEE

4.1 Composition

The Audit Committee presently comprises of four Independent Directors namely Shri Shivji K. Vikamsey, Shri Kamlesh S. Vikamsey, Shri Liladhar D. Shah and Shri Mohinder Pal Bansal. The Chairman of the Audit Committee is an Independent Director namely Shri Kamlesh S. Vikamsey.

4.2 Shri Amit D. Buch, Company Secretary is Secretary to the Audit Committee.

4.3 Attendance

Five Audit Committee Meetings were held during the year on 27th April, 2010, 24th June, 2010, 26th July, 2010, 28th October, 2010 and 31st January, 2011.

The Constitution of the Audit Committee was changed during the year by inducting Shri Mohinder Pal Bansal as a member of the Audit Committee. The present composition of the Audit Committee, the number of meetings held and attended are as under:

Name of Director	No. of Meetings Held	No. of Meetings Attended
Shri Kamlesh S. Vikamsey	5	5
Shri Shivji K. Vikamsey	5	5
Shri Liladhar D. Shah	5	4
Shri Mohinder Pal Bansal	5	1

The Chairman of the Audit Committee was present at the last Annual General Meeting held on 6th September, 2010.

The Minutes of the Audit Committee are noted at the meeting of the Board of Directors of the Company.

4.4 Powers of Audit Committee

- (1) To investigate any activity within its terms of reference.
- (2) To seek information from any employee.
- (3) To obtain outside legal or other professional advice.
- (4) To secure attendance of outsiders with relevant expertise, if it considers necessary.

4.5 Broad Terms of References of the Audit Committee

- (1) To review with the management the Management discussion and analysis of financial condition and results of operations.
- (2) To review Statement of significant related party transactions (as defined by the Audit Committee) submitted by management.
- (3) To review Management letters / letters of internal control weaknesses issued by the statutory auditors.
- (4) To review Internal Audit Reports relating to internal control weaknesses.
- (5) To review appointment, removal and terms of remuneration of the Chief internal auditor.
- (6) To review with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- (7) To overview the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
- (8) To recommend to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- (9) To approve payment to statutory auditors for any other services rendered by the statutory auditors.

- (10) To review with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgement by management.
 - d) Significant adjustments made in the financial statements arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of any related party transactions.
 - g) Qualifications in the draft Audit Report.
- (11) To review with the management, the quarterly financial statements before submission to the board for approval.
- (12) To review with the management, performance of statutory, internal auditors, and adequacy of the internal control system.
- (13) To review the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- (14) Approval of appointment of CFO after assessing the qualifications, experience & background, etc. of the candidate.
- (15) To discuss with internal auditors any significant findings and follow up there on.
- (16) To review the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- (17) To discuss with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- (18) To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- (19) To carry out any other function as may be added by the Board of Directors in the terms of reference of the Audit Committee, by the Board from time to time.

(5) SUBSIDIARY COMPANIES

The Company does not have a material non-listed Indian subsidiary Company whose turnover or networth exceeds 20% of the consolidated turnover or networth respectively of the holding Company in the immediately preceding accounting year. The Board of Directors periodically review the investments and transaction of its subsidiary companies. Copies of the minutes of the meeting of Board of Directors of the subsidiary companies are placed at the subsequent Board meeting of the holding Company.

(6) INVESTORS' GRIEVANCE COMMITTEE

6.1 Composition

The composition of Investors' Grievance Committee is as under:

- (a) Shri Liladhar D. Shah (Independent Director)
- (b) Shri Kamlesh S. Vikamsey (Independent Director)
- (c) Shri Jaisinh K. Sampat (Executive Director)

The Chairman of Investors' Grievance Committee is an Independent Director namely Shri Liladhar D. Shah.

6.2 Terms of Reference

Investors' Grievance Committee meets periodically for the redressal of Investors' Grievance related to share transfers, transmissions, transpositions, re-materialisation, split and issue of duplicate share certificates, non-receipt of Annual Report, non-receipt of declared dividends and such other related issues.

6.3 Four Investors' Grievance Committee meetings were held during the year on 27th April, 2010, 26th July, 2010, 28th October, 2010 and 31st January, 2011.

The number of Investors' Grievance Committee Meetings held and attended are as under:

Name of Director	No. of Meetings Held	No. of Meetings Attended
Shri Liladhar D. Shah	4	3
Shri Kamlesh S. Vikamsey	4	4
Shri Jaisinh K. Sampat	4	4

Shri Amit D. Buch, Company Secretary is the Compliance Officer.

The Minutes of Investors' Grievance Committee Meetings are noted by the Board of Directors of the Company.

6.4 Number and nature of complaints received during the year under review are as follows :

Description	Received	Resolved	Pending
Transfer / Demat	4	4	0
Non-receipt of Share Certificate	16	16	0
Non-receipt of Dividend Warrant	79	79	0
General Correspondence / Complaints	14	14	0
Total	113	113	0

(7) REMUNERATION COMMITTEE

7.1 Composition

The Remuneration Committee of the Company was constituted on 27th April, 2004 comprising of the following Members:

- Shri Shivji K. Vikamsey (Chairman)
- Shri Kamlesh S. Vikamsey
- Shri Liladhar D. Shah

Shri Amit D. Buch, Company Secretary is the Secretary of the Remuneration Committee.

7.2 Broad Terms of Reference

The broad Terms of Reference of the Remuneration Committee are to evaluate and appraise the performance of the Managing / Executive Directors and Senior Management Personnel, determine and recommend to the Board the compensation payable to them.

7.3 Remuneration Policy

The remuneration policy of the Company is based on performance of senior managerial personnnels. The remuneration policy is in consonance with the existing industry practice.

(8) GENERAL MEETINGS

8.1 The details of last three Annual General Meetings held are given below:

Financial Year & Meeting No.	Day & Date	Time	Venue
2009-10 Twenty Fourth	Monday 6 th September, 2010	3:30 p.m.	Textile Committee Auditorium, Textile Committee Building, P. Balu Road, Near Tata Press, Prabhadevi Chowk, Mumbai – 400 025.
2008-09 Twenty Third	Friday 31 st July, 2009	3:30 p.m.	Textile Committee Auditorium, Textile Committee Building, P. Balu Road, Near Tata Press, Prabhadevi Chowk, Mumbai – 400 025.
2007-08 Twenty Second	Thursday 31 st July, 2008	3:30 p.m.	Textile Committee Auditorium, Textile Committee Building, P. Balu Road, Near Tata Press, Prabhadevi Chowk, Mumbai – 400 025.

8.2 Special Resolutions passed at last three Annual General Meetings

a) 24th AGM held on 6th September, 2010

- ❖ Reappointment of Shri Amarchand R. Gala as Managing Director.
- ❖ Reappointment of Shri Dunganrshi R. Gala and Shri Harakhchand R. Gala as Wholetime Directors of the Company.

b) 23rd AGM held on 31st July, 2009 : Nil

c) 22nd AGM held on 31st July, 2008

- ❖ Approval to pay remuneration to the relatives of Directors u/s 314 of the Companies Act, 1956.

8.3 Passing of Resolutions by Postal Ballot

There were no resolutions passed by Postal Ballot at the Twenty Fourth Annual General Meeting held on 6th September, 2010. Further, there is no item on agenda of the ensuing Annual General Meeting that needs approval by postal ballot. However, resolution(s), if required, shall be passed by postal ballot during the year ending 31st March, 2012 as per prescribed procedure.

(9) DISCLOSURES

9.1 There were no transactions of material nature between the Company and its promoters, directors or the management, other subsidiaries or relatives that may have the potential conflict with the interest of the Company. The Register of contracts containing the transactions in which the directors are interested was placed before the Board regularly for its approval and concurrence.

9.2 There were no materially significant related party transactions which have potential conflict with the interest of the Company at large.

9.3 The Company has complied with various rules and regulations prescribed by Stock Exchange and SEBI, relating to the capital markets during the last 3 years.

9.4 Risk assessment and its minimisation procedures have been laid down by the Company and the same have been informed to the Board Members. These Procedures are periodically reviewed to ensure that the Executive Management controls risk through means of a properly defined framework.

9.5 The Company has fulfilled the following non-mandatory requirements as prescribed in Annexure ID to Clause 49 of the listing agreement with the Stock Exchanges:

9.6 The Company has set up a Remuneration Committee. Please see the Para on Remuneration Committee for the details.

(10) MEANS OF COMMUNICATIONS

10.1 The financial Results and Press Releases are displayed on the Website of the Company at www.navneet.com, after its submission to Stock Exchanges.

10.2 The Company publishes its unaudited/audited Quarterly Results and audited financial results for the entire financial year in "The Economic Times" "Maharashtra Times" "The Free Press Journal" and "Nav Shakti" newspapers in Mumbai.

10.3 Management Discussion and Analysis forms part of the Annual Report, which is being mailed to the shareholders of the Company.

(11) GENERAL SHAREHOLDERS INFORMATION

11.1 25th Annual General Meeting :

Date : 15th September, 2011

Time : 3:30 p.m.

Venue : Textile Committee Auditorium,
Textile Committee Building,
P. Balu Road, Near Tata Press,
Prabhadevi Chowk, Mumbai – 400 025.

11.2 Financial Year : 1st April, 2011 to 31st March, 2012

11.3 Financial Calendar :

Board Meetings to be held for approving Quarterly Results :

Particulars	Date
Quarterly Results for 1 st Quarter	Last Week of July/first week of August, 2011
Quarterly Results for 2 nd Quarter	Last Week of October/first week of November, 2011
Quarterly Results for 3 rd Quarter	Last Week of January/first week of February, 2012
Quarterly Results for 4 th Quarter	Last Week of April/first week of May, 2012

11.4 Date of Book Closures :

The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 8th September, 2011 to Thursday, 15th September, 2011 (both days inclusive) for the purpose of payment of final dividend and Annual General Meeting.

11.5 Dividend paid during the year under review :

The Company declared and paid interim dividend of ₹ 0.60 ps per share during 2010-2011. The final dividend for the financial year 2010-11 shall, if declared as per agenda Item No. 2 of the Notice to the shareholders convening the ensuing Annual General Meeting to be held on 15th September, 2011 be credited in shareholders' account/ dispatched to the shareholders on and from 20th September, 2011.

11.6 Company's Shares are listed on :

Shares of the Company are listed on National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd.

11.7 Stock Codes on Stock Exchanges :

BSE : 508989 NSE : NAVNETPUBL ISIN : INE 060A01024

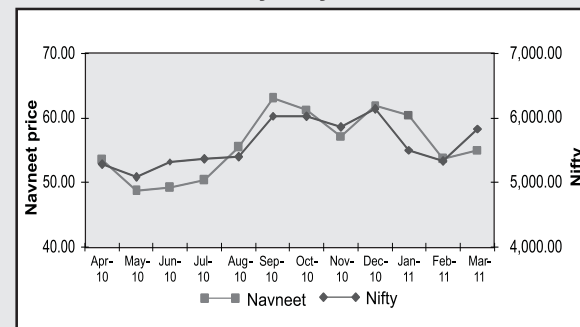
Listing Fees for 2011-2012 have been paid to both the Stock Exchanges where the shares of the Company are listed.

11.8 Volume of Shares traded and Stock Price Movement

on a month to month basis :

Month	BSE No. of Shares	NSE No. of Shares	BSE (High) (₹)	BSE (Low) (₹)	NSE (High) (₹)	NSE (Low) (₹)
April, 2010	4721164	6721635	57.20	49.00	61.00	49.00
May, 2010	2078325	2518069	53.60	46.75	54.00	46.60
June, 2010	4996159	3705943	53.00	46.50	52.95	46.00
July, 2010	3118014	4811265	56.75	48.40	56.80	48.70
August, 2010	7454072	9859731	61.75	50.15	61.50	50.00
September, 2010	13199403	17992706	69.85	55.60	69.20	55.55
October, 2010	12417072	18802231	75.80	60.40	75.90	60.15
November, 2010	8364254	12729666	68.90	54.50	68.95	53.55
December, 2010	6448463	8485651	64.85	52.00	64.75	52.00
January, 2011	7175208	8951633	66.40	53.90	66.50	56.40
February, 2011	3062635	4628514	62.90	52.25	62.75	50.10
March, 2011	3123229	3333074	58.40	53.50	58.05	53.40

Navneet Publications Vs Nifty for year ended 31.03.2011



11.9 Volume of Shares traded during the year under review as a percentage of the number of Shares outstanding:

BSE : 31.97%

NSE : 43.05%

11.10 Distribution of Shareholding as on 31st March 2011 :

No. of equity shares held	No. of Shareholders	Percentage of Shareholders	No. of Shares	Percentage of Shareholding
001-500	24128	72.87	4064777	1.71
501-1000	2959	8.94	2385832	1.00
1001-2000	2019	6.10	2966655	1.25
2001-3000	882	2.66	2263119	0.95
3001-4000	964	2.91	3538438	1.49
4001-5000	314	0.95	1498875	0.62
5001-10000	953	2.88	6478346	2.72
10001 & above	891	2.69	215018958	90.26
Total	33110	100	238215000	100

11.11 Category of Shareholders as on 31st March 2011 :

Category	% to Paid-up Share Capital
Foreign Institutional Investors (FIIs)	3.50
Non-Resident Indians (NRIs)	0.65
Trust	0.01
Financial Institutions Non-Nationalised Banks / Foreign Banks	0.02
Mutual Funds	5.63
Domestic Companies	6.68
Promoters	61.80
Public	21.50
Other Clearing members	0.21
Total	100

11.12 Registrar and Share Transfer Agent: Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai – 400 078

Tel : (91-022) 2594 6970

Fax : (91-022) 2594 6969

E-mail : rnt.helpdesk@linkintime.co.in

Website : www.linkintime.co.in

11.13 Dematerialisation of Shares and liquidity:

The Company's Shares are compulsorily traded in dematerialised form and available for trading on both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Securities (India) Limited (CDSL).

Equity Shares of the Company representing 97.07% of the Company's

Share Capital are dematerialised as on 31st March 2011.

In 2010-2011	- 97.07%	In 2007-2008	- 96.26%
In 2009-2010	- 96.80%	In 2006-2007	- 95.59%
In 2008-2009	- 96.44%	In 2005-2006	- 95.13%

The Company's shares are regularly traded on National Stock Exchange of India Ltd. and Bombay Stock Exchange Ltd. in electronic form.

Latest information on shares dematerialised is available on the Company's website at www.navneet.com.

11.14 Share Transfer in Physical Form

Share Transfer in physical form can be lodged with the Registrar and Share Transfer Agent namely Link Intime India Private Limited at the address mentioned herein above or at their Branch Offices mentioned in its website. The transfers are normally processed within 15 days if the documents are complete in all respect and thereafter the share certificates duly transferred are dispatched.

Total number of shares transferred in physical form during the year were 2,91,902 against 1,92,442 for the previous year.

Investor's Contact Information :

Mr. Mahesh Masurkar

Email : rnt.helpdesk@linkintime.co.in

11.15 Outstanding GDRs / ADRs / Warrants:

The Company has not issued any GDR(s) / ADR(s) / Warrants / Convertible instruments.

11.16 Plant Locations:

The Company's Plants are located at the following places :

- ❖ Village Dantali, Dist. & Tal. Gandhi Nagar, Gujarat.
- ❖ Village Sayali, Silvassa.
- ❖ Gokhiware, Chinchpada, Vasai, Dist. Thane
- ❖ Dabhel, Nani Daman, U.T. Daman & Diu.
- ❖ Rakanpur, Taluka Kalol, Dist. Mehsana

11.17 Registered Office :

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

Tel. : +91- 22-66626565

Fax : +91- 22-66626470

E-mail : investors@navneet.com

11.18 Compliance Officer :

Company Secretary and

Compliance Officer : Mr. Amit D. Buch

E-mail : amit.buch@navneet.com

12. Details Of Directors Seeking Appointment / Re-appointment at the forthcoming Annual General Meeting (pursuant to Clause 49 of the Listing Agreement)

Name of Director	Date Of Birth	Date of Appointment	Experience in specific functional areas	Qualification	Directorship held in other companies	* Committee positions held in other companies	Equity Shares held
Shri Shivji K. Vikamsey	25/05/27	14/12/01	He is a Chartered Accountant by profession. He has more than five decades of experience in the field of Accounting, Auditing, Taxation and Management consultancy.	B.Com. F.C.A.	2	NIL	NIL
Shri Harakhchand R. Gala	04/06/38	21/02/95	He has wide experience in the field of sales & distribution of educational books.	S.S.C.	NIL	NIL	1678425
Shri Kamlesh S. Vikamsey	06/12/60	30/05/92	He is a renowned Chartered Accountant by profession and has specialised in the field of Accounting, Taxation and Management advisory services.	B.Com. F.C.A.	10	7	NIL
Shri Mohinder Pal Bansal	08/05/57	14/09/10	He is a Chartered Accountant by profession and has over two decades of experience in M&A, Strategic Advisory, Capital Markets, Portfolio Company integration and post -acquisition performance management in India, Asia and Europe.	B.Com. F.C.A.	1	NIL	4000

* includes Audit Committee and Investors' / shareholders' Grievance Committee.

