



NAVNEET EDUCATION LIMITED
(Formerly Navneet Publications (India) Ltd.)

CIN : L22200MH1984PLC034055

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

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Corrigendum to the twenty eighth Annual Report

1. On page 18 of Annual Report - giving information on "Segmentwise Income from Operations" please read the Sales figures as follows :

Sales (for 2013-14 only) (Rs.in Lac)

Publishing Division	Existing	To Read as
Educational Books	44,959	44,253
Children's and General Books	2,046	2,046
Children's and General Books Export	507	1,213
	47,512	47,512
Stationery Division		
Exports (including incentives)	22,065	13,025
Paper Stationery (Domestic)	13,025	22,065
Non Paper Stationery (Domestic)	3,025	3,025
	38,115	38,115
Others	504	504
	86,131	86,131

2. On page 55 giving information on "Related Parties Accounts Payable/Receivable as on 31/3/2014", please read the figures for Sr.no. 2 - Investments - only for the year 2012-2013 as follows :

(Rs.in Lac)

	Existing		To Read as	
	2012-2013		2012-2013	
	Amount	Amount for major parties	Amount	Amount for major parties
Investments				
Subsidiaries, including :	565		565	
eSense Learning Private Limited		565		505

The above error is regretted and request the members to read the Annual Report with the above corrigendum.

For Navneet Education Limited
(Formerly Navneet Publications (India) Ltd.)

Sd/-

Amit D. Buch

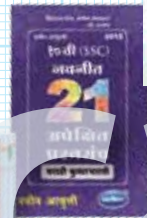
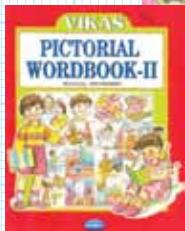
Company Secretary

Mumbai, 24th September, 2014

“Education is not preparation for life;
Education is life itself.”

- John Dewey

Education



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Board of Directors

Kamlesh S. Vikamsey	Chairman
Gnanesh D. Gala	Managing Director
Raju H. Gala	Joint Managing Director
Bipin A. Gala	Whole time Director
Anil D. Gala	Whole time Director
Shailendra J. Gala	Whole time Director
Atul J. Shethia	Whole time Director
Mohinder Pal Bansal	Director
Nilesh S. Vikamsey	Director
Tushar K. Jani	Director
Dr. R. Varadarajan	Director (upto 31st October, 2013)
Dr. Vijay B. Joshi	Director (w.e.f. 31st October, 2013)
Liladhar D. Shah	Director (upto 11th August, 2014)
Usha Laxman	Director (w.e.f. 11th August, 2014)

Company Secretary

Amit D. Buch

Auditors

Ghalla & Bhansali
Chartered Accountants
Mumbai

Bankers

ICICI Bank Ltd.
The Hongkong and Shanghai Banking Corporation Ltd.
DBS Bank Ltd.
Kotak Mahindra Bank Ltd.
HDFC Bank Ltd.
Deutsche Bank AG

The Bank of Nova Scotia
Standard Chartered Bank
Commonwealth Bank of Australia
ING Vysya Bank Ltd.

Registered Office

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

Corporate Identity Number

L22200MH1984PLC034055

Ahmedabad Office

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

Works

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

e-mail

investors@navneet.com

Website

www.navneet.com

Dear Shareowners,

It is indeed a privilege for me to address this first letter to you as Chairman of Navneet Education Limited.

I take this opportunity to thank you for the support you have rendered to me and to the entire Board of Directors of the Company. I look forward to a long and rewarding association with all of you.

Currently, the most decisive factor impacting the fortunes of every developing country has been the state of the world economy. Global economic growth has been subdued in the past few years. It is pertinent to note that challenges faced by our country are common to all the developing countries. Worldwide, 2014 is seen as an encouraging year over 2013. The outlook for the Indian economy too has turned distinctly positive with the new government at the centre.

The financial year ended March, 2014 has been yet another successful year, during which period, despite challenges, your Company consolidated and improved its position.

Education is seen as one of the focused agenda for the new government, apart from various other initiatives. We are sure that all private players in the field of education will have opportunities to contribute to this sector. Your Company's experience of over five decades will help it to take all relevant steps to contribute effectively to this sector.

Apart from growth in various emerging opportunities in Education Sector, your Company is making conscious efforts to augment its cash flows from operations. In the current economic scenario, generating real cash is becoming a challenge for the whole economy. Special efforts have been initiated by your Company to mobilize cash from its operations instead of merely accumulating them as receivables or inventory.

FY14 was another successful year though with muted growth in Publishing activities, but with overall improved margins. Similarly, first quarter performance of FY15 further proves your Company's continuous progress in both its business activities, Content & Stationery.

With continuous syllabus change scenario, new customers and new markets in Publication activity, growing exports in stationery segment and addition of more institutional clients and new products in eSense Learning Pvt. Ltd., your Company is confidently looking forward to achieving ₹ 1,000-cr milestone by FY15, as envisaged in our earlier Reports by our then Chairman, Shri Shivji K. Vikamsey.

With the expected revival in the global economy and the hope of the business environment improving in the country after the general elections, the business outlook for the Company is expected to remain positive. All these speak for the excellent opportunities that your Company is ready to seize and to grow at a rapid pace in the years to come.

Your Company continues to reward its shareholders with handsome dividend every year. This year the recommended dividend is ₹ 2/- (100%) per share.

I thank all my colleagues on the Board for their continued support.

I would like to specially express my appreciation to our employees at all levels for their dedication and hard work that has immensely contributed to the performance of the Company.

I also thank all our shareholders for the continued trust and wholehearted support extended to the Company.

Best regards,

Kamlesh S. Vikamsey

Dividend Policy :

Your Company has rewarded all its investors generously over the years. Maintaining the trend of rewarding its investors with minimum 25% of its net profits as dividends, this year your Company has proposed a final dividend of 100% or ₹ 2/- per share on the Face Value of ₹ 2/- which works out to above 49% pay out (including DDT) for FY14 as no major capital expenditure was required. This dividend will be tax free in the hands of the shareholders and will be paid when approved by the shareholders. Your Company will continue a healthy dividend payout ratio of minimum 25% even if capital expenditure is planned in future. The below table shows your Company's dividend distribution over the last few years :

Financial Year	Type of Dividend	Percentage	Net Profits (₹ in Lac)	Percentage to Net Profits (including DDT)
2013-14	Final	100 (Proposed)	11,515	49
2012-13	Final	90	10,669	45
2011-12	Interim	30		
	Final	40		
	Total	70	7,798	48
2010-11	Interim	30		
	Final	40		
	Total	70	6,676	50

Wealth Creation for Shareholders :

Apart from distributing liberal dividends, your Company also believes in creating wealth for its shareholders. The net worth of your Company has been steadily growing over the years. EPS has gone up from ₹ 4.66 in FY13 to ₹ 4.75 in FY14. The Net Worth of your Company stands at ₹ 50021 Lac compared to ₹ 44285 Lac in FY13.

Business Overview :

(A) Content Publishing Segment :

With few standards changing its syllabi in Maharashtra and Gujarat, your Company's content publishing revenue grew by only 4 % in FY14. Content Publishing revenue grew from ₹ 45,715 Lac to ₹ 47,512 Lac. However, your Company improved on its operating margin in this segment by 50 bps and improved its operating margins from 33% in FY13 to 33.5% in the current year. Since the content publishing segment had grown by 29% in the previous year, achieving higher growth with a higher base was difficult. However, with clear visibility of more standards syllabi change in 2014-15, good double digit growth is anticipated.

(B) Stationery Segment :

Stationery Segment grew by 17% from ₹ 32,596 Lac in FY13 to ₹ 38,115 Lac in FY14, a jump of 17% y-o-y. Exports have been a major contributor to this growth and we foresee that the Stationery Segment will continue to be more export driven for the next few years. Currently, your Company majorly exports to the US, Central America and Africa. With strong export orders already in the pipeline, this sub-segment may give higher contribution to the overall stationery revenue.

(C) Net Profit :

Your Company's net profit for FY14 was ₹ 11,318 Lac as compared to ₹ 11,106 Lac in FY13. This is an increase of ₹ 212 Lac over the previous year. Net Profit as a percentage of total revenue in FY14 stood at 13.14% against 14.04 % in FY13.

(D) Investment in Andhra Pradesh-based School Management Company :

In 2011, your Company ventured into direct education/School Management Business by taking a minority stake in a School Management Company in Andhra Pradesh. For the academic year 2013-14, it had 55 SSC Board schools under the brand "Gowtham Model School" in Andhra Pradesh. In 2013-14 it opened "Orchids - the International school" in Bengaluru (Karnataka) & Mumbai (Maharashtra).

(E) eLearning Segment :

Your Company's subsidiary eSense Learning Private Limited has been performing well and its B2B product (TOP CLASS) was installed in 2,047 institutions covering more than 11,400 classrooms. We are happy to inform you that eSense Learning Private Limited has become cash profitable at the net level and will no longer depend on its parent company for investments. For FY14 the revenue was ₹ 2,090 Lac against ₹ 1,488 Lac in FY13, a jump of 40% compared to the previous year, with a net profit of ₹ 139 Lac.

(F) Future Growth Drivers, Opportunities, Risks :

Growth Drivers :

Historically Navneet's revenue growth came only from the Syllabi change in the States of Maharashtra and Gujarat for SSC Board. But with the changing scenario in the education system and teaching methods, new avenues have opened up for Navneet.

1. With more and more CBSE and CBSE Pattern schools coming up in the Country, Navneet has entered this space and has completed the range of books from Standards 1 – 7 for CBSE Board.

2. Digital learning will continue to perform better with more penetration in SSC Schools in Maharashtra and Gujarat. eSense Learning Private Limited has completed its library for CBSE curriculum as well which shall also add to its growth.
3. Exports of Paper Stationery will not only add to the volume growth but also help in utilizing the capacities optimally resulting in better ROCE and margins.

Opportunities :

1. With the New Government emphasizing its decision to boost education in the Country, any positive step by the Authorities in this direction will prove to be a big opportunity for Navneet in its core States for print and digital content business.
2. Common curriculum in Mathematics and Science will enable Navneet to be present pan India in some time from now.

Considering all of the above, your Company is set to achieve ₹ 1000-cr. top line revenue in FY15 as communicated to our shareholders by our then Chairman Shri Shivji K. Vikamsey.

Risk Factors :

1. Foreign Exchange :

Your Company is exposed to the risk associated with its export business. Currently exports is 15% of your Company's total revenues but it is the risk that a foreign currency may move in a direction which may be financially detrimental to your Company's goal. Your Company is closely monitoring the exchange rates and mitigates this risk by regularly hedging whenever favorable rates are available.

2. Regulatory Risk :

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

Regulatory enactments are monitored regularly and your Company shall be de-risking its print and content 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.

3. Competition from other players :

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 risk may be a concern for the Company if it does not adapt to the changing face of the industry. With a view to mitigate this risk, the Company keeps itself abreast of latest changes in the industry and technology.

4. Input Costs :

The inflationary pressure could certainly increase your Company's input costs. The ever increasing raw material cost has been a concern for the Company' business and its profitability. The Company has set up a policy to monitor the raw material costs at each level and the Management has been taking reasonable steps to keep the raw material cost to the minimum level.

Corporate Social Responsibility (CSR) :

Your Company continues to use eco-friendly materials for most of its products. It also continues with its corporate social responsibility initiative and donates mainly in areas of medical aid, education and rehabilitation program. During FY14, your Company contributed ₹ 5.11 cr.

Your Company is preparing itself to implement the provisions of the Companies Act, 2013 on CSR by forming a CSR Committee and framing a CSR Policy. With this, your Company will discharge its Corporate Social Responsibility in a more structured way.

Internal Controls :

Your Company's internal control procedure and system is in commensurate with its size and nature of operations. The internal procedure ensures compliance with various policies, practices and statutes in keeping with Company's pace of growth. Your 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 challenging business conditions, the support from the workforce was positive throughout.

Cautionary Statement :

The Management Discussion and Analysis describing your Company's outlook, projections, expectations and estimates regarding future performance are based on current economic scenario. The Management believes to the best of its knowledge at the time of preparation of this report, that this scenario would be as per its expectation. 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 Company's policy on Corporate Governance is based on the principles of full disclosure, fairness, transparency and accountability in the various activities of the Company. Good corporate governance helps enhancement of long term shareholder value and interest of other stakeholders. The Board of Directors of the Company is committed to adherence of the corporate governance code and its constant review to maintain a greater degree of responsibility and accountability.

(2) BOARD OF DIRECTORS

2.1 Composition

The Board of Directors comprises of twelve Directors. Since the Company has a Non Executive Chairman, the Board meets the stipulated requirement of at least one third of the Board of Directors comprising of Independent Directors.

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 for the year is given below:

Sr. No.	Name of Director	Category	Board Meetings during 2013-2014		Salary (₹)	Other Benefits (₹)	Contri. to PF (₹)	Sitting Fee (₹)	Total Remuneration (₹)	Last AGM attended
			Held	Attended						
1.	*Shri S. K. Vikamsey	ID	5	1	-	-	-	15,000	15,000	NA
2.	*Shri A. R. Gala	PD	5	1	5,14,000	14,30,633	61,680	-	20,06,313	NA
3.	*Shri J. K. Sampat	PD	5	1	5,14,000	14,30,633	61,680	-	20,06,313	NA
4.	*Shri D. R. Gala	PD	5	1	5,14,000	14,30,633	61,680	-	20,06,313	NA
5.	*Shri H. R. Gala	PD	5	1	5,14,000	14,30,633	61,680	-	20,06,313	NA
6.	*Shri S. R. Gala	PD	5	1	5,14,000	14,30,633	61,680	-	20,06,313	NA
7.	*Shri J. L. Gala	PD	5	1	5,14,000	14,30,633	6,1680	-	20,06,313	NA
8.	#Shri G. D. Gala	ED	5	4	25,10,000	16,78,392	3,01,200	-	44,89,592	Yes
9.	#Shri R. H. Gala	ED	5	3	25,10,000	16,78,392	3,01,200	-	44,89,592	Yes
10.	#Shri B. A. Gala	ED	5	4	25,10,000	16,78,392	3,01,200	-	44,89,592	Yes
11.	#Shri A. D. Gala	ED	5	4	25,10,000	16,78,392	3,01,200	-	44,89,592	Yes
12.	#Shri S. J. Gala	ED	5	4	23,30,000	15,57,313	2,79,600	-	41,66,913	Yes
13.	#Shri Atul J. Shethia	ED	5	4	11,00,000	13,14,250	1,32,000	-	25,46,250	Yes
14.	Shri K. S. Vikamsey	ID	5	4	-	-	-	45,000	45,000	Yes
15.	Shri L. D. Shah	ID	5	4	-	-	-	80,000	80,000	Yes
16.	^Dr. R. Varadarajan	ID	5	-	-	-	-	-	-	No
17.	Shri Tushar K. Jani	ID	5	3	-	-	-	55,000	55,000	Yes
18.	#Shri Mohinder Pal Bansal	ID	5	2	-	-	-	40,000	40,000	No
19.	#Shri Nilesh S. Vikamsey	ID	5	1	-	-	-	10,000	10,000	Yes
20.	\$Dr. Vijay B. Joshi	ID	5	1	-	-	-	10,000	10,000	NA

* upto May, 2013, # from June, 2013, ^ upto October, 2013, \$ from October, 2013

PD - Promoter Director, ED - Executive Director, ID - Independent Director

2.3 Directorships in Other Public Limited Companies of the Directors as at 31st March, 2014 :

Sr. No.	Name of the Director	No. of Directorships*	No. of Committee Positions Held**	No. of Committees Chaired**
1	Shri Kamlesh S. Vikamsey	14	5	1
2	Shri Gnanesh D. Gala	2	-	1
3	Shri Raju H. Gala	1	-	-
4	Shri Bipin A. Gala	-	-	-
5	Shri Anil D. Gala	1	-	-
6	Shri Shailendra J. Gala	-	-	-
7	Shri Atul J. Shethia	-	-	-
8	Shri Mohinder Pal Bansal	3	2	-
9	Shri Nilesh S. Vikamsey	6	3	4
10	Shri Liladhar D. Shah	-	-	-
11	Shri Tushar K. Jani	1	-	-
12	Dr. Vijay B. Joshi	-	-	-

*The directorship held by Directors as mentioned above includes private limited companies which are subsidiaries of public companies and do not include directorships held in foreign companies, Section 25 companies and private limited companies.

**Committee of Directors includes Audit Committee & Investors' (shareholders') Grievance Committee.

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

There were five Board Meetings held during 2013-2014 and gap between two Board Meetings did not exceed four months. The dates of the Board Meetings are as under:

- (1) 30th May, 2013 (2) 6th August, 2013 (3) 31st October, 2013
(4) 25th November, 2013 (5) 5th February, 2014

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

The Board of Directors 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 49I (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, 2014.

Gnanesh D. Gala
Managing Director

(4) AUDIT COMMITTEE

4.1 Composition

The Audit Committee was reconstituted during the year and comprises of Shri Mohinder Pal Bansal, Shri Tushar K. Jani, Shri Liladhar D. Shah and Shri Nilesh S. Vikamsey. The Chairman of the Audit Committee is an Independent Director.

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

4.3 Attendance

Four Audit Committee Meetings were held during the year on 30th May, 2013, 6th August, 2013, 31st October, 2013 and 5th February, 2014.

The number of Audit Committee meetings held and attendance during 2013-2014 are as under:

Name of Director	No. of Meetings Held	No. of Meetings Attended
*Shri Kamlesh S. Vikamsey	4	1
*Shri Shivji K. Vikamsey	4	1
#Shri Mohinder Pal Bansal	4	2
#Shri Tushar K. Jani	4	2
Shri Liladhar D. Shah	4	4
**Shri Nilesh S. Vikamsey	4	-

*upto May, 2013, # wef June, 2013, ** wef October, 2013

Due to personal reasons, the Chairman of the Audit Committee could not remain present at the last Annual General Meeting held on 6th August, 2013. Shri Tushar K. Jani, Alternate Chairman of Audit Committee was present at the last Annual General Meeting held on 6th August, 2013.

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 raise through an issue (public issue, right issue, preferential issue etc.) the statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilisation proceeds of a public or right issue, and making appropriate recommendation 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 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 discussing 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 net worth exceeds 20% of the consolidated turnover or networth respectively of the Indian 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 Company.

(6) INVESTORS' GRIEVANCE COMMITTEE

6.1 Composition

Investors' Grievance Committee was reconstituted during the year. Accordingly, Investors' Grievance Committee consists of:

- (a) Shri Liladhar D. Shah (b) Shri Tushar K. Jani
(c) Shri Mohinder Pal Bansal (d) Shri Gnanesh D. Gala

The Chairman of Investors' Grievance Committee is an Independent Director.

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 30th May, 2013, 6th August, 2013, 31st October, 2013 and 5th February, 2014.

The number of Investors' Grievance Committee Meetings held and attended during 2013-2014 are as under:

Name of Director	No. of Meetings Held	No. of Meetings Attended
Shri Liladhar D. Shah	4	4
Shri. Tushar K. Jani	4	3
#Shri Mohinder Pal Bansal	4	2
#Shri Gnanesh D. Gala	4	3
*Shri Jaisinh K Sampat	4	1

#wef June, 2013; *upto May, 2013

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
Non-receipt of Share Certificate	4	4	0
Non-receipt of Dividend Warrant	73	71	2
Others (e.g. non receipt of Annual Report)	18	18	0
Total	95	93	*2

*Pending as complaints received in the end of March 2014. However the same have been since resolved.

(7) REMUNERATION COMMITTEE

7.1 Composition

The composition of the Remuneration Committee of the Company is as under:

- (a) Shri Liladhar D. Shah
(b) Shri Anil D. Gala
(c) Shri Gnanesh D. Gala
(d) Shri Tushar K. Jani
(e) Shri Atul J. Shethia

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 personnels. The remuneration policy is in consonance with 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
2012-13 Twenty Seventh	Tuesday, 6th August, 2013	3:30 p.m.	P. L. Deshpande Maharashtra Kala Academy, Mini Theatre-3rd Floor, Ravindra Natya Mandir, Sayani Road, Prabhadevi, Mumbai – 400025.
2011-12 Twenty Sixth	Thursday, 27th September, 2012	3:30 p.m.	Textile Committee Auditorium, Textile Committee Building, P. Balu Road, Near Tata Press, Prabhadevi Chowk, Mumbai – 400025.
2010-11 Twenty Fifth	Thursday, 15th September, 2011	3:30 p.m.	Textile Committee Auditorium, Textile Committee Building, P. Balu Road, Near Tata Press, Prabhadevi Chowk, Mumbai – 400025.

