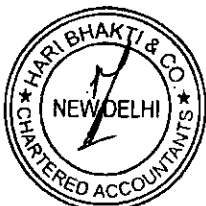

**G.K.
Publications
Private Limited**

**Statutory Audit for
the Year ended
March 31, 2012**

Auditors' Report

To
The Members of G.K. Publications Private Limited

1. We have audited the attached balance sheet of G.K. Publications Private Limited ('the Company') as at March 31, 2012 and also the statement of profit and loss and the cash flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (as amended) ('the order'), issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the paragraph 3 above, we report that:
 - i. 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;
 - ii. 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;
 - iii. 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;
 - iv. In our opinion, the balance sheet, statement of profit and loss and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - v. On the basis of the written representations received from the directors, as on March 31, 2012, and taken on record by the board of directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.



Our Offices :

Ahmedabad • Bengaluru • Chennai • Coimbatore • Hyderabad • Kolkata • Mumbai • New Delhi • Pune

5. We were appointed as auditors of the company on December 19, 2011 and thus did not observe the counting of the physical inventories at the beginning of the year. We were unable to satisfy ourselves by alternative means concerning inventory quantities held at March 31, 2011. Since opening inventories enter into the determination of the results of operations cash flows, we were unable to determine whether adjustments might have been necessary in respect of the profit for the year reported in the statement of profit and loss and the net cash flows from operating activities reported in the cash flow statement. However, the financial statements of the Company for the year ended March 31, 2011 were audited by another auditor whose report dated September 1, 2011 expressed an unmodified opinion on those statements.
6. In our opinion and to the best of our information and according to the explanations given to us, *except for the possible effects of the matter described in paragraph 5 above*, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
- in the case of the balance sheet, of the state of affairs of the Company as at March 31, 2012;
 - in the case of the statement of profit and loss, of the profit for the year ended on that date; and
 - in the case of cash flow statement, of the cash flows for the year ended on that date.

For Haribhakti & Co.
Chartered Accountants
Firm Registration No.: 103523W

Place: Greater Noida
Date: July 20, 2012



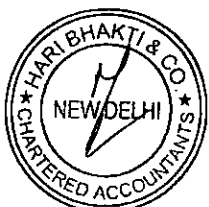

Raj Kumar Agarwal
Partner
Membership No.: 074715

Annexure referred to in paragraph 3 of the Auditors' Report of even date to the members of G.K. Publications Private Limited on the financial statements for the year ended March 31, 2012.

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the Company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (c) During the year, the Company has disposed off a substantial part of the fixed assets. On the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we are of the opinion that the disposal of the said part of fixed assets has not affected the going concern status of the Company.
- (ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) The Company is maintaining proper records of inventory and have been physically verified by the management at the end of the year. *As informed, material discrepancies were identified on such verification.* These have been properly dealt with in the books of accounts.
- (iii) (a) The Company has granted loan to one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 10,979,777 and the year-end balance of loans granted to such parties was ₹ 10,979,777.
- (b) *In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loan is prima facie, prejudicial to the interest of the Company.*
- (c) In absence of terms of repayment and payment of interest, we are unable to comment whether the party has repaid the principal amount as stipulated or has been regular in the payment of interest to the company.
- (d) In absence of terms of repayment, we are unable to comment whether there is any overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (e) The Company had taken loan from two parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 47,447,461 and the year-end balance of loans taken from such party was ₹ 40,234,920.
- (f) In our opinion, the rate of interest and other terms and conditions for such loans are not, prima facie, prejudicial to the interest of the Company.
- (g) In respect of the aforesaid loan, the Company is regular in repaying the principal amounts as stipulated and has been regular in payment of interest.



- (iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets.
In our opinion internal control system with regard to sale of goods need to be strengthened in order to be commensurate with the size of the Company and the nature of its business.
There are no transactions with respect to sale of services.
During the course of our audit, we have not observed any continuing failure to correct weakness in internal control system of the Company.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.
- (b) We are unable to comment if the transactions made with the parties listed in section 301 of the Companies Act, 1956, in pursuance of such contracts or arrangements exceeding value of ₹ five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time as market prices comparable to those transactions with similar terms are not available, and are considered to be proprietary in nature as explained by the management of the Company.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.
- (vii) The provisions relating to internal audit are not applicable to the Company.
- (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the business activities of the Company.
- (ix) (a) According to information and explanations given to us *except for slight delays in few cases*, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax and other material statutory dues applicable to it.
As informed statutory dues in respect of sales tax, service tax, wealth tax, custom duty, excise duty, investor education and protection fund and cess are not applicable to the Company.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax and other undisputed statutory dues were outstanding, at the year end, for a period of more than six months from the date they became payable.
As informed statutory dues in respect of sales tax, service tax, wealth tax, investor education and protection fund, custom duty, excise duty and cess are not applicable to the Company.
- (c) According to the information and explanation given to us, there are no dues of provident fund, employees' state insurance and income-tax which have not been deposited on account of any dispute.
As informed statutory dues in respect of sales-tax, service tax, wealth tax, custom duty, excise duty, investor education and protection fund and cess are not applicable to the Company.
- (x) The Company has no accumulated losses at the end of the financial year. Further, the company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.