CEO AND CFO CERTIFICATE

To
The Board of Directors
We hereby certify that -

- a) we have reviewed financial statements and the cash flow statements for the year ended 31st March, 2011 and that to the best of our knowledge and belief
 - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) there are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) we accept responsibility for establishing and maintaining internal controls for financial reporting, we have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken to rectify these deficiencies.
- d) we further certify that -
 - i) there have been no significant changes in the internal control over financial reporting during the year,
 - ii) there have been no significant changes in the accounting policies during the year; and
 - iii) there have been no instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Mumbai
Date : 28th July, 2011

For Navneet Publications (India) Limited
sd/-

Amarchand R. Gala
Managing Director

Gnanesh D. Gala
Chief Financial Officer

CERTIFICATE FROM AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the members of Navneet Publications (India) Ltd.

We have examined the compliance of Corporate Governance by Navneet Publications (India) Limited, for the year ended 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.

The compliance of Corporate Governance is the responsibility of the Company's management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the condition of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that generally no investor grievance is pending for a period exceeding one month against these Company as per the records maintained by the Registrar and Share Transfer Agent of the Company and reviewed by the Investors' Grievance Committee.

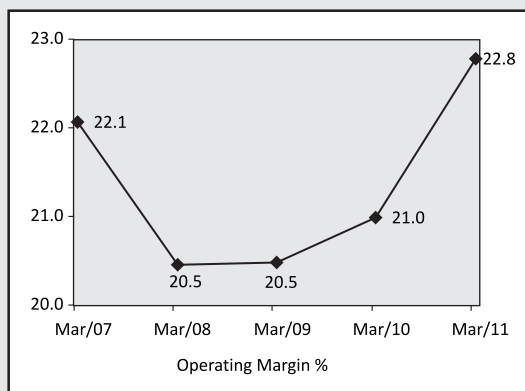
We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Place : Mumbai
Date : 28th July, 2011

**For Ghalla & Bhansali
Chartered Accountants**
sd/-

Haresh K. Chheda
Partner

Membership No. 38262



Ratio Analysis	Mar-07	Mar-08	Mar-09	Mar-10	Mar-11
Profitability Ratios					
ROACE % (Post Tax)	21.9	23.7	22.5	23.0	23.3
ROACE % (Pre Tax)	32.7	32.7	33.2	34.7	35.4
ROFA % (Post Tax)	64.7	61.0	66.9	78.8	67.8
ROFA % (Pre Tax)	96.5	83.8	98.6	119.0	103.2
Operating Margin %	22.1	20.5	20.5	21.0	22.8
Profit After Tax Margin %	13.0	13.4	11.7	13.0	14.1

ROACE : Return on average capital employed.

ROFA : Return on Fixed Assets.

NOTES :

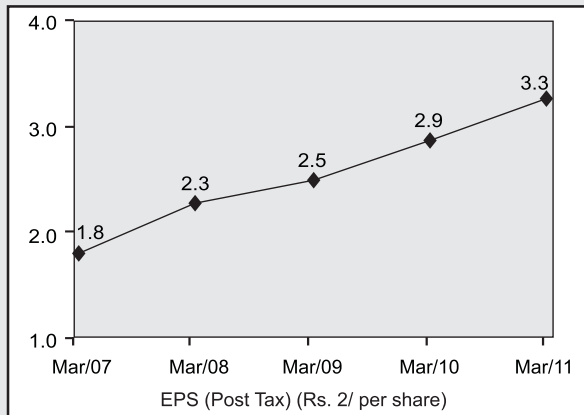
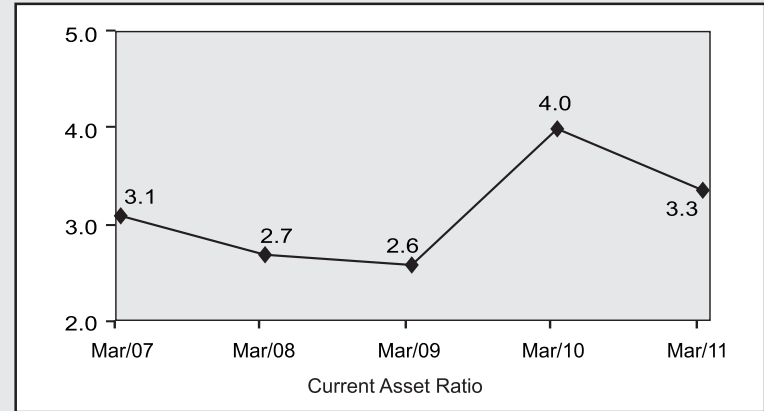
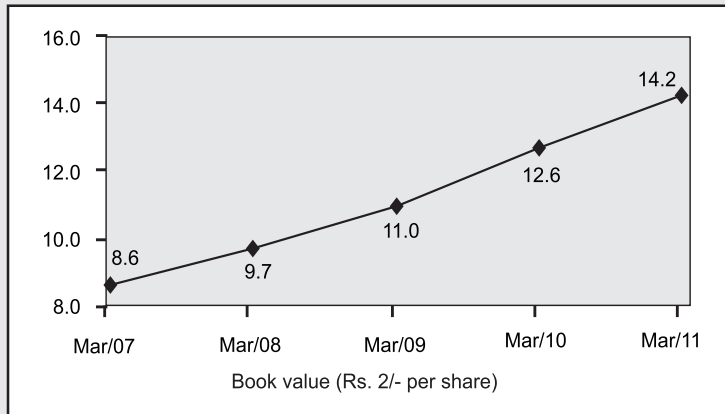
- 1) Loan of ₹ 902 Lac (₹ 4442 Lac) are of short term in nature and have been treated as current liability above and not included in capital employed.
- 2) Loans of ₹ 1158 Lac (₹ 1467 Lac) are of long term in nature and have been treated as capital employed.
- 3) Company had issued 3 Bonus Shares for 2 share held during 2009-10. All figures are after considering the issue of Bonus Shares and Stock Splits.
- 4) EPS, CEPS, Book Value, Dividend Payout is restated for previous years following the Bonus Issue Of 3:2 during 2009-10.

Solvency Ratio

Debt-equity	0.0	0.1	0.1	0.0	0.0
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Liquidity Ratio

Current	3.1	2.7	2.6	4.0	3.3
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Ratio Analysis Profitability Ratios

Mar-07 Mar-08 Mar-09 Mar-10 Mar-11

Miscellaneous Ratios

EPS (Post Tax)(₹ 2/- per share)	1.8	2.3	2.5	2.9	3.3
EPS (Pre Tax) (₹ 2/- per share)	2.7	3.1	3.6	4.3	4.9
CEPS (Post Tax) (₹ 2/- per share)	2.1	2.7	3.0	3.3	3.7
CEPS (Pre Tax) (₹ 2/- per share)	3.0	3.5	4.1	4.8	5.4
Dividend Payout %	51.0	49.8	49.2	41.0	50.1
MARKET CAP (₹ in Crore)	553.0	916.0	474.0	1217.0	1313.8
Book Value (₹ 2/- per share)	8.6	9.7	11.0	12.6	14.2
Raw Material Cost to Sales %	55.8	53.3	58.1	47.4	49.1
Employee Cost to Sales %	8.0	7.4	7.1	8.1	8.7
Fixed Assets Turnover Ratio	5.0	4.5	5.7	6.1	4.8
Capital Turnover Ratio	1.6	1.7	1.8	1.7	1.6
Average Collection (Days)	45	49	44	53	54
Average Payment (Days)	15	25	28	21	20

	2006-07	2007-08	2008-09	2009-10	2010-11
Revenue	32,676	40,043	50,490	52,221	54,850
Operating Profit (PBDT)	7,193	8,412	9,862	11,427	12,935
Depreciation	831	1,022	1,171	1,164	1,144
Tax	2,098	2,013	2,797	3,466	4,036
Net Profit (PAT)	4,263	5,377	5,894	6,798	7,755
Dividend	1,905	2,287	2,477	2,382	3,335
Dividend (%)	40	48	52	50	70
Retained Profit	2,091	2,702	2,996	4,011	3,873
Book Value (Face Value at ₹ 2/-)	9	10	11	13	14
Equity Capital	4,764	4,764	4,764	4,764	4,764
Reserves & Surplus	18,577	21,148	24,188	25,296	29,178
Borrowings (Short term)	4,913	6,671	5,000	4,442	902
Borrowings (Long term)	-	1,685	1,509	1,467	1,158
Capital Employed	20,483	24,739	27,603	31,528	35,100
Gross Block	14,219	17,408	18,506	19,338	23,188
Net Block	6,595	8,821	8,813	8,624	11,431
Net Current & Other Assets	13,259	15,879	17,593	21,895	22,248

NOTES :

- 1) Loans of ₹ 902 Lac (₹ 4442 Lac) are of short term in nature and have been treated as current liability and not included in capital employed.
- 2) Loans of ₹ 1158 Lac (₹ 1467 Lac) are of long term in nature and have been treated as capital employed.
- 3) Company had issued 3 Bonus Shares for 2 Share held during 2009-10. All figures are after considering the issue of of Bonus Shares.

	2008-09 (Mar-09)		2009-10 (Mar-10)		2010-11 (Mar-11)	
Sales						
Publishing Division						
Educational Books	24,192		25,168		27,338	
Children's and General Books	1,529		1,569		1,636	
Children's and General Books Export	<u>1,232</u>	26,953	<u>926</u>	27,663	<u>956</u>	29,930
Stationery Division						
Exports (including incentives)	7,088		6,966		5,544	
Paper Stationery (Domestic)	13,912		14,493		16,088	
Non Paper Stationery (Domestic)	<u>1,975</u>	22,975	<u>2,553</u>	24,012	<u>2,775</u>	24,407
Others		562		545		513
		<u>50,490</u>		<u>52,220</u>		<u>54,850</u>

NOTICE is hereby given that the Twenty-Fifth Annual General Meeting of Navneet Publications (India) Limited will be held on Thursday, 15th September, 2011 at 3:30 p.m. at Textile Committee Auditorium, Textile Committee Building, P. Balu Road, Near Tata Press, Prabhadevi Chowk, Mumbai - 400 025 to transact the following business:

ORDINARY BUSINESS :

- 1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2011 and the Balance Sheet as at that date together with the Reports of Board of Directors and Auditors thereon.
- 2) To confirm the payment of Interim Dividend and declare Final Dividend for the year ended 31st March, 2011.
- 3) To appoint a Director in place of Shri Shivji K. Vikamsey, who retires by rotation, and being eligible, offers himself for re-appointment.
- 4) To appoint a Director in place of Shri Harakhchand R. Gala, who retires by rotation, and being eligible, offers himself for re-appointment.
- 5) To appoint a Director in place of Shri Kamlesh S. Vikamsey, who retires by rotation, and being eligible, offers himself for re-appointment.
- 6) To appoint M/s. Ghalla & Bhansali, Chartered Accountants, as Statutory Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS:

7) To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution: **“RESOLVED THAT** in accordance with the provisions of Section 257 and all other applicable provisions, if any, of the Companies Act, 1956, Shri Mohinder Pal Bansal, who was appointed as an Additional Director by the Board of Directors of the Company and who holds office upto the date of this Annual General Meeting pursuant to Section 260 of the Companies Act, 1956 and in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Director as per

the provisions of Section 257 of the Companies Act, 1956, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

By Order of the Board of Directors

sd/-

Amit D. Buch

Company Secretary

Place : Mumbai

Date : 28th July, 2011

Registered Office:

Navneet Bhavan,
Bhavani Shankar Road,
Dadar(West),
Mumbai - 400028

NOTES :

- [A] The Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 in respect of the Special Business at Item No. 7 of the accompanied Notice is annexed hereto.
- [B] A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXY(IES) TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE DULY FILLED, STAMPED, SIGNED AND SHOULD BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
- [C] Corporate members intending to send their authorised representatives to attend the Annual General Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Annual General Meeting.
- [D] The Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, 8th September, 2011 to Thursday, 15th September, 2011 (both days inclusive) for the purpose of payment of final dividend and Annual General Meeting.

- [E] The final dividend, if declared at the ensuing Annual General Meeting shall be credited / dispatched on and from 20th September, 2011 to those Members holding shares in physical form whose names appear in the Company's Register of Members as on Wednesday, 7th September, 2011 and to those holding shares in electronic / demat form, as per the list of beneficial ownership furnished by National Securities Depository Limited (NSDL) and Central Depository Securities (India) Limited (CDSL) as of the close of business hours on Wednesday, 7th September, 2011.
- [F] Members holding shares in physical form are requested to promptly intimate about the change of address, if any, to the Registrar and Share Transfer Agent at the address given below :
- M/s. Link Intime India Pvt. Ltd.,
C-13, Pannalal Silk Mills Compound,
L. B. S. Marg, Bhandup (West),
Mumbai – 400078.
- [G] Pursuant to provisions of Section 205A and 205C of the Companies Act, 1956, the amount of dividend remaining unclaimed as unpaid for a period of seven years from the date of transfer to the unpaid dividend account is required to be transferred to "Investor Education and Protection Fund" (IEPF) of the Central Government. Dividend declared by the Company for the year 2003 - 04 and thereafter is still lying in the respective unpaid dividend account of the Company. Members who have not yet encashed these dividend(s) are requested to contact Company's Registrar and Share Transfer Agent - M/s.Link Intime India Pvt. Ltd. Kindly note that no claim shall lie against the Company after the unclaimed dividend is transferred to IEPF.
- [H] Those members who are holding shares in dematerialised form are requested to inform their respective Depository Participant about the change in their address and/or bank details, if any.
- [I] Members desiring any information, as regards the Annual Accounts are requested to write to the Company at least ten days before the date of Annual General Meeting to enable the Management to keep the information ready.
- [J] In compliance with new Clause 5A of the Listing Agreement, the Company will send three reminders to all shareholders whose shares remain unclaimed with the Company. In case no response is received to the said reminders as required under the said Clause, the Company shall transfer the same to an Unclaimed Suspense Account and dematerialize the same.
- [K] Brief resume of Directors seeking appointment / re-appointment, their inter relationship, shareholding in the Company as required under Clause 49 of the listing agreement is given in Corporate Governance Report.
- [L] Members holding shares in physical form, desirous of receiving all the future dividend amounts directly by way of ECS are requested to communicate their intention to the Registrar and Share Transfer Agent of the Company with full bank account details.

By Order of the Board of Directors

sd/-

Amit D. Buch

Company Secretary

Place : Mumbai

Date : 28th July, 2011

Registered Office:

Navneet Bhavan,
Bhavani Shankar Road,
Dadar (West),
Mumbai -400028

ANNEXURE TO NOTICE

Explanatory Statement as required under Section 173(2) of the Companies Act, 1956 in respect of Special Business at Item No.7 of the Notice.

Item No.7

The Board of Directors of the Company appointed Shri Mohinder Pal Bansal as an Additional Director of the Company w.e.f. 14th September, 2010 in terms of the provisions of the Companies Act, 1956 and Articles Association of the Company. In terms of the provisions Section 260 of the Companies Act, 1956, Shri Mohinder Pal Bansal would hold office as Director upto the date of ensuing Annual General Meeting of the Company and is eligible for re-appointment as Director.

The Company has received a notice in writing from a Member of the Company alongwith deposit of ₹ 500/- proposing the candidature of Shri Mohinder Pal Bansal for office of Director of the Company under the provisions of Section 257 of the Companies Act, 1956.

The Board of Directors considers that his appointment as Director will be beneficial and in the interest of the Company.

The Board recommends the resolution as set out at Item No. 7 of the accompanying Notice for approval by the Members.

Shri Mohinder Pal Bansal is concerned or interested in the resolution as set out at Item No. 7 of the Notice which pertains to his own appointment as a Director of the Company. Save and except Shri Mohinder Pal Bansal, non of the other Directors of the Company is,

in any way, deemed to be concerned or interested in the said resolution.

By Order of the Board of Directors

sd/-

Amit D. Buch

Company Secretary

Place : Mumbai

Date : 28th July, 2011

Registered Office:

Navneet Bhavan,
Bhavani Shankar Road,
Dadar (West),
Mumbai -400028

Important Communication to Members

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circular stating that service of notice/ document including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic / demat holding with their Depository Participant (DP) and those holding physical shares with the Company or its Registrar and Share Transfer Agent.

