



**23rd Annual Report**

**2010-2011**

# MANUFACTURING SITES



**Printed Cartons - Silvassa**



**Flexible Packaging - Tarapur**



**Commercial & Security Printing - Tarapur**

## BOARD OF DIRECTORS

**MR. RAMVILAS MAHESHWARI**  
Chairman & Managing Director

**MR. RAJARAM MAHESHWARI**  
Executive Director

**MR. SANJAY MAHESHWARI**  
Whole-time Director

**MR. PRAKASH MAHESHWARI**  
Whole-time Director

**MR. B. L. KANKANI**  
Director

**MR. R KANNAN**  
Director

**MR. GHANSHYAMDAS MUNDRA**  
Director

**MR. VILAS DIGHE**  
Director

### AUDITORS

**M/S. B.L. SARDA & ASSOCIATES**  
CHARTERED ACCOUNTANTS

### REGISTERED OFFICE

Plot No. L-31,  
M.I.D.C. Tarapur Industrial Area,  
Boisar - 401 506,  
Dist. Thane (Maharashtra)

## WORKS

### TARAPUR

- 1) **Continuous Stationery, Security Printing & Commercial Printing**  
L-31 & 32, M.I.D.C.,  
Tarapur Industrial Area  
Boisar - 401 506, Dist. Thane  
(Maharashtra)
- 2) **Flexible Packaging**  
G-73, M.I.D.C.,  
Tarapur Industrial Area  
Boisar - 401 506,  
Dist. Thane (Maharashtra)

### SILVASSA

**Multicolour Paper Board Cartons, Printing & Flexible Packaging**  
Survey No. 297/1/2  
Village Sayali  
Silvassa 396 240  
U.T. of Dadra & Nagar Haveli

### CORPORATE OFFICE & SHARE DEPARTMENT

20, Pragati Industrial Estate,  
N. M. Joshi Marg, Lower Parel,  
Mumbai 400 011.

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## ORIENT PRESS LIMITED

### NOTICE

**NOTICE** is hereby given that the **Twenty-Third Annual General Meeting** of the Members of **Orient Press Limited** will be held on Wednesday, the 28th day of September, 2011 at 12.30 P.M. at the Registered Office of the Company at Plot no. L-31 MIDC Tarapur Industrial Area, Boisar 401 506, Dist Thane, to transact the following Business :-

#### **ORDINARY BUSINESS :-**

1. To consider and adopt the Audited Profit and Loss Account for the year ended 31st March, 2011 and the Balance Sheet as at that date and the Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Shri Rajaram Maheshwari, who retires by rotation and is eligible for reappointment.
3. To appoint a Director in place of Shri Sanjay Maheshwari, who retires by rotation and is eligible for reappointment.
4. To appoint Auditors to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

#### **SPECIAL BUSINESS :-**

##### **INCREASE IN REMUNERATION OF MR. RAHUL MAHESHWARI – MARKETING EXECUTIVE :-**

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

“RESOLVED THAT Pursuant to the provisions of Section 314 of the Companies Act, 1956, consent of the Members of the Company be and is hereby accorded for the Increase in the remuneration of Mr. Rahul Maheshwari, a relative of Mr. Rajaram Maheshwari and Mr. Sanjay Maheshwari, Directors of the Company, who is holding an office or place of profit as a “Marketing Executive” of the Company, from Rs. 43,290/- to Rs. 99,698/- per month details of which has been given in the Explanatory Statement of the Notice, with effect from 1st May, 2011 with such increments from time to time as may be decided by the Board of Directors of the Company provided that his total remuneration shall not exceed the maximum limit prescribed under the rules/laws of the Government/appropriate Authority as may be applicable from time to time without prior approval of the said Government/appropriate Authority”.

##### **INCREASE IN REMUNERATION OF MR. NAVIN MAHESHWARI – MARKETING EXECUTIVE :-**

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

“RESOLVED THAT Pursuant to the provisions of Section 314 of the Companies Act, 1956, consent of the Members of the Company be and is hereby accorded for the Increase in the remuneration of Mr. Navin Maheshwari, a relative of Mr. Ramvilas Maheshwari and Mr. Prakash Maheshwari, Directors of the Company, who is holding an office or place of profit as a “Marketing Executive” of the Company, from Rs.45,509/- to Rs.99,698/-per month details of which has been given in the Explanatory Statement of the Notice, with effect from 1st May, 2011 with such increments from time to time as may be decided by the Board of Directors of the Company provided that his total remuneration shall not exceed the maximum limit prescribed under the rules/laws of the Government/appropriate Authority as may be applicable from time to time without prior approval of the said Government/appropriate Authority”.