8.2 Special Resolutions passed at last three Annual General Meetings.

All the resolutions, including the special resolution(s) set out in the respective notices of the previous three AGMs were passed by the Shareholders.

8.3 Passing of Resolutions by Postal Ballot

No resolution has been passed in FY 2013-14 through postal ballot.

(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 complied with various rules and regulations prescribed by the Stock Exchanges and SEBI, relating to the capital markets during the last three 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 Un-audited and Audited Financial Results were put up on the Website of the Company at www.navneet.com, after its submission to Stock Exchanges.

10.2 The Company publishes its unaudited quarterly results and audited financial results in 'The Economic Times' and 'Maharashtra Times' newspapers.

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

(11) GENERAL SHAREHOLDER INFORMATION

11.1 28th Annual General Meeting :

Date : 29/9/2014

Time : 10:30 a.m.

Venue : P. L. Deshpande Maharashtra Kala Academy,
Mini Theatre - 3rd Floor,
Ravindra Natya Mandir, Near Siddhivinayak Temple,
Sayani Road, Prabhadevi, Mumbai - 400 025

11.2 Financial Year : 1st April, 2014 to 31st March, 2015

11.3 Financial Calendar :

Board Meetings to be held for approving Quarterly Results:

- (a) Quarters ending 30th June, 2014, 30th September, 2014, 31st December, 2014 : Within 45 days of the close of the respective quarter.
- (b) For the year ending 31st March, 2015 : Within 60 days of close of the year.
- (c) AGM for the year ending 31st March, 2015 : By August/September 2015.

11.4 Date of Book Closures :

From 31st July, 2014 to 2nd August, 2014 (both days inclusive) for the purpose of Annual General Meeting and payment of dividend.

11.5 Dividend payment during the year under review :

The dividend for the FY 2013-14 recommended by Directors, on approval by the shareholders at the ensuing Annual General Meeting, will be paid by 15th October, 2014 to those shareholders whose names appear in Company's Register of Members on book closure date.

11.6 Company's Shares are listed on :

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

11.7 Stock Codes on Stock Exchanges :

BSE : 508989

NSE : NAVNETEDUL

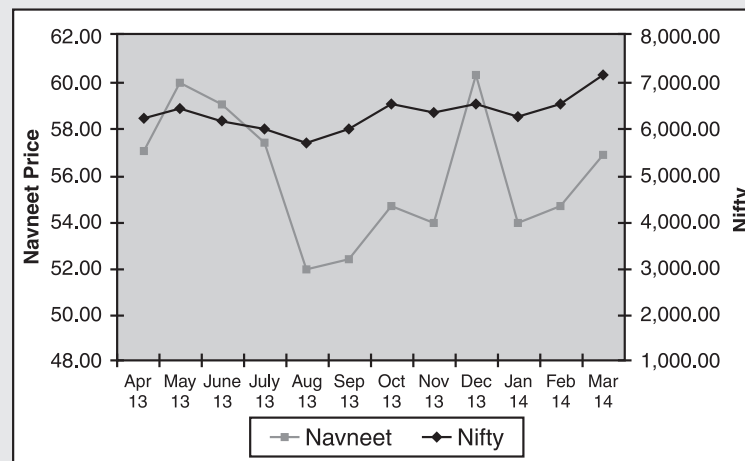
ISIN : INE 060A01024

Listing Fees for 2014-15 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, 2013	342857	1400803	64.70	56.45	60.80	56.50
May, 2013	465085	1787391	63.90	57.10	64.00	56.80
June, 2013	1376701	945157	63.40	57.70	63.35	57.50
July, 2013	1213033	2190230	64.90	55.00	64.65	55.20
August, 2013	1105657	2500795	58.50	50.00	58.65	50.10
September, 2013	429928	534154	55.75	50.75	55.00	50.10
October, 2013	362284	1875602	57.00	52.00	57.10	52.25
November, 2013	770031	4889592	57.80	52.35	57.85	52.00
December, 2013	784043	1941220	60.90	53.70	61.10	53.10
January, 2014	288663	756762	60.90	52.80	60.40	53.10
February, 2014	1867015	1864739	56.30	52.75	56.35	52.65
March, 2014	797946	1572393	58.30	54.20	58.90	54.10

Navneet Education Vs. Nifty for the year ended 31st March, 2014



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

BSE : 4.11% NSE : 9.34%

11.10 Distribution of Shareholding as on 31st March, 2014 :

No. of equity shares held	No. of Shareholders	Percentage of Shareholders	No. of Shares	Percentage of Shareholding
001-500	19398	69.74	3167803	1.33
501-1000	2843	10.22	2240143	0.94
1001-2000	1939	6.97	2835664	1.19
2001-3000	755	2.71	1921508	0.81
3001-4000	907	3.26	3316158	1.39
4001-5000	303	1.09	1440306	0.60
5001-10000	855	3.08	5836741	2.45
10001 & above	814	2.93	217456677	91.29
Total	27814	100	238215000	100

11.11 Category of Shareholders as on 31st March, 2014 :

Category	% to Paid-up Share Capital
Promoters	61.80
FII's	5.60
NRI's	0.63
Mutual Funds, Banks, Financial Institutions, Insurance Companies & Trust	12.15
Individuals	17.64
Bodies Corporate	2.09
Other clearing members	0.09
Total	100

11.12 Registrar & Share Transfer Agent:

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound,

L. B. S. Marg, Bhandup (West), Mumbai – 400078

Tel. : 022-2594 6970, Fax : 022-2594 6969

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

11.13 Dematerialisation of Shares and liquidity :

The shares of the Company are in compulsory dematerialisation segment and are available for trading system of both the depositories in India viz. National Securities Depository Limited (NSDL) and Central Depository Securities (India) Limited (CDSL). The status of dematerialisation of shares as on 31st March, 2014 is as under:

Particulars	No. of Shares	% of total share capital
Held in dematerialised form in NSDL	218040010	91.53
Held in dematerialised form in CDSL	14405210	6.05
Physical form	5769780	2.42
Total	23,82,15,000	100

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

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 despatched.

Investors' Contact Information :

Mr. Mahesh Masurkar E-mail : rnt.helpdesk@linkintime.co.in

11.15 Outstanding GDRs/ADRs/Warrants:

The Company has not allotted 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, Chinchpade, Vasai, Dist. Thane
- Rakanpur, Taluka Kalol, Dist. Mehsana
- Village Khaniwade, Tal. Vasai, Dist. Thane

11.17 Registered Office :

Navneet Bhavan, Bhavani Shankar Road,

Dadar (West), Mumbai - 400028

CIN : L22200MH1984PLC034055

Tel. : 022-6662 6565, Fax : 022-6662 6470

E-mail : investors@navneet.com

11.18 Compliance Officer

Company Secretary and Compliance Officer : Shri Amit D. Buch

E-mail : amit.buch@navneet.com

12. Details of Directors Seeking Appointment/Re-Appointment at the ensuing Annual General Meeting (in pursuance of Clause 49 of the Listing Agreement)

Name of Director	Shri Kamlesh S. Vikamsey	Shri Nilesh S. Vikamsey	Shri Mohinder Pal Bansal
Date of Birth	06/12/1960	16/08/1964	08/05/1957
Effective date of Appointment	30/05/1992	01/06/2013	01/06/2013
Qualification	Chartered Accountant	Chartered Accountant	Chartered Accountant
Experience and expertise in specific functional area	He is renowned Chartered Accountant by profession and has specialised in the field of Accounting, Taxation and Management advisory services. He has served on various expert committees set up by the Finance Ministry, the Reserve Bank of India and the Securities and Exchange Board of India and has also served on the Steering Committee of the United Nations. Previously, he was the President of the Institute of Chartered Accountants of India. He has served as a member of various advisory and expert committees at national and international levels, including as a Member of the Steering Committee for Comprehensive Review of Governance and Oversight within the United Nations.	A senior partner in one of the reputed Chartered Accountant firm. He is an elected member of the Central Council, the Apex decision making body of the Institute of Chartered Accountants of India (ICAI). He has over two decades of experience in the field of audit, management consultancy, due diligence, corporate restructuring, valuation, strategic planning, mergers and acquisition, etc.	He has over 25 years of experience in M&A, strategic advisory, capital markets, portfolio company integration as well as post-acquisition performance management in India, Asia and Europe. He has significant hands-on operational experience in conducting due diligence, structuring and negotiating transactions.
Directorship held in Other (excluding foreign) companies	(1) Ramky Infrastructure Ltd. (2) Aditya Birla Retail Ltd. (3) Neptune Developers Ltd. (4) Man Infra-construction Ltd. (5) Tribhovandas Bhimji Zaveri Ltd. (6) Apcotex Industries Ltd. (7) GIC Housing Finance Ltd. (8) Fabmall (India) Pvt. Ltd. (9) H.A.S. Two Holdings Pvt. Ltd. (10) Trinethra Superretail Pvt. Ltd. (11) Terrafirma Agroprocessing (India) Pvt. Ltd. (12) Neptune Ventures and Developers Pvt. Ltd. (13) Electrotherm Renewables Pvt. Ltd. (14) Palace Solar Energy Pvt. Ltd. (15) HLB Offices and Services Pvt. Ltd. (16) CheKam Properties Pvt. Ltd. (17) VarAsh Properties Pvt. Ltd.	(1) IIFL Holdings Ltd. (2) India Infoline Finance Ltd. (3) Rodium Realty Ltd. (4) The Federal Bank Ltd. (5) SBI Life Insurance Company Ltd. (6) IIFL Wealth Management Ltd. (7) HLB Offices and Services Pvt. Ltd. (8) Trunil Properties Pvt. Ltd. (9) Barkat Properties Pvt. Ltd.	(1) Allcargo Logistics Ltd. (2) Amfin Securities Pvt. Ltd. (3) ECU International (Asia) Pvt. Ltd. (4) Girik Wealth Advisors Pvt. Ltd. (5) Transindia Logistic Park Pvt. Ltd. (6) Dujon Commercial Pvt. Ltd.
Memberships/Chairmanships of Committee across public companies	Audit Committee : (1) Tribhovandas Bhimji Zaveri Ltd. - Chairman (2) Aditya Birla Retail Ltd. - Member (3) Trinethra Super Retail Pvt. Ltd. - Member (4) Man Infraconstruction Ltd. - Member (5) Apcotex Industries Ltd. - Member (6) LIC Housing Finance Ltd. - Member	Audit Committee : (1) IIFL Holdings Ltd. - Chairman (2) India Infoline Finance Ltd. - Chairman (3) The Federal Bank Ltd. - Chairman (4) SBI Life Insurance Co. Ltd. - Chairman (5) Radium Realty Ltd. - Member (6) IIFL Wealth Management Ltd. - Member Investors' Grievances and Share Transfer Committee : (1) The Federal Bank Ltd. - Member	Audit Committee : (1) Allcargo Logistics Ltd. - Member Investors' Grievances Committee : (1) Allcargo Logistics Ltd. - Member
Equity Shares Held	Nil	Nil	5000

Name of Director	Dr. Vijay B. Joshi	Shri Tushar K. Jani	Smt. Usha Laxman
Date of Birth	12/04/1956	29/04/1953	08/01/1958
Effective date of Appointment	31/10/2013	24/06/2010	11/08/2014
Qualification	M.Sc., Ph.D.	B. Sc.	B. Com.
Experience and expertise in specific functional area	He is currently the Principal of K. J. Somaiya College of Science and Commerce. He has rich experience in education field. He is a member of the Academic Council and Management Council of University of Mumbai. He is a member in various committees associated with education. He also has knowledge on design and development of content architecture and guidance for creation of content for an education e-learning material and website.	He is an innovative entrepreneur with over three decades of experience in corporate world. He is the past Chairman of Maharashtra State Council of CII. He has envisioned, founded and mentored numerous companies.	She has over 25 years experience in the field of education. She was the educational head of a playschool and nursery of NGO. Besides, she has experience of handling marketing in India and whole of Asia for software consulting solutions.
Directorship held in Other (excluding foreign) companies	Nil	(1) Ritu Freight and Transport Services Pvt. Ltd. (2) Blue Sea Shipping Agency Pvt. Ltd. (3) Blue Dart Aviation Ltd. (4) Nijoy Freight Systems Pvt. Ltd. (5) Transmart (India) Pvt. Ltd. (6) Scmooth (India) Pvt. Ltd. (7) Cargo Service Center India Pvt. Ltd. (8) Span Design & Solution Service Pvt. Ltd. (9) Ishan Freight and Transport Services Pvt. Ltd. (10) Delhi Cargo Service Center Pvt. Ltd. (11) Albatross Logistics Centre (India) Pvt. Ltd. (12) SCA Logistics Pvt. Ltd. (13) Cargo Service Centre Cool Chain India Pvt. Ltd.	(1) R. K. IPR Management Pvt. Ltd.
Memberships/Chairmanships of Committee across public companies	Nil	Nil	Nil
Equity Shares Held	450	Nil	Nil

No Directors seeking appointment/re-appointment at the ensuing Annual General Meeting are related to each other, except Shri Kamlesh S. Vikamsey and Shri Nilesh S. Vikamsey who are related as brothers.

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, 2014 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 : 30th May, 2014

For Navneet Education Limited
sd/- sd/-
Gnanesh D. Gala Ram Kamat
Managing Director Chief Financial Officer

CERTIFICATE FROM INDEPENDENT AUDITORS REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To the members of Navneet Education Limited (Formerly Navneet Publications (India) Limited).

We have examined the compliance of Corporate Governance by Navneet Education Limited (Formerly Navneet Publications (India) Limited), for the year ended 31st March, 2014 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.

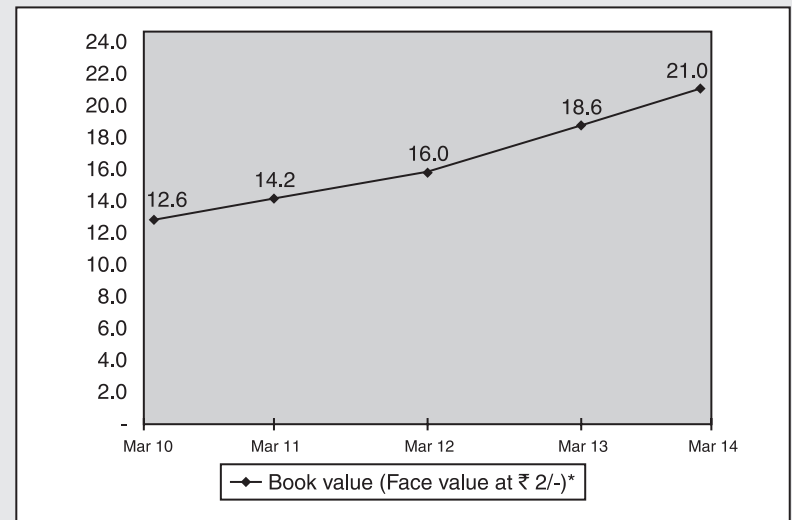
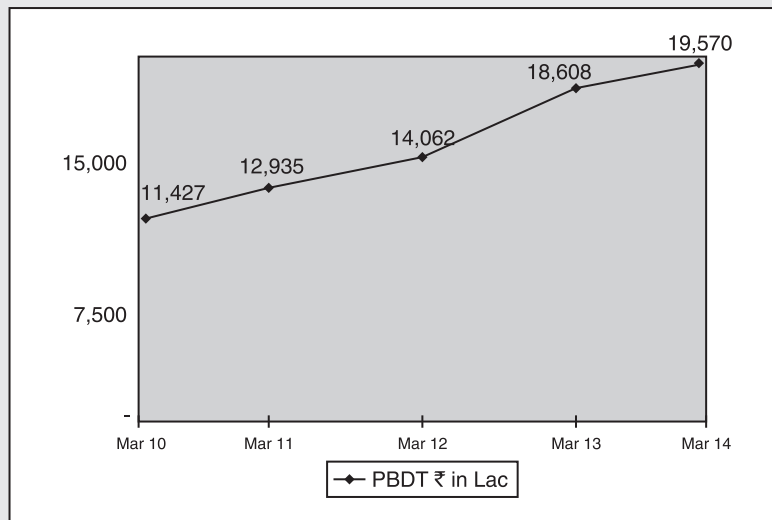
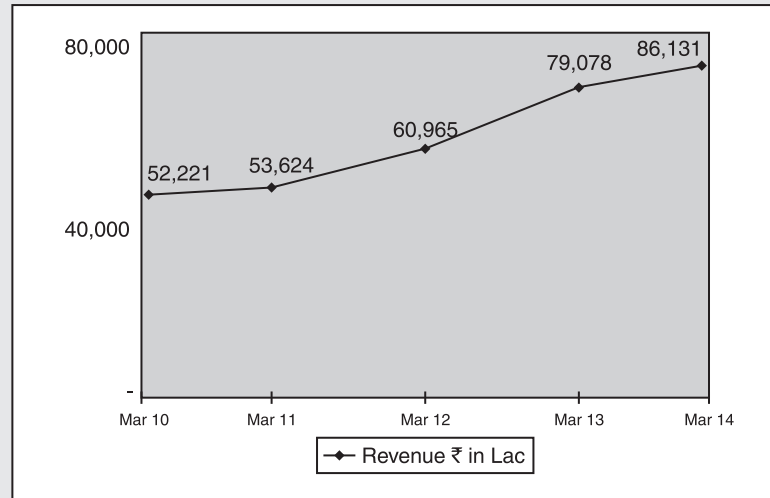
In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the condition of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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 : 30th May, 2014

For **Ghalla & Bhansali**
Chartered Accountants
(Firm Registration Number 103142W)
sd/-
Haresh K. Chheda
Partner
Membership Number 38262



* The figures are after considering the issue of Bonus Shares.

Financial Highlights (Standalone)

NAVNEET EDUCATION LIMITED
(Formerly NAVNEET PUBLICATIONS (INDIA) LIMITED)

	2009-10	2010-11	2011-12	2012-13	2013-14
Revenue	52,221	53,624	60,965	79,078	86,131
PBDT	11,427	12,935	14,062	18,608	19,570
Depreciation	1,164	1,144	1,510	2,000	2,201
PBT	10,264	11,791	12,552	16,608	17,370
Tax	3,466	4,036	4,200	5,501	6,052
Net Profit (PAT)	6,798	7,755	8,026	11,107	11,318
Dividend	2,382	3,335	3,335	4,288	4,766
Dividend (%) - (Face Value at ₹ 2/-)	50	70	70	90	100
Book Value (Face Value at ₹ 2/-) *	12.6	14.2	16.0	18.6	21.0
Equity Capital	4,764	4,764	4,764	4,764	4,764
Reserves & Surplus	25,296	29,178	33,315	39,487	45,223
Gross Block	19,338	23,188	28,957	31,723	35,172
Net Block	8,624	11,431	15,999	16,954	18,487
Return on Net Worth (%)	22.6	22.8	21.1	25.1	22.6
PBDIT Margin %	22.2	24.7	23.9	24.6	23.9
Pat Margin %	13.0	14.5	13.2	14.0	13.1
Debt-Equity **	0.0	0.0	0.0	0.0	0.0
EPS (Post Tax) (₹ 2/- per share)	2.9	3.3	3.4	4.7	4.8
EPS (Pre Tax) (₹ 2/- per share)	4.3	4.9	5.3	7.0	7.3
CEPS (Post Tax) (₹ 2/- per share)	3.3	3.7	4.0	5.5	5.7
CEPS (Pre Tax) (₹ 2/- per share)	4.8	5.4	5.9	7.8	8.2
Dividend Payout % to Net profits	41.0	50.1	48.3	45.2	49.3
MARKET CAP (₹ in Cr.)	1217.0	1313.8	1380.5	1384.0	1354.3

Notes:

- * The figures are after considering the issue of Bonus Shares.
- ** Debt consist of Long term borrowings.
- The figures are ₹ in Lac except for EPS, CEPS, Book Value & figures in %.