Dear Shareowners,

Your Directors have pleasure in presenting their Twenty-Fifth Annual Report along with the Audited Statement of Accounts of the Company for the year ended 31st March, 2011.

(1) FINANCIAL RESULTS:

Particulars	(₹ In Lac)	
	Current Year	Previous Year
(a) Profit before Interest, Depreciation and Tax	13229	11615
(b) Less : Interest	294	187
(c) Profit before Depreciation and Tax	12935	11428
(d) Less : Depreciation	1144	1164
(e) Profit Before Tax	11791	10264
(f) Less : (i) Provision for Tax	3940	3554
(ii) Provision for deferred Tax	100	(48)
(iii) (Add) / Less : Provision of Tax for earlier years	(4)	(40)
(g) Profit After Tax	7755	6798
(h) Balance brought forward from last year	16279	13268
(i) Profit available for Appropriation	24034	20066
APPROPRIATIONS :		
(a) Interim Dividend	1429	2382
(b) Final Dividend	1906	-
(c) Corporate Tax on Dividend	547	405
(d) General Reserve	1000	1000
(e) Balance Carried to Balance Sheet	19152	16279
	24034	20066

(2) DIVIDEND :

Your Directors are pleased to recommend a final dividend of ₹ 0.80 ps (40%) per share for the Financial Year 2010-2011. The Company had declared and paid interim dividend of ₹ 0.60 ps (30%) per share during the year under review. The interim dividend so paid alongwith final dividend, if declared, work out to above 50% (including dividend distribution tax) as against your Company's policy of distribution of minimum of 25% of its net profit.

(3) OPERATIONS :

- (i) Sales and Income from the operations of the Company increased from ₹ 52221 Lac to ₹ 54850 Lac.
- (ii) Profit before depreciation and income tax for the year under review stood at ₹ 12935 Lac as against ₹ 11428 Lac in the previous year.
- (iii) After providing ₹ 1144 Lac for depreciation and ₹ 4036 Lac for income tax, deferred tax and earlier year provisions, profit after tax stood at ₹ 7755 Lac as against ₹ 6798 Lac achieved in the previous year.

(4) PERFORMANCE OF DIVISIONS :

Content Division

During the year under review, the revenue from publications business was ₹ 29930 Lac as compared to previous year revenue of ₹ 27663 Lac, a growth of 8% on a y-o-y basis. However, with the syllabus change continuing in the State of Maharashtra and Gujarat from Financial Year 2011-12, your Company expects good growth for publications segment over the next few years.

Your Directors are pleased to inform you that due to the aggressive marketing drive adopted by the Subsidiary Company, considerable improvement is seen in the numbers of Company's e-learning business for FY12. Your Company has received encouraging response for its classroom oriented e-learning modules in Gujarat and Maharashtra. As this e-learning module is gaining acceptance from student and teacher community in both states, your Company has accelerated its efforts on production and marketing. During the Financial Year 2010-11, your Company could sell its classroom teaching module to 487 institutions and is confident of increasing this number substantially by the end of Financial Year 2011-12 as it has completed full range of primary & secondary state level curriculum in the State of Maharashtra and Gujarat.

Stationery Division

During the year under review, the revenues from stationery division grew at 2% on a y-o-y basis at ₹ 24407 Lac as compared to the previous year revenue of ₹ 24012 Lac. This was lower than

Company's expectations mainly on account of lower exports. However, the restructuring initiatives taken by your Company for domestic markets have shown encouraging results in Financial Year 2010-11 resulting in double digit growth in domestic market. Your Directors are confident of having promising situation with steady improvement in margins in the Financial Year 2011-12. Exports look bleak as competition from other markets and currency fluctuations are the main bottlenecks to offer better prices to the customers.

Other Segments :

The revenue of ₹ 513 Lac from other segment mainly comprises of revenue generation from windmills.

(5) DEPOSITORY SYSTEM:

As the shareholders are aware, the Company's shares are compulsorily tradable in electronic form. The Company's 97.11% of the paid up capital representing 231339599 equity shares are in dematerialized form as on 15th July, 2011. In view of the numerous advantages offered by the depository system, Members still holding shares in physical mode are advised to avail of the facility of getting the physical shares dematerialised on either of the depositories.

(6) CORPORATE GOVERNANCE :

Your Company has complied with Clause 49 of the Listing Agreement entered with the Stock Exchanges. A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement alongwith the Auditor's Certificate on compliance with the Corporate Governance forms part of this Annual Report.

(7) MANAGEMENT DISCUSSION AND ANALYSIS :

As per Clause 49 of the Listing Agreement, Management Discussion and Analysis report forms part of this Annual Report.

(8) SUBSIDIARY COMPANIES :

In accordance with the general circular issued by the Ministry of Corporate Affairs, Government of India, the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies are not attached with the Annual Accounts of the Company. The Company will make available the Annual Accounts of its subsidiary companies and related information to any member of the Company who may be interested in obtaining the same. The Annual Accounts of the subsidiary companies will also be kept open for inspection at the Registered Office of the Company and at the head office of subsidiary companies. The Audited Consolidated Accounts and Cash Flow Statement comprising of the Company and its subsidiary companies forms part of this Report. The Consolidated Accounts have been prepared in accordance with Accounting Standards (AS-21), on Consolidated Financial Statements issued by Institute of Chartered Accountants of India.

(9) NETWORTH AND BORROWING :

Net worth of your Company increased to ₹ 33942 Lac against ₹30061 Lac in the previous year. Your Company borrowed ECB of ₹1685 Lac to fund its windmill power project of which ₹ 1158 Lac is outstanding as at balance sheet date which is classified as long term debt. Further, your Company utilises the credit facilities from the banks and other short term finances for its working capital requirements only.

(10) CRISIL RATING :

Your Company's short term debt programme continues to be rated by CRISIL as P1+ (pronounced as P one Plus). This rating indicates very strong degree of safety with regard to timely payment of interest and principal on instrument.

(11) DIRECTORS :

Shri Mohinder Pal Bansal was appointed as Additional Director effective from 14th September, 2010. In terms of Section 260 of the Companies Act, 1956 he shall hold office upto the date of the ensuing Annual General Meeting. The Company has received a notice in writing from a member proposing his candidature for the office of Director, liable to retire by rotation.

Shri Shivji K. Vikamsey, Shri Harakhchand R. Gala and Shri Kamlesh S. Vikamsey, Directors retire by rotation and being eligible, offer themselves for reappointment at the ensuing Annual General Meeting.

(12) CORPORATE SOCIAL RESPONSIBILITY :

Your Company continues to use eco friendly material for most of its major products catering to environmental needs and also continues with its corporate social responsibility initiative and donates mainly in areas of medical aid, education and rehabilitation programmes. For the Financial Year 2011, your Company donated ₹ 274 Lac. The management will continue to fulfill its social responsibility on an ongoing basis towards society in whatever best possible manner.

(13) FIXED DEPOSITS :

Your Company has not accepted any fixed deposits during the year

(14) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

The information as required under Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 is given in Annexure 'A' forming part of this Report.

(15) PARTICULARS OF EMPLOYEES :

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended, forms part of this Report. However, as per the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, this Report and Accounts are being sent to all members of the Company excluding the Statement of Particulars of Employees under Section 217(2A) of the Companies Act, 1956. Any Member interested in obtaining a copy of said statement may write to Company Secretary at the Registered Office of the Company.

(16) DIRECTORS' RESPONSIBILITY STATEMENT :

Your Directors hereby state :

- (a) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (b) that the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- (c) that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the Directors have prepared the Annual Accounts on a going concern basis.

(17) AUDITORS :

M/s. Ghalla & Bhansali, Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment. The Company has received a letter from them to the effect that their re-appointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

(18) GROUP :

Entities, apart from Promoters and Promoter Group companies, comprising the 'Group' are disclosed in the Annual Report for the purpose of SEBI (Substantial Acquisition of Shares & Takeover) Regulations, 1997 as amended upto date.

(19) INDUSTRIAL RELATIONS :

During the year under review, cordial and harmonious relationship continued between the management and employees at all levels.

(20) ACKNOWLEDGEMENT :

The Directors place on record their gratitude to the Central and State Government authorities, Bankers, Regulatory authorities and Stock Exchanges for their assistance and co-operation extended to the Company during the year. Further, the Directors place on record their sincere appreciation for the valuable contribution made by all the employees in the progress of the Company. The Directors also thank the shareholders for their confidence in the Company.

For and on behalf of the Board of Directors
sd/-

Place : Mumbai **Shivji K. Vikamsey**
Date : 28th July, 2011 **Chairman**

Annexure 'A' to Directors' Report

Particulars required under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988.

(A) Conservation of Energy

Company's plant was designed to achieve high efficiency in the utilisation of energy. The key areas with regards to reduction of energy are identified and constant efforts are made towards energy conservation.

(B) Technology Absorption

FORM - B

Form of Disclosure of Particulars with respect to Technology Absorption

Research & Development

Your Company has content creation and design development activity at Mumbai, Ahmedabad and Vasai.

(1) Efforts in brief towards technology absorption, adaptation & innovation

Through visits of technical personnel to developed Western countries, the Company keeps abreast with the advanced Technology Development and through specific programmes introduces, adopts and absorbs these sophisticated technologies.

(2) Benefits derived as a result of the above efforts

In view of the above, the Company has been able to achieve a higher production, accuracy and perfection in printing.

(3) In case of Imported Technology

- | | | |
|---|---|---|
| (i) Technologies Imported | } | None, The Company has not imported any Technology |
| (ii) Year of Import | | |
| (iii) Has the technology been fully absorbed? | | |

(C) Foreign Exchange Earnings and Outgo

The Company's export turnover has been ₹5764 Lac.

Total Foreign Exchange earned and used:

- (i) Foreign Exchange earned : ₹ 5764 Lac
(ii) Foreign Exchange used : ₹ 1375 Lac

For and on behalf of the Board of Directors
sd/-

Place : Mumbai **Shivji K. Vikamsey**
Date : 28th July, 2011 **Chairman**

Entities, apart from Promoters and Promoter Group companies, - comprising the 'Group' for the purpose of SEBI (Substantial Acquisition of Shares & Takeover) Regulations, 1997 as amended upto date :

Sr. No.	Name
1	Corsa Holdings Pvt. Ltd.
2	Aura Commercials LLP
3	Verain Commercials LLP
4	Aragonite Commercials LLP
5	eSense Learning Pvt. Ltd.
6	Swing Commercials LLP
7	Rose Peach Commercials LLP
8	Springshield Commercials LLP
9	Accord Holdings Pvt. Ltd.
10	Durell Commercials LLP
11	Aurum Commercials LLP
12	Florry Commercials LLP
13	Aria Commercials LLP
14	Qualis Holdings Pvt. Ltd.
15	Argos Commercials LLP

Statement pursuant to Section 212 of the Companies Act, 1956, relating to the Subsidiary Companies for the year ended 31st March 2011

Name of the subsidiary company	Grafalco Ediciones S.L.	eSense Learning Pvt. Ltd.
Financial Year of the subsidiary company	31st December, 2010	31st March, 2011
No. of Equity shares in subsidiary company held by Navneet Publications (I) Ltd. at the above date	678006 Equity Shares @ Euro 1 each	4133500 Equity shares ₹ 10/- each
% of holding (Equity)	100%	90.69%
% of holding (Preference)	NIL	NIL
The net aggregate of profits/(losses) of the subsidiary company so far as it concerns the members of Navneet Publications (I) Ltd :		
(i) Dealt with in the Accounts of the Navneet Publications (I) Ltd. amounted to :		
a) for the subsidiary's financial year ended 31 st December, 2010 & 31 st March, 2011	NIL	NIL
b) for the previous financial years of the subsidiary since it became a subsidiary of Navneet Publications (I) Ltd.	NIL	NIL
(ii) Not dealt with in the Accounts of the Navneet Publications (I) Ltd. amounted to :		
a) for the subsidiary's financial year ended 31 st December, 2010 & 31 st March, 2011	(₹ 76889147)	(₹ 32620876)
b) for the previous financial years of the subsidiary since it became a subsidiary of Navneet Publications (I) Ltd.	(₹ 105552579)	(₹ 66348536)
Changes in the interest of the Navneet Publications (I) Ltd. between the end of the subsidiary's financial year and 31 st March, 2011.	NIL	NIL
Material changes between the end of the subsidiary's financial year and 31 st March, 2011.	NIL	NIL

For and on behalf of the Board

Place: Mumbai

Date: 28th July, 2011

sd/-

Amit D. Buch

Company Secretary

sd/-

A. R. Gala

Managing Director

sd/-

S. K. Vikamsey

Chairman

To The Members of Navneet Publications (India) Limited,

We have audited the attached Balance Sheet of NAVNEET PUBLICATIONS (INDIA) LIMITED, as at 31st March 2011, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on the test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis of our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose the Annexure attached here to, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in para (1) above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of the books.
 - c) The Balance sheet, Profit and Loss Account and Cash

Flow Statement dealt with by this report are in agreement with the books of account.

- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report, is in compliance with the Accounting Standards specified by the Institute of Chartered Accountants of India, referred to in sub-section (3C) of section 211 of the Companies Act, 1956; to the extent applicable to the Company.
- e) On the basis of written representations received from the directors, and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011.
 - ii. In the case of the Profit and Loss account, of the profit for the year ended on that date; and
 - iii. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **Ghalla & Bhansali**
Chartered Accountants
(Registration No. 103142 W)

sd/-

Place : Mumbai
Date : 28th July, 2011

Haresh K.Chheda
Partner
Membership No. 38262

(Referred to in paragraph 1 of our report of even date on the accounts for the year ended 31st March, 2011 of Navneet Publications (India) Limited)

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) All the assets have not been verified by the management during the year but, according to the information and explanations given to us, and in our opinion the intervals for verification are reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
c) In our opinion, fixed assets disposed off during the year were not substantial and therefore do not affect the going concern assumption.
2. a) In our opinion, the inventory of the Company has been physically verified by the management at reasonable intervals. In respect of inventory lying with third parties, these have substantially been confirmed by them.
b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its inventories and discrepancies noticed on such physical verification between stock and the book records were not material.
3. a) According to information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the provisions of clause 4(iii) (b), (c) and (d) of the Companies (Auditor's Report) Order, 2003 are not applicable.
b) In our opinion and according to the information and explanation given to us, and as it appears from Register maintained under section 301 of the Companies Act, 1956, the Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the said Register. Consequently, the provisions of clause 4(iii) (e), (f) & (g) of the Companies (Auditor's Report) Order, 2003 are not applicable.
4. In our opinion and according to the information and explanations given to us, the Company has adequate internal control system commensurate with the size of the Company and nature of its business with regard to purchase of inventories and fixed assets and for the sale of goods and services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor have we been informed of any instance of continuing failure to correct major weaknesses in internal control.
5. a) In our opinion and to the best of our knowledge and belief, and according to information and explanation given to us, the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 have been entered in the register maintained under section 301 of the Companies Act, 1956.
b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding value of ₹ 5,00,000/- in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public within the meaning of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder.
7. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
8. According to information and explanations given to us, the Central Government has not prescribed maintenance of cost records under Clause (d) of sub-section (1) of section 209 of

the Companies Act, 1956, for the industry in which the Company operates.

9. a) According to the information and explanations given to us and according to the books and records as produced and examined by us, in our opinion, the undisputed statutory dues in respect of provident fund, investors education and protection fund, employees' state insurance, income tax, VAT, wealth tax, service tax, custom duty, excise duty, cess and others as applicable have been regularly deposited by the Company during the year with the appropriate authorities.
- b) According to information and explanation given to us, there are no dues outstanding of VAT, income tax, customs duty, wealth tax, service tax, excise duty and cess, which have not been deposited on account of any dispute, except for the following.

Name of the Staute	Nature of Dues	Amount (In Lacs) Rs.	Forum where disputes is Pending
I.T. Act, 1961	Assmt. Dues A.Y. 00-01	26.08	I.T.A.T.
I.T. Act, 1961	Assmt. Dues A.Y. 01-02	81.56	I.T.A.T.
I.T. Act, 1961	Assmt. Dues A.Y. 03-04	3.03	I.T.A.T.

10. The Company has neither accumulated losses as at March 31, 2010, nor it has incurred any cash losses during the financial year ended on that date and the immediately preceding financial year.
11. According to information and explanations given to us, the Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders during the year.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit or a nidhi/mutual benefit fund/society, therefore, the clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.