**By Order of the Board of Directors**

**(R V Maheshwari)**  
**Chairman & Managing Director**

Mumbai, 11<sup>th</sup> August, 2011

#### **Registered Office :**

L-31 MIDC Tarapur Industrial Area,  
Boisar 401 506, Dist. Thane

**Notes :-**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. THE PROXY FORM MUST BE LODGED WITH THE COMPANY AT ITS REGISTERED OFFICE ATLEAST 48 HOURS BEFORE THE TIME OF ANNUAL GENERAL MEETING.
2. The Register of Members and the Share Transfer Books of the Company shall remain closed from Monday, the 26th day of September, 2011 to Wednesday, the 28th day of September, 2011, both days inclusive.
3. (i) The Equity shares of the Company are listed on the following Stock Exchanges :-
  - (a) B.S.E. Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 023.
  - (b) National Stock Exchange of India Limited, Exchange Plaza, 5<sup>th</sup> Floor, Plot no.C/1 G- Block, Bandra Kurla Complex, Bandra (East), Mumbai 400 051.

Company has made payment of Listing fees to the Stock Exchange, Mumbai and The National Stock Exchange of India Ltd. upto the financial year 2011-2012.

- 4 Details required pursuant to Clause 49VI(A) of the Listing Agreement with Stock Exchanges in respect of Re-appointment of Directors are as under :-

<b>Name of Director</b>	<b>Mr. Rajaram Maheshwari</b>	<b>Mr. Sanjay Maheshwari</b>
Date of Birth	14.01.1950	14.04.1973
Date of Appointment	10.07.1987	29.04.1991
Expertise in specific field with experience	Marketing of Printing & Packaging products 38 years	Marketing of Printing Products 20 years
Qualification	Science Graduate	B.Com
Name of other Companies in which he holds Directorship	Nil	Nil
Details of Chairmanship/Membership of Audit Committee, Shareholders/ Committee or Remuneration Committee of other Public Limited Companies whether Listed or not.	Nil	Nil
Shareholding in the Company (No. of shares)	414750	239900

5. The Members are requested to inform their email address to the Company or to the Share Transfer Agents of the Company enabling them to send Annual Reports and other correspondence by email as per the compliance of green initiative steps taken by the Government of India.

**EXPLANATORY STATEMENT**

**As required by Section 173(2) of the Companies Act, 1956**

**Item No. 5**

Mr. Rahul Maheshwari was appointed as “Marketing Executive” of the Company w.e.f. 1<sup>st</sup> November, 2001. The Board of Directors of the Company decided to increase his remuneration w.e.f. 1<sup>st</sup> May, 2011 details of which is given below looking into his performance and the remuneration being paid to similar candidate in the industry :-.

- (i) Basic Salary : Rs.60,000/-
- (ii) House Rent Allowance : Rs.25,000/-
- (iii) Transportation Allowance : Rs. 1,500/-
- (iv) Education Allowance : Rs. 1,000/-
- (v) Bonus, Provident Fund and gratuity as per the rules of the Company”.

As per the provisions of Section 314 consent of the Members is required to be obtained for increase in the remuneration of relative of a Director. As per the Director’s Relative (Office or place of Profit) Rules, 2011, the Company can make payment upto Rs.2,50,000/- per month to a relative of the Director without obtaining the prior approval of the Central Government. The increased remuneration as proposed is within the limit of Rs.2,50,000/- per month.

The Resolution set out at item no. 5 of the Agenda is meant for this purpose.

The Directors commend the Resolution for your acceptance. Mr. Rajaram Maheshwari and Mr. Sanjay Maheshwari, Directors are deemed to be interested in the Resolution.

No other director is concerned or interested in the Resolution.

**Item No. 6**

Shri Navin Maheshwari was appointed as “Marketing Executive” of the Company w.e.f. 1<sup>st</sup> November, 2001. The Board of Directors of the Company decided to increase his remuneration w.e.f. 1<sup>st</sup> May, 2011 details of which is given below looking into his performance and the remuneration being paid to similar candidate in the industry :-.

- (i) Basic Salary : Rs.60,000/-
- (ii) House Rent Allowance : Rs.25,000/-
- (iii) Transportation Allowance : Rs. 1,500/-
- (iv) Educational Allowance : Rs. 1,000/-
- (v) Bonus, Provident Fund and gratuity as per the rules of the Company”.