Segmentwise Income from Operations

NAVNEET EDUCATION LIMITED
(Formerly NAVNEET PUBLICATIONS (INDIA) LIMITED)

₹ in Lac

	2011-12 (Mar 12)		2012-13 (Mar 13)		2013-14 (Mar 14)	
Sales						
Publishing Division						
Educational Books	32,662		41,904		44,253	
Children's and General Books	1,913		2,455		2,046	
Children's and General Books Export	<u>827</u>	35,402	<u>1,356</u>	45,715	<u>1,213</u>	47,512
Stationery Division						
Exports (including incentives)	5,423		11,461		13,025	
Paper Stationery (Domestic)	16,495		18,125		22,065	
Non Paper Stationery (Domestic)	<u>3,009</u>	24,927	<u>3,010</u>	32,596	<u>3,025</u>	38,115
Others		636		767		504
		<u>60,965</u>		<u>79,078</u>		<u>86,131</u>

NOTICE is hereby given that the twenty-eighth Annual General Meeting of the members of Navneet Education Limited (Formerly Navneet Publications (India) Limited) will be held on Monday, 29th September, 2014 at 10:30 a.m. at P. L. Deshpande Maharashtra Kala Academy, Mini Theatre-3rd Floor, Ravindra Natya Mandir, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai - 400025 to transact the following business:

ORDINARY BUSINESS :

- 1) To receive, consider and adopt the audited Financial Statement of the Company for the year ended 31st March, 2014 including audited Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss for the year ended on that date and the reports of Board of Directors and Auditors thereon.
- 2) To declare a dividend for the financial year ended 31st March, 2014.
- 3) To appoint a Director in place of Shri Kamlesh S. Vikamsey (DIN:00059620), who is liable to retire by rotation, and being eligible, offers himself for re-appointment.
- 4) To appoint a Director in place of Shri Nilesh S. Vikamsey (DIN:00031213), who is liable to retire by rotation, and being eligible, offers himself for re-appointment.
- 5) To appoint Auditors and to fix their remuneration and in this regard, to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :
“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, and pursuant to recommendation of the Audit Committee of the Board of Directors, M/s. Ghalla & Bhansali, Chartered Accountants (Firm Regn. No. 103142W) be and are hereby appointed as Statutory Auditors of the Company for the period of 3 (three) years, subject to ratification by the members at every Annual General Meeting (AGM) and eligibility of the firm, to hold office from the conclusion of this AGM until the conclusion of the thirty-first AGM of the Company, on such remuneration plus service tax and reimbursement of out of pocket expenses, as shall be mutually agreed between the Board of Directors and the Auditors.”

SPECIAL BUSINESS :

- 6) To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV thereof and the Rules made thereunder, Dr. Vijay B. Joshi (DIN:06705634) who was appointed as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013, and who holds office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years, not liable to retire by rotation.”

- 7) To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV thereof and the Rules made thereunder, Smt. Usha Laxman (DIN:02765647) who was appointed as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013, and who holds office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of a Director, be and is hereby appointed as an Independent Director of the Company to hold office for a term of five consecutive years, not liable to retire by rotation.”
- 8) To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :
“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV thereof and the Rules made thereunder Shri Tushar K. Jani (DIN:00192621) who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years, not liable to retire by rotation.”

- 9) To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution** :

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV thereof and the Rules made thereunder Shri Mohinder Pal Bansal (DIN:01626343) who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of a Director of the Company, be and is hereby appointed as an Independent Director of the Company for a term of five consecutive years, not liable to retire by rotation.”

- 10) To consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :

“**RESOLVED THAT** in supersession of the earlier resolution passed under Section 293 (1) (d) of the Companies Act, 1956 at the 27th Annual General Meeting held on 6th August, 2013 and pursuant to Section 180 (1) (c) and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, the consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall include any Committee constituted/to be constituted thereof) to borrow any sum or sums of money/ies, from time to time, notwithstanding that money so borrowed together with the money/ies already borrowed by the Company (apart from temporary loans obtained/to be obtained from the Company’s bankers in the ordinary course of business), and outstanding at any point of time, may exceed the aggregate of the paid-up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specified purpose, provided that the total amount so borrowed by the Board shall not exceed ₹ 1200 crore (Rupees one thousand two hundred crore).

RESOLVED FURTHER that the Board be and is hereby authorized to arrange and finalise the terms and conditions of all such monies to be borrowed from time to time and to do all such acts, matters, deeds and things as may be necessary or expedient for implementing and for giving effect to the above resolution in the best interest of the Company.”

- 11) To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :

“**RESOLVED THAT** in supersession of the earlier resolution passed under Section 293 (1) (a) of the Companies Act, 1956 at the 27th Annual General Meeting held on 6th August, 2013 and pursuant to Section 180 (1) (a) and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder, consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred to as “the Board” which term shall include any Committee constituted/to be constituted thereof) to mortgage and/or charge in addition to the mortgage(s)/charge(s) created by the Company, in such form and manner and at such time and on such terms as the Board may determine or think fit the whole or substantially the whole or any one or more of the undertakings or all its undertakings, including all or any part of the movable and/or immovable properties wherever situated both present and future in favour of Company’s bankers/financial institutions/lenders within the overall ceiling limits prescribed by the members of the Company in terms of Section 180 (1) (c) and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder.

RESOLVED FURTHER THAT the Board be and is hereby authorised to take all such steps, deeds and things as may be necessary, proper or expedient for implementing and for giving effect to the above resolution in the best interest of the Company.”

- 12) To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to Section 188 and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and such other approvals as may be necessary, consent of the Company be and is hereby accorded to Shri Ketan B. Gala, Vice President-Marketing who is a relative of Shri Bipin A. Gala, Whole time Director of the Company, to hold and continue to hold the office or place of profit under the Company as Vice President-Marketing or with such other higher designation as the Board of Directors/Committee of Board of Directors of the Company (hereinafter referred to as the “Board/Committee”) may from time to time decide at a basic salary of ₹ 2.50 Lac per month plus other perquisites/allowances, which shall not be more than 100% of his basic salary per month, with an authority to the Board/Committee to give to Shri Ketan B. Gala, one or more increment in any year so as to increase basic salary upto ₹ 10 Lac per month plus other perquisites/allowances, which shall not be more than 100% of his basic salary per month.

RESOLVED FURTHER THAT the Board/Committee be and is hereby authorised to take all such steps, deeds and things as may be necessary, proper or expedient to give effect to this resolution.”

- 13) To consider and, if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to Section 188 and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and such other approvals as may be necessary, consent of the Company be and is hereby accorded to Shri Sanjeev J. Gala, Vice President-Marketing who is a relative of Shri Shailendra J. Gala, Whole time Director of the Company, to hold and continue to hold the office or place of profit under the Company as Vice President-Marketing or with such other higher designation as the Board/Committee of Board of Directors of the Company (hereinafter referred to as the “Board/Committee”) may from time to time decide at a basic salary of ₹ 2.50 Lac per month plus other perquisites/allowances, which shall not be more than 100% of his basic salary per month, with an authority to the Board/Committee to give to Shri Sanjeev J. Gala, one or more increment in any year so as to increase basic salary upto ₹ 10 Lac per month plus other perquisites/allowances, which shall not be more than 100% of his basic salary per month.

RESOLVED FURTHER THAT the Board/Committee be and is hereby authorised to take all such steps, deeds and things as may be necessary, proper or expedient to give effect to this resolution.”

- 14) To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to Section 188 and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and such other approvals as may be necessary, consent of the Company be and is hereby accorded to Shri Kalpesh H. Gala, Vice President who is a relative of Shri Raju H. Gala, Joint Managing Director of the Company, to hold and continue to hold the office or place of profit under the Company as Vice President or with such other higher designation as the Board of Directors/Committee of Board of Directors of the Company (hereinafter referred to as the “Board/Committee”) may from time to time decide at a basic salary of ₹ 2.50 Lac per month plus other perquisites/allowances, which shall not be more than 100% of his basic salary per month, with an authority to the Board/Committee to give to Shri Kalpesh H. Gala, one or more increment in any year

so as to increase basic salary upto ₹ 10 Lac per month plus other perquisites/allowances, which shall not be more than 100% of his basic salary per month.

RESOLVED FURTHER THAT the Board/Committee be and is hereby authorised to take all such steps, deeds and things as may be necessary, proper or expedient to give effect to this resolution.”

- 15) To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to Section 188 and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and such other approvals as may be necessary, consent of the Company be and is hereby accorded to Smt. Pooja K. Gala, Executive Finance who is a relative of Shri Bipin A. Gala, Whole time Director of the Company, to hold and continue to hold the office or place of profit under the Company as Executive Finance or with such other higher designation as the Board of Directors/Committee of Board of Directors of the Company (hereinafter referred to as the “Board/Committee”) may from time to time decide at a basic salary of ₹ 7,000/- per month plus other perquisites/allowances, which shall not be more than 100% of her basic salary per month, with an authority to the Board/Committee to give to Smt. Pooja K. Gala, one or more increment in any year so as to increase basic salary upto ₹ 25,000/- per month plus other perquisites/allowances, which shall not be more than 100% of her basic salary per month.

RESOLVED FURTHER THAT the Board/Committee be and is hereby authorised to take all such steps, deeds and things as may be necessary, proper or expedient to give effect to this resolution.”

- 16) To consider and, if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution** :

“**RESOLVED THAT** pursuant to Section 188 and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules made thereunder and such other approvals as may be necessary, consent of the Company be and is hereby accorded to the appointment of Shri Devish G. Gala who is a relative of Shri Gnanesh D. Gala, Managing Director of the Company, as Marketing Executive wef 1st October, 2014 and to hold the office or place of profit under the Company as such as Marketing Executive or with such other higher designation as the Board of Directors/Committee of Board of Directors of the Company (hereinafter referred to as the “Board/Committee”)”

may from time to time decide at a basic salary of ₹ 15,000/- per month plus other perquisites/allowances, which shall not be more than 100% of his basic salary per month, with an authority to the Board/Committee to give to Shri Devish G. Gala, one or more increment in any year so as to increase basic salary upto ₹ 75,000/- per month plus other perquisites/allowances, which shall not be more than 100% of his basic salary per month.

RESOLVED FURTHER THAT the Board/Committee be and is hereby authorised to take all such steps, deeds and things as may be necessary, proper or expedient to give effect to this resolution.”

NOTES :

- [A] **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE (ON POLL) INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY, IN ORDER TO BE EFFECTIVE MUST BE DULY FILLED, STAMPED, SIGNED AND DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF MEETING. A person can act as a proxy on behalf of not more than fifty members and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**
- [B] The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 in respect of the Special Business set out in the Notice is annexed.
- [C] Corporate members are requested to send a certified true copy of the Board resolution authorising their representatives to attend and vote at the Annual General Meeting.
- [D] The Register of Members and the Share Transfer Books of the Company remained closed from 31st July, 2014 to 2nd August, 2014 (both days inclusive) for the purpose of payment of dividend for the financial year ended 31st March, 2014 and AGM.
- [E] The final dividend as recommended by the Board of Directors, if declared at the Annual General Meeting, will be paid by 15th October, 2014 to those persons :
- (a) whose names appeared as Beneficial Owners as at the end of business hours on 30th July, 2014 in the list of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited in respect of shares held electronic/demat mode; and
 - (b) whose names appeared as Members in the Register of Members of the Company after giving effect to valid share transfers in physical form lodged with the Company/its Registrar and Share Transfer Agents M/s. Link Intime India Pvt. Ltd. on or before 30th July, 2014.
- [F] Change of Address/Bank details : Members holding shares in physical form are requested to inform the Company's Registrar and Share Transfer Agents M/s. Link Intime India Pvt. Ltd. immediately of any change in their address and bank details. Members holding shares in dematerialised forms are requested to intimate all changes with respect to their address, bank details, mandate etc. to their respective Depository Participants. These changes will then be automatically reflected in the Company's records which would help the Company to provide efficient and better service to the Members.
- [G] Members holding shares in dematerialised form are requested to provide their latest Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR and 11 digit IFS code) with their Depository Participants. Members holding shares in physical form are requested to provide their latest Bank Account details (Core Banking Solutions enabled account number, 9 digit MICR and 11 digit IFS code) along with their Folio Number to Company's Registrar and Share Transfer Agents M/s. Link Intime India Pvt. Ltd.
- [H] 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. Accordingly, the Company has transferred unclaimed or unpaid amounts of second interim dividend for the financial year 2006-2007 to the IEPF. Dividend declared by the Company thereafter, is still lying in the respective unpaid dividend accounts of the Company. Members who have not yet encashed these dividend(s) are requested to contact Company's Registrar and Share Transfer Agents M/s. Link Intime India Pvt. Ltd. Unclaimed first Interim dividend for financial year 2007-08 is due for transfer to IEPF in December, 2014. Kindly note that no claim shall lie

against the Company after the transfer of the said dividend amount to IEPF.

- [I] Disclosure as required under Clause 49 of the Listing Agreement with respect to respective Directors seeking appointment and re-appointment at the ensuing Annual General Meeting forms part of Corporate Governance Report.
- [J] 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.
- [K] The Company is concerned about the environment. We request you to update your email address with your Depository Participants to enable us to send you communications via email. Members who have not registered their e-mail address, so far, are requested to register their e-mail address, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to provide their e-mail address to Link Intime India Private Limited by sending an e-mail at rnt.helpdesk@linkintime.co.in or to the Company at investors@navneet.com
- [L] Copies of the Annual Report 2013-14 are being sent by electronic mode only to all the members whose email address is registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013-2014 are being sent by the permitted mode.
- [M] Members/Proxies should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
- [N] In terms of Sections 107 and 108 of the Companies Act, 2013 read with the Rules made thereunder, the Company is pleased to provide the facility to its Members holding shares in physical or dematerialized form as on the cut-off date, being 19th September, 2014, to exercise their right to vote by electronic means on any or all of the businesses specified in the accompanying Notice and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL). Details of the process and manner of e-voting is being sent to all the members along with the AGM Notice.
- [O] In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, upon poll being demanded, in

the larger interest of the Members, the Chairman may order a poll on his own motion or on demand at the Meeting in terms of Section 109 of the Companies Act, 2013 for all businesses specified in the AGM Notice. For abundant clarity, in the event of poll, please note that the Members who have exercised their right to vote by electronic means shall not vote by way of poll at the Meeting. The voting rights of the Members shall be in proportion to their shares of the paid up equity share capital of the Company, subject to the provisions of the Companies Act, 2013. The poll process shall be conducted and scrutinized and report thereon will be prepared in accordance with Section 109 of the Companies Act, 2013 read with the Rules made thereunder.

- [P] The Results declared along with Scrutinizer's Report(s) will be available on the website of the Company (www.navneet.com) within two (2) days of passing of the resolutions and communication of the same to the Bombay Stock Exchange Limited and the National Stock Exchange of India Limited.
- [Q] **Voting through electronic means :**
 1. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 28th Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):
The instructions for e-voting are as under :
 - A.** In case of members receiving e-mail:
 - (i) Log on to the e-voting website www.evotingindia.com
 - (ii) Click on "Shareholders" tab.
 - (iii) Now, select "NAVNEET EDUCATION LIMITED" from the drop down menu and click on "SUBMIT"
 - (iv) Now Enter your User ID
 - (a) For CDSL: 16 digits beneficiary ID,
 - (b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - (c) Members holding shares in Physical Form should enter Folio Number registered with the Company.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. E.g. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible

to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for "NAVNEET EDUCATION LIMITED".
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
 - Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
 - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.

- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- B. In case of members receiving the physical copy:**
- (i) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
 - (ii) The voting period begins on 23rd September, 2014 (9:00 a.m.) and ends on 25th September, 2014 (6:00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 19th September, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (iii) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.in under help section or write an email to helpdesk.evoting@cdslindia.com.
2. CS Sridhar Narayanan, Company Secretary in Practice (Membership No. FCS5661) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
 3. The Scrutinizer shall within a period not exceeding three(3) working days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
 4. The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website www.navneet.com and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the BSE and NSE.

Registered Office :

Navneet Bhavan,
Bhavani Shankar Road,
Dadar (West),
Mumbai - 400028
Date: 11th August, 2014

By Order of the Board of Directors

sd/-

Amit D. Buch
Company Secretary

ANNEXURE TO NOTICE

Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013.

Item Nos. 6 to 9

The Board of Directors appointed pursuant to Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, Dr. Vijay B. Joshi as an Additional Director of the Company wef 31st October, 2013 and Smt. Usha Laxman was appointed as an Additional Director of the Company wef 11th August, 2014. As per the provisions of Section 149(1) of the Companies Act, 2013 and amended Clause 49 of the Listing Agreement, the Company should have atleast one woman director on the Board of Directors of the Company. The said legal requirement is fulfilled by the appointment of Smt. Usha Laxman as a Director of the Company. Dr. Vijay B. Joshi and Smt. Usha Laxman would hold office as such upto the date of the ensuing Annual General Meeting.

The provisions of the Companies Act, 2013 with respect to appointment and tenure of the Independent Directors have come into effect. As per the said provisions, the Independent Directors shall be appointed for not more than two terms of five years each and shall not be liable to retire by rotation at every AGM. The Board of Directors of the Company has decided to adopt the provisions with respect to appointment and tenure of Independent Directors which is consistent with the Companies Act, 2013 and the amended Listing Agreement. Accordingly, the Independent Directors will serve for not more than two terms of five years each on the Board of the Company. In terms of Section 149 and any other applicable provisions, if any, of the Companies Act, 2013, all the Independent Directors, mentioned at Item Nos. 6 to 9 of the accompanying notice, being eligible offer themselves for appointment as Independent Directors on the Board of the Company and therefore it is proposed to appoint them as Independent Directors for a term upto five consecutive years, not liable to retire by rotation. Their brief profile, is given in the Corporate Governance Report forming part of this Annual Report. The Company has received notice in writing from member along with the deposit of requisite amount under Section 160 of the Companies Act, 2013 proposing candidatures of these Independent Directors for the office of Directors of the Company.

The Board of Directors is of the view that their knowledge and experience in their respective fields will be of immense use, benefit and value to the Company. Your Directors therefore recommend the resolutions at Item Nos. 6 to 9 of the accompanying Notice for your approval.

None of the Directors/Key Managerial Personnel of the Company/their relatives, other than Independent Directors for their respective appointments is, in any way, concerned or interested, financially or otherwise, in the said resolutions.

Item No. 10 and 11

The members of the Company, at the 27th Annual General Meeting held on 6th August, 2013 by way of Ordinary Resolutions passed under Section 293(1)(d) and Section 293(1)(a) of the Companies Act, 1956, had accorded their consent to the Board of Directors to borrow funds up to an amount of ₹ 1000 crore over and above the aggregate of paid up share capital and free reserves of the Company and to create charge/mortgage on the Company's properties/undertakings respectively.

Pursuant to Section 180 of the Companies Act, 2013 effective from 12th September, 2013, prior consent of the members is required by way of a Special Resolution to the Board of Directors to borrow funds, apart from temporary loans obtained from the company's bankers in the ordinary course of business, exceeding aggregate of the paid up share capital and free reserves of the Company and to create charge/mortgage on the Company's properties/undertakings.

Taking into consideration the Company's financial requirement, it is, proposed to obtain consent of the members by way of a Special Resolution under Section 180 and other applicable provisions, if any, of the Companies Act, 2013, to increase the borrowing powers of the Board of Directors as set out in the resolution proposed at Item No. 10 of the accompanying Notice to ₹ 1200 crore and also consent of the members by way of a Special Resolution to create charge/mortgage on the Company's properties/undertakings as mentioned in the resolution proposed at Item No. 11 of the accompanying Notice. Your Directors therefore recommend Special Resolutions at Item No. 10 and 11 of the accompanying Notice for your approval.

None of the Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolutions.

Item Nos. 12 to 16

Shri Ketan B. Gala, Shri Sanjeev J. Gala, Shri Kalpesh H. Gala, Smt. Pooja K. Gala and Shri Devish G. Gala are relatives of Directors of the

Company as mentioned in their respective resolutions. Shri Ketan B. Gala, Shri Sanjeev J. Gala, Shri Kalpesh H. Gala and Smt. Pooja K. Gala have been holding office or place of profit since more than ten years. They have rich experience in their respective fields. Shri Devish G. Gala has done BBA and has experience in the field of marketing.