- (xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a bank. There are no dues to a financial institution or debenture holders.
- (xii) The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause (xii) of paragraph 4 of the order are not applicable to the Company.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) of paragraph 4 of the order are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xvi) The Company has not obtained any term loans during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanation given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, no debentures have been issued by the company during the year.
- (xx) The Company has not raised any money by way of public issue during the year.
- (xxi) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For Haribhakti & Co.
Chartered Accountants
Firm Registration No.: 103523W



Raj Kumar Agarwal
Partner
Membership No.: 074715

Place: *Greater Noida*
Date: *July 30, 2012*



G.K. PUBLICATIONS PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2012

	Note	March 31, 2012	(Amount in ₹) March 31, 2011
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	1,900,000	1,900,000
Reserves and surplus	4	6,082,622	1,564,242
		<u>7,982,622</u>	<u>3,464,242</u>
Non-current liabilities			
Long-term borrowings	5	16,917,461	570,073
Long-term provisions	6	70,316	-
		<u>16,987,777</u>	<u>570,073</u>
Current liabilities			
Short-term borrowings	7	23,317,459	29,794,893
Trade payables	8	47,445,194	48,272,897
Other current liabilities	9	7,668,568	3,448,420
Short term provisions	6	1,795,964	-
		<u>80,227,185</u>	<u>81,516,210</u>
TOTAL		<u>105,197,584</u>	<u>85,550,525</u>
ASSETS			
Non-current assets			
Fixed assets			
- Tangible assets	10	847,585	6,976,862
- Intangible assets	11	4,520,975	-
Deferred tax assets (net)	12	77,288	233,426
Long-term loans and advances	13	204,903	539,138
		<u>5,650,751</u>	<u>7,749,426</u>

Continued on next page



**G.K. PUBLICATIONS PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2012**

Continued from previous page

	Note	March 31, 2012	(Amount in ₹) March 31, 2011
Current assets			
Inventories	14	27,594,434	24,100,000
Trade receivables	15	57,451,039	52,488,656
Cash and bank balances	16	3,304,359	1,073,719
Short term loans and advances	17	11,197,001	132,724
Other current assets	18	-	6,000
		<u>99,546,833</u>	<u>77,801,099</u>
TOTAL		<u>105,197,584</u>	<u>85,550,525</u>
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the financial statements.

As per our report of even date

For **Haribhakti & Co.**

Chartered Accountants

Firm Registration No.:103523W

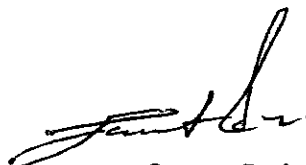
For and on behalf of board of directors of
G.K. Publications Private Limited



Raj Kumar Agarwal

Partner

Membership No.:074715



Gautam Puri

Director



Rakesh Mittal

Director



Place: *Greater Noida*

Date: *July 30, 2012*

Place: *Greater Noida*

Date: *July 30, 2012*

G.K. PUBLICATIONS PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

	Year ended March 31, 2012	Year ended March 31, 2011
(Amount in ₹)		
Income		
Revenue from operations	19 122,661,698	106,229,256
Other income	20 382,464	746,776
Depreciation adjustment due to change in policy	10 1,114,196	-
Total revenue	124,158,358	106,976,032
Expenses		
Purchases of stock-in-trade	21 117,037,817	114,609,283
Changes in inventories of stock-in-trade	22 (3,494,434)	(24,100,000)
Employee benefits expense	23 5,834,156	5,605,389
Finance cost	24 656,006	423,348
Depreciation and amortisation expenses	25 921,446	517,335
Other expenses	26 10,619,434	8,656,314
Total expenses	131,574,425	105,711,669
(Loss)/ Profit before exceptional items, prior period items and tax	(7,416,067)	1,264,363
Prior period expense (net)	27 419,104	-
(Loss)/ Profit before exceptional items and tax	(7,835,171)	1,264,363
Exceptional items	28 13,572,171	-
Profit before tax	5,737,000	1,264,363
Less: Tax expense		
- Current tax expense for current year	1,234,766	358,191
- Current tax expense relating to prior years	-	11,497
- MAT Credit	(172,284)	-
- Deferred tax charge/(benefit)	156,138	(373,311)
	1,218,620	(3,623)
Profit for the year	4,518,380	1,267,986

Earnings per share (in ₹):

(nominal value of ₹ 10 per share)

-Basic and diluted	33 23.78	6.67
Summary of significant accounting policies	2	

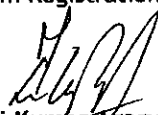
The accompanying notes form an integral part of the financial statements.

As per our report of even date

For Haribhakti & Co.

Chartered Accountants

Firm Registration No.:103523W

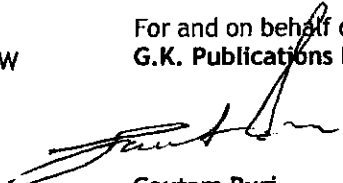


Raj Kumar Agarwal

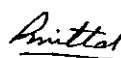
Partner

Membership No.:074715

For and on behalf of board of directors of
G.K. Publications Private Limited



Gautam Puri
 Director



Rakesh Mittal
 Director



Place: Greater Noida
 Date: July 30, 2012

Place: Greater Noida
 Date: July 30, 2012

G.K. PUBLICATIONS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Cash flows from operating activities		
Net Profit before tax	5,737,000	1,264,363
<i>Adjustments for:</i>		
Depreciation and amortization (including effect of change in accounting policy)	(192,750)	517,335
Finance costs	656,006	423,348
Advances written off	504,210	
Gain on sale of tangible fixed assets (included in exceptional items)	(13,572,171)	-
	(6,867,705)	2,205,046
Movement in assets and liabilities, net		
Adjustments for (increase) / decrease in operating assets:		
Inventories	(3,494,434)	(24,100,000)
Trade receivables	(4,962,383)	(51,410,367)
Short term loan and advances	(11,064,277)	(99,484)
Long term loan and advances	-	(28,240)
Other current assets	6,000	6,480
Adjustments for increase / (decrease) in operating liabilities:		
Trade Payables	(827,703)	47,929,242
Other current liabilities	(779,852)	1,494,119
Long term provisions	70,316	-
Short term provisions	748,907	-
	(20,303,426)	(26,208,250)
Cash used in operations	(27,171,131)	(24,003,204)
Less: Taxes paid, net of refund	(185,400)	(343,757)
Net cash used in operating activities	(27,356,531)	(24,346,961)
Cash flows from investing activities		
Capital expenditure on fixed assets (net of movement of payables on purchase of fixed assets)	(341,245)	(2,008,933)
Proceeds from sale of fixed assets	20,714,468	-
Net cash generated from investing activities	20,373,223	(2,008,933)