14. In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in securities. Hence clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
15. The Company has given guarantee for loans taken by subsidiary company from banks and in our opinion, the terms and conditions of such guarantee is not, prima facie, prejudicial to the interest of the Company.
16. The Company has obtained term loan during the year, and in our opinion and according to the information and explanations given to us, the term loan obtained are applied for the purpose for which the loans are obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet and cash flow of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
19. The Company has not issued any debentures during the year. Hence clause 4(xix) of the Companies (Auditor's Report) order, 2003 is not applicable to the company.
20. The Company has not raised any money by public issue during the year. Hence clause 4(xx) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
21. According to the information and explanations given to us, during the year, no fraud by or on the Company has been noticed or reported during the course of our audit.

For **Ghalla & Bhansali**
Chartered Accountants
(Registration No. 103142 W)

sd/-

Place : Mumbai
Date : 28th July, 2011

Haresh K.Chheda
Partner
Membership No. 38262

	Schedule	As at 31st March, 2011 ₹ In Lacs	As at 31st March, 2010 ₹ In Lacs
Sources of Funds			
Shareholders' Funds			
Share Capital	A	4,764	4,764
Reserves & Surplus	B	29,178	25,297
		<u>33,942</u>	<u>30,061</u>
Loan Funds			
Secured Loans	C	2,060	5,909
Unsecured Loans	D	3,500	0
		<u>5,560</u>	<u>5909</u>
Deferred Tax Liability		328	227
Total Funds Employed		<u>39,830</u>	<u>36,197</u>
Application of Funds			
Fixed Assets			
Gross Block		23,188	19,338
Less: Depreciation	E	11,757	10,714
Net Block		<u>11,431</u>	<u>8,624</u>
Capital Work-in-Progress		983	470
		<u>12,414</u>	<u>9,094</u>
Investments			
Current Assets, Loans and Advances	F	766	766
Inventories	G	17,660	17,216
Sundry Debtors		8,068	7,563
Cash and Bank Balances		1,046	1,085
Loans and Advances		4,976	3,352
		<u>31,750</u>	<u>29,217</u>
Less: Current Liabilities and Provisions	H	2,568	2,556
Current Liabilities		2,532	324
Provisions		<u>5,100</u>	<u>2,880</u>
Net Current Assets		26,650	26,337
Total Funds Utilised		<u>39,830</u>	<u>36,197</u>
Significant Accounting Policies and Notes on Accounts	P		
Schedule referred to above form an integral part of the accounts			

As per our report of even date attached hereto
For and on behalf of :

For and on behalf of the Board

Ghalla & Bhansali
Chartered Accountants
sd/-
Haresh K. Chheda
Partner
Mumbai : 28th July, 2011

sd/-
Amit D. Buch
Company Secretary

sd/-
A. R. Gala
Managing Director

sd/-
S. K. Vikamsey
Chairman

Profit and Loss Account

NAVNEET PUBLICATIONS (INDIA) LIMITED

	Schedule	2010 -2011	2009 -2010
		₹ In Lacs	₹ In Lacs
Income			
Income from Operations		54,850	52,221
Other Income	I	736	654
		<u>55,586</u>	<u>52,875</u>
Expenditure			
(Increase)/Decrease in stocks	J	(320)	1,461
Cost of Materials	K	26,926	24,746
Manufacturing Expenses	L	2,622	2,596
Salaries, Wages & Employee Benefits	M	4,771	4,223
Administrative and Selling Expenses	N	8,358	8,234
Interest	O	294	187
		<u>42,651</u>	<u>41,447</u>
Profit before Depreciation and Tax		12,935	11,428
Depreciation	E	1,144	1,164
Profit before Tax		11,791	10,264
Less : Provision for Taxation -Income Tax (Current)		3,940	3,554
- Deferred tax		100	(48)
Add/(Less) : Excess/(Short) Provision of Earlier Year W/off/Back		(4)	(40)
Profit after Tax		7,755	6,798
Add : Balance brought forward from last year		16,279	13,268
Profit available for Appropriation		<u>24,034</u>	<u>20,066</u>
Appropriations			
Dividend (First interim)		1,429	2382
Proposed Dividend-Final		1,906	0
		<u>3,335</u>	<u>2,382</u>
Corporate Tax on Dividend		547	405
General Reserve		1,000	1,000
		<u>4,882</u>	<u>3,787</u>
Surplus carried to Balance Sheet		<u>19,152</u>	<u>16,279</u>
Basic and Diluted Earning per share of ₹ 2/- each		3.26	2.85
[Refer Note 19 of Schedule 'P']			
Significant Accounting Policies and Notes on Accounts	P		

Schedule referred to above form an integral part of the accounts

As per our report of even date attached hereto

For and on behalf of :

Ghalla & Bhansali

Chartered Accountants
sd/-

Haresh K. Chheda

Partner

Mumbai : 28th July, 2011

sd/-

Amit D. Buch

Company Secretary

sd/-

A. R. Gala

Managing Director

sd/-

S. K. Vikamsey

Chairman

For and on behalf of the Board

	As at 31st March, 2011	As at 31st March, 2010
	₹ In Lacs	₹ In Lacs
SCHEDULE A : SHARE CAPITAL		
Authorised :		
25,00,00,000 (25,00,00,000) Equity Shares of ₹ 2/- each (₹ 2/- each)	<u>5,000</u>	<u>5,000</u>
Issued, Subscribed & Paid Up :		
23,82,15,000 (23,82,15,000) Equity Shares of ₹ 2/- each (₹ 2/- each) fully paid up	<u>4,764</u>	<u>4,764</u>
Total	<u>4,764</u>	<u>4,764</u>
Note :		
(1) Of the above 20,64,53,000 (20,64,53,000) Shares were allotted as fully paid-up Bonus Shares by Capitalisation of Share Premium and General Reserve.		
SCHEDULE B : RESERVES & SURPLUS		
Capital Reserve		
As per last Balance Sheet	#	#
General Reserve		
As per last Balance Sheet	9,013	10,872
Less : allotted 0 (1,42,92,9000) bonus shares of ₹ 2/- each	0	(2,859)
Add : Additions during the year	<u>1,000</u>	<u>1,000</u>
Foreign currency Translation Reserve	10,013	9,013
	13	5
Surplus as per Profit and Loss Account	<u>19,152</u>	<u>16,279</u>
Total	<u>29,178</u>	<u>25,297</u>

Note : # Number lower than ₹ 1 Lac

	As at 31st March, 2011	As at 31st March, 2010
	₹ In Lacs	₹ In Lacs
SCHEDULE C : SECURED LOANS		
Loans from Banks :		
LONG TERM :		
- Foreign Currency Loans - Windmill	1,158	1,467
SHORT TERM :		
Working Capital Borrowings :		
- Local Currency Loan	0	3,079
- Foreign Currency Loans	902	1,363
	<u>2,060</u>	<u>5,909</u>
Total	<u>2,060</u>	<u>5,909</u>
Notes :		

- (a) All short term Rupee loans and foreign currency loans equivalent to ₹ 902 Lacs (Previous year ₹ 4442 Lacs) are secured against :
hypothecation & first charge over stock of raw materials, work-in-process, finished goods, stores and spares not relating to plant and machinery and book debts.
- (b) Long term foreign currency loans are exclusively secured by hypothecation of Windmills.

SCHEDULE D : UNSECURED LOANS

SHORT TERM LOANS:

From Banks	3,500	0
	<u>3,500</u>	<u>0</u>
Total	<u>3,500</u>	<u>0</u>

SCHEDULE E: FIXED ASSETS

₹ In Lacs

Sr. No.	Description of Assets	Gross Block				Depreciation / Amortization				Net Block	
		Cost As on 01.04.2010	Additions during the year	Deduction / Adjustment	Cost As on 31.03.2011	As at 01.04.2010	For the Year	Deductions / Adjustment	Total upto 31.03.2011	As on 31.03.2011	As on 31.03.2010
	Tangible										
1	Land - Freehold	340	644	-	984	-	-	-	-	984	340
2	Land - Leasehold	84	-	-	84	39	6	-	45	39	45
3	Building	4,395	2,221	-	6,616	1,791	166	-	1,958	4,658	2,604
4	Plant & Machinery	11,659	669	42	12,285	7,013	696	33	7,676	4,610	4,646
5	Office Equipment	241	11	1	251	158	14	1	172	79	83
6	Furniture & Fixtures	1,115	74	-	1,189	807	73	-	881	308	308
7	Vehicles	1,092	178	78	1,193	544	155	67	631	562	549
	Intangible										
8	Trade Mark	58	0	-	59	29	6	-	34	24	30
9	SAP	247	-	-	247	228	19	-	247	0	19
10	Software	106	175	-	281	106	8	-	114	167	-
	Total	19,338	3,972	121	23,188	10,714	1,144	101	11,757	11,431	8,624
	Previous Year	18,506	1,011	179	19,338	9,693	1,164	143	10,714	8,624	-

	As at 31st March, 2011	As at 31st March, 2010
	₹ In Lacs	₹ In Lacs
SCHEDULE F : INVESTMENTS		
(Refer Note No. 21 of schedule P)		
Long Term		
Other Investments		
Unquoted		
In Subsidiary		
Grafalco Ediciones S.L.		
— 6,78,006 (6,78,006) Equity Shares of Euro 1/- each. (Euro 1/- each) fully paid up	391	391
eSense Learning Pvt. Ltd.		
— 37,48,500 (37,48,500) Equity Shares of ₹ 10/- each (₹ 10/- each) fully paid up	375	375
Aggregate Book Value of Investments : Total	<u>766</u>	<u>766</u>

	As at 31st March, 2011	As at 31st March, 2010
	₹ In Lacs	₹ In Lacs
SCHEDULE G : CURRENT ASSETS, LOANS & ADVANCES		
Current Assets		
Inventories		
Stores, Spares and Consumables	378	377
Raw Materials	5,048	4,925
Finished Goods	11,359	11,151
Work In Process	<u>875</u>	<u>764</u>
	17,660	17,217
Sundry Debtors		
(Unsecured, considered good)		
Over six months	598	333
Others	7,470	7,230
	<u>8,068</u>	<u>7,563</u>
Cash and Bank Balances		
Cash on hand	42	34
Balance with Scheduled Banks		
- In Current Account	1002	974
- In Fixed Deposit Account	<u>2</u>	<u>77</u>
	1,046	1,085
Loans and Advances		
(Unsecured, considered good)		
Loans (Refer Note No. 20 of schedule P)		
- Staff Loan	267	210
- Corporate Deposits	110	0
- Loan to subsidiary	957	321
- Other Deposits	<u>1,465</u>	<u>226</u>
	2,799	757

	As at 31st March, 2011	As at 31st March, 2010
	₹ In Lacs	₹ In Lacs
SCHEDULE G : CURRENT ASSETS, LOANS & ADVANCES (Cont.)		
Advances		
Advances Recoverable in Cash or in Kind or for value to be received	1,562	2,019
Deposits with Public Bodies, Govt., etc.	66	59
Deposits with Others	101	92
Advance Tax paid (Net of provision)	448	425
	<u>2,177</u>	<u>2,595</u>
	4,976	3,352
Total	<u>31,750</u>	<u>29,217</u>
SCHEDULE H : CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
Sundry Creditors (Refer Note No. 15 of Schedule P)	1,451	1,411
Advances Received from customers	245	263
Investors Education and Protection Fund to be credited as and when due - Unclaimed Dividend	80	93
Other Liabilities	782	771
Interest Accrued But Not Due	10	18
	<u>2,568</u>	<u>2,556</u>
Provisions		
For Leave Encashment Benefit	317	324
Proposed Dividend	1,906	0
Corporate Tax on Proposed Dividend	309	0
	<u>2,532</u>	<u>324</u>
Total	<u>5,100</u>	<u>2,880</u>

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
	₹ In Lacs	₹ In Lacs
SCHEDULE I : OTHER INCOME		
On Current Investments		
Dividend	59	50
Profit on Sale of Investments (Net)	117	4
Miscellaneous Income	114	84
Interest and Financial Income [TDS ₹ 53 Lacs; (Previous year ₹ 28 Lacs)]	446	516
Total	736	654
SCHEDULE J : (INCREASE) / DECREASE IN STOCK		
Closing Stock		
Work in Process	875	764
Finished Goods	11,360	11,151
(A)	12,235	11,915
Opening Stock		
Work in Process	764	954
Finished Goods	11,151	12,422
(B)	11,915	13,376
Total	(B - A) (320)	1,461
SCHEDULE K : COST OF MATERIAL		
Raw Materials Consumed/Purchases	26,361	24,201
Freight and Octroi	565	545
Total	26,926	24,746
SCHEDULE L : MANUFACTURING EXPENSES		
Printing Expenses	686	702
Binding Expenses	646	614
Other Manufacturing Expenses	715	708
Power and Fuel	245	254
Stores and Spares Consumed	185	173
Repairs to Plant and Machinery	145	145
Total	2,622	2,596

Schedules forming part of the Profit & Loss Account

NAVNEET PUBLICATIONS (INDIA) LIMITED

	For the year ended 31st March, 2011	For the year ended 31st March, 2010
	₹ In Lacs	₹ In Lacs
SCHEDULE M : SALARIES, WAGES & EMPLOYEE BENEFITS		
Salaries, Wages and Bonus	3,979	3,579
Contribution to Provident and Other Funds	456	340
Staff Welfare	336	304
Total	<u>4,771</u>	<u>4,223</u>
SCHEDULE N : ADMINISTRATIVE & SELLING EXPENSES		
Rates & Taxes	276	192
VAT/Sales TAX	938	761
Rent	480	290
Royalty	1,015	935
Building Repairs & Maintenance	249	392
Other Repairs	186	140
Insurance	73	76
Transportation Expenses	901	914
Commission	92	86
Advertisement	288	418
Marketing Expenses	722	669
Sales Promotion Expenses	940	979
Discount & Rebate	311	327
Bad debts and other irrecoverable advance written off	17	11
Donation	274	288
Bank Charges	133	143
Prior Period	10	3
Legal and professional Fees	432	577
Other Expenses (Refer Note No. 7)	1,021	1,033
Total	<u>8,358</u>	<u>8,234</u>
SCHEDULE O : INTEREST		
Debentures	17	64
Others	277	123
Total	<u>294</u>	<u>187</u>

For the year ended 31st March, 2011

SCHEDULE P : NOTES TO ACCOUNTS**1 Statement of Significant Accounting Policies****(A) Accounting Convention**

The financial statements are prepared under the historical cost convention, on an accrual basis and in accordance with the applicable accounting standards notified by the Company (Accounting Standards Rule, 2006) as amended and relevant Provision of the Companies Act.

(B) Use of Estimates

The Preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known / materialised.

(C) Revenue Recognition

Sales are recognised on transfer of significant risks and rewards in connection with the ownership at the time of dispatch of goods. Sales are recorded net of trade discounts. Dividend income is recognised when right to receive is established.

(D) Fixed Assets

Fixed Assets are stated at cost less accumulated depreciation and impairment loss if any. Cost comprises of the purchase price and all other attributable costs for bringing the asset to its working condition for its intended use.

(E) Depreciation

- (i) Depreciation on Fixed Assets other than intangible assets is provided on Written Down Value Method in accordance with the rates, prescribed in Schedule XIV to the Companies Act, 1956. Individual assets acquired for less than Rs.5000/- are entirely depreciated in the year of acquisition.
- (ii) Depreciation on fixed assets added/disposed off during the year has been provided on pro-rata basis.
- (iii) Lease Premium and related costs are amortised over the lease period.
- (iv) Cost of registration of Trade Marks and for acquiring Copy Rights are amortised over a period of 10 years in equal installments.

- (v) Cost of Intangible assets other trademark are amortised over a period of 36 months.

(F) Impairment of Assets

Assets are treated as impaired when the carrying cost of asset exceeds their recoverable value. An impairment loss is charged to the Profit and Loss Account in the year in which an assets are identified as impaired. The impairment loss recognised in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

(G) Expenditure during construction period

Expenditure during construction period are included under capital work-in-progress and the same are allocated to the respective fixed assets on the completion of construction.

(H) Foreign Currency Transactions & Financial Instruments

- (i) Monetary assets and liabilities related to foreign currency transactions remaining unsettled at the end of the year, are restated at the closing rate as applicable.
- (ii) The differences in translation of monetary assets and liabilities and realised gains and losses on foreign exchange transactions are recognised in the Profit and Loss Account.
- (iii) In respect of forward foreign exchange contract, represented by monetary assets/liabilities and are meant for hedging purposes, the premium or discount arising at the inception of such forwards contract is amortised as expense or income over the life of contract. Exchange differences on such a contract is recognized in the statement of profit and loss in the reporting period in which the exchange rates change. Any profit or loss arising on cancellation or renewal of such a forward exchange contract is recognised as income or as expense for the period.
- (iv) Non - monetary items are carried in terms of historical cost denominated in a foreign currency using the exchange rate at the date of the transactions.
- (v) Exchange difference arising on a monetary item that, in substance, forms part of an enterprise's net investments in a non-integral foreign operation are accumulated in a foreign currency translation reserve.