Shri Ketan B. Gala, Shri Sanjeev J. Gala, Shri Kalpesh H. Gala and Smt. Pooja K. Gala are to continue to hold office or place of profit and proposed to be paid monthly remuneration as mentioned in their respective resolutions mentioned at Item Nos. 12 to 15 of the accompanying Notice. Shri Devish G. Gala is proposed to be appointed as Marketing Executive wef 1st October, 2014 as mentioned in the resolution at Item No. 16 of the accompanying Notice. As per the provisions of Section 188 of the Companies Act, 2013 and Rules made thereunder, prior approval of members is required by way of Special Resolution for the payment of remuneration and to hold/continue to hold office or place of profit by and for an appointment and holding office or place of profit and payment of remuneration to relative of a Director. Based on recommendation of Remuneration Committee, it is proposed to pay monthly remuneration and thereby to hold/continue to hold office or place of profit by Shri Ketan B. Gala, Shri Sanjeev J. Gala, Shri Kalpesh H. Gala and Smt. Pooja K. Gala relatives of Directors of the Company as mentioned in their respective resolutions mentioned at Item Nos. 12 to 15 of the accompanying Notice and appointment of Shri Devish G. Gala relative of a Director as Marketing Executive and to pay remuneration and holding office or place of profit as mentioned in the resolution at Item No. 16 of the accompanying Notice.

Your Directors recommend Special Resolutions at Item Nos. 12 to 16 of the accompanying Notice for your approval.

Shri Bipin A. Gala, Shri Shailendra J. Gala, Shri Raju H. Gala, Shri Gnanesh D. Gala, Directors and Shri Anil D. Gala, Director and brother of Shri Gnanesh D. Gala and their respective relatives are deemed to be concerned or interested in the respective resolution at Item Nos. 12 to 16 of the accompanying Notice. None of the other Directors/Key Managerial Personnel of the Company/their relatives is, in any way, concerned or interested, financially or otherwise, in the said resolutions.

Registered Office :

Navneet Bhavan,
Bhavani Shankar Road,
Dadar (West), Mumbai - 400028
Mumbai, 11th August, 2014

By Order of the Board of Directors

sd/-
Amit D. Buch
Company Secretary

Dear Shareowners,

Your Directors have pleasure in presenting their twenty- eighth Annual Report along with the Audited Statement of Accounts of the Company for the year ended 31st March, 2014.

(1) FINANCIAL RESULTS : (₹ in Lac)

Particulars	Current Year	Previous Year
(a) Profit before Interest, Depreciation and Tax	20570	19484
(b) Less : Interest	999	877
(c) Profit before Depreciation and Tax	19571	18607
(d) Less: Depreciation	2201	2000
(e) Profit Before Tax	17370	16607
(f) Less : (i) Provision for Tax	5944	5471
(ii) Provision for Deferred Tax	108	30
(g) Profit After Tax	11318	11106
(h) Balance brought forward from last year	27280	22302
(i) Profit available for Appropriation	38598	33408
APPROPRIATIONS :		
(a) Final Dividend	4764	4288
(b) Dividend on 6% Redeemable Non Cumulative Preference Shares	2	#
(c) Corporate Tax on Dividend	810	729
(d) General Reserve	1132	1111
(e) Balance Carried to Balance Sheet	31890	27280
	38598	33408

denotes less than ₹ 50,000/-.

(2) DIVIDEND :

Your Directors are pleased to recommend a dividend of ₹ 2/- (100%) per share for the financial year 2013-14. The dividend, if declared, work out to about 49% (including dividend distribution tax) as against your Company's policy of distribution of minimum of 25% of its net profit.

(3) OPERATIONS :

- (i) During the year under review, the Company achieved a turnover of ₹ 86131 Lac as compared to ₹ 79078 Lac in FY 13.
- (ii) Profit before depreciation and income tax for the year under review stood at ₹ 19571 Lac as against ₹ 18607 Lac in the previous year.

- (iii) After providing ₹ 2201 Lac for depreciation, ₹ 6052 Lac for income tax, deferred tax, profit after tax for the period stood at ₹ 11318 Lac as against ₹ 11106 Lac achieved in the previous year on standalone basis.

(4) PERFORMANCE OF DIVISIONS :

Content Publishing Division:

During the year under review, on account of few standards syllabus change in the State of Maharashtra and Gujarat, the revenue of your Company's content publishing division grew by 4%. Your Directors inform that the Company improved its operating margin in its content publishing division by 50 bps and increased the operating margins from 33% to 33.5% in FY14. Your Directors are optimistic that the revenue from this business would see double digit growth in anticipation of more standard syllabus change in FY15.

Stationery Division:

During FY14, the stationery division achieved revenue of ₹ 38115 Lac as against ₹ 32596 Lac achieved in FY13, thereby registering an increase of 17% on y-o-y basis. This double digit growth was achieved mainly as a result of good exports, particularly to US market. Your Directors foresee that the revenue from stationery division will continue to be more export driven. Currently, your Company mainly exports to the US, Central America, Africa. Your Directors expect double digit growth in revenue of stationery division in FY15.

(5) SUBSIDIARY COMPANIES :

The Ministry of Corporate Affairs (MCA), Government of India has vide its General Circular No. 2/11 dated 8th February, 2011 issued directions under Section 212(8) of the Companies Act, 1956 granting general exemption to companies from attaching to their Balance Sheets, the Accounts and other documents of their subsidiaries, subject to fulfilment of specified conditions. In view of this general exemption, the Board of Directors of the Company has given its consent for not attaching the Accounts and other documents of its subsidiary companies with the Annual Accounts of the Company, in relation to the financial year ended on 31st March, 2014. Further, a statement containing the relevant particulars prescribed under the general exemption for subsidiary companies is enclosed in this Annual Report. The Consolidated Accounts have been prepared in accordance with Accounting Standard (AS-21), on Consolidated Financial Statements notified under the Companies (Accounting Standard) Rules, 2006. The Audited Consolidated Accounts and Cash Flow Statement comprising of the Company and its subsidiary companies forms part of this Annual Report. The Company will

make available the Annual Accounts of its subsidiary companies and related information to any Member of the Company who make a written request to the Company Secretary at the Registered Office of the Company.

(6) DIRECTORS' RESPONSIBILITY STATEMENT :

As required under Section 217(2AA) of the Companies Act, 1956 we 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, if any;
- (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 year;
- (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.

(7) DIRECTORS :

During the year under review, Dr. R. Varadarajan resigned as a Director of the Company. The Board of Directors place on record its appreciation of the guidance given and contribution made by him during his tenure as a Director of the Company. Shri Kamlesh S. Vikamsey and Shri Nilesh S. Vikamsey, Directors of the Company, retire by rotation. Pursuant to the provisions of Section 161 of the Companies Act, 2013, Dr. Vijay B. Joshi was appointed as an Additional Director of the Company with effect from 31st October, 2013 and hold office upto the date of the ensuing Annual General Meeting. As per the provisions of the Companies Act, 2013, Independent Directors are required to be appointed for a term of five consecutive years and shall not be liable to retire by rotation. Accordingly, resolutions proposing appointment of Independent Directors form part of the Notice of AGM.

(8) 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, along with Auditor's Certificate on compliance with the Corporate Governance, forms part of this Annual Report.

(9) MANAGEMENT DISCUSSION AND ANALYSIS :

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

(10) AWARDS :

During the year under review, your Company has been awarded 'FMB Awards' by S. P. Jain Institute of Management and Research, Mumbai in recognition of an outstanding achievement in Business that has required processes managing their Family Business.

(11) CHANGE OF NAME :

Consequent to the consent of members and subsequent approval from the Central Government, the name of your Company has been changed from "NAVNEET PUBLICATIONS (INDIA) LIMITED" to "NAVNEET EDUCATION LIMITED" effective from 27th August, 2013.

(12) NETWORTH AND BORROWING :

Net worth of the Company increased to ₹ 50021 Lac against ₹ 44285 Lac in the previous year. Your Company borrowed in foreign currency to fund its windmill power project of which ₹ 212 Lac is outstanding as at balance sheet date which is classified as long term debt. Apart from this, your Company utilises the credit facilities from the banks and other short term finances for its working capital requirements only.

(13) 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 the Financial Year 2014, your Company donated ₹ 511 Lac. The management will continue to fulfill its social responsibility on an ongoing basis towards society in whatever best possible manner.

(14) FIXED DEPOSITS :

Your Company has not accepted any fixed deposit during the year under review.

(15) 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.

(16) PARTICULARS OF EMPLOYEES :

The information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with 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 Employee under Section 217(2A) of the Companies Act, 1956. Any Member interested in obtaining a copy of the said statement may write to Company Secretary at the Registered Office of the Company.

(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 re-appointment. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Rules made thereunder, it is proposed to appoint M/s. Ghalla & Bhansali as Statutory Auditors of the Company from the conclusion of the ensuing Annual General Meeting until the conclusion of thirty-first Annual General Meeting, subject to ratification by Members at every Annual General Meeting and eligibility of the firm.

(18) COST AUDITORS :

M/s. Ashish Bhavsar & Associates, Cost Accountants were appointed as Cost Auditors for the stationery division of the Company. The Cost Audit Reports are required to be filed within 180 days from the end of the financial year. The Cost Audit Reports for the financial year ended 31st March, 2014 will be filed within the prescribed period.

(19) ACKNOWLEDGEMENT :

The Directors express their sincere thanks to shareholders, bankers, financial institutions, customers, suppliers, government and other regulatory authorities for their continued support. Your Directors place on record their appreciation to the employees at all levels for their committed services to the Company.

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

Place : Mumbai

Kamlesh S. Vikamsey

Date : 30th May, 2014

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

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

Through visits of technical personnel to developed Western countries, your 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, your Company has been able to achieve a higher production, accuracy and perfection in printing.

(3) In case of Imported Technology

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

(C) Foreign Exchange Earnings and Outgo :

Your Company's export turnover has been ₹ 13,025 Lac.

Total Foreign Exchange earned and used :

(i) Foreign Exchange earned : ₹ 12,838 Lac

(ii) Foreign Exchange used : ₹ 2,062 Lac

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

Place : Mumbai

Kamlesh S. Vikamsey

Date : 30th May, 2014

Chairman

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 required 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 Agents.

Section 212 Statement of Subsidiary Companies

Statement Pursuant to Section 212 of the Companies Act, 1956, relating to the Subsidiary Companies for the year ended 31st March, 2014

Name of the Subsidiary Company	Grafalco Ediciones S.L.	eSense Learning Pvt. Ltd.
1. Financial Year of the Subsidiary Company	31st December, 2013*	31st March, 2014
2. No. of Shares held in Subsidiary Company as on the above date	648006 Equity Shares	4125500 Equity Shares
	@ Euro 1 each	₹ 10/- each
% of holding (Equity)	95.58%	99.81%
% of holding (Preference)	NIL	NIL
3. The net aggregate of Profits/(Losses) of the Subsidiary Company so far as it concerns the Members of Navneet Education Limited (Formerly Navneet Publications (India) Limited)		
(i) Dealt with in the Accounts of the Navneet Education Limited (Formerly Navneet Publications (India) Limited)		
amounted to :		
a) for the subsidiary's financial year ended 31st December, 2013 & 31st March, 2014	NIL	NIL
b) for the previous financial years of the subsidiary since it became a subsidiary of Navneet Education Limited (Formerly Navneet Publications (India) Limited)	NIL	NIL
(ii) Not Dealt with in the Accounts of the Navneet Education Limited (Formerly Navneet Publications (India) Limited)		
amounted to :		
a) for the subsidiary's financial year ended 31st December, 2013 & 31st March, 2014	(₹ 628192)	₹ 13915351
b) for the previous financial years of the subsidiary since it became a subsidiary of Navneet Education Limited (Formerly Navneet Publications (India) Limited)	(₹ 53043501)	(₹ 128955046)
4. Changes in the interest of the Navneet Education Limited (Formerly Navneet Publications (India) Limited) between the end of the financial year of the Subsidiary and 31st March, 2014.		
a) Nos. of shares	NIL	NIL
b) Extent of holding	NIL	NIL
5. Material changes between the end of the Financial Year of the Subsidiary and 31st March, 2014.	NIL	NIL

* For consolidation purpose accounts of Grafalco Ediciones S.L. are considered up to 31.03.2014

Place : Mumbai

Date : 30th May, 2014

sd/-

Amit D. Buch
Company Secretary

sd/-

G. D. Gala
Managing Director

For & On behalf of the Board
sd/-

K. S. Vikamsey
Chairman

To the Members of Navneet Education Limited (Formerly Navneet Publications (India) Limited)

Report on the Financial Statements:

We have audited the accompanying financial statements of Navneet Education Limited (Formerly Navneet Publications (India) Limited) ("the Company"), which comprise the Balance Sheet as at 31st March, 2014, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the Financial Statements:

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the Accounting Standards notified under the Companies Act 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility:

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of risks of material misstatement of financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the management, as well as evaluating the overall presentation of financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of Affairs of the Company as at 31st March, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- (c) in the case of Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal & Regulatory Requirements:

1. As required by The Companies (Auditor's Report) Order 2003 ("the Order") issued by the Central Government of India in terms of section 227 (4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by the section 227 (3) of the Act, 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 purposes of our audit;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;
 - (e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For **Ghalla & Bhansali**
Chartered Accountants
(Firm Registration Number 103142W)
sd/-

Haresh K. Chheda
Partner
Membership Number 38262

Place : Mumbai
Date : 30th May, 2014

(Referred to in paragraph 1 under the heading of "Report on Other Legal & Regulatory Requirements" of our report of even date)

1. (a) As per the information and explanations given to us, the Fixed Assets register showing full particulars including quantitative details and situation of Fixed Assets is compiled by the Company.
(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 status of the Company.
2. (a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. 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 explanation 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 explanations given to us, the Company has maintained proper records of its inventories and discrepancies noticed on verification between the physical stocks and the book records were stated to not be material.
3. (a) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Act. Accordingly clause 4(iii) (b) to (d) of the order is not applicable to the Company.
(b) According to the information and explanations given to us, the Company has not taken any loans, secured or unsecured, from Companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly clause 4(iii) (f) and (g) of the order is not applicable to the Company.
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 the 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 during the year from the public within the meaning of the directives issued by the Reserve Bank of India and the provisions of sections 58A and 58AA or any other relevant provisions of the Act and the rules framed there under. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. In our opinion, the Company has adequate internal audit system commensurate with the size and nature of its business.
8. We have broadly reviewed the books of account maintained by the Company in respect of products where, pursuant to the Rules made by the Central Government of India, the maintenance of cost records have been prescribed under clause (d) of sub-section (1) of Section 209 of the Act, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
9. (a) According to the information and explanation 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 other as applicable have been regularly deposited by the Company during the year with appropriate authorities.
- (b) According to the information and explanation given to us, there are no dues outstanding of VAT, income tax, custom duty, wealth tax, service tax, excise duty and cess, which have not been deposited on account of any dispute.
10. The Company has neither accumulated losses as at 31st March, 2014 nor has it incurred any cash loss during the financial year ended on that date and the immediately preceding financial year.
 11. Based on our audit procedures and 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. In our opinion and 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. In our opinion, the Company is not a chit or a nidhi/mutual benefit fund/society, therefore, the clause 4(xiii) of the Companies (Auditors 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 (Auditors 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 condition 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 loans outstanding at the beginning of the year and the term loan obtained during the year are applied for the purpose for which the loans are obtained.
 17. According to the information and explanation 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 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. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

For **Ghalla & Bhansali**
Chartered Accountants
(Firm Registration Number 103142W)
sd/-

Haresh K. Chheda
Partner
Membership Number 38262

Place : Mumbai
Date : 30th May, 2014

Balance Sheet

NAVNEET EDUCATION LIMITED

(Formerly NAVNEET PUBLICATIONS (INDIA) LIMITED)

Particulars	Note No.	As at	As at
		31st March, 2014	31st March, 2013
		₹ in Lac	₹ in Lac
EQUITY AND LIABILITIES			
1. Shareholders' funds			
a) Share Capital	1	4,798	4,798
b) Reserve and Surplus	2	45,223	39,487
		<u>50,021</u>	<u>44,285</u>
2. Non-Current Liabilities			
a) Long-Term Borrowings	3	-	242
b) Deferred Tax Liabilities (Net)	4	589	482
c) Long-Term Provisions	5	333	360
		<u>923</u>	<u>1,084</u>
3. Current Liabilities			
a) Short-Term Borrowings	6	22,825	16,144
b) Trade Payables	7	2,112	2,526
c) Other Current Liabilities	8	4,263	3,534
d) Short-Term Provisions	9	5,742	5,385
		<u>34,943</u>	<u>27,589</u>
TOTAL ASSETS		<u>85,886</u>	<u>72,958</u>
1. Non-Current Assets			
a) Fixed Assets			
i) Tangible Assets	10	17,431	15,818
ii) Intangible Assets	10	1,056	1,135
iii) Capital work-in-progress	11	451	570
		<u>18,938</u>	<u>17,523</u>
b) Non-Current Investments	12	565	565
c) Long-Term Loans and Advances	13	9,364	7,691
d) Other Non-Current Assets	14	41	25
		<u>28,908</u>	<u>25,804</u>
2. Current Assets			
a) Inventories	15	32,966	27,492
b) Trade Receivables	16	18,650	15,938
c) Cash and Bank Balances	17	628	343
d) Short-Term Loans and Advances	18	3,898	2,821
e) Other Current Assets	19	837	560
		<u>56,979</u>	<u>47,154</u>
TOTAL		<u>85,886</u>	<u>72,958</u>
Significant Accounting Policies And Notes on Financial Statements	1 to 44		

As per our report of even date attached hereto

For & On behalf of the Board

For **Ghalla & Bhansali**

Chartered Accountants

(Firm Registration Number 103142W)

sd/-

sd/-

sd/-

sd/-

Haresh K. Chhedra

Partner

Membership Number 38262

Mumbai, 30th May, 2014

Amit D. Buch
Company Secretary

Gnanesh D. Gala
Managing Director

K. S. Vikamsey
Chairman

Statement of Profit and Loss

NAVNEET EDUCATION LIMITED

(Formerly NAVNEET PUBLICATIONS (INDIA) LIMITED)

For the year ended 31st March, 2014

Particulars	Note No.	For the Year Ended	For the Year Ended
		31st March, 2014	31st March, 2013
		₹ in Lac	₹ in Lac
Income :			
Revenue from operations	20	86,131	79,078
Other Income	21	352	337
Total Revenue		<u>86,482</u>	<u>79,415</u>
Expenses :			
Cost of Material consumed	22	46,021	42,431
Purchase of Stock-in-Trade		121	370
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	23	(3,165)	(4,253)
Employee Benefits Expense	24	6,783	6,263
Financial Costs	25	999	877
Depreciation and Amortization Expense	10	2,201	2,000
Other Expenses	26	16,154	15,120
		<u>69,112</u>	<u>62,808</u>
Profit before tax		17,370	16,607
Tax Expense :			
Current Tax		5,944	5,471
Deferred Tax		108	30
		<u>6,052</u>	<u>5,501</u>
Profit for the year		<u>11,318</u>	<u>11,106</u>
Earnings per equity share of ₹ 2/- each (₹ 2/- each)			
(1) Basic		4.75	4.66
(2) Diluted		4.75	4.66
Significant Accounting Policies And Notes on Financial Statements	1 to 44		

As per our report of even date attached hereto

For & On behalf of the Board

For **Ghalla & Bhansali**

Chartered Accountants

(Firm Registration Number 103142W)

sd/-

sd/-

sd/-

sd/-

Haresh K. Chheda

Partner

Membership Number 38262

Mumbai, 30th May, 2014

Amit D. Buch
Company Secretary

Gnanesh D. Gala
Managing Director

K. S. Vikamsey
Chairman

Cash Flow Statement for the year 2013-14

NAVNEET EDUCATION LIMITED
(Formerly NAVNEET PUBLICATIONS (INDIA) LIMITED)

	2013-14 ₹ in Lac	2012-13 ₹ in Lac
Cash Flow from Operating Activities		
Net profit before tax	17,370	16,608
Adjustments for		
Interest & Financial Income (non operational)	(240)	(364)
(Profit)/Loss on sale of fixed assets	(7)	1
(Profit)/Loss on sale of Investments	(24)	(20)
Interest and Financial Expense	999	877
Depreciation	2,201	2,000
Diminution in the value of investments	-	-
Changes in Current Assets and Liabilities		
(Increase)/Decrease in Inventory	(5,473)	(5,778)
(Increase)/Decrease in Trade and Other Receivables	(4,815)	(8,499)
Increase/(Decrease) in Trade and Other Payables	623	1,785
Income Taxes Paid	(6,062)	(5,274)
Net cash inflow/(outflow) from Operating Activities (A)	4,572	1,337
Cash flow from Investing Activities		
Purchase of Fixed Assets and change in capital WIP	(4,174)	(2,957)
Proceeds from disposal of Fixed Assets	57	52
(Increase)/Decrease in Investment in Subsidiary	(1)	(135)
(Increase)/Decrease in Loan and Advances	(697)	1,832
Profit/(Loss) on sale of Investments	24	20
Interest & Financial Income	240	364
Net cash inflow/(outflow) from Investing Activities (B)	(4,551)	(825)
Cash flow from Financing Activities		
Increase/(Decrease) in Preference Share Capital + Capital Reserve	(6)	116
Increase/(Decrease) in Loan Fund	6,249	2,397
Interest and Financial Expense	(974)	(863)
Dividend Paid (including Dividend Tax)	(5,005)	(2,214)
Net cash inflow/(outflow) from Financing Activities (C)	264	(564)
Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	284	(51)
Cash and cash equivalent as at the commencement of the year	343	394
Cash and cash equivalent as at the end of the year	628	343
Net Increase/(Decrease) as mentioned above	284	(51)

Notes : (1) Closing Cash and Cash equivalent includes ₹ 106 Lac (P.Y. ₹ 94 Lac) lying in designated account with the scheduled banks on account of unclaimed dividend which are not available for use by the Company.