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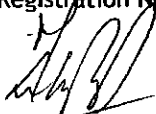
G.K. PUBLICATIONS PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

Continued from previous page

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Cash flows from financing activities		
Finance cost	(656,006)	(415,839)
Proceeds from short-term borrowings	3,250,134	26,583,217
Repayment of short-term borrowings	(9,727,568)	
Proceeds from long-term borrowings	16,917,461	570,073
Repayment of long-term borrowings	(570,073)	
Net cash generated from financing activities	9,213,948	26,737,451
Net decrease in cash and cash equivalents	2,230,640	381,557
Cash and cash equivalents (Refer to note 16)		
-Beginning of the year	1,073,719	692,162
-End of the year	3,304,359	1,073,719
Summary of significant accounting policies	2	

- i. The notes referred above form an integral part of the financial statements.
 ii. The above Cash flow statement has been prepared under the indirect method set out in AS-3 the Companies (Accounting Standard) Rules, 2006 (as amended).

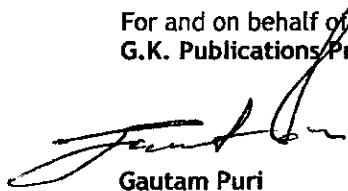

As per our report of even date
 For Haribhakti & Co.
 Chartered Accountants
 Firm Registration No. 103523W



Raj Kumar Agarwal
 Partner
 Membership No.: 074715

Place: *Greater Noida*
 Date: *July 30, 2012*

For and on behalf of board of directors of
 G.K. Publications Private Limited

Gautam Puri
 Director

Rakesh Mittal
 Director

Place: *Greater Noida*
 Date: *July 30, 2012*



G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

1. BACKGROUND

G.K. Publications Private Limited ("the company") was incorporated on May 28, 2001 under the Companies Act, 1956. The Company operates in a test preparation industry through distribution of study resources, study guides, sample test papers and question banks to help students improve their performance in professional examinations like GATE, IES, IAS, IIT, AIEEE, etc. During the year, CL Educate Limited (formerly Career Launcher (India) Limited) has acquired 51% equity holding in the Company on October 1, 2011 and become the Holding Company.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(i) Basis for preparation of financial statements:

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year except for as follows:

(a) In conformity with the accounting policies of the Holding Company the method of providing depreciation has been changed from written down value method to straight line method. This change in policy has been made retrospectively.

Had the company continued to use the earlier basis of depreciation, impact of the same on current year financial statements would have been as follows:

- The depreciation for the year on tangible assets would have been higher by ₹ 128,576,
- The closing balance of accumulated depreciation on tangible assets would have been higher by ₹ 300,989,
- The deferred tax liability would have been lower by ₹ 93,006,
- The net gain on sale of fixed assets would have been higher by ₹ 941,784
- The profit after tax would have been higher by ₹ 547,789,
- The balance of reserves and surplus at the end of reporting year would have been higher by ₹ 547,789

(Also refer footnote (b) to note 10)

(ii) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities at the date of the financial statements and the results of operations during the reporting period. Although these estimates are based upon management's best knowledge of current events and actions, actual results could differ from these estimates.

(iii) Inventories

Goods are valued at the lower of cost and net realisable value. The comparison of cost and net realisable value is made on an item by item basis. Cost is determined on a first in first out basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.



G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(iv) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured. Specifically, the following basis is adopted:

Sale of books and scrap

Revenue is recognized when the significant risks and rewards of ownership have passed on to the buyer and is disclosed net of sales return and trade discounts. Allowances for sales returns are estimated and provided for in the year of sales.

Royalty income

Royalty income is recognized if the right to receive payment is established by the balance sheet date.

(v) Fixed Assets

Tangible Assets

Tangible fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Intangible Assets

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization.

(vi) Depreciation / Amortization [Also refer note 2(i)(a)]

Depreciation and amortisation on all fixed assets, except office equipments, furniture and fixtures, non-compete fees and software(s) are provided on the straight-line method over the estimated useful life of the assets at rates specified in Schedule XIV to the Companies Act, 1956.

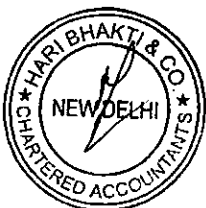
Office equipments and furniture's and fixtures are depreciated on the straight-line method in 5 years.

Non-compete fees are amortised on a straight line method over a period of 5 years.

Intangible assets in the nature of software(s) are amortized on straight-line method over a period of 1-5 years based upon management's assessment of useful life.

Depreciation and amortisation on addition to fixed assets is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation and amortisation on sale/discard from fixed assets is provided for upto the date of sale, deduction or discard of fixed assets as the case may be.

Individual assets costing ₹ 5,000 or below are depreciated in full by way of a one-time depreciation charge.



G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(vii) Impairment of assets

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life.

(viii) Foreign exchange transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Monetary items denominated in foreign currencies at the year-end are translated at the exchange rates prevailing on the date of the Balance Sheet. Non-monetary items denominated in foreign currencies are carried at cost.

Any income or expense on account of exchange differences either on settlement or on translation of transactions is recognized in the statement of profit and loss.

(ix) Employee Benefits

(a) Short term employee benefits:

All employee benefits payable wholly within twelve months of rendering the service are classified as Short term employee benefits. Benefits such as salaries, wages, and bonus etc are recognized in the statement of profit and loss in the period in which the employee renders the related service.

(b) Long term employee benefits:

(i) Defined contribution plans: Provident Fund

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952). These contributions are made to the fund administered and managed by the Government of India.

The Company's contributions to the scheme are expensed off in the statement of profit and loss. The Company has no further obligations under these plans beyond its monthly contributions.