For the year ended 31st March, 2011

(I) Inventories

Inventories are valued at lower of cost and estimated net realisable value.

- a) Cost of Raw materials, packing materials, stores and spares are determined on weighted average basis.
- b) The Cost of Finished goods and Work-In-Process includes cost of conversion and other costs incurred in bringing the inventories to their present location and condition.

(J) Retirement Benefits

- (i) Contribution to the provident fund, which is a defined contribution scheme, are charged to the Profit and Loss Account in the period in which the liability is incurred.
- (ii) Provision for gratuity, which is a defined benefit plan, is made on the basis of an actuarial valuation carried out by an independent actuary at the balance sheet date and funded through scheme administered by the Life Insurance Corporation of India ('LIC'). The actuarial valuation is done using the 'Project Unit Credit Method'.
- (iii) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the defined benefit obligation at the balance sheet date based on an actuarial valuation carried out by an independent actuary.

(K) Investments

Long-term Investments are stated at cost after deducting provision, if any, for other than temporary diminution in the value of Investment. Current Investments are stated at lower of cost and market / fair value.

(L) Borrowing Costs

The Company capitalises the borrowing costs which are directly attributable to the acquisition or construction of qualifying assets till the said asset is put to use or ready to be put to use. All other borrowing cost are expensed in the period they incurred.

(M) Leased Assets

Operating Lease : Rentals are expensed with reference to lease terms and other considerations.

(N) Provision for Tax

Tax expense comprises of current and deferred tax.

Provision for current tax is determined on the basis of taxable income for the period as per the provisions of Income Tax Act, 1961.

Deferred tax is recognized, subject to consideration of prudence, on timing differences between book profits and tax profits using the tax rates and laws that have been enacted by the balance sheet date. Deferred tax assets are recognized and carried forward only when there is a reasonable certainty that the assets will be realized in future.

(O) Contingent Liabilities and Provision

Contingent Liabilities are possible but not probable obligations as on Balance Sheet date, based on the available evidence.

Provisions are recognized when there is a present obligation as a result of past event, and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are determined based on the best estimate required to settle the obligation at the Balance Sheet date.

2 Estimated amount of Capital Contracts (net of advances) remaining to be executed and not provided for ₹ 733.22 Lacs (Previous Year ₹ 353.97 Lacs)

3 Contingent Liabilities.

(a) For disputed Income-tax matters ₹ 559.30Lacs (Previous Year ₹ 566.95 Lacs) against which amount paid is ₹ 563.02 Lacs (Previous Year ₹ 559.77 Lacs)

(b) Against Bond : (i) Import Duty liability of ₹ 380.61 Lac (Previous Year ₹ 380.61 lacs) for import of machinery against licences granted under EPCG scheme.

(ii) Duty liability amounting to ₹ 28.53 lacs (₹ 23.74 lacs) for the purchase of excisable inputs without payment of duty under the bonds executed if the export obligation is not fulfilled.

(c) In respect of bank guarantess given for subsidiary Company of Euro 2-mn (Previous Year Euro 2-mn) equivalent to ₹ 1278 lacs (Previous Year ₹ 1222 Lacs)

For the year ended 31st March, 2011

4 Financial & Derivative Instruments

- (a) We have sold USD 9.61Mn equivalent ₹ 45.98 cr. and EUR 0.87 Mn equivalent ₹ 5.43 cr (Previous Year USD 5.83 Mn equivalent ₹ 27.85 cr. and Eur 0.44 Mn equivalent ₹ 2.88 cr.) to cover our export receivables and purchase USD 2 Mn equivalent ₹ 9.41cr. (Previous Year USD 3 Mn equivalent ₹ 13.94 cr.) to cover loan repayment.
- (b) NIL (Previous Year USD 0.20 Mn) worth of derivative contracts were open on balance sheet date for sale of USD, hedging Company's receivables in foreign currency.

The Company has entered into USD-JPY derivative option contracts heading its exposure on ECB Borrowing availed in JPY for wind power generation project. Option contracts worth of JPY 253-Mn (Previous Year JPY 325-Mn) were open as on balance sheet date, maturing over a period of seven years ending on Jul 2014. The company has reasonable hedge against its ECB borrowing.

5. Salaries, Wages & Employee Benefits includes Managing and Whole Time Directors' Remuneration under Section 198 of Companies Act, 1956

	2010-2011	2009-2010
	₹ In Lacs	₹ In Lacs
(i) Salary and Bonus	255	220
(ii) Contribution to Provident Fund	18	15
Total	<u>273</u>	<u>236</u>
Expenses towards gratuity and leave encashment provisions are determined actuarially on an overall Company basis at the end of each year, and accordingly have not been considered in the above information.		
6. Computation of Net Profit as per Sec. 349 read with Section 309(5) and Section 198 of the Companies Act, 1956 :		
Profit before tax as per Profit & Loss Account	11,791	10,264
Add : Expenses not to be considered as per Section 349		
Directors' Remuneration	273	236
Directors' Fees	1	1
	<u>274</u>	<u>237</u>
	<u>12,065</u>	<u>10,501</u>
Less : Income not to be considered :		
Profit on Sale of Fixed Assets	3	37
Profit on Sale of Investments	117	4
	<u>120</u>	<u>41</u>
Net Profit computed as per Section 349 of Companies Act, 1956 :	<u>11,945</u>	<u>10,460</u>
7. Auditors' Remuneration		
Audit Fees	6	6
Tax Audit Fees	2	2
Other Matters	6	9
	<u>14</u>	<u>17</u>

For the year ended 31st March, 2011

Additional Information as required under Part II of Schedule VI of the Companies Act, 1956.

8. Licenced Capacity, Installed Capacity and Production.

	Licenced Capacity	Installed Capacity	Production
Printing, Ruling & Binding			N.A. * Not Ascertainable * Not Ascertainable

* In view of the nature of the Company's Business, the Production & Installed Capacity being variable, are not ascertainable and not relevant to the volume of the Company's Sales.

9. The Ministry of Corporate Affairs, Government of India vide its General Notification No. S.O.301(E) dated 8th February 2011 issued under Section 211(3) of the Companies Act, 1956 has exempted certain classes of companies from disclosing certain information in their profit and loss account. The Company being a 'manufacturing company' is entitled to the exemption.

Accordingly, disclosures mandated by paragraphs 3(i)(a) and 3(ii)(a) of Part II, Schedule VI to the Companies Act, 1956 have not been provided.

10. Work in process stock :

(a) Opening Stock :		Value (₹ In Lacs)
(i) Publications :		429 (560)
(ii) Stationery		335 (555)
Total		764 (1,115)
(b) Closing Stock :		Value (₹ In Lacs)
(i) Publications		563 (429)
(ii) Stationery		311 (335)
Total		875 (764)

For the year ended 31st March, 2011

11. Value of Imports on C.I.F. Basis	Value (₹ In Lacs)
(i) Capital Goods	350 (151)
(ii) Raw Material (Including Consumables)	36 (19)
(iii) Components, Stores & Spares & other	641 (684)
12. Expenditure in Foreign Currency on Account of	Value (₹ In Lacs)
(i) Royalty	5 (4)
(ii) Interest	59 (89)
(iii) Professional Fees	100 (134)
(iv) Other Matters	184 (135)
13. Earning in Foreign Exchange :	Value (₹ In Lacs)
Export of Goods on FOB basis	5,673 (6,871)
Interest Income	9 (13)

14. Percentage and Value of Imported and Indigenous Raw Material and Stores & Machinery Spares Consumed.

	Raw Material		Stores & Machinery Spares, etc.	
	Percentage	Value (₹ In Lacs)	Percentage	Value (₹ In Lacs)
Imported	0.23%	62	6.74%	22
	(0.26)%	(60)	(9.84)%	(31)
Indigenous	99.77%	26,299	93.26%	308
	(99.74)%	(24,141)	(90.16)%	(287)
Total :	100.00%	26,361	100.00%	330
	(100.00)%	(24,201)	(100.00)%	(318)

For the year ended 31st March, 2011

15. (a) Sundry Creditors as per Schedule 'H' under Current Liabilities include ₹ 111.47 lacs (Previous Year ₹ 128.07 lacs) due to Small Scale Industrial Undertakings.

(b) The undertakings to whom amounts outstanding for more than 30 days in respect of Small Scale Industrial Undertakings where such dues exceed ₹ 1 lacs are as under :

	₹ in lacs	Previous Year ₹ in Lacs
Amalgam Adhesive Pvt. Ltd.	–	4
Meghart Colour Crafters	–	3
Perfect Print & Pack	–	1

(c) The above information has been complied in respect of parties to the extent to which they could be identified as Small Scale Industrial Undertakings on the basis of information available with the Company.

(d) In the absence of necessary information with the Company, relating to the registration status of suppliers under the Micro, Small and Medium Enterprises Development Act, 2006 the info required under the said act could not be compiled & Disclosed.

16. Foreign Currency Translation of Rs. 200.67 Lacs (Previous Year ₹ 306.58 Lacs) being the exchange difference is credited to the Profit & Loss account.

17. The Company has standardized its accounting policy pertaining to amortization of Intangibles other than Trademarks. This has resulted into lower charge of depreciation by ₹ 158 Lac and higher deferred tax provision by ₹ 54 Lac.

18. Related party transactions

(a) Party where control exists :

Grafalco Ediciones S.L. – Subsidiary Company 100% (P.Y. 100%) of whose equity share capital is held by the Company as at 31st March, 2011.

eSense Learning Pvt. Ltd. – Subsidiary Company 90.69% (P.Y. 90.69%) of whose equity share capital is held by the Company as at 31st March, 2011.

(b) Other related parties with whom transaction have taken place during the year.

(i) Enterprises owned or significantly influenced by key management personnel or their relatives

Navneet Prakashan Kendra
Vikas Prakashan
Gala Publishers
Sandeep Agencies
Bigspace Realty Pvt. Ltd
The Flagship Advertising Pvt. Ltd.

(ii) Key Management
Personnel & Relatives

- | | |
|---------------------|----------------------|
| 1. Shri A.R. Gala | 10. Shri G.D. Gala |
| 2. Shri D.R. Gala | 11. Shri R.H. Gala |
| 3. Shri H.R. Gala | 12. Shri D.C. Sampat |
| 4. Shri S.R. Gala | 13. Shri S.J. Gala |
| 5. Shri J.L. Gala | 14. Shri S.J. Gala |
| 6. Shri J.K. Sampat | 15. Shri K.H. Gala |
| 7. Shri N.N. Shah | 16. Shri S.S. Gala |
| 8. Shri B.A. Gala | 17. Shri K.B. Gala |
| 9. Shri A.D. Gala | |

Transaction with Related Parties :

(₹ In Lacs)

Items / Related Parties	Subsidiaries	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel	Total
(i) Purchase, expense and other services from related parties	22 (72)	1,344 (1,189)	664 (562)	2,030 (1,823)
(ii) Sales of goods and services	46 (14)	0 0	-- (-)	46 (15)
(iii) Loans given	628 (142)	-- (-)	-- (-)	628 (142)
(iv) Loan received back	- (133)	-- (-)	-- (-)	- (133)
(v) Investments	- (234)	-- (-)	-- (-)	- (234)
(vi) Balance outstanding at year end Debtors	-- (-)	-- (-)	-- (-)	-- (-)
Loans and advances given	957 (321)	-- (-)	-- (-)	957 (321)

For the year ended 31st March, 2011

19. Earning Per Share :

	2010-2011 ₹ In Lacs	2009-2010 ₹ In Lacs
(a) Net Profit after tax	7,751	6,758
Add/(Less) : Excess/(Short) Provision of Taxation of the Earlier Years W / off / back	4	40
Net profit available for Equity Shareholders	7,755	6,798
(b) Weighted Average Number of Equity Shares (in Lacs)	2,382	2,382
(c) Basic and Diluted Earning per share of ₹ 2/- each	3.26	2.85

20. Details of Loans and Advances and Investments as at the year end and maximum balance thereof as per clause 32 of Listing Agreement with Stock Exchange in compliance with SEBI Circular No.SMD/ Policy / Cir / 2 / 2003 dt.10.1.2003

	Loan having Interest Rate lower than Section 372A of Co.Act	Interest Free Loan and Advances	Maximum Balance at any time during the year
(a) Loans & Advances in the nature of Loans :			
(i) Subsidiaries			
Grafalco Ediciones S.L.	187	--	187
	(179)	(--)	(179)
eSense Learning Pvt. Ltd.	770	--	770
	(142)	(--)	(142)

Note : Loans to employees under various scheme of the company have been considered to be outside the preview of the disclosure requirements

21. During the year the Company invested the temporary surplus funds for short periods in the following Liquid/Cash Mutual Fund schemes, which were purchased and sold during the year.

	Opening		Purchase		Sold		Balance	
	Number of Units in Lacs	Value (₹ in Lacs)	Number of Units in Lacs	Value (₹ in Lacs)	Number of Units in Lacs	Value (₹ in Lacs)	Number of Units in Lacs	Value (₹ in Lacs)
Birla Mutual Fund	0	0	2,026	20,297	2,026	20,297	0	0
LIC Mutual Fund	0	0	1,829	20,087	1,829	20,087	0	0
Reliance Mutual Fund	0	0	753	9,416	753	9,416	0	0
Deutsche Mutual Fund	0	0	4,460	45,211	4,460	45,211	0	0
UTI Mutual Fund - 1	0	0	9	9,223	9	9,223	0	0
Taurus Liquid Fund	0	0	7	6,915	7	6,915	0	0
Pramerica Liquid Fund	0	0	8	8,266	8	8,266	0	0
HDFC Liquid Fund	0	0	331	4,062	331	4,062	0	0
Sundaram BNP Paribas	0	0	21	210	21	210	0	0

For the year ended 31st March, 2011

22. Lease Transactions : Accounting standard 19**As a Lessor in an Operating Lease**

The existing operating lease agreements permit the lessee to cancel the arrangement before expiry of the normal tenure of the lease. As such, no disclosures are required to be made.

As a Lessee in an Operating Lease**(i) Cancelable Operating Leases :**

The Company has taken various commercial premises under cancelable operating leases. These are normally renewable on expiry.

(ii) Non-Cancelable Operating Leases :

The Company has taken various commercial premises under non-cancelable operating leases, the future lease payments in respect of which are

	Amount 2010-11 ₹ in Lac	Amount 2009-10 ₹ in Lac
(a) The total amount of future minimum lease payments under non cancellable operating leases for each of the following period :		
(i) Not later than one year :	53	51
(ii) Later than one year and not later than five years :	31	84
(iii) Later than five years :	--	--
(b) Lease payments recognised in the statement of profit and Loss Account for the period under review :	51	19

23. Deferred tax liability Comprises of following

	Deferred tax (asset)/liability as at March 31, 2011 ₹ In Lacs	Deferred tax (asset)/liability as at March 31, 2010 ₹ In Lacs
Depreciation	433	403
Disallowance under section 43B- Leave Encashment Provision	(105)	(176)
Total	328	227
Previous Year	227	276

24 Segment Reporting

The Company's operations relates to manufacturing of knowledge based information in educational and general books form and in paper and other stationery items. It caters to the educational need of Indian as well as Global market. Accordingly "Publication" and "Stationery" comprise of the primary segments.

Secondary segmental reporting is performed on the basis of the geographical location of customers.

The accounting principles and policies used in the preparation of the Financial Statements, as set out in the note on significant accounting policies, are also consistently applied to record revenue and expenditure, in individual segments.

[A] Primary - Business Segments

₹ In Lacs

	Publication		Stationery		Others		Total	
	2011	2010	2011	2010	2011	2010	2011	2010
Revenue	29,930	27,663	24,407	24,012	513	545	54,850	52,221
Less : Inter Segment Revenue	-	-	-	-	-	-	-	-
Net Revenue	29,930	27,663	24,407	24,012	513	545	54,850	52,221
Other Income	57	108	49	49	(95)	102	10	259
Segment Revenue	29,987	27,771	24,456	24,061	417	648	54,860	52,479
Segment Results	9,728	8,687	3,314	2,905	(84)	118	12,957	11,710
Add : Unallocated Other Income/(Expense)	-	-	-	-	-	-	726	395
Less : Financial Expenses	-	-	-	-	-	-	294	187
Less : Unallocable Expenditures	-	-	-	-	-	-	1,598	1,654
Profit Before Taxation	-	-	-	-	-	-	11,791	10,264
Provision for Taxation (Income tax, and deferred tax)	-	-	-	-	-	-	4,036	3,466
Profit after taxation	-	-	-	-	-	-	7,755	6,798
Segment Assets	20,809	19,151	18,814	15,465	1,599	1,782	41,222	36,398
Unallocated Assets	-	-	-	-	-	-	3,708	2,679
Total Assets	-	-	-	-	-	-	44,930	39,076
Segment Liabilities	1,279	1,333	1,376	1,276	13	17	2,669	2,626
Unallocated Liabilities	-	-	-	-	-	-	8,319	6,389
Total Liabilities	-	-	-	-	-	-	10,988	9,015
Capital Expenditure	2,255	567	2,066	805	-	-	4,321	1,372
Unallocated Capital Expenditure	-	-	-	-	-	-	164	38
Depreciation on Segmental Assets	498	510	332	307	234	272	1,064	1,089
Unallocated Depreciation	-	-	-	-	-	-	80	75
Amortization	-	-	-	-	-	-	-	-

Notes :

- Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the respective segment, however, revenue and expenses which can not be identified or allocated reasonably to a segment being related to the enterprise as a whole have been grouped as unallocable.
- Segment assets and segment liabilities represent assets and liabilities of respective segments, however the assets and liabilities not identifiable or allocable on reasonable basis being related to enterprise as a whole have been grouped as unallocable.
- The business which have been grouped under "Others" segment comprises of revenue from generation of power by windmill, Preschool and sale of trading items, etc.