(2) 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 **Ghalla & Bhansali**

Chartered Accountants

(Firm Registration Number 103142W)

sd/-

Haresh K. Chheda

Partner

Membership Number 38262

Mumbai, 30th May, 2014

sd/-

Amit D. Buch

Company Secretary

sd/-

Gnanesh D. Gala

Managing Director

For & On behalf of the Board

sd/-

K. S. Vikamsey

Chairman

(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 Standard Rule 2006) as amended & relevant provisions of the Companies Act, 1956, read with General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013. The accounting policies have been consistently applied and are consistent with those used in the previous year.

(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 assets 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 ₹ 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 Intangibles assets other than Trade Mark and Copy Rights are amortised over a period of 36 months.

(F) Impairment of Assets

Assets are treated as impaired when the carrying cost of assets exceeds their recoverable value. An impairment loss is charged to the Statement of Profit and Loss in the year in which the 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 Statement of Profit and Loss.
- (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.

- (vi) The Foreign exchange difference on translation of long term foreign currency monetary items at rates different from those at which they were reported in previous financial statements, in so far as it relates to acquisition of depreciable assets are capitalised.

(I) Inventories

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

- i) Cost of Raw materials, packing materials, stores and spares are determined on weighted average basis.
- ii) 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) Contributions to the provident fund, which is a defined contribution scheme, are charged to the Statement of Profit and Loss 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 investments. 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 assets is put to use or ready to be put to use. All other borrowing costs are expensed in the period they are 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 Provisions

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

	As at 31st March, 2014	As at 31st March, 2013
	₹ in Lac	₹ in Lac
1 SHARE CAPITAL		
Authorised :		
24,82,97,500 (24,82,97,500) Equity Shares of ₹ 2/- each (₹ 2/- each)	4,966	4,966
3,40,500 (3,40,500) 6% Redeemable Non cumulative Preference Shares (RNCPS) of ₹ 10/- each	34	34
TOTAL	<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	4,764	4,764
3,40,500 (3,40,500) 6% Redeemable Non cumulative Preference Shares (RNCPS) of ₹ 10/- each fully paid up	34	34
	<u>4,798</u>	<u>4,798</u>

1.1 Reconciliation of the number of Equity Shares outstanding

	As at 31st March, 2014		As at 31st March, 2013	
	Number of Shares	₹ in Lac	Number of Shares	₹ in Lac
Number of Shares at the beginning of the year	238,215,000	4,764	238,215,000	4,764
Less: Shares cancelled on amalgamation	-	-	(96,500,484)	(1,930)
Add: Shares allotted on amalgamation	-	-	96,500,484	1,930
Number of Shares at the end of the year	238,215,000	4,764	238,215,000	4,764

1.2 Reconciliation of the number of 6% Redeemable Non cumulative Preference Shares outstanding

	As at 31st March, 2014		As at 31st March, 2013	
	Number of Shares	₹ in Lac	Number of Shares	₹ in Lac
Number of Shares at the beginning of the year	340,500	34	-	-
Add: Shares allotted on amalgamation	-	-	340,500	34
Number of Shares at the end of the year	340,500	34	340,500	34

1.3 (a) Terms/Rights Attached to Equity Shares

The company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share and all rank *pari passu*.

(b) Terms/Rights Attached to Preference Shares

- (i) Redemption - To be redeemed at par at the end of 18 months from the date of allotment.
- (ii) Coupon Rate - 6% per annum non cumulative.
- (iii) Call Option - The Company has an option to redeem the Preference Shares at any time after the end of 1 year from the date of allotment. If the Company exercises its call option, it will pay the amount of the face value of the Preference Shares along with dividend declared, if any, up to the date on which it exercise the call option. In case the Company exercises the call option, its liability to the Preference Shareholders shall stand extinguished from the date of dispatch of the cheques/pay order for the redemption amount, along with dividend, if any.
- (iv) Each holder of 6% RNCPS is entitled to one vote per RNCPS only on resolution placed before the Company which directly affect the rights attached to RNCPS.
- (v) In the event of winding up of the company, before redemption of RNCPS, the holders of RNCPS will have priority over equity shareholders in the payment of dividend and repayment of capital.

1.4 Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date

14,29,29,000 (14,29,29,000) Equity shares allotted as fully paid bonus shares in the last 5 years by capitalisation of Share Premium & General Reserve

1.5 Aggregate number and class of shares allotted as fully paid up pursuant to contract (S) without payment being received in Cash.

9,65,00,484 (9,65,00,484) Equity Share and 3,40,500 (3,40,500) Preference Shares were allotted in last 5 years pursuant to the scheme of Amalgamation without payment being received in Cash.

1.6 Equity Shareholders holding more than 5% of the shares

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	No. of Shares	% held	No. of Shares	% held
Amarchand Ramji Gala, Dungarshi Ramji Gala, Gnanesh Dungarshi Gala - Trustees of Navneet Trust	94,570,474	39.70	94,570,474	39.70
HDFC Trustee Company Ltd. - HDFC MF Monthly Income Plan Long Term Plan	11,967,917	5.02	NIL	NIL

1.7 6% Redeemable Non cumulative Preference Shareholders holding more than 5% of the shares

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	No. of Shares	% held	No. of Shares	% held
Amarchand Ramji Gala	25,783	7.57	25,783	7.57
Dungarshi Ramji Gala	20,457	6.01	20,457	6.01
Vimlaben Shantilal Gala	17,580	5.16	17,580	5.16

	As at 31st March, 2014	As at 31st March, 2013
	₹ in Lac	₹ in Lac
2 RESERVES & SURPLUS		
a) Capital Reserve:		
Opening Balance	82	#
Add: On amalgamation of Lakheni Publication Pvt. Ltd. with the Company as per Bombay High Court order dated 8/2/2013	-	82
Less : Deduction during the year	(6)	-
Closing Balance	<u>76</u>	<u>82</u>
b) General Reserve:		
Opening Balance	12,125	11,014
Add: Transferred from surplus balance in the Statement of Profit and Loss	1,132	1,111
Closing Balance	<u>13,257</u>	<u>12,125</u>
c) Surplus in the Statement of Profit and Loss		
Balance as per last Financial Statements	27,281	22,302
Add: Net Profit after tax	11,318	11,106
Balance available for Appropriation	<u>38,599</u>	<u>33,408</u>
LESS : APPROPRIATION		
Dividend Final ₹ 2/- ₹ 2/- paid up (₹ 1.80 paise ₹ 2/- paid up) on Equity Share Capital	4,764	4,288
Dividend @ 6 % for Preference Share Capital	2	#
	<u>4,766</u>	<u>4,288</u>
Corporate Tax on Dividend	810	729
Transfer to General Reserve	1,132	1,111
	<u>6,708</u>	<u>6,128</u>
SURPLUS AFTER APPROPRIATION	<u>31,890</u>	<u>27,281</u>
TOTAL (a + b + c)	<u>45,223</u>	<u>39,487</u>

NON CURRENT LIABILITIES

₹ in Lac

3 LONG TERM BORROWINGS:

A) Secured

i) Term Loan

- Foreign Currency Loans from Bank

Less: Amount payable within 12 months

	As at 31st March, 2014	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2013
	212		726	
	(212)	-	(484)	242

Nature of Security and Terms of Repayments for Secured Borrowings:

Nature of Security	Terms of Repayments
Long term foreign currency loan are exclusively secured by Hypothecation of windmills.	Foreign Currency Loans from Bank carries interest @ Libor+0.5%. The loan is repayable in 12 half yearly installments of 41980057 JPY starting from 17th Jan, 2009
The instalments due within 12 months from the date of Balance Sheet have been grouped under Other Current Liabilities (Note No. 8)	

As at 31st March, 2014	As at 31st March, 2013
₹ in Lac	₹ in Lac

4 Deferred Tax Liabilities (Net)

Depreciation

Disallowances under section 43B of the Income Tax Act, 1961

	727	638
	(138)	(156)
	<u>589</u>	<u>482</u>

5 Long Term Provisions

Provision for Employee Benefit

Provision for Leave Encashment (Refer Note No. 40)

	333	360
	<u>333</u>	<u>360</u>

	As at 31st March, 2014	As at 31st March, 2013
	₹ in Lac	₹ in Lac
6 SHORT TERM BORROWINGS:		
A) Secured		
i) Cash Credit from Bank	2,434	-
ii) Working Capital Rupee Loans repayable on demand from banks	7,800	10,300
iii) Foreign Currency Loan from Bank	4,794	2,172
All short term rupee loans and foreign currency loans equivalent to ₹ 15,028 Lac (Previous Year ₹ 12,472 Lac) 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.	<u>15,028</u>	<u>12,472</u>
B) Unsecured		
From Banks:		
(i) Rupee Loan	5,400	1,500
(ii) Foreign Currency Loan	2,397	2,172
TOTAL	<u>22,825</u>	<u>16,144</u>

7 TRADE PAYABLES:

- Due to Micro, Small and Medium Enterprises
- Due to Others

TOTAL

94	76
<u>2,018</u>	<u>2,449</u>
<u>2,112</u>	<u>2,526</u>

Details of the dues to Micro, Small and Medium Enterprises (MSME), as defined in the Micro, Small and Medium Enterprises Development Act, 2006, as on 31st March, 2014 based on available information with the Company which are as under:

Particulars	2013-14 ₹ in Lac	2012-13 ₹ in Lac
Principal amount due and remaining unpaid	29	14
Interest due on above and the unpaid interest	1	1
Interest paid	-	-
Payment made beyond the appointed day during the year	70	73
Interest accrued and remaining unpaid	5	3
Amount of further interest remaining due and payable in succeeding years	-	-

	As at 31st March, 2014	As at 31st March, 2013
	₹ in Lac	₹ in Lac
8 OTHER CURRENT LIABILITIES:		
Advances Received	312	117
Unpaid Dividend	106	94
Interest Accrued But Not Due	38	13
Income received in advance	138	76
Creditors for capex	121	269
Current maturities of Foreign Currency Loans from Bank (Also see note no. 3)	212	484
Employee Benefits Payable	696	682
Deposits	68	48
Statutory Dues		
- Providend Fund/ESIC/Profession Tax	60	58
- Tax Deducted At Source	86	92
- Service tax/WCT/Excise payable	8	8
- Sales tax/VAT payable	194	220
Provision for Expenses	1,587	1,121
Other Payable/(Receivable)	236	(146)
Book Overdraft	1	-
Stamp Duty Payable on Amalgamation	400	395
	<u>4,263</u>	<u>3,534</u>
9 SHORT TERM PROVISIONS:		
Provision for Employee Benefits		
- Provision for Leave Encashment Benefits (Refer Note No. 40)	72	122
Other Provision		
Provisions for tax(net of advance tax)	94	246
- Proposed Dividend	4,766	4,288
- Corporate Tax on Proposed Dividend (see note no. 2c)	810	729
	<u>5,742</u>	<u>5,385</u>

10 FIXED ASSETS

₹ in Lac

Sr. No.	Description of Assets	Gross Block				Deprecation/Amortization				Net Block	
		Cost As on 01.04.2013	Additions during the year	Deduction/ Adjustments	Cost as on 31.03.2014	Provided upto 01.04.2013	For the Year	Deductions on Sales/ Transfer	Total upto 31.03.2014	As on 31.03.2014	As on 31.03.2013
	Tangible										
1	Land - Freehold	983	144	-	1,127	-	-	-	-	1,127	983
2	Land - Leasehold	84	-	-	84	58	6	-	64	19	26
3	Building	10,434	1,257	-	11,690	2,827	606	-	3,433	8,257	7,607
4	Plant & Machinery	15,001	1,774	200	16,575	9,016	961	163	9,813	6,762	5,985
5	Office Equipments	301	50	4	348	202	22	3	221	127	99
6	Furniture & Fixtures	1,478	49	-	1,527	1,024	87	-	1,111	416	454
7	Vehicles	1,568	301	132	1,737	904	230	119	1,015	722	664
	Intangible										
8	Trade Mark	59	-	-	59	46	6	-	51	7	13
9	Copy Right	995	40	-	1,035	107	100	-	208	828	888
10	SAP	247	-	-	247	247	-	-	247	-	-
11	Software	573	169	-	742	339	182	-	521	221	234
	Total	31,723	3,784	336	35,172	14,770	2,201	286	16,685	18,487	16,954
	Previous Year	28,957	3,008	242	31,723	12,958	2,000	188	14,770	16,954	-

	As at 31st March, 2014	As at 31st March, 2013
	₹ in Lac	₹ in Lac

11 CAPITAL WORK IN PROGRESS

Opening Balance
Add: Additions during the year
Less: Capitalisation/Adjustments during the year
Closing Balance

570	338
442	552
(560)	(321)
<u>451</u>	<u>570</u>

	As at 31st March, 2014	As at 31st March, 2013
	₹ in Lac	₹ in Lac
12 NON CURRENT INVESTMENTS		
Other Investment (Valued at Cost less other than temporary diminution in value, if any)		
Unquoted In Equity Shares of Subsidiary Companies		
i. Grafalco Ediciones S.L. 6,48,006 (6,48,006) Equity Shares of Euro 1/- each fully paid up	375	375
ii. eSense Learning Pvt. Ltd. 41,25,500 (41,25,500) Equity Shares of ₹ 10/- each fully paid up	505	505
Investment in Limited Liability Partnership		
i. Navneet Learning LLP	12	12
Total non current investments	<u>891</u>	<u>891</u>
Less: Provision for diminution in value of investments in Grafalco	(326)	(326)
Total Net non current investments	<u>565</u>	<u>565</u>
Aggregate amount of unquoted investments	891	891
Aggregate provision for diminution in value of investments	326	326
13 LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
a) Capital Advance - Advances for Capital Expenditure	525	247
b) Corporate Deposits	157	157
c) Security Deposits	203	193
d) Advance Income Taxes (Net of Provisions)	490	524
e) Wealth Tax	6	7
f) Loans and advances to related parties		
i) Loans to Subsidiary	7,636	6,178
g) Loans to Employees	154	177
h) Loan to Vendors	8	11
i) Sales Tax/VAT receivable	30	35
j) Advance to Suppliers	2	4
k) Prepaid Expenses	12	12
l) Other Loans & Advances	141	146
	<u>9,364</u>	<u>7,691</u>

	As at 31st March, 2014	As at 31st March, 2013
	₹ in Lac	₹ in Lac
14 OTHER NON CURRENT ASSETS		
a) Other income receivable	38	20
b) Other Bank Balances	3	6
	<u>41</u>	<u>25</u>
15 INVENTORIES		
Stores, Spares & Consumables	646	568
Raw Materials	10,969	8,549
Raw Materials in transit	1,006	1,196
Finished Goods	18,785	15,961
Work In Process	1,556	1,214
Stock in Trade (in respect of Goods acquired for Trading)	3	4
	<u>32,966</u>	<u>27,492</u>
16 TRADE RECEIVABLES		
(Unsecured, considered good)		
Over six months	396	482
Others	18,254	15,455
	<u>18,650</u>	<u>15,938</u>
17 CASH & BANK BALANCES		
Cash And Cash Equivalents		
Cash on hand	36	34
Balance with Scheduled Banks		
- In Current Account	485	215
	<u>522</u>	<u>249</u>
	Sub Total A	
Earmarked balances with banks		
In Dividend Account	106	94
	<u>106</u>	<u>94</u>
	Sub Total B	
	<u>628</u>	<u>343</u>
	Total A + B	

	As at 31st March, 2014	As at 31st March, 2013
	₹ in Lac	₹ in Lac
18 SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
a) Loans and advances to related parties		
(i) Loans to Subsidiaries	21	17
b) Loans to vendors	52	22
c) Loans to Employees	168	155
d) Corporate Deposits	100	100
e) Sales Tax/VAT receivable	5	-
f) Cenvat receivable	109	81
g) Service Tax Refund receivable	27	5
h) Prepaid Expenses	171	139
i) Advance to Suppliers	733	474
j) Advance to Employee for expenses	64	65
k) Other Loans & Advances	2,449	1,763
	<u>3,898</u>	<u>2,821</u>
19 OTHER CURRENT ASSETS		
a) Export incentive receivable	830	531
b) Other income receivable	7	29
	<u>837</u>	<u>560</u>

	For the Year Ended 31st March, 2014	For the Year Ended 31st March, 2013
	₹ in Lac	₹ in Lac
20 Revenues from Operation:		
Sale of products		
- Finished Goods	85,987	78,334
- Traded Goods	359	875
Sale of services	470	502
Other operating revenues	994	915
	<u>87,810</u>	<u>80,626</u>
Less: VAT Collected	(1,295)	(1,175)
Less: Excise Duty	(384)	(373)
	<u>86,131</u>	<u>79,078</u>
20.1 Sales of Products-Finished Goods		
Educational Books	43,608	41,234
Paper Stationery	36,195	30,459
Others	6,184	6,642
	<u>85,987</u>	<u>78,334</u>
21 OTHER INCOME		
Dividend on Mutual Funds	-	3
Profit/(Loss) on Sale of Investments	24	20
Other non-operating income	65	55
Interest Income	263	260
	<u>352</u>	<u>337</u>
22 COST OF MATERIAL CONSUMED		
Raw Materials Consumed	46,021	42,431
	<u>46,021</u>	<u>42,431</u>
22.1 Cost of Material Consumed		
Paper	39,653	37,046
Others	6,367	5,385
	<u>46,021</u>	<u>42,431</u>

	For the Year Ended 31st March, 2014	For the Year Ended 31st March, 2013
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23 (INCREASE)/DECREASE IN STOCK IN TRADE, FINISHED GOODS AND WIP**Closing Stock**

	₹ in Lac	₹ in Lac
Work In Process (Refer Note below 23.1)	1,556	1,214
Finished Goods	18,785	15,961
Stock in Trade	3	4
	20,344	17,179

Opening Stock

Work In Process	1,214	1,236
Finished Goods	15,961	11,685
Stock in Trade	4	5
	17,179	12,926
	(3,165)	(4,253)

23.1 Details of Closing inventory of Work in Process

Forms	388	363
Printed covers	924	629
Pasted Sheets	12	9
Ruled Sheets	231	213
	1,556	1,214

24 EMPLOYEE BENEFITS EXPENSES

Salaries, Wages & Bonus	5,763	5,314
Contribution to Provident and Other Funds	589	558
Staff Welfare	431	391
	6,783	6,263

25 FINANCE COST

Interest Expenses	757	786
Applicable net gain/loss on foreign currency translation and transactions	241	90
	999	877

	For the Year Ended 31st March, 2014	For the Year Ended 31st March, 2013
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26 OTHER EXPENSES

	₹ in Lac	₹ in Lac
Printing Expenses	920	1,243
Binding Expenses	1,638	1,238
Other Manufacturing Expenses	1,512	1,505
Power & Fuel	250	173
Freight & Octroi	920	762
Stores & Spares Consumed	535	465
Repairs to Plant & Machinery	173	181
Rates & Taxes	180	129
Sales Tax Expenses	3	1
Rent	642	430
Royalty	1,607	1,531
Building Repairs & Maintenance	404	351
Other Repairs	183	203
Insurance	120	106
Transportation Expenses	1,362	1,416
Commission	217	113
Advertisement	225	257
Marketing Expenses	779	808
Sales Promotion Expenses	1,153	1,186
Discount & Rebate	469	370
Bad debts and other irrecoverable advance written off	11	193
Donation	511	531
Bank Charges	179	191
Prior Period items	5	8
Legal and Professional Fees (Refer Note No. 29)	518	510
Exchange Difference (Net)	23	(192)
Other Expenses	1,615	1,411
	<u>16,154</u>	<u>15,120</u>

For the year ended 31st March, 2014

27. Contingent Liabilities

- (a) For disputed Income-tax matters ₹ 33 Lac (Previous Year ₹ 410 Lac). However the Company has already made payments against such disputed liabilities.
- (b) Against Bond
Duty liability amounting to ₹ 251 Lac (Previous Year ₹ 115 Lac) 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 Guarantee given for tender of ₹ 50 Lac (Previous Year ₹ 50 Lac).
- (d) In respect of Bank Guarantee given for subsidiary company of ₹ 10 Cr. (Previous Year ₹ Nil).