(ii) Defined contribution plans: Employee state insurance

Employees whose wages/salary is within the prescribed limit in accordance with the Employee State Insurance Act, 1948 under the Act, are covered under this scheme. These contributions are made to the fund administered and managed by the Government of India.

The Company's contributions to the scheme are expensed off in the statement of profit and loss. The Company has no further obligations under these plans beyond its monthly contributions.



(iii) Defined Benefit Plans: Gratuity

The Company provides for retirement benefits in the form of Gratuity. The Company's gratuity plan is a defined benefit plan. The present value of gratuity obligation under such defined plan is determined based on an actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation is measured at the present value of the estimated future cash flows. The discount rate used for determining the present value of the obligation under the defined benefit plans, is based on the market yields on Government securities as at the valuation date having maturity periods approximating to the terms of the related obligations. Actuarial gains and losses are recognized immediately in the statement of profit and loss.

(iv) Other long-term benefits: Leave encashment

Benefits under the Company's leave encashment scheme constitute other employee benefits. The liability in respect of leave encashment is provided on the basis of an actuarial valuation done by an independent actuary at the end of the year. Actuarial gain and losses are recognized immediately in the statement of profit and loss.

(x) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

(xi) Taxation

Tax expense for the year comprising current tax and deferred tax is included in determining the net profit for the year.

Current Tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred Tax

Deferred tax is recognized on timing differences being the differences between the taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to the consideration of prudence are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The tax effect is calculated based on the tax rates and laws enacted or substantially enacted on balance sheet date.

Deferred tax assets are reviewed at each balance sheet date and written down/written up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realised.

Minimum alternate tax

MAT credit is recognized as an asset only when and to the extent there is convincing evidence that the company will pay normal income tax during the specified period. In the year in which the Minimum Alternative tax (MAT) credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the profit and loss account and shown as MAT Credit recoverable. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit receivable to the extent there is no longer convincing evidence to the effect that Company will pay normal Income Tax during the specified period.



G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(xii) Earnings per share

Basic earnings per share are computed using the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares except where the results would be anti-dilutive.

(xiii) Provisions, Contingent Liabilities and Contingent Assets:

Provision

A provision arising from claims, litigation, assessment, fines, penalties, etc. is recognised when the Company has a present obligation as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. These are reviewed at each balance sheet date and adjusted to reflect current management estimates. Provision for sales returns is recognised to the extent of estimated margin on expected returns based on past trends.

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets

Contingent assets are neither recorded nor disclosed in the financial statements.

(xiv) Extraordinary items

Extraordinary items arising from events or transactions that are clearly distinct from the ordinary activities of the company and, therefore, are not expected to recur frequently or regularly are disclosed in the Statement of Profit and Loss as a part of net profit or loss for the period.

(xv) Exceptional items

Items of income and expense from ordinary activities which are of such size, nature or incidence that, their disclosure is relevant to explain the performance of the enterprise for the period, are disclosed separately in the statement of profit and loss.

(xvi) Material events

Material events occurring after the balance sheet date are taken into cognizance.

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G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

3. Share capital

The Company has only one class of share capital having a par value of ₹ 10 per share, referred to herein as equity share.

Particulars	March 31, 2012		March 31, 2011	
	Numbers	Amount in ₹	Numbers	Amount in ₹
Authorised shares				
Equity shares of ₹ 10/- each (previous year ₹ 10/-)	250,000	2,500,000	250,000	2,500,000
Issued, subscribed and fully paid up shares				
Equity shares of ₹ 10/- each (previous year ₹ 10/-)	190,000	1,900,000	190,000	1,900,000

a) Reconciliation of shares outstanding as at the beginning and at the end of the reporting period

Particulars	March 31, 2012		March 31, 2011	
	Numbers	Amount in ₹	Numbers	Amount in ₹
At the beginning of the year	190,000	1,900,000	190,000	1,900,000
Outstanding at the end of the year	190,000	1,900,000	190,000	1,900,000

b) Terms/rights attached to equity share

Voting

Each holder of equity shares is entitled to one vote per share held.

Dividends

The Company declares and pays dividends in Indian rupees. The dividend proposed by the board of directors is subject to approval of the shareholders in ensuing Annual General Meeting except in the case where interim dividend is distributed.

Liquidation

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

c) Shares held by the holding company / ultimate holding company and/or their associates/ subsidiaries

As at March 31, 2012, 96,900 equity shares (As at March 31, 2011: Nil) were held by the Holding company CL Educate Limited (formerly Career Launcher (India) Limited). These have been acquired from the promoters of the Company on October 1, 2011. Additionally in accordance with the purchase agreement dated November 12, 2011 entered by and between the Holding Company and the other shareholders, the entire equity share capital will be acquired by the Holding Company by June 30, 2013.



G.K. PUBLICATIONS PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

d) Shareholders holding more than 5% shares in the Company

Name of share holders	March 31, 2012			March 31, 2011		
	Numbers	Amount in ₹	% held	Numbers	Amount in ₹	% held
i. CL Educate Limited	96,900	969,000	51%	-	-	-
ii. Rakesh Mittal	51,205	512,050	27%	104,500	1,045,000	55%
iii. Poonam Mittal	41,895	418,950	22%	85,500	855,000	45%

e) No class of shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash, allotted as fully paid up by way of bonus shares or bought back.