[B] Secondary - Geographical Segments

₹ in Lacs

	North & Central America	Africa	Europe	Australia & Oceania	Rest of the world except India	India	Total
Segment Revenue	2,439 (3,525)	1,534 (2,211)	1,050 (801)	27 (14)	331 (437)	49,469 (45,233)	54,850 (52,221)
Segment Assets	69 (1,476)	264 (300)	92 (133)	7 0	37 (162)	44,461 (37,005)	44,930 (39,076)

25. Disclosure pursuant to Accounting Standard - 15 (Revised) 'Employee benefits' -

- The Company adopted Accounting Standard (AS) 15 (revised 2005) on "Employee Benefits" issued by ICAI. The actuarial valuations of the various employee benefits were carried out by using the Projected Unit Credit Method.
- The Company has recognised the following amount as an expense and included in the Profit and Loss Account

	₹ in Lacs	
	Current Year	Previous Year
(i) Provident Fund	215	190
(ii) ESIC	51	31

- Defined benefit plan and long term employment benefits

General description

- Gratuity (Defined benefit plan)

The Company makes annual contribution to the employee group gratuity scheme of the Life Insurance Corporation of India, funded defined benefits plan for qualified employees. The scheme provided for lumpsum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. Vesting occurs upon completion of five years of service.

- Accrual for leave encashment benefit is made on the basis of a year-end actuarial valuation in pursuance of the Company's leave rules.

The following table sets out for the status of gratuity / Leave encashment plan :

	Gratuity (Funded)		Leave Encashment (Non-Funded)	
	31/03/11	31/03/10	31/03/11	31/03/10
Change in Obligation				
Opening Present Value of Accrued Gratuity	713	589	324	220
Service Cost including actuarial gain/(loss)	97	84	7	110
Interest Cost	57	44	23	16
Benefits paid	4	4	(37)	(22)
Closing Present Value of Accrued Gratuity	864	713	318	324
Changing in Plan Asset				
Opening Fund Balance	706	531	0	-
Return on the plan asset	67	51	0	-
Contribution paid	143	128	37	22
Benefits paid during period	4	4	(37)	(22)
Closing Fund Balance	913	706	-	-
Reconciliation of present value of obligation and plan asset				
Closing Fund Balance	913	706	-	-
Closing present value of Accrued Gratuity	864	713	-	-
Net Liability	(49)	7	318	324
Liability recognized in balance sheet	-	7	318	324
Expense recognized in the statement of P & L A/C				
Current Service Cost			64	62
Interest Cost			23	16
Expected Return on Plan Assets			-	-
Net Acturial (Gain) / Loss recognized for the period			(57)	48
Expense recognized in the statement of P & L A/C			30	126
Movement in the Liability recognized in Balance Sheet				
Opening Net Liability			324	220
Expenses as above			30	126
Contribution paid			(37)	(22)
Closing Net Liability			318	324
Assumptions				
Expected return on plan assets	8.00%	8.00%	0.00%	0.00%
Salary escalation rate	7.00%	7.00%	4.00%	4.00%
Discounting rate	8.00%	8.00%	7.30%	7.50%

26. Previous Year Figures have been regrouped/rearranged wherever necessary.

As per our report of even date attached hereto

For and on behalf of the Board

For and on behalf of :

Ghalla & Bhansali

Chartered Accountants

sd/-

Haresh K. Chheda

Partner

Mumbai : 28th July, 2011

sd/-

Amit D. Buch

Company Secretary

sd/-

A. R. Gala

Managing Director

sd/-

S. K. Vikamsey

Chairman

Cash Flow Statement

NAVNEET PUBLICATIONS (INDIA) LIMITED

	For the Year ended 2010-2011	For the Year ended 2009-2010
	₹ In Lacs	₹ In Lacs
Cash Flow from Operating Activities		
Net profit before tax	11,791	10,264
Adjustments for,		
Interest & Financial Income (non operational)	(411)	(472)
(Profit) / Loss on sale of fixed assets	(3)	(37)
(Profit) / Loss on sale of Investments	(117)	(4)
Interest and Financial Expense	294	187
Depreciation	1,144	1,164
Changes in Current Assets and liabilities		
(Increase) / Decrease in Inventory	(444)	1,856
(Increase) / Decrease in Debtors	(504)	(1,433)
(Increase) / Decrease in Loans and advances	(2,272)	40
Increase / (Decrease) in current liabilities and provision	(24)	(592)
Income Taxes Paid	(3,959)	(3,270)
Net cash inflow / (outflow) from Operating Activities (A)	5,495	7,704
Cash flow from Investing Activities		
Purchase of Fixed Asset and change in capital WIP	(3,763)	(1,985)
Proceeds from sales of fixed Asset	24	73
(Increase) / Decrease in Investment other than Subsidiary	-	870
(Increase) / Decrease in Investment in Subsidiary	-	(234)
Profit / (Loss) on sale of Investments	117	4
Interest & Financial Income	411	472
Net cash inflow / (outflow) from Investing Activities (B)	(3,212)	(802)
Cash flow from Financing Activities		
Increase / (Decrease) in Share Capital	-	-
Increase / (Decrease) in Loan Fund	(349)	(601)
Interest and Financial Expense	(294)	(187)
Dividend Paid (including Dividend Tax)	(1,679)	(5,661)
Net cash inflow / (outflow) from Financing Activities (C)	(2,323)	(6,448)
Net Increase / (Decrease) in Cash and Cash Equivalents	(39)	455
Cash and cash equivalent as at the commencement of the year	1,085	630
Cash and cash equivalent as at the end of the year	1,046	1,085
Net Increase / (Decrease) as mentioned above	(39)	455
Notes: (1) Closing Cash and cash equivalent includes cash, cheque in hand and remittance in transit	42	34
Balance with banks (includes ₹80 Lacs P.Y. ₹93 Lacs) lying in designated account with scheduled banks on account of unclaimed dividend which are not available for use by the Company.	1,004	1,051
P.Y. figures have been regrouped / rearranged to confirm to the current year's presentation, wherever necessary.		

As per our report of even date attached hereto

For and on behalf of the Board

For and on behalf of :

Ghalla & Bhansali

Chartered Accountants
sd/-

Haresh K. Chheda

Partner

Mumbai : 28th July, 2011

sd/-

Amit D. Buch

Company Secretary

sd/-

A. R. Gala

Managing Director

sd/-

S. K. Vikamsey

Chairman

NAVNEET PUBLICATIONS (INDIA) LIMITED

Consolidated Financial Statements

for the year ended 31st March, 2011

TO THE MEMBERS OF
NAVNEET PUBLICATIONS (INDIA) LIMITED.

We have examined the attached Consolidated Balance Sheet of **NAVNEET PUBLICATIONS (INDIA) LIMITED (the Company)** and its subsidiary **GRAFALCO EDICIONES S.L. (subsidiary) and ESENSE LEARNING PVT. LTD. (subsidiary)** as at 31st March 2011, and also the Consolidated Profit and Loss account and the Consolidated Cash Flow Statement for the year ended on that date annexed thereto.

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance whether the financial statements are prepared in all material respects, in accordance with the financial reporting framework generally accepted in India and are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

Attention is invited to note no 1(iii)(3) in schedule P in connection with the consolidation of financial statements of subsidiary.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of

Accounting Standard (AS) 21, Consolidated Financial Statements, issued by The Institute of Chartered Accountants of India and on the basis of separate audited financial statements of the Company and its subsidiary included in the consolidated financial statements.

On the basis of information and explanations given to us, and on consideration of the separate audit reports on individual audited financial statements of the Company and its subsidiary, in our opinion that the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- a. in case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Company and its subsidiary as at 31st March 2011;
- b. in case of the Consolidated Profit and Loss Account, of the consolidated results of operations of the Company and its subsidiary for the year ended on that date; and
- c. in case of the Consolidated Cash Flow Statement, of the consolidated cash flows of the Company and its subsidiary for the year ended on that date.

For Ghalla & Bhansali
Chartered Accountants
(Registration No. 103142W)
sd/-

Haresh K. Chheda
Partner
Membership No. 38262

Place: Mumbai
Date: 28th July, 2011

	Schedule	As at 31st March, 2011 ₹ In Lacs	As at 31st March, 2010 ₹ In Lacs
Sources of Funds			
Shareholders' Funds			
Share Capital	A	4,764	4,764
Reserves & Surplus	B	27,500	24,633
		<u>32,264</u>	<u>29,397</u>
Loan Funds			
Secured Loans	C	3,131	7,094
Unsecured Loans	D	3,500	0
		<u>6,631</u>	<u>7,094</u>
Deferred Tax Liability		330	230
Minority Share of Interest		(30)	4
		<u>39,195</u>	<u>36,725</u>
Application of Funds			
Fixed Assets			
Gross Block	E	24,106	19,892
Less : Depreciation		<u>12,215</u>	<u>10,986</u>
Net Block		11,891	8,906
Capital Work In Progress		<u>983</u>	<u>554</u>
		<u>12,874</u>	<u>9,460</u>
Investments	F	10	17
Current Assets, Loans and Advances			
Inventories	G	17,710	17,930
Sundry Debtors		8,680	8,294
Cash & Bank Balances		1,130	1,109
Loans & Advances		<u>4,089</u>	<u>3,051</u>
		<u>31,609</u>	<u>30,384</u>
Less: Current Liabilities and Provisions	H		
Current Liabilities		2,763	2,810
Provisions		<u>2,535</u>	<u>327</u>
		<u>5,298</u>	<u>3,137</u>
Net Current Assets		26,311	27,247
Total Funds Utilised		<u>39,195</u>	<u>36,725</u>

As per our report of even date attached hereto

For and on behalf of :

Ghalla & Bhansali
Chartered Accountants

sd/-
Haresh K. Chheda
Partner
Mumbai : 28th July, 2011

sd/-
Amit D. Buch
Company Secretary

sd/-
A. R. Gala
Managing Director

sd/-
S. K. Vikamsey
Chairman

For and on behalf of the Board

Profit and Loss Account (Consolidated)

NAVNEET PUBLICATIONS (INDIA) LIMITED

	Schedule	2010 -2011	2009 - 2010
		₹ In Lacs	₹ In Lacs
Income			
Income from Operations		56,081	53,159
Other Income	I	726	642
		<u>56,807</u>	<u>53,801</u>
Expenditure			
(Increase)/Decrease In Stocks	J	335	1,384
Cost of Materials	K	27,101	24,940
Manufacturing Expenses	L	2,887	2,817
Salaries Wages & Employee Benefit	M	5,403	4,742
Administrative & Selling Expenses	N	8,726	8,586
Interest	O	316	209
		<u>44,769</u>	<u>42,679</u>
Profit before Depreciation & Tax		12,038	11,122
Depreciation	E	1,360	1,281
Profit before tax		<u>10,678</u>	<u>9,841</u>
Less: Provision for taxation - Income Tax (Current)		3,940	3,554
- Deferred Tax		100	(48)
Add/(Less) : Excess/(Short) Provision of taxation of Earlier Year W/off/back		(4)	(40)
Add/(Less) : Loss of subsidiary attr. to minority		(34)	(19)
Add: Excess cost over parent's portion of Equity		0	112
Less: Goodwill on consolidation w/off		0	(112)
Profit after Tax		<u>6,676</u>	<u>6,394</u>
Add : Balance Brought Forward from last year		15,641	13,034
		<u>22,317</u>	<u>19,428</u>
Profit available for Appropriation			
Appropriations / Adjustments :			
Dividend (First Interim)		1,429	2382
Proposed Dividend - Final		1906	0
		<u>3,335</u>	<u>2,382</u>
Corporate Tax on Dividend		547	405
General Reserve		1,000	1,000
		<u>4,882</u>	<u>3,787</u>
Surplus Carried to Balance Sheet		<u>17,435</u>	<u>15,641</u>
Basic and Diluted Earning per Share of ₹ 2/- each			
[Refer Note 8 of Schedule 'P']		2.80	2.68
Significant Accounting Policies and Notes on accounts	P		
Schedule referred to above form an integral part of the accounts			

As per our report of even date attached hereto
For and on behalf of :

For and on behalf of the Board

Ghalla & Bhansali
Chartered Accountants
sd/-
Haresh K. Chheda
Partner
Mumbai : 28th July, 2011

sd/-
Amit D. Buch
Company Secretary

sd/-
A. R. Gala
Managing Director

sd/-
S. K. Vikamsey
Chairman

	As at 31st March, 2011	As at 31st March, 2010
	₹ In Lacs	₹ In Lacs
SCHEDULE A : SHARE CAPITAL		
Authorised :		
25,00,00,000 (25,00,00,000) Equity shares of ₹ 2/- each (₹ 2/- each)	5,000	5,000
50,00,000 (50,00,000) Equity Shares of ₹ 10/- each (₹ 10/- each)	<u>500</u>	<u>500</u>
Issued, Subscribed & Paid Up :		
23,82,15,000 (23,82,15,000) Equity Shares of ₹ 2/- each (₹ 2/- each) fully paid UP	<u>4,764</u>	<u>4,764</u>
Total	<u>4,764</u>	<u>4,764</u>
Note :		
(1) Of the above 20,64,53,000 (20,64,53,000) Shares were allotted as fully paid-up Bonus Shares by Capitalisation of Share Premium and General Reserve		
SCHEDULE B : RESERVES & SURPLUS		
Capital Reserve		
As per last Balance Sheet	#	#
General Reserve		
As per last Balance Sheet	9,013	10,872
Less: allotted 0(142929000) bonus shares @2/- each	0	(2,859)
Add: Additions during the Year	<u>1,000</u>	<u>1,000</u>
	10,013	9,013
Foreign Currency Translation Reserve	52	(21)
Surplus as per Profit and Loss Account	<u>17,435</u>	<u>15,641</u>
Total	<u>27,500</u>	<u>24,633</u>

Note : # Number lower than ₹ 1 Lac

	As at 31st March, 2011	As at 31st March, 2010
	₹ In Lacs	₹ In Lacs
SCHEDULE C : SECURED LOANS		
LOANS FROM BANKS :		
LONG TERM		
Foreign Currency Loans - Windmill	1,158	1,467
SHORT TERM		
Working capital borrowings		
– Local Currency Loans	1,071	4,264
– Foreign Currency Loans	902	1,363
Total	<u>3,131</u>	<u>7,094</u>
Notes :		

- (a) All Short term rupee loans and foreign currency loans equivalent to ₹ 902/- Lacs (Previous Year ₹ 4442/- Lacs) are secured against :
Hypothecation & first charge over stock of raw materials, work-in-process, finished goods, stores & spares not relating to plant and machinery & book debts.
- (b) Long term foreign currency loans are exclusively secured by Hypothecation of Windmills.
- (c) Local Currency Loans of ₹1071 Lacs (Previous Year ₹1185 Lacs) are secured against bank guarantee of parent Company.