28. Financial & Derivative instruments

- (a) The Company has sold USD 25.26 Mn equivalent ₹ 15430 Lac (Previous Year USD 17.38 Mn equivalent ₹ 9862 Lac) to cover export receivables, purchased USD 14 Mn equivalent ₹ 8653 Lac (Previous Year USD 12 Mn equivalent ₹ 6773 Lac.) to cover loan repayment and purchased USD 1 Mn equivalent ₹ 319 Lac (Previous Year USD NIL equivalent ₹ NIL) to cover Import Payment.

The company has entered into USD-JPY derivative option contracts hedging its exposure on ECB availed in JPY for wind power generation project. Option contracts worth of JPY 36-Mn (Previous Year JPY 109-Mn) are open as on balance sheet date, maturing over a period of seven years ending on July 2014.

	2013-14	2012-13
	₹ in Lac	₹ in Lac
29. Auditors Remuneration		
Audit Fees	11	9
Tax Audit Fees	2	2
Limited Review	1	1
Representation matters	2	1
Other Matters	6	6
	<u>22</u>	<u>19</u>
30. Value of Imports on C.I.F. Basis :		
Capital Goods	469	618
Raw Material (Including Consumables)	73	56
Components, Stores & Spares & others	868	607
	<u>1,410</u>	<u>1,281</u>

For the year ended 31st March, 2014

	2013-14	2012-13
	₹ in Lac	₹ in Lac
31. Expenditure in Foreign Currency on Account of :		
Royalty	3	4
Interest	64	56
Professional Fees	142	154
Other Matters	443	249
	<u>652</u>	<u>463</u>
32. Earning in Foreign Exchange		
Export of Goods on FOB basis	12,834	11,443
Interest Income	1	1
Others	4	12
	<u>12,838</u>	<u>11,455</u>

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

	Raw Material		Stores & Machinery Spares etc.	
	%	Value (₹ in Lac)	%	Value (₹ in Lac)
Imported	0.11	53	12.92	91
	(0.15)	(62)	(11.69)	(76)
Indigeneous	99.89	45,968	87.08	617
	(99.85)	(42,370)	(88.31)	(571)
Total	100	46,021	100	708
	(100.00)	(42,431)	(100.00)	(646)

34. Foreign currency translation of ₹ 264 Lac (Previous Year credited ₹ 101 Lac) arising on account of the exchange difference is debited to the Statement of Profit & Loss.

For the year ended 31st March, 2014

35. Related party transactions**(l) List of related parties where control exists and related parties with whom transactions have taken place and relationships :****(a) Party where control exists :**

Grafalco Ediciones S.L.	Subsidiary Company 95.58% (P.Y. 95.58%) of whose equity share capital is held by the Company as at 31st March, 2014
eSense Learning Private Ltd.	Subsidiary Company 99.81% (P.Y. 99.81%) of whose equity share capital is held by the Company as at 31st March, 2014
Navneet Learning LLP	Subsidiary 95% (P.Y. 95%) of share of profit of the Company as at 31st March, 2014

(b) 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 Gala Comp The Flagship Advertising Pvt. Ltd.
--	---

(ii) Key Management Personnel & Relatives	1. Shri A.R. Gala 2. Shri D.R. Gala 3. Shri H.R. Gala 4. Shri S.R. Gala 5. Shri J.L. Gala 6. Shri J.K. Sampat 7. Shri N.N. Shah 8. Shri B.A. Gala 9. Shri A.D. Gala 10. Shri G.D. Gala 11. Shri R.H. Gala 12. Shri D.C. Sampat 13. Shri S.J. Gala 14. Shri S.J. Gala 15. Shri K.H. Gala 16. Shri S.S. Gala 17. Shri K.B. Gala
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(II) Disclosure in respect of transactions with related parties during the year :

₹ in Lac

Sr. No.	Nature of Transaction/Relationship/Major Parties	2013-14		2012-13	
		Amount	Amounts for major parties	Amount	Amounts for major parties
1	Receiving of services from Enterprises owned or significantly influenced by KMP or their relatives, including: Navneet Prakashan Kendra Vikas Prakashan Gala Publishers	2,057	1,262 450 296	1,797	1,037 445 281
2	Remuneration/Salary Paid to KMP & their Relative	662		805	
3	Loan Given Subsidiaries: Navneet Learning LLP eSense Learning Private Limited	2,213	1,648 565	1,070	150 920
4	Investment Subsidiaries, including: eSense Learning Private Limited	-	-	136	130
5	Purchase of Fixed Assets Subsidiary: eSense Learning Private Limited	8	8	3	3
6	Rendering of services to Subsidiaries, including: eSense Learning Private Limited	16	15	14	13
7	Repayment of Loan Subsidiaries, including: eSense Learning Private Limited Navneet Learning LLP	755	605 150	138	130 8
Related Parties Accounts Payable/Receivable as on 31/3/2014					
1	Loans & Advances Recoverable Subsidiaries, including: eSense Learning Private Limited Navneet Learning LLP Enterprises owned or significantly influenced by KMP or their relatives: The Flagship Advertising Pvt. Ltd.	7,656	2,950 4,686	6,195	2,990 3,188
		50	50	50	50
2	Investments Subsidiaries, including: eSense Learning Private Limited	565	505	565	505

For the year ended 31st March, 2014

	2013-14	2012-13
	₹ in Lac	₹ in Lac
36. Earning Per Share :		
(a) Net Profit after tax but before extra ordinary items as per statement of profit and loss	11,318	11,106
Less : Extra Ordinary Items	-	-
Net Profit available for Equity Shareholders	11,318	11,106
(b) Weighted average number of equity shares for basic and diluted EPS (in No.)	2,382	2,382
(c) Basic and Diluted Earning per share of ₹ 2/- each		
(i) before Extra Ordinary Items	4.75	4.66
(ii) after Extra Ordinary Items	4.75	4.66

37. Details of Loans and Advance 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
	₹ in Lac		
(a) Loans & Advances in the nature of Loans :			
(i) Subsidiaries			
Grafalco Ediciones S.L.	21	--	21
	(17)	(--)	(17)
Esense Learning Pvt. Ltd.	--	2,950	2,950
	(--)	(2,990)	(2,990)
Navneet Learning LLP	--	4,686	4,686
	(--)	(3,188)	(3,188)

Note : Loans to employees under various schemes of the Company have been considered to be outside the preview of the disclosure requirements.

38. 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) Cancellable Operating Leases

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

(ii) Non-Cancellable Operating Leases

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

For the year ended 31st March, 2014

	2013-14	2012-13
	₹ in Lac	₹ 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 :	-	-
(ii) later than one year and not later than five years:	-	-
(iii) later than five years:	-	-
(b) Lease payments recognised in the Statement of Profit and Loss for the period under review.	-	31

39. DETAILS OF PROVISIONS, UTILISED, WRITTEN BACK :

Particulars	As at 01.04.2013	Additions	Utilised/Written Back	₹ in Lac
				As at 31.03.2014
Provision for Leave Salary Encashment	482	-	77	405
	<u>482</u>	<u>-</u>	<u>77</u>	<u>405</u>

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

- (a) 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 amounts towards defined contribution plans as an expense and included in the Statement of Profit and Loss.

	2013-14	2012-13
	₹ in Lac	₹ in Lac
i) Provident Fund	272	260
ii) ESIC	52	53
(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 Lac

	Gratuity (Funded)		Leave Encashment (Non Funded)	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013
Change in Obligation				
Opening Present Value of Accrued Gratuity	1,263	869	482	369
Service Cost including actuarial gain/(loss)	310	330	(13)	116
Interest Cost	101	70	35	30
Less : Benefits paid	(216)	(5)	(99)	(33)
Closing Present Value of Accrued Gratuity	1,459	1,263	405	482
Change in Plan Assets				
Opening Fund Balance	1,406	1,117	-	-
Return on the plan assets	114	108	-	-
Contribution paid	223	187	99	33
Less : Benefits paid	(216)	(5)	(99)	(33)
Closing Fund Balance	1,528	1,406	-	-
Reconciliation of present value of obligation and the plan assets				
Closing Fund Balance	1,528	1,406	-	-
Closing present value of Accrued Gratuity	1,459	1,263	-	-
Net Liability	(69)	(143)	405	482
Liability recognized in balance sheet			405	482
Expenses recognized in the Statement of P & L				
Current Service Cost			106	109
Interest Cost			35	30
Expected Return on Plan Assets			-	-
Net Actual (Gain)/Loss recognized for the period			(119)	7
Expenses recognized in the Statement of P & L			22	146
Movement in the Liability recognized in Balance Sheet				
Opening Net Liability			482	369
Expenses as above			22	146
Contribution paid			(99)	(33)
Closing Net Liability			405	482
Assumptions				
Expected return on plan assets	8.85%	8.00%	NA	NA
Salary escalation rate	8.33%	8.33%	4.00%	4.00%
Discounting rate	8.00%	8.00%	9.10%	8.05%

41. SEGMENT REPORTING

As per Accounting Standard (AS) 17 on “Segment Reporting”, segment information has been provided under the Notes to Consolidated Financial Statements.

42. The Ministry of Corporate Affairs, Government of India, vide General Circular No. 2 and 3 dated 8th February 2011 and 21st February 2011 respectively read with General Circular No. 08/2014 dated 4th April 2014 has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

43. Figures of ₹ 50000 or less have been denoted by #

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

As per our report of even date attached hereto

For & On behalf of the Board

For **Ghalla & Bhansali**

Chartered Accountants

(Firm Registration Number 103142W)

sd/-

sd/-

sd/-

sd/-

Haresh K. Chheda

Partner

Membership Number 38262

Mumbai, 30th May, 2014

Amit D. Buch

Company Secretary

Gnanesh D. Gala

Managing Director

K. S. Vikamsey

Chairman

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NAVNEET EDUCATION LIMITED

(Formerly **NAVNEET PUBLICATIONS (INDIA) LIMITED**)

Consolidated Financial Statements

for the year ended 31st March, 2014

To the Board of Directors of Navneet Education Limited (Formerly known as Navneet Publications (India) Limited)

Report on the Consolidated Financial Statements:

We have audited the accompanying consolidated financial statements of Navneet Education Limited (Formerly known as Navneet Publications (India) Limited) ("the Company") and its subsidiaries (collectively referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of the significant accounting policies and other explanatory information.

Management's responsibility for the Consolidated Financial Statements:

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting Standards notified under the Companies Act 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility:

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and presentation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control. An audit also includes evaluating the appropriateness of accounting policies used and

the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion:

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of the reports of the other auditors on the financial statements/consolidated financial statements of the subsidiaries and associates as noted below, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India:

- in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- in the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and
- in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Emphasis of Matter Paragraph:

- We draw attention to Note a (iii) (3) of Significant Accounting Policies to the consolidated financial statements in connection with the consolidation of financial statements of subsidiaries.
- In respect of investments in associates valued at ₹ 580 Lac in the Financial Statements of the Subsidiaries no adjustments have been made in the Consolidated Financial Statements as at 31 March, 2014 as the financial statements from these associates were not available.

Our opinion is not qualified in respect of above stated other matters.

Other Matters:

We did not audit the financial statements of an associate in which the share of loss of the Group is ₹ 6 Lac. These financial statements have been audited by other auditor whose reports have been furnished to us and our opinion, is based solely on the reports of the other auditor.

Our opinion is not qualified in respect of this matter.

For **Ghalla & Bhansali**
Chartered Accountants
(Firm Registration Number 103142W)
sd/-

Haresh K. Chheda

Partner

Membership Number 38262

Place : Mumbai

Date : 30th May, 2014

Balance Sheet (Consolidated)

NAVNEET EDUCATION LIMITED

(Formerly NAVNEET PUBLICATIONS (INDIA) LIMITED)

Particulars	Note No.	As at	As at
		31st March, 2014	31st March, 2013
		₹ in Lac	₹ in Lac
EQUITY AND LIABILITIES			
1. Shareholders' funds			
a) Share Capital	1	4,798	4,798
b) Reserve and Surplus	2	43,067	37,119
		<u>47,865</u>	<u>41,917</u>
2. Non-Current Liabilities			
a) Long-Term Borrowings	3	-	242
b) Deferred Tax Liabilities (Net)	4	589	484
c) Long-Term Provisions	5	361	388
		<u>950</u>	<u>1,114</u>
3. Current Liabilities			
a) Short-Term Borrowings	6	23,156	16,144
b) Trade Payables	7	2,148	2,549
c) Other Current Liabilities	8	4,492	3,787
d) Short-Term Provisions	9	5,743	5,386
		<u>35,538</u>	<u>27,865</u>
Minority Share of Interest		6	7
TOTAL		<u>84,360</u>	<u>70,904</u>
ASSETS			
1. Non-Current Assets			
a) Fixed Assets			
i) Tangible Assets	10	18,402	17,009
ii) Intangible Assets	10	342	406
iii) Capital work-in-progress	11	451	570
iv) Intangible Assets under Development	12	-	3
		<u>19,195</u>	<u>17,988</u>
b) Non-Current Investments	13	4,746	3,100
c) Long-Term Loans and Advances	14	1,967	1,870
d) Other Non-Current Assets	15	45	29
		<u>25,953</u>	<u>22,987</u>
2. Current Assets			
a) Inventories	16	33,369	27,515
b) Trade Receivables	17	19,611	16,593
c) Cash and Bank Balances	18	692	352
d) Short-Term Loans and Advances	19	3,895	2,897
e) Other Current Assets	20	841	560
		<u>58,407</u>	<u>47,916</u>
TOTAL		<u>84,360</u>	<u>70,904</u>
Significant Accounting Policies And Notes on Financial Statements	1 to 39		

As per our report of even date attached hereto

For **Ghalla & Bhansali**

Chartered Accountants

(Firm Registration Number 103142W)

sd/-

Haresh K. Chheda

Partner

Membership Number 38262

Mumbai, 30th May, 2014

sd/-

Amit D. Buch

Company Secretary

sd/-

Gnanesh D. Gala

Managing Director

sd/-

K. S. Vikamsey

Chairman

For & On behalf of the Board

Statement of Profit and Loss (Consolidated)

NAVNEET EDUCATION LIMITED
(Formerly NAVNEET PUBLICATIONS (INDIA) LIMITED)

Particulars	Note No.	For the Year Ended	For the Year Ended
		31st March, 2014	31st March, 2013
		₹ in Lac	₹ in Lac
Income :			
Revenue from operations	21	88,212	80,566
Other Income	22	351	365
Total Revenue		<u>88,563</u>	<u>80,930</u>
Expenses :			
Cost of Material consumed	23	46,314	42,434
Purchase of Stock-in-Trade		600	497
Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	24	(3,540)	(4,230)
Employee Benefits Expense	25	7,359	6,869
Financial Costs	26	999	877
Depreciation and Amortization Expense	10	2,580	2,345
Other Expenses	27	16,680	15,774
		<u>70,992</u>	<u>64,567</u>
Profit before tax		17,571	16,364
Tax Expense :			
Current Tax		5,944	5,471
Deferred Tax		105	30
Profit after Tax		<u>11,522</u>	<u>10,862</u>
Add/(Less) : Share in Profit/(Loss) of Associates		(6)	#
Add/(Less) : Minority Interest		(1)	(63)
Less : Goodwill on consolidation w/off		-	(131)
		<u>(7)</u>	<u>(193)</u>
Profit for the year		<u>11,515</u>	<u>10,669</u>
Earnings per equity share of ₹ 2/- each (₹ 2/- each)			
(1) Basic		4.83	4.48
(2) Diluted		4.83	4.48
Significant Accounting Policies And Notes on Financial Statements	1 to 39		

As per our report of even date attached hereto

For & On behalf of the Board

For **Ghalla & Bhansali**

Chartered Accountants

(Firm Registration Number 103142W)

sd/-

sd/-

sd/-

Haresh K. Chheda

Partner

Membership Number 38262

Mumbai, 30th May, 2014

Amit D. Buch
Company Secretary

Gnanesh D. Gala
Managing Director

K. S. Vikamsey
Chairman

Cash Flow Statement for the year 2013-14 (Consolidated)

NAVNEET EDUCATION LIMITED
(Formerly NAVNEET PUBLICATIONS (INDIA) LIMITED)

	2013-14 ₹ in Lac	2012-13 ₹ in Lac
Cash Flow from Operating Activities		
Net profit before tax	17,571	16,364
Adjustments for		
Interest & Financial Income (non operational)	(246)	(363)
(Profit)/Loss on sale of fixed assets	(7)	(18)
(Profit)/Loss on sale of Investments	(24)	(20)
Interest and Financial Expense	999	877
Depreciation	2,580	2,345
FCTR	4	-
Minority interest	(1)	(5)
Changes in Current Assets and Liabilities		
(Increase)/Decrease in Inventory	(5,855)	(5,752)
(Increase)/Decrease in Trade and Other Receivables	(3,697)	(2,730)
Increase/(Decrease) in Trade and Other Payables	659	1,902
Income Taxes Paid	(6,069)	(5,203)
Net cash inflow/(outflow) from Operating Activities (A)	5,913	7,399
Cash flow from Investing Activities		
Purchase of Fixed Assets and change in capital WIP	(4,488)	(3,865)
Proceeds from disposal of Fixed Assets	190	234
(Increase)/Decrease in Investment	(1,652)	(3,170)
(Increase)/Decrease in Loan and Advances	(588)	(471)
Investment as Share Application	100	(100)
Profit/(Loss) on sale of Investments	24	20
Interest & Financial Income	246	363
Net cash inflow/(outflow) from Investing Activities (B)	(6,168)	(6,990)
Cash flow from Financing Activities		
Increase/(Decrease) in Preference Share Capital + Capital Reserve	(6)	116
Increase/(Decrease) in Loan Fund	6,580	2,397
Interest and Financial Expense	(974)	(864)
Dividend Paid (including Dividend Tax)	(5,005)	(2,214)
Net cash inflow/(outflow) from Financing Activities (C)	594	(564)
Net Increase/(Decrease) in Cash and Cash Equivalents (A + B + C)	339	(155)
Cash and cash equivalent as at the commencement of the year	352	507
Cash and cash equivalent as at the end of the year	692	352
Net Increase/(Decrease) as mentioned above	339	(155)

Notes :

- (1) Closing Cash and Cash equivalent includes ₹ 106 Lac (P.Y. ₹ 94 Lac) lying in designated account with the scheduled banks on account of unclaimed dividend which are not available for use by the Company.
- (2) 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 **Ghalla & Bhansali**

Chartered Accountants

(Firm Registration Number 103142W)

sd/-

Haresh K. Chheda

Partner

Membership Number 38262

Mumbai, 30th May, 2014

sd/-

Amit D. Buch
Company Secretary

sd/-

Gnanesh D. Gala
Managing Director

sd/-

K. S. Vikamsey
Chairman

For & On behalf of the Board

(A) Principles of Consolidation:

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

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

- (i) The financial statements of the company and its subsidiaries 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 (ICAI) and notified pursuant to the Companies (Accounting Standards) Rules, 2006 read with General Circular 15/2013 dated September 13, 2013 issued by the Ministry of Corporate Affairs, in respect of Section 133 of the Companies Act, 2013.
- (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 Navneet Education Limited (Formerly Navneet Publications (India) Limited). The same is not aligned with for consolidation purpose considering the negligible impact of the same.
 - (2) During the year, Grafalco Ediciones S.L. Balance Sheet as at 31st March, 2014, is drawn for a period of 12 months i.e. from 01/04/2013 to 31/03/2014.
 - (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.