4. Reserves and surplus

4.1 Surplus in the statement of profit and Loss

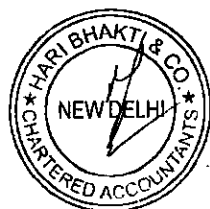
	March 31, 2012	(Amount in ₹) March 31, 2011
Opening balance	1,564,242	296,256
Add:-Profit after tax for the year as per statement of profit and loss	4,518,380	1,267,986
Closing balance	6,082,622	1,564,242

5. Long-term borrowings (Footnote a)

	Non-current portion		(Amount in ₹) Current maturities	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Secured				
Term Loans from banks	-	570,073	-	314,027
Unsecured				
Loans and advances from related parties (Also refer Note 38)	16,917,461	-	-	-
The above amount includes				
Amount disclosed under the head "Other current liabilities" (Note 9)	-	-	-	(314,027)
	16,917,461	570,073	-	-

Footnote a: Details of terms of repayment for long-term borrowings and security provided in respect of the secured long-term borrowings:

	March 31, 2012	March 31, 2011
Tem loan from Bank:		Secured by hypothecation of vehicle, repayable by July 2013. Interest is chargeable @ 10% p.a
Car Loan from Punjab National Bank	-	
Loans and advances from related parties:		
Mr. Rakesh Mittal	Unsecured, interest free, repayable by June 30, 2013. The amount has been guaranteed by the Holding Company to the party	-



G.K. PUBLICATIONS PRIVATE LIMITED
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

6. Provisions

	Long-term		(Amount in ₹) Short-term	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Provision for employee benefits (Also refer note 31)				
Provision for gratuity	53,210	-	1,109	-
Provision for leave encashment	17,106	-	4,786	-
	70,316	-	5,895	-
Other provision				
Provision for sales return ^(Footnote a)	-	-	711,696	-
Provision for tax [net of advance tax ₹ 545,900 (As at March 31, 2011 ₹ Nil)]	-	-	1,078,373	-
	-	-	1,790,069	-
Total	70,316	-	1,795,964	-

Footnote a: Provision for sales return has been created for estimated loss of margin on expected sales returns in future period against products sold during the year. The provision has been recorded based on management's estimates and past trends. Following is the movement in the provision made:

	(Amount in ₹)	
	March 31, 2012	March 31, 2011
Opening balance	-	-
Additions during the year	8,399,140	2,126,764
Utilised/reversed during the year	(7,687,444)	(2,126,764)
Closing balance	711,696	-

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G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

7. Short-term borrowings (Footnote a)

	March 31, 2012	(Amount in ₹) March 31, 2011
Secured		
Loan from bank	-	9,727,568
Unsecured		
Loans repayable on demand from related parties (Also refer Note 38)	3,317,459	20,067,325
Other loans from related parties (Also refer Note 38)	20,000,000	-
	<u>23,317,459</u>	<u>29,794,893</u>

Footnote a: Details of security provided in respect of the secured short-term borrowings:

	March 31, 2012	March 31, 2011
Loan from bank:		
Cash credit facility from Punjab National Bank	-	Secured by first charge on stocks, receivables, other current assets of the company and by way of equitable mortgage of land and building of the company

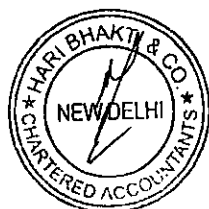
8. Trade payables (Also refer note 37)

	March 31, 2012	(Amount in ₹) March 31, 2011
Trade payable	47,445,194	48,272,897
	<u>47,445,194</u>	<u>48,272,897</u>

9. Other current liabilities (Also refer note 37)

	March 31, 2012	(Amount in ₹) March 31, 2011
Current maturities of long-term borrowing (Refer Note 5)	-	314,027
Interest accrued but not due on secured long term borrowings	-	7,509
Others		
-Advances from customers	637,333	1,334,709
- Employees related payables	726,546	1,007,905
- Payables for expenses	1,232,024	703,297
- Payables on purchase of fixed assets (Also refer note 38)	5,000,000	-
- Other liabilities (Duties and taxes payable to government authorities)	72,665	80,973
	<u>7,668,568</u>	<u>3,448,420</u>

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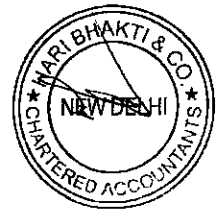
G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

10. Tangible assets

Particular	Gross block (at cost)			Accumulated depreciation			Net block		
	As at April 1, 2011	As at March 31, 2012	Disposals/ Adjustments	As at April 1, 2011	Depreciation adjustment due to change in policy (Footnote b)	Depreciation for the year	Disposals/ Adjustments	As at March 31, 2012	As at March 31, 2011
Own assets									
Land (Footnote a)	2,946,109	-	2,946,109	-	-	-	-	-	2,946,109
Building (Footnote a)	2,667,061	-	2,667,061	572,193	(410,806)	31,444	192,831	-	2,094,868
Vehicle (Footnote a)	2,038,496	-	2,038,496	568,711	(380,050)	127,877	316,538	-	1,469,785
Computers	1,011,189	96,390	-	670,512	(324,900)	185,206	-	530,818	340,677
Office equipment	108,048	196,880	33,600	11,059	1,385	62,086	8,752	205,550	96,989
Furniture and fixtures	30,118	50,823	-	1,684	175	13,808	-	65,274	28,434
Total	8,801,021	344,093	7,685,266	1,824,159	(1,114,196)	420,421	518,121	847,585	6,976,862
Previous year	6,792,088	2,008,933	-	1,306,824	-	517,335	-	1,824,159	6,976,862

Footnote a: Land, building and vehicle with written down value amounting to ₹ 7,142,297 (Gross block ₹ 7,651,666) has been sold to the director of the company for a consideration of ₹ 20,714,468. Gain on sales of fixed asset arising herewith has been disclosed as an exceptional item in the statement of profit and loss. Also refer note 28.

Footnote b: Depreciation adjustment made on account of change in method of depreciation from written down value method to straight line method. Also refer note 2 (f)(a).