SCHEDULE D : UNSECURED LOANS

SHORT TERM LOANS :

From Banks

	3,500	0
Total	<u>3,500</u>	<u>0</u>

SCHEDULE E : FIXED ASSETS

₹ In Lacs

Sr. No.	Description of Assets	Gross Block				Depreciation/Amortization				Net Block	
		Cost As at 01.04.2010	Additions during the year	Deduction / Adjustment	Cost As at 31.03.2011	As at 01.04.2010	For the year	Deductions/ Adjustment	upto 31.03.2011	As at 31.03.2011	As at 31.03.2010
	Tangible										
1	Land - Freehold	340	644	-	984	-	-	-	-	984	340
	Land - Leasehold	84	-	-	84	39	6	-	45	39	45
2	Building	4,395	2,221	-	6,616	1,791	166	-	1,958	4,658	2,604
3	Plant & Machinery	11,782	766	72	12,476	7,056	791	49	7,798	4,678	4,726
4	Office Equipment	261	22	3	280	170	19	2	187	93	91
5	Furniture & Fixtures	1,132	74	1	1,205	813	75	1	888	317	319
6	Vehicles	1,093	178	78	1,193	544	155	67	632	562	549
	Intangible										
7	Intellectual Property	210	-	-	210	92	21	-	113	96	118
8	Trade Mark	214	227	-	441	132	95	-	228	213	82
9	SAP	247	-	-	247	228	19	-	247	0	19
10	Software	106	265	-	371	106	13	-	119	251	-
	Total	19,864	4,397	155	24,106	10,973	1,360	118	12,215	11,891	8,891
	Previous Year	18,961	1,115	183	19,892	9,848	1,281	143	10,986	8,906	-

The Difference in previous year closing Gross block and Current year opening Gross Block is due to transfer of foreign currency amounts at the closing exchange rate of the respective year.

As at 31st March, 2011 As at 31st March, 2010

₹ In Lacs

₹ In Lacs

SCHEDULE F : INVESTMENTS

LONG TERM -

Other Investments

Long Term Financial Investments

10

17

Aggregate Book Value of Investments

TOTAL

10

17

	As at 31st March, 2011	As at 31st March, 2010
	₹ In Lacs	₹ In Lacs
SCHEDULE G : CURRENT ASSETS, LOANS & ADVANCES		
Current Assets		
Inventories		
Stores Spares & Consumables	379	378
Raw Materials	5,065	4,951
Finished Goods	11,391	11,837
Work In Process	875	764
	<u>17,710</u>	<u>17,930</u>
Sundry Debtors		
(Unsecured considered good)		
Over six months	775	348
Others	7,905	7,946
	<u>8,680</u>	<u>8,294</u>
Cash and Bank Balances		
Cash on hand	43	34
Balance with Scheduled Banks		
In Current Account	1,077	992
In Fixed Deposit Account	10	83
	<u>1,130</u>	<u>1,109</u>
LOANS & ADVANCES		
(Unsecured considered good)		
LOANS		
Staff Loans	268	211
Corporate Deposits	110	0
Other Deposits	1,465	226
	<u>1,843</u>	<u>436</u>
ADVANCES		
Advances Recoverable in Cash or in Kind or for value to be received	1,602	2,039
Deposits with Public Bodies Govt.,etc.	66	59
Deposit with Others	130	92
Advance Tax paid (Net of provision)	448	425
	<u>2,246</u>	<u>2,615</u>
	<u>4,089</u>	<u>3,051</u>
TOTAL	<u>31,609</u>	<u>30,384</u>

	As at 31st March, 2011	As at 31st March, 2010
	₹ In Lacs	₹ In Lacs
SCHEDULE H : CURRENT LIABILITIES AND PROVISIONS		
Current Liabilities		
Sundry Creditors (Refer Note No. 5 of Schedule P)	1,571	1,564
Advances Received from Customers	279	330
Investors Education and Protection Fund to be credited as and when due		
- Unclaimed Dividend	80	93
Other Liabilities	823	804
Interest Accrued But Not Due	10	18
	<u>2,763</u>	<u>2,810</u>
Provisions		
For Leave Encashment Benefit	320	327
Proposed Dividend	1,906	0
Corporate Tax on Proposed Dividend	309	0
	<u>2,535</u>	<u>327</u>
TOTAL	<u>5,298</u>	<u>3,137</u>

	For the Year Ended 31st March, 2011	For the Year Ended 31st March, 2010
	₹ In Lacs	₹ In Lacs
SCHEDULE I : OTHER INCOME		
On Current Investment		
Dividend	59	50
Profit / Loss on Sale of Investments (Net)	117	4
Miscellaneous Income	150	86
Exchange Fluctuation on Consolidation	3	0
Interest & Financial Income [TDS Rs. 52 Lacs; (Previous year ₹ 26 Lacs)]	397	502
TOTAL	<u>726</u>	<u>642</u>
SCHEDULE J : (INCREASE)/DECREASE IN STOCK		
Closing Stock		
Work In Process	875	764
Finished Goods	11,391	11,837
	(A) <u>12,266</u>	<u>12,601</u>
Opening Stock		
Work In Process	764	966
Finished Goods	11,837	13,019
	(B) <u>12,601</u>	<u>13,985</u>
TOTAL	(B - A) <u>335</u>	<u>1,384</u>
SCHEDULE K : COST OF MATERIAL		
Raw Materials Consumed / Purchases	26,535	24,395
Freight & Octroi	566	545
TOTAL	<u>27,101</u>	<u>24,940</u>
SCHEDULE L : MANUFACTURING EXPENSES		
Printing Expenses	686	702
Binding Expenses	646	614
Other Manufacturing Expenses	980	929
Power & fuel	245	254
Stores & Spares Consumed	185	173
Repairs to Plant & Machinery	145	145
TOTAL	<u>2,887</u>	<u>2,817</u>

	For the Year Ended 31st March, 2011	For the Year Ended 31st March, 2010
	₹ In Lacs	₹ In Lacs
SCHEDULE M : SALARIES, WAGES & EMPLOYEE BENEFITS		
Salaries, Wages & Bonus	4,523	3,996
Contribution to Provident & Other Funds	474	355
Staff Welfare	406	391
TOTAL	<u>5,403</u>	<u>4,742</u>
SCHEDULE N : ADMINISTRATIVE & SELLING EXPENSES		
Rates & Taxes	278	193
VAT/Sales TAX	965	767
Rent	534	354
Royalty	1,015	935
Building Repairs & Maintenance	252	392
Other Repairs	198	152
Insurance	78	81
Transportation Expenses	953	957
Commission	102	96
Advertisement	297	421
Marketing Expenses	796	748
Sales Promotion Expenses	953	995
Discount & Rebate	311	327
Bad debts and other irrecoverable advance written off	20	11
Donation	274	288
Bank Charges	139	159
Prior Period	10	3
Legal & Professional Fess	439	615
Other Expenses	1,112	1,092
TOTAL	<u>8,726</u>	<u>8,586</u>
SCHEDULE O : INTEREST		
Debentures	17	64
Others	299	145
TOTAL	<u>316</u>	<u>209</u>

For the year ended 31st March, 2011

SCHEDULE P: NOTES TO ACCOUNTS

1 Statement of Significant Accounting Policies

(a) Principles of Consolidation :

Consolidated financial Statements relate to Navneet Publications (India) Ltd. and its subsidiaries Grafalco Ediciones S.L. and eSense Learning Pvt. Ltd.

The consolidated financial statements have been prepared on the following basis :

(i) The financial statements of the company and its subsidiary company are combined on a line by line basis by adding together the book value of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and intra group transactions resulting in unrealized profits or losses in accordance with Accounting Standard (AS) 21 "Consolidated Financial Statements" issued by the Institute of Chartered Accountants of India.

(ii) As far as possible, the consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented in the same manner as the Company's separate financial statements.

(iii) Grafalco Ediciones S.L.

(1) Grafalco Ediciones S.L. accounts are drawn considering depreciation at straight line method as against W.D.V.method adopted by NPIL. The same is not aligned with for consolidation purpose considering the negligible impact of the same.

(2) Grafalco Ediciones S.L.Balance Sheet is as at 31st December, 2010 with effect for inter party transactions for intervening period.

(3) As per the law governing the subsidiary, statutory audit is obligatory only if

a) The turnover is above Euro 47,47,996 and

b) Total employees are more than 50

Since the subsidiary has not met any of the above conditions, accounts of the subsidiary are not subject to audit for the year. Accordingly consolidated financial statements are compiled on the basis of such unaudited accounts.

(b) Investments other than in subsidiaries and associates have been accounted as per Accounting Standard 13 on Accounting for Investments.

(c) Other Significant accounting Policies

These are set out under "Significant Accounting Policies" as given in separate financial statements of Parent and subsidiary.

2 Estimated amount of Capital Contracts (net of advances) remaining to be executed and not provided for ₹ 739.10 Lacs (Previous Year ₹ 568.97 Lacs)

3 Contingent Liabilities

(a) For disputed Income-tax matters ₹ 559.30 Lacs (Previous Year Rs.566.95 Lacs) against which amount paid is ₹ 563.02 Lacs (Previous Year Rs.559.77 Lacs)

(b) Against Bond

(i) Import Duty liability Rs.380.61 Lacs (Previous Year Rs. 380.61 Lacs) for import of machinery against licences granted under EPCG scheme.

(ii) Duty liability amounting to ₹ 28.53 Lacs (Previous Year ₹ 23.74 Lacs) for the purchase of excisable inputs without payment of duty under the bonds executed if the export obligation is not fulfilled.

(c) In respect of bank guarantees given for subsidiary Company of Euro 2-mn (Previous Year Euro 2-mn) equivalent to ₹ 1278 Lacs (Previous Year ₹ 1222 Lacs)

4 Financial & Derivative Instruments

(a) We have sold USD 9.61 Mn equivalent ₹ 45.98 cr. and EUR

For the year ended 31st March, 2011

0.87 Mn equivalent ₹ 5.43 cr (Previous Year USD 5.83 Mn equivalent ₹ 27.85cr. and Eur 0.44 Mn equivalent ₹ 2.88cr.) to cover our export receivable and purchased USD 2 Mn equivalent ₹ 9.41cr. (Previous Year USD 3 Mn equivalent ₹ 13.94cr.) to cover loan repayment.

- (b) NIL (Previous Year USD 0.20 Mn) worth of derivative contracts were open on balance sheet date for sale of USD, hedging Company's receivables in foreign currency.

The company has entered into USD - JPY derivative option contracts hedging its exposure on ECB borrowings availed in JPY for wind power generation project. Option contracts worth of JPY 253-Mn (Previous year JPY 325-Mn) were open as on balance sheet date, maturing over a period of seven years ending on Jul 2014. The company has reasonable hedge against its ECB borrowing.

- 5 (a) Sundry Creditors as per Schedule 'H' under Current Liabilities include ₹ 111.56 lacs (Previous Year ₹ 134.43 Lacs) due to Small Scale Industrial Undertakings.
- (b) The undertakings to whom amounts outstanding for more than 30 days in respect of Small Scale Industrial Undertaking where such dues exceed ₹ 1 Lac are as under:

	₹ In Lacs	Previous year ₹ In Lacs
Amalgam Adhesives Pvt. Ltd	-	4
Meghart Colour Crafters	-	3
Perfect Print & Pack	-	1

- (c) The above information has been compiled in respect of parties to the extent to which they could be identified as Small Scale Industrial Undertakings on the basis of information available with the Company.
- (d) In the absence of necessary information with the Company relating to the registration status of suppliers under the Micro, Small and Medium Enterprises Development Act 2006 the information required under the said act could not be compiled & disclosed.

For the year ended 31st March, 2011

6 Foreign currency translation of ₹ 201.69 lacs (Previous Year ₹ 306.58 lacs) being the exchange difference is credited to the Profit & Loss account.

7 Related party transactions

(a) Other Related Parties with whom transactions have taken place during the year

- (i) *Enterprises owned or significantly influenced by key management personnel or their relatives*
- Navneet Prakashan Kendra
 - Vikas Prakashan
 - Gala Publishers
 - Sandeep Agency
 - Bigspace Realty Pvt. Ltd.
 - The Flagship Advertising Pvt.Ltd.

(ii) *Key Management Personnel & Relatives*

Shri A.R.Gala	Shri D.R.Gala	Shri H.R.Gala	Smt.H.T.Shah
Shri S.R.Gala	Shri J.L.Gala	Shri J.K.Sampat	Shri N.N.Shah
Shri B.A. Gala	Shri A.D.Gala	Shri G.D.Gala	Shri R.H.Gala
Shri D.C.Sampat	Shri S.J.Gala	Shri S.J.Gala	Shri K.H.Gala
Shri S.S.Gala	Shri K.B.Gala	Shri T.R.Shah	

Transaction with Related Parties:

(₹ In Lacs)

Items / Related Parties	Enterprises owned or significantly influenced by key management personnel or their relatives	Key Management Personnel	Relative of Key Management Personnel	Total
(i) Purchase, expenses and other services from related parties	1,344 (1,194)	669 (567)	5 (5)	2,018 (1,766)
(ii) Sales of goods and services	- (-)	- (0)	-- (--)	- (0)

8 Earning Per Share :

	2010-2011 Figures In Lacs	2009-2010 Figures In Lacs
(a) Net Profit after tax	6,672	6,354
Add (Less) : Excess/(Short) Provision of Taxation of Earlier Year W/off/back	4	40
Net Profit available for Equity Shareholders	6,676	6,394
(b) Weighted Average Number of Equity Shares	2,382	2,382
(c) Basic and Diluted Earning per share of ₹ 2/- each	2.80	2.68

9 Lease Transactions : Accounting Standard 19

As a lessor in an Operating Lease

Fixed Assets:

Plant & Machinery (Computer & Hardware) include assets costing ₹ 10,715,667 (Previous Year 2,498,900) (Gross Block) on operating lease contract.

The details of the assets given on operating lease as on 31.03.2011 are

	Amount 2010-2011 (₹ In Lacs)	Amount 2009-2010 (₹ In Lacs)
Gross carrying amount	107	25
Accumulated Depreciation	77	10
Depreciation recognised in Profit & Loss account for year	67	10

Maturity Pattern of the Gross/Present Value of MLP receivables.

	Amount 2010-2011 (₹ In Lacs)	Amount 2009-2010 (₹ In Lacs)
Not Later than one year	26	4
Later than one year and not later than five years	34	13
Later than five years	-	-
Total	60	17

As a Lessee in an Operating Lease

	Amount 2010-2011 (₹ In Lacs)	Amount 2009-2010 (₹ In Lacs)
(a) The total amount of future minimum lease payments under non cancellable operating leases for each of the following period :		
(i) Not later than one year :	193	51
(ii) Later than one year and not later than five years :	208	84
(iii) Later than five years :	0	0
(b) The total of future minimum sublease payments expected to be received under non cancellable sublease at the Balance Sheet date :	250	0
(c) Lease payments recognised in the statement of Profit and Loss Account for the period, with separate amounts for minimum lease payments and contingent rents :	156	19
(d) Sub-Lease payments received (or receivable) recognised in the Statement of Profit & Loss for the period :	92	0
(e) A general description of the lessee's significant leasing arrangements including, but not limited to the following :		
(i) The basis on which contingent rent payments are determined :	0	0
(ii) The existence and terms of renewal or purchase options and escalation clauses; and	0	0
(iii) Restrictions imposed by lease arrangements, such as those concerning dividends, additional debt, and further leasing.		

10 Deferred tax liability Comprises of following

	(₹ In Lacs) Deferred Tax (asset)/liability as at March 31, 2011	(₹ In Lacs) Deferred Tax (asset)/liability as at March 31, 2010
Depreciation	435	406
Disallowance under section 43B-Leave Encashment Provision	(105)	(176)
Total	330	230
Previous Year	230	278

11 Segment Reporting

The Company's operations relates to publication of knowledge based information in educational and general books form as well as in electronic media and Manufacturing of Paper and other stationery items. It caters to the educational need of Indian as well as Global market. Accordingly "Content" and "Stationery" comprise of the primary segments.

Secondary segmental reporting is performed on the basis of the geographical location of customers.

The accounting principles and policies used in the preparation of the Financial Statements, as set out in the note on significant accounting policies, are also consistently applied to record revenue and expenditure, in individual segments.