(iv) eSense Learning Pvt. Ltd.

- (1) eSense Learning Pvt. Ltd. accounts are drawn considering, depreciation on Computer and hardware, energy saving devices and individual assets acquired for less than ₹ 5000/- over a period of 5 years on Straight line basis as against W.D.V. method adopted by NEL. Taking into account commercial consideration and business model it is not practical to use uniform accounting policies for the above mentioned assets hence the same has not been aligned with for consolidation purpose.

(v) Associated Companies

Investments in associated companies are accounted for in the consolidated financial statements by the equity method of accounting. Associated companies are companies in which the Group exercises significant influence, but which it does not control. Significant influence is the power to participate in the financial and operating policy decisions of the associated companies but not the power to exercise control over those policies.

(vi) Goodwill

Goodwill arising on consolidation represents the excess of the cost of acquisition of subsidiary acquired over the Group’s share of the fair values of their identifiable net assets at the date of acquisition. Goodwill arising on consolidation is written off to reserves in the year of acquisition.

(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.

	As at 31st March, 2014	As at 31st March, 2013
	₹ in Lac	₹ in Lac
1 SHARE CAPITAL		
Authorised :		
24,82,97,500 (24,82,97,500) Equity Shares of ₹ 2/- each (₹ 2/- each)	4,966	4,966
3,40,500 (3,40,500) 6% Redeemable Non Cumulative Preference Shares (RNCPS) of ₹ 10/- each.	34	34
	<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	4,764	4,764
3,40,500 (3,40,500) 6% Redeemable Non Cumulative Preference Shares of ₹ 10/- each fully paid up	34	34
	<u>4,798</u>	<u>4,798</u>

1.1 Reconciliation of the number of Equity Shares outstanding

	As at 31st March, 2014		As at 31st March, 2013	
	Number of Shares	₹ in Lac	Number of Shares	₹ in Lac
Number of Shares at the beginning of the year	238,215,000	4,764	238,215,000	4,764
Less: Shares cancelled on amalgamation	-	-	96,500,484	1,930
Add: Shares allotted on amalgamation	-	-	(96,500,484)	(1,930)
Number of Shares at the end of the year	238,215,000	4,764	238,215,000	4,764

1.2 Reconciliation of the number of 6% Redeemable Non cumulative Preference Shares outstanding

	As at 31st March, 2014		As at 31st March, 2013	
	Number of Shares	₹ in Lac	Number of Shares	₹ in Lac
Number of Shares at the beginning of the year	340,500	34	-	-
Add: Shares allotted on amalgamation	-	-	340,500	34
Number of Shares at the end of the year	340,500	34	340,500	34

1.3 (a) Terms/Rights Attached to Equity Shares

The Company has only one class of equity shares having a par value of ₹ 2 per share. Each holder of equity shares is entitled to one vote per share and all rank *pari passu*.

(b) Terms/Rights Attached to Preference Shares

- (i) Redemption - To be redeemed at par at the end of 18 months from the date of allotment.
- (ii) Coupon Rate - 6% per annum non cumulative.

- (iii) Call Option - The Company has an option to redeem the Preference Shares at any time after the end of 1 year from the date of allotment. If the Company exercises its call option, it will pay the amount of the face value of the Preference Shares along with dividend declared, if any, up to the date on which it exercise the call option.
In case the Company exercises the call option, its liability to the Preference Shareholders shall stand extinguished from the date of dispatch of the cheques/pay order for the redemption amount, along with dividend, if any.
- (iv) Each holder of 6% RNCPS is entitled to one vote per RNCPS only on resolution placed before the Company which directly affect the rights attached to RNCPS.
- (v) In the event of winding up of the company, before redemption of RNCPS, the holders of RNCPS will have priority over equity shareholders in the payment of dividend and repayment of capital.

1.4 Aggregate number of bonus shares issued during the period of five years immediately preceding the reporting date

14,29,29,000 (14,29,29,000) Equity shares allotted as fully paid bonus shares in the last 5 years by capitalisation of Share Premium & General Reserve

1.5 Aggregate number and class of shares allotted as fully paid up pursuant to contract 's' without payment being received in Cash.

9,65,00,484 (9,65,00,484) Equity Shares and 3,40,500 (3,40,500) Preference Shares were allotted in last 5 years pursuant to the scheme of Amalgamation without payment being received in Cash.

1.6 Equity Shareholders holding more than 5% of the shares

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Number of Shares	% held	Number of Shares	% held
Amarchand Ramji Gala, Dungarshi Ramji Gala, Gnanesh Dungarshi Gala - Trustees of Navneet Trust	94,570,474	39.70	94,570,474	39.70
HDFC Trustee Company LTd - HDFC MF Monthly Income Plan Long Term Plan	11,967,917	5.02	NIL	NIL

1.7 6% Redeemable Non cumulative Preference Shareholders holding more than 5% of the shares

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Number of Shares	% held	Number of Shares	% held
Amarchand Ramji Gala	25,783	7.57	25,783	7.57
Dungarshi Ramji Gala	20,457	6.01	20,457	6.01
Vimlaben Shantilal Gala	17,580	5.16	17,580	5.16

	As at 31st March, 2014	As at 31st March, 2013
	₹ in Lac	₹ in Lac
2 RESERVES & SURPLUS		
a) Capital Reserve:		
Opening Balance	82	#
Add: On amalgamation of Lakheni Publication Pvt. Ltd. with the Company as per Bombay High Court order dated 8/2/2013	-	82
Less: Deduction during the year	(6)	-
Closing Balance	<u>76</u>	<u>82</u>
b) General Reserve:		
Opening Balance	12,125	11,014
Add: Transferred from surplus balance in the Statement of Profit and Loss	1,132	1,111
Closing Balance	<u>13,257</u>	<u>12,125</u>
c) Foreign Currency Translation Reserve		
Opening Balance	14	10
Add: Additions during the year	14	5
Closing Balance	<u>29</u>	<u>14</u>
d) Surplus in the Statement of Profit and Loss		
Balance as per last Financial Statements	24,898	20,357
Add: Net Profit after tax	11,515	10,669
Balance available for Appropriation	<u>36,414</u>	<u>31,026</u>
LESS : APPROPRIATION		
Dividend Final ₹ 2/- ₹ 2/- paid up (₹ 1.80 paise ₹ 2/- paid up) on Equity Share Capital	4,764	4,288
Dividend @ 6 % for Preference Share Capital	2	#
	<u>4,766</u>	<u>4,288</u>
Corporate Tax on Dividend	810	729
Transfer to General Reserve	1,132	1,111
	<u>6,708</u>	<u>6,128</u>
SURPLUS AFTER APPROPRIATION	29,705	24,898
TOTAL (a + b + c + d)	<u>43,067</u>	<u>37,119</u>

NON CURRENT LIABILITIES

₹ in Lac

3 LONG TERM BORROWINGS:

	As at 31st March, 2014	As at 31st March, 2014	As at 31st March, 2013	As at 31st March, 2013
A) Secured				
i) Term Loan				
- Foreign Currency Loans from Bank	212		726	
Less: Amount payable within 12 months	(212)	-	(484)	242

Nature of Security and Terms of Repayments for Secured Borrowings:

Nature of Security	Terms of Repayments
Long term foreign currency loan are exclusively secured by Hypothecation of windmills.	Foreign Currency Loans from Bank carries interest @ Libor+0.5%. The loan is repayable in 12 half yearly installments of 41980057 JPY starting from 17th Jan, 2009.
The instalments due within 12 months from the date of Balance Sheet have been grouped under Other Current Liabilities (Note No. 8)	

	As at 31st March, 2014	As at 31st March, 2013
	₹ in Lac	₹ in Lac
4 Deferred Tax Liabilities (Net)		
Depreciation	727	640
Disallowances under section 43B of the Income Tax Act, 1961	(138)	(156)
	<u>589</u>	<u>484</u>
5 Long Term Provisions		
Provision for Employee Benefit		
Leave Encashment (Refer Note No. 34)	352	379
Gratuity (Refer Note No. 34)	9	9
	<u>361</u>	<u>388</u>

	As at 31st March, 2014 ₹ in Lac	As at 31st March, 2013 ₹ in Lac
6 SHORT TERM BORROWINGS:		
A) Secured		
i) Cash Credit from Bank	2,434	-
ii) Working Capital Rupee Loans repayable on demand from banks	8,130	10,300
iii) Foreign Currency Loan from Bank	4,794	2,172
All short term rupee loans and foreign currency loans equivalent to ₹ 15,359 Lac (Previous Year ₹ 12,472 Lac) 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.	15,359	12,472
B) Unsecured		
From Banks:		
i) Rupee Loan	5,400	1,500
ii) Foreign Currency Loan	2,397	2,172
TOTAL	23,156	16,144

7 TRADE PAYABLES:

- Due to Micro, Small and Medium Enterprises
- Due to Others

TOTAL

94	76
2,055	2,472
2,148	2,549

Details of the dues to Micro, Small and Medium Enterprises (MSME), as defined in the Micro, Small and Medium Enterprises Development Act, 2006, as on 31st March, 2014 based on available information with the Company which are as under:

Particulars

	2013-14 ₹ in Lac	2012-13 ₹ in Lac
Principal amount due and remaining unpaid	29	14
Interest due on above and the unpaid interest	1	1
Interest paid	-	-
Payment made beyond the appointed day during the year	70	73
Interest accrued and remaining unpaid	5	3
Amount of further interest remaining due and payable in succeeding years	-	-

	As at 31st March, 2014	As at 31st March, 2013
	₹ in Lac	₹ in Lac
8 OTHER CURRENT LIABILITIES:		
Advances Received	444	241
Unpaid Dividend	106	94
Interest Accrued But Not Due	38	13
Income received in advance	138	76
Creditors for capex	121	317
Current maturities of Foreign Currency Loans from Bank (Also see note no. 3)	212	484
Employee Benefits Payable	723	682
Deposits	96	58
Statutory Dues		
- Provident Fund/ESIC/Profession Tax	64	62
- Tax Deducted At Source	89	96
- Service tax/WCT/Excise payable	8	8
- Sales tax/VAT payable	201	226
Provision for Expenses	1,614	1,160
Other Payable/(Receivable)	236	(146)
Book Overdraft	1	18
Stamp Duty Payable on Amalgamation	400	395
TOTAL	<u>4,492</u>	<u>3,787</u>
9 SHORT TERM PROVISIONS:		
Provision for Employee Benefits		
- Leave Encashment Benefits (Refer Note No. 34)	72	123
- Gratuity (Refer Note No. 34)	#	#
Other Provision		
Provisions for tax (net of advance tax)	94	246
- Proposed Dividend	4,766	4,288
- Corporate Tax on Proposed Dividend (see note no. 2d)	810	729
TOTAL	<u>5,743</u>	<u>5,386</u>
	<u>35,538</u>	<u>27,865</u>

10 FIXED ASSETS

₹ in Lac

Sr. No.	Description of Assets	Gross Block				Depreciation / Amortization				Net Block	
		Cost As on 01.04.2013	Additions during the year	Deduction / Adjustments	Cost as on 31.03.2014	Provided upto 01.04.2013	For the Year	Deductions / Adjustments	Total upto 31.03.2014	As on 31.03.2014	As on 01.04.2013
	Tangible										
1	Land - Freehold	983	144	-	1,127	-	-	-	-	1,127	983
2	Land - Leasehold	84	-	-	84	58	6	-	64	19	26
3	Building	10,434	1,257	-	11,690	2,827	606	-	3,433	8,257	7,607
4	Plant & Machinery	16,644	2,063	418	18,289	9,481	1,335	248	10,568	7,722	7,163
5	Office Equipments	318	50	4	365	208	24	3	228	137	110
6	Furniture & Fixtures	1,488	49	3	1,534	1,031	88	3	1,116	418	457
7	Vehicles	1,569	301	132	1,738	905	230	119	1,016	722	664
	Intangible										
8	Intellectual Property	243	-	-	287	182	28	-	243	43	61
9	Trade Mark	441	-	-	441	390	43	-	434	7	51
10	SAP	247	-	-	247	247	-	-	247	-	-
11	Software	694	176	-	870	411	217	-	629	241	283
	Total	33,158	4,081	556	36,725	15,742	2,580	374	17,981	18,744	17,415
	Previous Year	29,725	3,864	434	33,158	13,617	2,345	217	15,742	17,415	-

	As at 31st March, 2014	As at 31st March, 2013
	₹ in Lac	₹ in Lac

11 CAPITAL WORK IN PROGRESS

Opening Balance	570	338
Add: Additions during the year	442	552
Less: Capitalisation / Adjustments during the year	(560)	(321)
Closing Balance	<u>451</u>	<u>570</u>

12 INTANGIBLE ASSETS UNDER DEVELOPMENT

Opening Balance	3	21
Add: Additions during the year	40	3
Less: Capitalisation / Adjustments during the year	(43)	(21)
Closing Balance	<u>-</u>	<u>3</u>

	As at 31st March, 2014 ₹ in Lac	As at 31st March, 2013 ₹ in Lac
13 NON CURRENT INVESTMENTS		
Other Investment (Valued at Cost less other than temporary diminution in value, if any)		
a) Unquoted		
Investments in Associates		
Wings Intellect Pvt. Ltd.		
8333 (8333) Equity Shares of ₹ 600/- each		
Share in Net Assets	25	25
Goodwill/(Capital Reserve)	25	25
Equity Investments in Associates - At Cost	50	50
Share in Loss of Associates	(6)	#
	44	50
K12 Techno Services Pvt. Ltd.	580	9
4313 (30) Equity Shares of ₹ 10/- each		
Preference Shares		
K12 Techno Services Pvt. Ltd.		
	4,122	3,041
15618(10414)Class A Compulsorily Convertible Preference Shares of ₹ 10/- each		
Investment in Equity of Other Companies		
Mumbai K12 Techno Service Pvt. Ltd.		
	#	#
29 (29) Equity Shares of ₹ 10/- each		
Total non current investments	<u>4,746</u>	<u>3,100</u>
Aggregate amount of unquoted investments	4,746	3,100
14 LONG TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
a) Capital Advance - Advances for Capital Expenditure	525	247
b) Corporate Deposits	157	157
c) Security Deposits	203	193
d) Advance Income Taxes (Net of Provisions)	504	531
e) Wealth Tax	6	7
f) Loans to Mumbai K-12 Techno Services Pvt. Ltd.	-	50
g) Loans to Employees	157	179
h) Loan to Vendors	8	11
i) Sales Tax/VAT receivable	38	43
j) Advance to Suppliers	2	4
k) Prepaid Expenses	12	21
l) Equity Shares application money	205	175
m) Preference Shares application money	-	100
n) Other Loans & Advances	151	154
	<u>1,967</u>	<u>1,870</u>

	As at 31st March, 2014 ₹ in Lac	As at 31st March, 2013 ₹ in Lac
15 OTHER NON CURRENT ASSETS		
a) Other income receivable	38	20
b) Other Bank Balances	7	9
	<u>45</u>	<u>29</u>
16 INVENTORIES		
Stores, Spares & Consumables	652	569
Raw Materials	10,971	8,549
Raw Materials in transit	1,006	1,196
Finished Goods	18,962	15,981
Work In Process	1,556	1,214
Stock in Trade (in respect of Goods acquired for Trading)	223	6
	<u>33,369</u>	<u>27,515</u>
17 TRADE RECEIVABLES		
(Unsecured, considered good)		
Over six months	1,104	838
Others	18,507	15,755
	<u>19,611</u>	<u>16,593</u>
18 CASH & BANK BALANCES		
Cash And Cash Equivalents		
Cash on hand	38	36
Balance with Scheduled Banks		
- In Current Account	547	222
	<u>586</u>	<u>258</u>
Sub Total A		
Other Bank Balances		
Fixed Bank deposits with less than twelve months maturity	#	#
Earmarked balances with banks		
In Dividend Account	106	94
	<u>106</u>	<u>94</u>
Sub Total B		
	<u>692</u>	<u>352</u>
Sub Total A + B		

	As at 31st March, 2014	As at 31st March, 2013
	₹ in Lac	₹ in Lac
19 SHORT TERM LOANS AND ADVANCES		
(Unsecured, considered good)		
a) Loans to vendors	52	22
b) Loans to Employees	168	155
c) Deposits		
- Security Deposits	2	2
- Corporate Deposits	100	100
d) Sales Tax/VAT receivable	14	-
e) Cenvat receivable	109	81
f) Service Tax Refund receivable	27	5
g) Prepaid Expenses	175	154
h) Advance to Suppliers	736	504
i) Advance to Employee for expenses	64	68
j) Other Loans & Advances	2,449	1,807
	<u>3,895</u>	<u>2,897</u>
20 OTHER CURRENT ASSETS		
a) Export incentive receivable	830	531
b) Other income receivable	10	29
	<u>841</u>	<u>560</u>

	As at 31st March, 2014	As at 31st March, 2013
	₹ in Lac	₹ in Lac
21 REVENUES FROM OPERATION:		
Sale of products		
- Finished Goods	87,754	79,514
- Traded Goods	359	875
Sale of services	912	902
Other operating revenues	994	915
	<u>90,019</u>	<u>82,207</u>
Less: VAT Collected	(1,423)	(1,268)
Less: Excise Duty	(384)	(373)
	<u>88,212</u>	<u>80,566</u>
21.1 SALES OF FINISHED GOODS PRODUCTS		
Educational Books	43,608	41,234
Paper Stationery	36,195	30,456
Others	7,952	7,825
	<u>87,754</u>	<u>79,514</u>
22 OTHER INCOME		
Dividend on Mutual Funds	-	3
Profit/(Loss) on Sale of Investments	24	20
Other non-operating income	59	66
Profit/(Loss) on Sale of Assets	7	18
Exchange Fluctuation on Consolidation - Profit/(Loss)	-	#
Interest Income	262	259
	<u>351</u>	<u>365</u>

	For the Year Ended 31st March, 2014	For the Year Ended 31st March, 2013
	₹ in Lac	₹ in Lac
23 COST OF MATERIAL CONSUMED		
Raw Materials Consumed	46,314	42,434
	<u>46,314</u>	<u>42,434</u>
23.1 COST OF MATERIAL CONSUMED		
Paper	39,653	37,046
Others	6,661	5,388
	<u>46,314</u>	<u>42,434</u>
24 (INCREASE)/DECREASE IN STOCK IN TRADE OF FINISHED GOODS AND WIP		
Closing Stock		
Work In Process (Refer Note below 24.1)	1,556	1,214
Finished Goods	18,962	15,981
Stock in Trade	223	6
	<u>20,741</u>	<u>17,201</u>
Opening Stock		
Work In Process	1,214	1,236
Finished Goods	15,981	11,651
Stock in Trade	6	83
	<u>17,201</u>	<u>12,971</u>
	<u>(3,540)</u>	<u>(4,230)</u>
24.1 DETAILS OF CLOSING INVENTORY OF WORK IN PROCESS		
Forms	388	363
Printed covers	924	629
Pasted Sheets	12	9
Ruled Sheets	231	213
	<u>1,556</u>	<u>1,214</u>
25 EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages & Bonus	6,286	5,875
Contribution to Provident and Other Funds	617	585
Staff Welfare	455	409
	<u>7,359</u>	<u>6,869</u>

For the Year Ended 31st March, 2014 For the Year Ended 31st March, 2013

26 FINANCE COST

Interest Expenses
Applicable net gain/loss on foreign currency translation and transactions

₹ in Lac

₹ in Lac

758

787

241

90

999

877

27 OTHER EXPENSES

Printing Expenses
Binding Expenses
Other Manufacturing Expenses
Power & Fuel
Freight & Octroi
Stores & Spares Consumed
Repairs to Plant & Machinery
Rates & Taxes
Sales Tax Expenses
Rent
Royalty
Building Repairs & Maintenance
Other Repairs
Insurance
Transportation Expenses
Commission
Advertisement
Marketing Expenses
Sales Promotion Expenses
Discount & Rebate
Bad debts and other irrecoverable advance written off
Donation
Bank Charges
Prior Period items
Legal and Professional Fees
Exchange Difference (Net)
Other Expenses

920

1,243

1,638

1,238

1,603

1,622

250

173

920

762

535

465

173

181

183

131

5

1

692

575

1,607

1,531

413

358

210

225

120

106

1,377

1,444

219

118

269

272

879

886

1,219

1,263

470

375

46

246

511

531

179

191

5

8

546

531

15

(191)

1,676

1,491

16,680

15,774

TOTAL

For the year ended 31st March, 2014

28. Contingent Liabilities

- (a) For disputed Income-tax matters ₹ 33 Lac (Previous Year ₹ 410 Lac). However the Company has already made payments against such disputed liabilities.
- (b) Against Bond
Duty liability amounting to ₹ 251 Lac (Previous Year ₹ 115 Lac) 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 Guarantee given for tender of ₹ 50 Lac (Previous Year ₹ 50 Lac).
- (d) In respect of Bank Guarantee given for subsidiary company of ₹ 10 Cr. (Previous Year ₹ Nil).