G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

11. Intangible assets

Particular	Gross block (at cost)		Accumulated amortisation		Net block	
	As at April 1, 2011	As at March 31, 2012	As at April 1, 2011	As at March 31, 2012	As at March 31, 2012	As at March 31, 2011
Software for redistribution	-	22,000	-	1,025	20,975	-
Non-compete fees	-	5,000,000	-	500,000	4,500,000	-
Total	-	5,022,000	-	501,025	4,520,975	-
Previous year	-	-	-	-	-	-



G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

12. Deferred tax asset (net)

In accordance with Accounting Standard 22 on 'Accounting for taxes on Income' the net decrease in deferred tax asset of ₹ 156,138 has been recognised as charge in the statement of profit and loss. The tax effect of significant timing differences as at March 31, 2012 that reverse in one or more subsequent years gave rise to the following net deferred tax liability as at March 31, 2012.

Deferred tax assets and liabilities are attributable to the following:

	March 31, 2012	Benefit/ (Charge) for the year	(Amount in ₹) March 31, 2011
Deferred tax assets			
Provision for leave encashment	6,765	6,765	-
Provision for gratuity	16,785	16,785	-
Provision for sales return	219,914	219,914	-
On account of written down value of fixed assets as per the Income Tax Act, 1961 and total of net block of tangible and intangible fixed assets as per financial statements	-	(233,426)	233,426
Total deferred tax assets	243,464	10,038	233,426
Deferred tax liabilities			
On account of written down value of fixed assets as per the Income Tax Act, 1961 and total of net block of tangible and intangible fixed assets as per financial statements	(166,176)	(166,176)	-
Total deferred tax liabilities	(166,176)	(166,176)	-
Net deferred tax asset	77,288	(156,138)	233,426

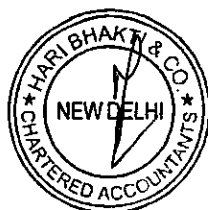
In assessing the realisability of deferred tax assets, management considers whether it is reasonable, that some portion, or all, of the deferred tax assets will be realized. The ultimate realisation of deferred tax assets is dependent upon the generation of future taxable income during the periods in which the temporary differences become deductible.

13. Long-term loans and advances

	March 31, 2012	(Amount in ₹) March 31, 2011
Unsecured, considered good		
Security deposit	-	504,210
Advance income tax [net of provisions ₹ Nil (As at March 31, 2011 ₹ 358,191)]	-	2,309
Minimum alternate tax credit entitlement	204,903	32,619
	204,903	539,138

14. Inventories

	March 31, 2012	(Amount in ₹) March 31, 2011
At lower of cost and net realisable value		
Stock-in-trade	27,594,434	24,100,000
	27,594,434	24,100,000



G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

15. Trade receivables

	<u>March 31, 2012</u>	<u>(Amount in ₹) March 31, 2011</u>
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	2,941,453	5,843,706
Others	54,509,586	46,644,950
	<u>57,451,039</u>	<u>52,488,656</u>

16. Cash and bank balances

	<u>March 31, 2012</u>	<u>(Amount in ₹) March 31, 2011</u>
Cash and cash equivalents		
Balances with banks		
-in current accounts	2,713,010	340,997
Cheques, drafts on hand	547,049	105,326
Cash on hand	44,300	627,396
	<u>3,304,359</u>	<u>1,073,719</u>

17. Short term loans and advances

	<u>March 31, 2012</u>	<u>(Amount in ₹) March 31, 2011</u>
Unsecured, considered good		
Loans and advances to related parties (Also refer note 38)	10,979,777	-
Advance to vendors	36,950	15,600
Security Deposit	1,000	1,000
Other Loans and advances		
- Employee advances	127,889	61,062
- Prepaid expenses	51,385	55,062
	<u>11,197,001</u>	<u>132,724</u>

18. Other current assets

	<u>March 31, 2012</u>	<u>(Amount in ₹) March 31, 2011</u>
Preliminary expenses	-	6,000
	<u>-</u>	<u>6,000</u>

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G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

19. Revenue from operations

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Sale of books ^(Footnote a)	122,203,198	106,199,256
Other operating revenue		
Sale of scrap	400,000	-
Others (Royalty fee)	58,500	30,000
	<u>458,500</u>	<u>30,000</u>
	<u>122,661,698</u>	<u>106,229,256</u>

Footnote a: The company deals in only one product namely "Trading of books". Hence disclosures under broad heads are not applicable. Additionally electronic storage disks sold are delivered with books (wherever applicable) as an integral part of sale and hence their value thereof cannot be determined separately.

20. Other income

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Net gain on foreign currency transactions	-	4,979
Liabilities no longer required written back	382,464	741,435
Other non-operating income (Amount of expenses directly attributable to such income is not determinable)	-	362
	<u>382,464</u>	<u>746,776</u>

21. Purchase of traded goods

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Books	116,376,483	113,784,713
Electronic storage disks	661,334	824,570
	<u>117,037,817</u>	<u>114,609,283</u>

22. Change in inventories of stock-in-trade

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Inventories at the end of the year	27,594,434	24,100,000
Inventories at the beginning of the year	24,100,000	-
Net increase	<u>(3,494,434)</u>	<u>(24,100,000)</u>



G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

23. Employee benefits expense

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Salaries, wages and other benefits	5,167,234	5,198,071
Contribution to provident and other funds (Footnote a)	241,612	190,083
Staff welfare expenses	425,310	217,235
	<u>5,834,156</u>	<u>5,605,389</u>

Footnote a: Refer note 31

24. Finance cost

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Interest Expense		
- On borrowings	624,028	423,288
- On delay in payment of statutory liabilities	31,978	60
	<u>656,006</u>	<u>423,348</u>

25. Depreciation and amortisation expenses (Refer note 10 and 11)

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Depreciation of tangible fixed assets	420,421	517,335
Amortisation of intangible fixed assets	501,025	-
	<u>921,446</u>	<u>517,335</u>

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G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