[A] Primary - Business Segments

(₹ In Lacs)

	Content		Stationery		Others		Total	
	2011	2010	2011	2010	2011	2010	2011	2010
Revenue	31,161	28,601	24,407	24,012	513	545	56,081	53,158
Less : Inter Segment Revenue	—	—	—	—	—	—	—	—
Net Revenue	31,161	28,601	24,407	24,012	513	545	56,081	53,158
Other Income	57	111	49	49	(95)	102	10	262
Segment Revenue	31,218	28,712	24,456	24,061	417	648	56,091	53,420
Segment Results	8,645	8,301	3,314	2,905	(84)	118	11,876	11,324
Add : Unallocated Other Income/(Expense)	—	—	—	—	—	—	716	380
Less : Financial Expenses	—	—	—	—	—	—	316	209
Less : Unallocable Expenditures	—	—	—	—	—	—	1,597	1,654
Profit Before Taxation	—	—	—	—	—	—	10,678	9,841
Provision for Taxation(Income tax and deferred tax)	—	—	—	—	—	—	4,036	3,466
Minority Interest	—	—	—	—	—	—	(34)	(19)
Profit after taxation	—	—	—	—	—	—	6,676	6,394
Segment Assets	20,372	19,936	18,814	15,465	1,599	1,782	40,785	37,183
Unallocated Assets	—	—	—	—	—	—	3,708	2,679
Total Assets	—	—	—	—	—	—	44,492	39,862
Segment Liabilities	2,519	2,781	1,376	1,276	13	17	3,909	4,074
Unallocated Liabilities	—	—	—	—	—	—	8,319	6,389
Total Liabilities	—	—	—	—	—	—	12,228	10,464
Capital Expenditure	2,680	671	2,066	805	—	—	4,746	1,475
Unallocated Capital Expenditure	—	—	—	—	—	—	164	38
Depreciation on Segmental Assets	715	627	332	307	234	272	1,280	1,206
Unallocated Depreciation	—	—	—	—	—	—	80	75
Amortization	—	—	—	—	—	—	—	—

Notes :

- Revenue and expenses have been identified to a segment on the basis of relationship to operating activities of the respective segment, however, revenue and expenses which can not be identified or allocated reasonably to a segment being related to the enterprise as a whole have been grouped as unallocable.
- Segment assets and segment liabilities represent assets and liabilities of respective segments, however the assets and liabilities not identifiable or allocable on reasonable basis being related to enterprise as a whole have been grouped as unallocable.
- The business which have been grouped under "Others" segment comprises of revenue from generation of power by windmill Preschool and sale of trading items, etc.

[B] Secondary - Geographical Segments

	(₹ in Lacs)						
	North & Central America	Africa	Europe	Australia & Oceania	Rest of the world except India	India	Total
Segment Revenue	2,439 (3,525)	1,534 (2,211)	2,136 (1,594)	27 (14)	331 (437)	49,614 (45,378)	56,081 (53,158)
Segment Assets	69 (1,476)	264 (300)	965 (298)	7 0	37 (162)	45,081 (37,625)	44,492 (39,862)

12. Disclosure pursuant to Accounting Standard - 15 (Revised) 'Employee benefits' -

(a) The Company adopted Accounting Standard (AS) 15 (revised 2005) on "Employee Benefits" issued by ICAI. The actuarial valuations of the various employee benefits were carried out by using the Projected Unit Credit Method.

(b) The Company has recognised the following amount as an expense and included in the Profit and Loss Account

	₹ in Lacs	₹ in Lacs
	<u>Current Year</u>	<u>Previous Year</u>
(i) Provident Fund	223	194
(ii) ESIC	57	34

(c) Defined benefit plan and long term employment benefits

General description

(1) Gratuity (Defined benefit plan)

The Company makes annual contribution to the employee group gratuity scheme of the Life Insurance Corporation of India, funded defined benefits plan for qualified employees. The scheme provided for lumpsum payments to vested employees at retirement, death while in employment or on termination of employment of an amount equivalent to 15 days salary for each completed year of service or part thereof in excess of six months. vesting occurs upon completion of five years of service.

(2) Accrual for leave encashment benefit is made on the basis of a year-end actuarial valuation in pursuance of the Company's leave rules.

The following table sets out for the status of gratuity / Leave encashment plan :

(₹ in Lacs)

	Gratuity (Funded)		Leave Encashment (Non-Funded)	
	31/03/2011	31/03/2010	31/03/2011	31/03/2010
Change in Obligation				
Opening Present Value of Accrued Gratuity	713	589	324	220
Service Cost including actuarial gain/(loss)	97	84	10	110
Interest Cost	57	44	23	16
Benefits paid	4	4	(39)	(22)
Closing Present Value of Accrued Gratuity	864	713	318	324
Changing in Plan Asset				
Opening Fund Balance	706	531	0	0
Return on the plan asset	67	51	0	0
Contribution paid	143	128	39	22
Benefits paid during period	4	4	(39)	(22)
Closing Fund Balance	913	706	-	-
Reconciliation of present value of obligation and the plan asset				
Closing Fund Balance	913	706	-	-
Closing present value of Accrued Gratuity	864	713	-	-
Net Liability	(49)	7	318	324
Liability recognized in balance sheet	-	7	318	324
Expense recognized in the statement of P & L A/C				
Current Service Cost			66	62
Interest Cost			23	16
Expected Return on Plan Assets			-	-
Net Acturial (Gain) / Loss recognized for the period			(56)	48
Expense recognized in the statement of P & L A/C			33	126
Movement in the Liability recognized in Balance Sheet				
Opening Net Liability			324	220
Expenses as above			33	126
Contribution paid			(39)	(22)
Closing Net Liability			318	326
Assumptions				
Expected return on plan assets	8.00%	8.00%	0.00%	0.00%
Salary escalation rate	7.00%	7.00%	4.00%	4.00%
Discounting rate	8.00%	8.00%	7.30%	7.50%

13. Previous Year Figures have been regrouped/rearranged wherever necessary.

As per our report of even date attached hereto

For and on behalf of the Board

For and on behalf of :

Ghalla & Bhansali

Chartered Accountants

sd/-

Haresh K. Chheda

Partner

Mumbai : 28th July, 2011

sd/-

Amit D. Buch

Company Secretary

sd/-

A. R. Gala

Managing Director

sd/-

S. K. Vikamsey

Chairman

Cash Flow Statement (Consolidated)

NAVNEET PUBLICATIONS (INDIA) LIMITED

	For the Year ended 2010-2011	For the Year ended 2009-2010
Cash Flow from Operating Activities	₹ In Lacs	₹ In Lacs
Net profit before tax	10,678	9,841
Adjustments for		
Interest & Financial Income (non operational)	(399)	(459)
(Profit) / Loss on sale of fixed assets	(26)	(37)
(Profit) / Loss on sale of Investments	(117)	(4)
Exchange Fluctuation on Consolidation	(3)	(0)
Interest and Financial Expense	316	209
Depreciation	1,360	1,281
FCTR	87	(36)
Changes in Current Assets and liabilities		
(Increase) / Decrease in Inventory	220	1,784
(Increase) / Decrease in Debtors	(386)	(1,503)
(Increase) / Decrease in Loans and advances	(1,680)	77
Increase / (Decrease) in current liabilities and provision	(80)	(691)
Income Taxes Paid	(3,959)	(3,270)
Net cash inflow / (outflow) from Operating Activities (A)	6,013	7,191
Cash flow from Investing Activities		
Purchase of Fixed Asset and change in capital WIP	(4,122)	(2,173)
Proceeds from Sale of Fixed Asset	62	78
(Increase) / Decrease in Investment other than Subsidiary	-	870
(Increase) / Decrease in Investment in Subsidiary	7	2
Profit / (Loss) on sale of Investments	117	4
Interest & Financial Income	402	459
Net cash inflow / (outflow) from Investing Activities (B)	(3,534)	(759)
Cash flow from Financing Activities		
Increase / (Decrease) in Loan Fund	(464)	(258)
Interest and Financial Expense	(316)	(209)
Dividend Paid (including Dividend Tax)	(1,679)	(5,661)
Net cash inflow / (outflow) from Financing Activities (C)	(2,458)	(6,128)
Net Increase / (Decrease) in Cash and Cash Equivalents	21	304
Cash and cash equivalent as at the commencement of the year	1,109	805
Cash and cash equivalent as at the end of the year	1,130	1,109
Net Increase / (Decrease) as mentioned above	21	304

Notes:

- (1) Cash and cash Equivalent includes cash, cheque in hand and remittance in transit
- Balance with banks (includes ₹80 Lacs P.Y. ₹93 Lacs) lying in designated account with scheduled banks on account of unclaimed dividend which are not available for use by the Company.

P.Y. figures have been regrouped / rearranged to confirm to the current year's presentation, wherever necessary.

As per our report of even date attached hereto

For and on behalf of the Board

For and on behalf of :

Ghalla & Bhansali Chartered Accountants

sd/-

Amit D. Buch
Company Secretary

sd/-

A. R. Gala
Managing Director

sd/-

S. K. Vikamsey
Chairman

Haresh K. Chheda

Partner
Mumbai : 28th July, 2011

Particulars of subsidiaries as at 31st December, 2010 and 31st March, 2011 in terms of Circular No. 5/12/2007-CL-III dt. February 8th 2011, General Circular 2/2011 issued by Government of India, Ministry of Corporate Affairs under section 212 (8) of Companies Act, 1956.

₹ in Lacs

Sr. No.	Particular	Name of the Subsidiary Company	
		Grafalco Ediciones S.L.* As at 31-12-10	eSense Learning Pvt. Ltd. As at 31-03-11
a	Capital	407	413
b	Reserves	-	-
c	Total Assets		
	Fixed Assets	102	358
	Current Assets, Loans and advances	626	189
	Profit and Loss account - Debit Balance	1,026	732
d	Total Liabilities		
	Loans-Secured / Unsecured	1,254	770
	Deferred Tax Liability (Net)	2	-
	Current Liabilities and Provisions	102	96
e	Details of Investments	10	-
f	Turnover / other Income	837	452
g	Profit / (Loss) before taxation	(769)	(360)
h	Provision for taxation	-	-
i	Profit / (Loss) after taxation	(769)	(360)
j	Proposed Dividend	-	-

*Average exchange rate as on 31-12-2010 - Euro = Rs. 60.6573

Balance Sheet Abstract

NAVNEET PUBLICATIONS (INDIA) LIMITED

Accounting Year : 2010 - 2011 (12 months)

Additional Information as required Under Part IV of Schedule VI of the Companies Act, 1956

Balance Sheet Abstract and the Company's General Business Profile.

1. Registration Details

Registration no.

		3	4	0	5	5
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 State Code No.

		1	1
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 (Refer Code List 1) Balance Sheet Date

Date	Month	Year					
3	1	0	3	2	0	1	1

2. Capital Raised During the period (Amount in ₹ Thousands)

Public Issue <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L	Right Issue <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L
						N	I	L											
						N	I	L											
Bonus Issue <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L	Private Placement <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L
						N	I	L											
						N	I	L											

3. Position of Mobilisation and Deployment of Funds (Amount in Rs Thousands)

Total Liabilities <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>3</td><td>9</td><td>8</td><td>2</td><td>8</td><td>8</td><td>8</td></tr></table>			3	9	8	2	8	8	8	Total Assets <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>3</td><td>9</td><td>8</td><td>2</td><td>8</td><td>8</td><td>8</td></tr></table>			3	9	8	2	8	8	8
		3	9	8	2	8	8	8											
		3	9	8	2	8	8	8											

Sources of Funds	Application of Funds																												
Paid-up Capital <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>4</td><td>7</td><td>6</td><td>4</td><td>3</td><td>0</td></tr></table>			4	7	6	4	3	0	Reserve & Surplus <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>2</td><td>9</td><td>1</td><td>7</td><td>7</td><td>5</td><td>7</td></tr></table>			2	9	1	7	7	5	7											
		4	7	6	4	3	0																						
		2	9	1	7	7	5	7																					
Secured Loans <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>2</td><td>0</td><td>5</td><td>9</td><td>3</td><td>3</td></tr></table>			2	0	5	9	3	3	Unsecured Loans <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>3</td><td>5</td><td>0</td><td>0</td><td>0</td><td>0</td></tr></table>			3	5	0	0	0	0	Deferred Tax Liability <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td>3</td><td>2</td><td>7</td><td>6</td><td>7</td></tr></table>					3	2	7	6	7		
		2	0	5	9	3	3																						
		3	5	0	0	0	0																						
				3	2	7	6	7																					
Net Fixed Assets <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>1</td><td>2</td><td>4</td><td>1</td><td>4</td><td>2</td><td>8</td></tr></table>			1	2	4	1	4	2	8	Investments <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td>7</td><td>6</td><td>5</td><td>7</td><td>1</td></tr></table>					7	6	5	7	1										
		1	2	4	1	4	2	8																					
				7	6	5	7	1																					
Net Current Assets <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>2</td><td>6</td><td>6</td><td>4</td><td>8</td><td>8</td><td>9</td></tr></table>			2	6	6	4	8	8	9	Deferred Revenue Expenditure <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L	Accumulated Losses <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>N</td><td>I</td><td>L</td></tr></table>							N	I	L
		2	6	6	4	8	8	9																					
						N	I	L																					
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4. Performance of the Company (Amount in ₹ Thousand)

Turnover <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>5</td><td>4</td><td>8</td><td>4</td><td>9</td><td>6</td><td>6</td></tr></table>			5	4	8	4	9	6	6	Total Expenditure <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>4</td><td>4</td><td>1</td><td>1</td><td>3</td><td>6</td><td>0</td></tr></table>			4	4	1	1	3	6	0	Earnings per share (in ₹) Facevalue of ₹ 2/- <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td>3</td><td>.</td><td>2</td><td>6</td></tr></table>					3	.	2	6	
		5	4	8	4	9	6	6																					
		4	4	1	1	3	6	0																					
				3	.	2	6																						
+ - Profit / (Loss) before tax <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>+</td><td>1</td><td>1</td><td>7</td><td>9</td><td>1</td><td>0</td><td>9</td></tr></table>			+	1	1	7	9	1	0	9	+ - Profit / (Loss) after tax <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>+</td><td>7</td><td>7</td><td>5</td><td>4</td><td>9</td><td>4</td></tr></table>			+	7	7	5	4	9	4	Dividend (%) <table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td> </td><td> </td><td> </td><td> </td><td>7</td><td>0</td></tr></table>							7	0
		+	1	1	7	9	1	0	9																				
		+	7	7	5	4	9	4																					
						7	0																						

5. Generic Names of the Company

Item Co No. (ITC Code)	Product Description																					
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>4</td><td>9</td><td>0</td><td>1</td><td>1</td><td>0</td><td>1</td><td>0</td></tr></table>			4	9	0	1	1	0	1	0	P R I N T E D B O O K	<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>4</td><td>8</td><td>2</td><td>0</td><td>2</td><td>0</td><td>0</td><td>0</td></tr></table>			4	8	2	0	2	0	0	0
		4	9	0	1	1	0	1	0													
		4	8	2	0	2	0	0	0													
<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>4</td><td>9</td><td>0</td><td>3</td><td>0</td><td>0</td><td>2</td><td>0</td></tr></table>			4	9	0	3	0	0	2	0	C H I L D R E N S	<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>E</td><td>X</td><td>E</td><td>R</td><td>C</td><td>I</td><td>S</td><td>E</td></tr></table>			E	X	E	R	C	I	S	E
		4	9	0	3	0	0	2	0													
		E	X	E	R	C	I	S	E													
	C O L O U R I N G	<table border="1" style="width: 100%; border-collapse: collapse;"><tr><td> </td><td> </td><td>N</td><td>O</td><td>T</td><td>E</td><td>B</td><td>O</td><td>O</td><td>K</td></tr></table>			N	O	T	E	B	O	O	K										
		N	O	T	E	B	O	O	K													
	B O O K																					

For and on behalf of the Board

sd/-
Amit D. Buch
Company Secretary

sd/-
A. R. Gala
Managing Director

sd/-
S. K. Vikamsey
Chairman

NAVNEET PUBLICATIONS (INDIA) LIMITED

Registered Office : Navneet Bhavan, Bhavani Shankar Road, Dadar (West), Mumbai – 400028.

ATTENDANCE SLIP

Twenty-Fifth Annual General Meeting - Thursday, 15th September 2011.

Please fill in this Attendance Slip and hand it over at the entrance of the meeting hall. Joint Shareholders may obtain additional Attendance Slip on request.

Master Folio No. _____ No. of Shares Held _____

DPID _____ Client ID _____

Mr. / Ms. / Mrs _____

Address _____

I / We hereby record my / our presence at the TWENTY -FIFTH ANNUAL GENERAL MEETING of the Company held on Thursday, 15th September 2011 at 3 : 30 p.m. at Textile Committee Auditorium, Textile Committee Building , P. Balu Road, Near Tata Press, Prabhadevi Chowk, Mumbai – 400025.

(Proxy’s Name in Block Letters)

(Member’s / Proxy’s Signature #)

Strike out whichever is not applicable

-----TEAR HERE-----

NAVNEET PUBLICATIONS (INDIA) LIMITED

Registered Office : Navneet Bhavan, Bhavani Shankar Road, Dadar (West), Mumbai – 400028.

PROXY FORM

Client ID _____

DPID _____

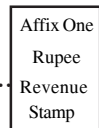
Master Folio No. _____

I/We _____ of _____ in the district of _____ being a member/members of Navneet Publications (India) Limited hereby appoint _____ of _____ in the district of _____ or failing him _____

of _____ in the district of _____ as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Thursday, 15th September, 2011 at 3 : 30 p.m. and at any adjournment(s) thereof.

Signed this..... day of 2011.

Signature



NOTE : The proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the time of the meeting.





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NAVNEET PUBLICATIONS (INDIA) LIMITED