29. Financial & Derivative instruments

- (a) The Company has sold USD 25.26 Mn equivalent ₹ 15430 Lac (Previous Year USD 17.38 Mn equivalent ₹ 9862 Lac) to cover export receivables, purchased USD 14 Mn equivalent ₹ 8653 Lac (Previous Year USD 12 Mn equivalent ₹ 6773 Lac) to cover loan repayment and purchased USD 1 Mn equivalent ₹ 319 Lac (Previous Year USD NIL equivalent ₹ NIL) to cover Import Payment.
The Company has entered into USD-JPY derivative option contracts hedging its exposure on ECB availed in JPY for wind power generation project. Option contracts worth of JPY 36-Mn (Previous Year JPY 109-Mn) are open as on balance sheet date, maturing over a period of seven years ending on July 2014.

- 30. Foreign currency translation of ₹ 256 Lac (Previous Year credited ₹ 101 Lac) arising on account of the exchange difference is debited to the Statement of Profit & Loss.

For the year ended 31st March, 2014

31. Related party transactions**(I) List of related parties with whom transactions have taken place and relationships :**

- | | |
|---|---|
| (i) Associates | Wings Intellect Pvt. Ltd.
K-12 Techno Services Pvt. Ltd. |
| (ii) Enterprises owned or significantly influenced by key management personnel or their relatives | Navneet Prakashan Kendra
Vikas Prakashan
Gala Publishers
Sandeep Agency
Gala Comp
The Flagship Advertising Pvt. Ltd. |
| (iii) Key Management Personnel & Relatives | <ol style="list-style-type: none"> 1. Shri A.R. Gala 2. Shri D.R. Gala 3. Shri H.R. Gala 4. Shri S.R. Gala 5. Shri J.L. Gala 6. Shri J.K. Sampat 7. Shri N.N. Shah 8. Shri B.A. Gala 9. Shri A.D. Gala 10. Shri G.D. Gala 11. Shri R.H. Gala 12. Shri D.C. Sampat 13. Shri S.J. Gala 14. Shri S.J. Gala 15. Shri K.H. Gala 16. Shri S.S. Gala 17. Shri K.B. Gala 18. Shri T.R. Shah 19. Smt. H.T. Shah 20. Shri H.A. Gala |

(II) Disclosure in respect of transactions with related parties during the year :

₹ in Lac

Sr. No.	Nature of Transaction/Relationship/Major Parties	2013-14		2012-13			
		Amount	Amounts for major parties	Amount	Amounts for major parties		
1	Receiving of services from	2,057		1,797			
	Enterprises owned or significantly influenced by KMP or their relatives, including:						
	Navneet Prakashan Kendra					1,262	1,037
	Vikas Prakashan					450	445
	Gala Publishers					296	281
Associate:	9	-					
	Wings Intellect Pvt. Ltd.	9	-				
2	Remuneration/Salary Paid to KMP & their Relative	667		815			
3	Share Application Money paid	30		240			
	Associate:						
	K12 Techno Services Pvt. Ltd.					-	100
Wings Intellect Pvt. Ltd.	30	140					
4	Investment	570		-			
	In Equity Shares						
	Associate:					570	-
	K12 Techno Services Pvt. Ltd.						-
In Preference Shares							
Associate:	1,076	-					
K12 Techno Services Pvt. Ltd.	1,076	-					
Related Parties Accounts Payable/Receivable as on 31/3/2014							
1	Loans & Advances Recoverable	205		275			
	Associates:						
	K12 Techno Services Pvt. Ltd.					-	100
	Wings Intellect Pvt. Ltd.					205	175
	Enterprises owned or significantly influenced by KMP or their relatives:					50	50
The Flagship Advertising Pvt. Ltd.	50	50					
2	Investments	629		59			
	In Equity Shares						
	Associate:					579	9
	K12 Techno Services Pvt. Ltd.					50	50
	Wings Intellect Pvt. Ltd.						
In Preference Shares							
Associate:	4,110	3,034					
K12 Techno Services Pvt. Ltd.	4,110	3,034					

For the year ended 31st March, 2014

32. Earning Per Share :

	2013-14 ₹ in Lac	2012-13 ₹ in Lac
(a) Net Profit after tax as per statement of profit and loss	11,515	10,669
Less : Extra Ordinary Items	-	-
Net Profit available for Equity Shareholders	11,515	10,669
(b) Weighted average number of equity shares for basic and diluted EPS (in No.)	2,382	2,382
(c) Basic and Diluted Earning per share of ₹ 2/- each		
(i) Before Extra Ordinary Items	4.83	4.48
(ii) After Extra Ordinary Items	4.83	4.48

33. Lease Transactions : Accounting Standard 19

As a Lessor in an Operating Lease

Fixed Assets:

Plant & Machinery (Computer & Hardware) include assets costing ₹ 1527 Lac (Previous Year ₹ 1305 Lac) (Gross Block) on operating lease contract. The details of the assets given on operating lease as on 31.03.2014 are

	Computers & Hardware 2013-2014 (₹ in Lac)	Computers & Hardware 2012-2013 (₹ in Lac)
Gross carrying amount	1,527	1,305
Accumulated Depreciation	614	346
Depreciation recognised in Statement of Profit & Loss for the year	339	220

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

	2013-2014 (₹ in Lac)	2012-2013 (₹ in Lac)
Not later than one year	636	364
Later than one year and not later than five years	594	577
Later than five years	-	-
TOTAL	1,229	941

For the year ended 31st March, 2014

As a Lessee in an Operating Lease

	2013-2014 (₹ in Lac)	2012-2013 (₹ 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 :	-	36
(ii) later than one year and not later than five years:	-	-
(iii) later than five years:	-	-
(b) The total of future minimum sublease payments expected to be received under non cancellable sublease at the Balance Sheet date:	-	22
(c) Lease payments recognised in the Statement of Profit and Loss for the period, with separate amounts for minimum lease payments and contingent rents:	34	160
(d) Sub-Lease payments received (or receivable) recognised in the Statement of Profit & Loss for the period:	21	89
(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 :	-	-
(ii) The existence and terms of renewal or purchase options and escalation clauses; and	-	-
(iii) Restrictions imposed by lease arrangements, such as those concerning dividends, additional debt, and further leasing.		

34. DETAILS OF PROVISIONS, UTILISED, WRITTEN BACK :

Particulars	As at 01.04.2013	Additions	₹ in Lac	
			Utilised/ Written Back	As at 31.03.2014
Provision for Leave Salary Encashment	502	-	77	424
Provision for Gratuity	9	-	#	9
	<u>511</u>	<u>-</u>	<u>77</u>	<u>434</u>

For the year ended 31st March, 2014

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

- (a) 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 amounts towards defined contribution plans as an expense and included in the Statement of Profit and Loss.

	2013-2014 (₹ in Lac)	2012-2013 (₹ in Lac)
i) Provident Fund	288	277
ii) ESIC	59	61

- (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 Lac

	Gratuity (Funded)		Gratuity (Non Funded)		Leave Encashment (Non Funded)	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
Change in Obligation						
Accrued Gratuity	1,263	869	9	-	499	373
Actuarial gain/(loss)	310	330	(1)	9	(6)	130
Interest Cost	101	70	1	-	36	30
Less : Benefits paid	(216)	(5)	-	-	(108)	(34)
Accrued Gratuity	1,459	1,263	9	9	422	499
Change in Plan Assets						
Opening Fund Balance	1,406	1,117	-	-	-	-
Return on the plan assets	114	108	-	-	-	-
Contribution paid	223	187	-	-	108	34
Less : Benefits paid	(216)	(5)	-	-	(108)	(34)
Closing Fund Balance	1,528	1,406	-	-	-	-

₹ in Lac

	Gratuity (Funded)		Gratuity (Non Funded)		Leave Encashment (Non Funded)	
	31/03/2014	31/03/2013	31/03/2014	31/03/2013	31/03/2014	31/03/2013
Reconciliation of present value of obligation and the plan asset						
Closing Fund Balance	1,528	1,406	-	-	-	-
Accrued Gratuity	1,459	1,263	-	-	-	-
Net Liability	(69)	(143)	9	9	422	499
Balance sheet	-	-	9	9	422	499
Expenses recognized in the Statement of P & L						
Current Service Cost			3	3	113	118
Interest Cost			1	-	36	30
Expected Return on Plan Assets			-	-	-	5
Net Actual (Gain)/Loss recognized for the period			(4)	6	(119)	7
Expenses recognized in the Statement of P & L			#	9	30	160
Movement in the Liability recognized in Balance Sheet						
Opening Net Liability			9	-	499	373
Expenses as above			#	9	30	160
Contribution paid			-	-	(108)	(34)
Closing Net Liability			9	9	422	499
Assumptions						
Assets	8.85%	8.00%	8.05%	8.05%	NA	NA
Salary escalation rate	8.33%	8.33%			4.00%	4.00%
Discounting rate	8.00%	8.00%	4.00%	4.00%	9.10%	8.05%

Note : Figures mentioned in Gratuity (Non funded) are pertaining to subsidiary.

36. 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 "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.

For the year ended 31st March, 2014

[A] Primary - Business Segments

₹ in Lac

	Publication		Stationery		Others		Total	
	2014	2013	2014	2013	2014	2013	2014	2013
Revenue	49,593	47,203	38,115	32,596	504	767	88,212	80,566
Less : Inter Segment Revenue	-	-	-	-	-	-	-	-
Net Revenue	49,593	47,203	38,115	32,596	504	767	88,212	80,566
Other Income	17	40	32	21	-	-	49	61
Segment Revenue	49,609	47,243	38,147	32,617	504	767	88,261	80,627
Segment Results	16,152	14,845	4,457	4,406	114	71	20,722	19,323
Add:Unallocated Other Income/(Expense)	-	-	-	-	-	-	302	303
Less:Financial Expenses	-	-	-	-	-	-	(999)	(877)
Less:Unallocable Expenditures	-	-	-	-	-	-	(2,455)	(2,386)
Profit Before Taxation	-	-	-	-	-	-	17,571	16,364
Provision for Taxation (Income tax and Deferred tax)	-	-	-	-	-	-	6,049	5,501
Minority Interest and goodwill	-	-	-	-	-	-	(7)	(193)
Profit after taxation	-	-	-	-	-	-	11,515	10,669
Extraordinary Items (net of tax expense)	-	-	-	-	-	-	-	-
Profit after extraordinary items	-	-	-	-	-	-	11,515	10,669
Segment Assets	40,224	30,632	36,134	31,821	1,321	1,674	77,680	64,127
Unallocated Assets	-	-	-	-	-	-	6,681	6,777
Total Assets	-	-	-	-	-	-	84,360	70,904
Segment Liabilities	2,792	2,618	3,668	3,225	2	(18)	6,462	5,824
Unallocated Liabilities	-	-	-	-	-	-	30,033	23,162
Total Liabilities	-	-	-	-	-	-	36,495	28,986
Capital Expenditure	1,587	1,938	2,319	2,542	(82)	142	3,824	4,621
Unallocated Capital Expenditure	-	-	-	-	-	-	263	218
Depreciation on Segmental Assets	1,589	1,303	541	621	210	269	2,341	2,193
Unallocated Depreciation	-	-	-	-	-	-	239	152
Amortization	-	-	-	-	-	-	-	-

Notes :

1. 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.
2. 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.
3. The business which have been grouped under "Others" segment comprises of revenue from generation of power by Windmill, Pre School and Trading items etc.

For the year ended 31st March, 2014

[B] Secondary - Geographical Segments

₹ in Lac

	India	North & Central America	Africa	Europe	Australia & Oceania	Rest of the world	Total
Segment Revenue	74,594 (68,948)	8,169 (6,836)	2,158 (2,763)	2,384 (698)	28 (59)	878 (1,261)	88,212 (80,566)
Segment Assets	82,414 (69,796)	1,019 (570)	196 (260)	97 (215)	- (12)	635 (50)	84,360 (70,904)

37. The losses of subsidiary attributable to minority are agreed to be funded by them.

38. Figures of ₹ 50,000 or less have been denoted by #

39. Previous year figures have been regrouped/rearranged wherever necessary.

As per our report of even date attached hereto

For & On behalf of the Board

For **Ghalla & Bhansali**

Chartered Accountants

(Firm Registration Number 103142W)

sd/-

sd/-

sd/-

sd/-

Haresh K. Chheda

Partner

Membership Number 38262

Mumbai, 30th May, 2014

Amit D. Buch
Company Secretary

Gnanesh D. Gala
Managing Director

K. S. Vikamsey
Chairman

Particulars of subsidiaries as at 31st March, 2014 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 the Companies Act, 1956.

₹ in Lac

Sr. No.	Particulars	Name of the Subsidiaries	
		eSense Learning Pvt. Ltd.	Grafalco Ediciones S.L. *
		As at 31-03-14	As at 31-03-14
a	Capital	413	557
b	Reserves	(1,292)	(491)
c	Total Assets	2,684	98
d	Total Liabilities	3,563	31
e	Details of Investments	-	-
f	Turnover/Other Income	2,090	-
g	Profit/(Loss) before taxation	139	(31)
h	Provision for taxation	-	(3)
i	Profit/(Loss) after taxation	139	(29)
j	Proposed Dividend	-	-

* Average exchange rate as on 31-03-2014, Euro 1 = ₹ 80.8406

NAVNEET EDUCATION LIMITED

(Formerly Navneet Publications (India) Limited)

CIN : L22200MH1984PLC034055

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

ATTENDANCE SLIP

28th Annual General Meeting - Monday, 29th September, 2014

Registered Folio :

DP ID :

Client ID :

Number of shares held :

I/We hereby record my/our presence at the 28th Annual General Meeting of the Company at P. L. Deshpande Maharashtra Kala Academy, Mini Theatre-3rd Floor, Ravindra Natya Mandir, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai - 400025 on Monday, 29th September, 2014 at 10:30 a.m.

(Member's/Proxy's Name in Block Letters)

(Member's/Proxy's Signature)

Note : Please fill up the attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the meeting.

NAVNEET EDUCATION LIMITED

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CIN : L22200MH1984PLC034055

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

PROXY FORM

28th Annual General Meeting - Monday, 29th September, 2014

Name of the Member(s) :

Registered address :

E-mail Id :

Folio No./Client ID :

DP ID :

I/We, being the member(s) of shares of the above named Company, hereby appoint :

1. Name : Address : or failing him/her;

E-mail Id : Signature :

2. Name : Address : or failing him/her;

E-mail Id : Signature :

3. Name : Address : or failing him/her;

E-mail Id : Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 28th Annual General Meeting of the Company, to be held on Monday, 29th September, 2014 at 10:30 a.m. at P. L. Deshpande Maharashtra Kala Academy, Mini Theatre-3rd Floor, Ravindra Natya Mandir, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai - 400025 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution Number	Description of Resolution	Optional*	
		For	Against
Ordinary Business			
1	Adoption of Financial Statements for the year ended 31st March, 2014.		
2	Declaration of a Final Dividend for the year ended 31st March, 2014.		
3	Re-appointment of Shri Kamlesh S. Vikamsey, Director retiring by rotation.		
4	Re-appointment of Shri Nilesh S. Vikamsey, Director retiring by rotation.		
5	Appointment of Auditors and fixing their remuneration.		

Contd.....

Special Business	
6	Appointment of Dr. Vijay B. Joshi as an Independent Director of the Company.
7	Appointment of Smt. Usha Laxman as an Independent Director of the Company.
8	Appointment of Shri Tushar K. Jani as an Independent Director of the Company.
9	Appointment of Shri Mohinder Pal Bansal as an Independent Director of the Company.
10	Authorising Board of Directors u/s 180 (1) (c) of the Companies Act, 2013 to borrow money from time to time in excess of aggregate of the paid up share capital and free reserves of the Company.
11	Authorising Board of Directors u/s 180 (1) (a) of the Companies Act, 2013 to create charge/ mortgage on properties/undertakings of the Company to secure the borrowing made by the Company from time to time u/s 180 (1) (c) of the Companies Act, 2013.
12	Approval to hold and continue to hold office/ place of profit by Shri Ketan B. Gala, relative of a Director u/s 188 of the Companies Act, 2013.
13	Approval to hold and continue to hold office/ place of profit by Shri Sanjeev J. Gala, relative of a Director u/s 188 of the Companies Act, 2013.
14	Approval to hold and continue to hold office/ place of profit by Shri Kalpesh H. Gala, relative of a Director u/s 188 of the Companies Act, 2013.
15	Approval to hold and continue to hold office/ place of profit by Smt. Pooja K. Gala, relative of a Director u/s 188 of the Companies Act, 2013.
16	Appointment of Shri Devish G. Gala relative of a Director to office/ place of profit u/s 188 of the Companies Act, 2013.

Signed this day of 2014. Signature of shareholder

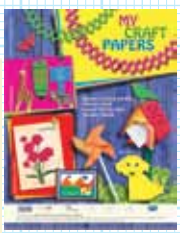
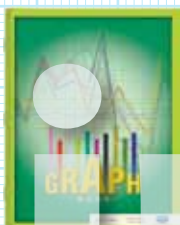
Signature of Proxy holder(s)

Affix
₹ 1
Revenue
Stamp

NOTE :

- The form of proxy 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 commencement of the meeting.**
 - A person can act as proxy on behalf of Members upto and not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company. Further, a Member holding more than ten percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or Member.
- * It is optional to put a '✓' in the appropriate column against the Resolution indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

Unlimited





Knowledge is wealth



Educational Books, Children Books, Paper & Non Paper Stationery, **e-learning** , Pre-School & More


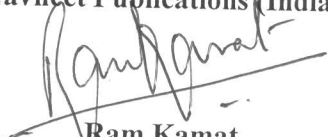
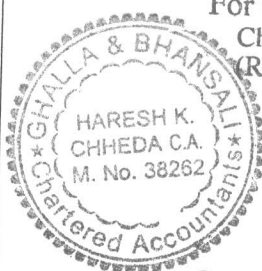
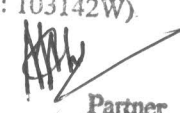
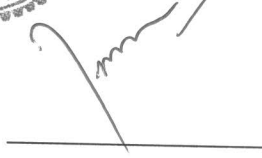
NAVNEET EDUCATION LIMITED
(Formerly NAVNEET PUBLICATIONS (INDIA) LIMITED)



Knowledge is wealth

FORM -A

Format of Covering letter of the annual audit report to be filed with the stock exchanges


1	Name of the Company	Navneet Education Limited (Formerly - Navneet Publications (India) Ltd)
2	Annual financial statements for the year ended	31 st March,2014
3	Type of Audit observation	Un-Qualified
4	Frequency of observation	Not Applicable
5	To be signed by-	
	<ul style="list-style-type: none">• CEO/Managing Director	For Navneet Education Limited (Formerly - Navneet Publications (India) Ltd)  Gnanesh D Gala Managing Director
	<ul style="list-style-type: none">• CFO	For Navneet Education Limited (Formerly - Navneet Publications (India) Ltd)  Ram Kamat Chief Financial Officer
	<ul style="list-style-type: none">• Auditor of the Company	For Ghalla & Bhansali, Chartered Accountants (Regn. No.: 103142W)   Partner
	<ul style="list-style-type: none">• Audit Committee Chairman	 Mohinder Pal Bansal

Date : 30th May,2014

Place : Mumbai

NAVNEET EDUCATION LIMITED (Formerly NAVNEET PUBLICATIONS (INDIA) LIMITED

Navneet Bhavan, Bhavani Shankar Road, Dadar (W), Mumbai 400 028. India

Tel.: 022 6662 6565 • Fax: 022 6662 6470 • email: npil@navneet.com • www.navneet.com •  /navneet.india

CIN:L22200MH1984PLC034055