26. Other expenses

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Consumption of packing materials	1,241,478	430,247
Rates and taxes	4,500	19,500
Travelling and conveyance expense	1,818,894	1,551,095
Legal and professional expenses	784,840	615,511
Communication expenses	662,538	454,005
Business promotion	625,081	350,388
Insurance expenses	82,636	55,118
Freight and cartage	37,774	7,576
Repair and maintenance		
- Building	114,810	403,208
- Others	616,675	779,346
Power and fuel	437,806	404,346
Fixed assets written off	24,838	-
Advances written off	504,210	
Printing and Stationery	317,697	269,945
Rebates and discounts	2,229,377	3,115,846
Bank charges	125,403	98,212
Foreign exchange loss (Net)	21,147	-
Preliminary expenses written off	-	6,480
Provision for sales return (Also refer note 6)	711,696	
Miscellaneous expenses	258,034	95,491
	10,619,434	8,656,314

27. Prior period (income)/ expenses (net)

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Prior period expenses		
- Legal and professional expenses	41,500	-
- Salaries, wages and other benefits	120,326	-
- Rebates and discounts	251,278	-
- Preliminary expenses written off	6,000	-
	419,104	-

28. Exceptional items

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Gain on sale of tangible fixed assets(Net)	13,572,171	-
(Refer footnote (a) to note 10 and note 2 (xv))	13,572,171	-

29. Contingent liabilities

There are no contingent liabilities as at March 31, 2012 (previous year ₹ nil).

30. Commitments

There are no commitments as at March 31, 2012 (previous year ₹ nil).



G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

31. Employee benefits obligations

The Company has in accordance with the Accounting Standard-15 'Employee Benefits' has calculated the various benefits provided to employees as under:

A. Defined contribution plans

During the year the Company has recognized the following amounts in the statement of profit and loss:-

Particulars	Year ended	(Amount in ₹)
	March 31, 2012	Year ended March 31, 2011
Employers contribution to provident fund	178,264	153,615
Employers contribution to employee state insurance	63,348	36,468
Total	241,612	190,083

B. Defined employee benefits and other long term benefit schemes:

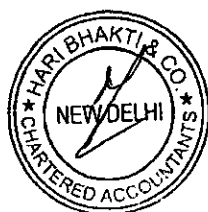
The present value obligation is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligations. The summarized positions of various defined benefits are as under:

I. Actuarial assumptions

Particulars	Gratuity		Earned Leave	
	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2011
Discount rate (per annum)	8.77%	8.50%	8.77%	-
Expected rate of increase in compensation levels	5%	5%	5%	-
Expected rate of return on plan assets	NA	NA	NA	-
Expected average remaining working lives of employees (years)	26.88	28.71	26.88	-
Retirement age (Years)	58	58	58	58
Mortality table	LIC (1994-96)			
Ages	Withdrawal Rate (%)		Withdrawal Rate (%)	
Up to 30 Years	3.00		3.00	
From 31 to 44 years	2.00		2.00	
Above 44 years	1.00		1.00	

Note:

The discount rate has been assumed at 8.77% p.a. which is determined by reference to market yield at the balance sheet date on government securities. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.



II. Present value of obligation

Particulars	(Amount in ₹)			
	Gratuity		Earned Leave	
	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2011
Present value of obligation at the beginning of the year ^(Footnote a)	49,615	-	-	-
Current service cost	35,786	-	21,892	-
Interest cost	4,351	-	-	-
Past service cost	-	-	-	-
Benefit paid	-	-	-	-
Actuarial (gain)/loss on obligation	(35,433)	-	-	-
Present value of obligation at the end of the year	54,319	-	21,892	-

Footnote a: Expense pertaining to previous years amounting to ₹ 49,615 has been recognised as prior period expenditure in current year.

III. Expenses Recognised in the statement of profit and loss for the year

Particulars	(Amount in ₹)			
	Gratuity		Earned Leave	
	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2011
Current service Cost	35,786	-	21,892	-
Interest cost	4,351	-	-	-
Past service Cost	-	-	-	-
Expected return on plan assets	-	-	-	-
Net actuarial (gain)/ loss to be recognized	(35,433)	-	-	-
Expense recognised in statement of Profit and Loss	4,704	-	21,892	-

IV. Reconciliation of present value of defined benefit obligation and fair value of assets

Particulars	(Amount in ₹)			
	Gratuity		Earned Leave	
	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2011
Present value of obligation as at the end of the year	54,319	-	21,892	-
Fair Value of plan assets as at the end of the year	-	-	-	-
Funded Status	-	-	-	-
Net liability recognized in Balance Sheet as at March 31	54,319	-	21,892	-
Amount classified as:				
Short term provision ^(Footnote a)	1,109	-	4,786	-
Long term provision ^(Footnote a)	53,210	-	17,106	-

Footnote a: Refer note 6



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 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

V. Net assets/liability and actuarial experience gain/(loss) for present benefit obligation ('PBO') and plan assets and employers best estimate for next year

(a) Gratuity

Particulars	(Amount in ₹)	
	Year ended March 31, 2012	Year ended March 31, 2011
PBO	53,210	-
Plan assets	-	-
Net assets/(liability)	53,210	-
Experience gain/(loss) on PBO	34,361	-
Experience gain/(loss) on plan assets	-	-

(b) Earned Leave

Particulars	(Amount in ₹)	
	Year ended March 31, 2012	Year ended March 31, 2011
PBO	21,892	-
Plan assets	-	-
Net assets/(liability)	21,892	-
Experience gain/(loss) on PBO	-	-
Experience gain/(loss) on plan assets	-	-

Employer's best estimate for contribution during next year

Particulars	(Amount in ₹)
	Amount
Gratuity	60,377
Earned leave	4,786

32. Auditors remuneration (Excluding service tax):-

Particulars	(Amount in ₹)	
	Year ended March 31, 2012	Year ended March 31, 2011
Statutory audit	450,000	100,000
	450,000	100,000

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G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

33. Earnings per share

The calculation of Earnings per Share (EPS) has been made in accordance with Accounting Standard (AS) - 20. A statement on calculation of Basic and Diluted EPS is as under:

	Reference	Units	Year ended March 31, 2012	Year ended March 31, 2011
Profit/(Loss) attributable to equity shareholders	A	₹	4,518,380	1,267,986
Weighted average no. of equity shares	B	Nos.	190,000	190,000
Add: Dilutive potential equity shares	C	Nos.	-	-
Number of equity shares for dilutive EPS <small>(Footnote a)</small>	D=B+C	Nos.	190,000	190,000
Basic earnings per share (A/B)		₹	23.78	6.67
Diluted earnings per share (A/D)		₹	23.78	6.67

34. Segment reporting

The disclosures as required under accounting standard 17 on segment reporting has not been provided as the company deals in one business segment namely "Trading of books". As the company operates under single geographic location, there are no separate geographical segments.

35. Un-hedged foreign currency exposure

The year-end foreign Currency exposures that have not been hedged by a derivative instrument or otherwise as follows:

Particulars	As at March 31, 2012 (₹)	As at March 31, 2011 (₹)	As at March 31, 2012 (FC)	As at March 31, 2011 (FC)
Receivable in foreign Currency				
Trade Receivable	-	919,000	-	USD 20,320

36. Additional information pursuant to paragraph 5(iii), 5(iv), 5(vii) and 5(viii) of Part II of Schedule VI to the companies Act, 1956 to the extent, either nil or not applicable, has not been furnished.

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G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

37. Disclosure relating to suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006:

	(Amount in ₹)	
	As at March 31, 2012	As at March 31, 2011
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year included in		
- Trade payables	47,445,194	48,272,897
- Other current liabilities	6,958,570	1,711,202
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
	-----	-----
	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond day each accounting year	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible under section 23 of the MSMED Act 2006.	-	-

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G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

38. Related Party Disclosure

The Disclosure as required by the Accounting Standard -18 (Related party transactions) are given below:-

(a) List of related parties

(i) Related parties where control exists:

Relationship	Name of related party
Holding company	CL Educate Limited (formerly Career Launcher (India) Limited), India (from October 1, 2011)

(ii) Other related parties where with whom transactions have taken place:

Relationship	Name of related party
Enterprises over which key management personnel exercise significant influence	Koncept Books, India G.K. Publishers, Roorkee, India G.K. Publishers Private Limited, India Maple Press Private Limited, India
Fellow subsidiaries	CL Media Private Limited, India (from October 1, 2011)
Key Management Personnel and their relatives	Mr. Rakesh Mittal (Director) Mrs. Poonam Mittal (Director) Mr. Ravi Mittal (Relative of Director)

(b) Details of related party transactions are as below:

Particulars	March 31, 2012 (₹)	March 31, 2011 (₹)
Purchase of books		
Koncept Books	65,453,651	112,583,238
CL Media Private Limited	50,922,832	-
Maple Press Private Limited	-	1,201,475
Loan given		
Koncept Books	10,979,777	-
Reimbursement of expenses to related parties		
CL Media Private Limited	219,600	-
Repayment of loans		
Mr. Rakesh Mittal	21,316,864	6,817,121
Mrs. Poonam Mittal	6,191	200,000
Mr. Ravi Mittal	206,350	-
Sale of fixed assets		
Mr. Rakesh Mittal	20,714,468	-
Purchase of fixed assets		
CL Educate Limited (formerly Career Launcher (India) Limited)	5,000,000	-

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NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

Continued from previous page

Particulars	March 31, 2012 (₹)	March 31, 2011 (₹)
Loan taken		
Mr. Rakesh Mittal	41,697,000	24,218,270
Mrs. Poonam Mittal	-	200,000
Managerial Remuneration paid		
Mr. Rakesh Mittal	40,000	300,000
Mrs. Poonam Mittal	50,000	510,000
(c) Balance outstanding with or from related parties as:		
Amounts Receivable		
Short-term loans and advances		
Koncept Books	10,979,777	-
Trade receivables		
G.K. Publishers Private Limited	546	7,155,376
G.K. Publishers, Roorkee	-	630,507
Amounts Payable		
Trade payable		
Koncept Books	-	48,177,567
Maple Press Private Limited	-	95,330
CL Media Private Limited	47,403,232	-
Long-term borrowings		
Mr. Rakesh Mittal	16,917,461	-
Short-term borrowings		
Mr. Rakesh Mittal	23,314,062	19,851,387
Mrs. Poonam Mittal	3,397	9,588
Mr. Ravi Mittal	-	206,350
Other current liabilities- Payables on purchase of fixed assets		
CL Educate Limited (formerly Career Launcher (India) Limited)	5,000,000	-
Other current liabilities- Employee related payables		
Mr. Rakesh Mittal	-	298,839
Mrs. Poonam Mittal	-	48,961




G.K. PUBLICATIONS PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

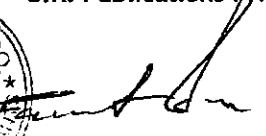
39. Previous year figures have been audited by another firm of chartered accountants.
40. The financial statements for the year ended March 31, 2011 had been prepared as per the applicable, pre-revised schedule VI to the Companies Act, 1956 ('the Act'). During the year, the revised Schedule VI notified under the Act has become applicable to the Company. Accordingly, the Company has reclassified previous year figures to conform to the current year's classification. The adoption of revised Schedule VI does not impact recognition and measurement principle followed for preparation of financial statements. However, it has a significant impact on presentation and disclosures made in the financial statements.

As per our report of even date
For Haribhakti & Co.
Chartered Accountants
Firm Registration No.103523W

For and on behalf of board of directors of
G.K. Publications Private Limited


Raj Kumar Agarwal
Partner
Membership No.:074715




Gautam Puri
Director


Rakesh Mittal
Director

Place: *Greater Noida*
Date: *July 30, 2012*

Place: *Greater Noida*
Date: *July 30, 2012*