As per the provisions of Section 314 consent of the Members is required to be obtained for increase in the remuneration of relative of a Director. As per the Director’s Relative (Office or place of Profit) Rules, 2011, the Company can make payment upto Rs.2,50,000/- per month to a relative of the Director without obtaining the prior approval of the Central Government. The increased remuneration as proposed is within the limit of Rs.2,50,000/- per month.

The Resolution set out at item no. 6 of the Agenda is meant for this purpose.

The Directors commend the Resolution for your acceptance. Mr. Ramvilas Maheshwari and Mr. Prakash Maheshwari, Directors are deemed to be interested in the Resolution.

No other director is concerned or interested in the Resolution.

**DIRECTORS' REPORT**

To,

The Members,

Your Directors have pleasure in presenting their Twenty Third Report on the affairs of the Company, together with the Financial Statements for the year ended 31st March, 2011.

**1. FINANCIAL RESULTS :**

(Rs. In lacs)

	Year ended 31st March, 2011 (12 months)	Period ended 31st March, 2010 (6 Months)
Gross Revenue (Incl. Excise duty)	15685.54	6990.38
Profit before interest, Depreciation and Tax	1706.81	867.68
Less : Interest	193.28	66.68
Less : Depreciation	398.63	211.66
Profit before Taxation	1114.90	589.34
Less : Provision for Wealth Tax	0.33	—
Profit after taxation	1114.57	589.34
Add: Profit Brought forward from previous year	2546.43	2008.74
Less: Adjustment Consequent to adoption of Accounting Standard-15	—	51.65
Less : Short provision for FBT for earlier years	0.11	—
Profit/(Losses) carried to the Balance sheet	3660.89	2546.43

**2. DIVIDEND :**

The business of the Company is expanding and therefore to retain the resources for the working capital requirements of the Company and normal capital expenditure, the Board of Directors express their inability to recommend dividend for the year ended 31st March, 2011. The Company has made capital expenditure of Rs.7.70 crores during the year under report from its internal accruals and proposes to incur further capital expenditure of Rs. 8 to 10 crores during the current year from its internal accruals. This will save interest cost to the Company.

**3. MANAGEMENT DISCUSSION AND ANALYSIS :****(i) Introduction :**

The Company is involved in manufacturing activities of printing of Capital Market stationery, Commercial printing like Text books, Annual Reports etc., Security Printing like MICR Cheques, Dividend Warrants, Shares and Debenture Certificates, Railway Tickets and Coupons etc., Computer Stationery, Telephone Cards (Scratch Cards), Smart Cards, Recharge Coupons and Note Books etc. in Printing Segment and Packaging materials of all kinds i.e. Flexible Packaging material of multi layer film laminates, paper board mono cartons, liner carton, display cartons and outer corrugated boxes etc. in Packaging Segment.

The performance of the Company during the year under Report was satisfactory. However inspite of improvement of Capital Market, Company could not earn higher net profits due to lower contribution by Packaging segment, higher interest payment and increase in overhead due to inflation. The printing division performance was better and contributed good margin. Company has also introduced various new products in Printing segment to compensate the loss of Business of Capital Market in future. In the Packaging Segment the performance of Flexible Packaging Division was on similar lines compared to the previous period, while turnover almost equal if considered annualized. The Company was able to maintain the Turnover level at same level but margin of profits reduced due to high input cost, therefore profits of the division could not maintain in commensurate with the turnover. Paper Board Carton Division turnover was increased compared to previous period but not yet reached at expected level, however turnover of the Division is increasing gradually and expected to achieve the set targets in coming years.

**(ii) Review of Operations :-**

The Company earned a net profit of Rs.1114.90 lacs in the year under review

## ORIENT PRESS LIMITED

as against a net profit of Rs.589.34 in the previous period (6 months).

The Turnover of the Company was higher at Rs.156.86 crores for the year as against Rs.69.90 crores for the period of 6 months in the previous period, registering an increase of 12%.

The Turnover of different divisions of the Company was as under :-

(Rs. In Crores)

	Current year (12 months)	Previous period 6 Months
Printing Division	61.48	26.57
Flexible Packaging Division	71.23	35.87
Paper Board Carton Division	24.15	7.46

- (iii) **Segment wise Performance : The Business of Company falls under two Segment viz.**

**(a) Printing (b) Packaging**

- (a) **Printing Division:** The Turnover of Printing Division increased by 15.69% compared to previous period on annualized basis and the operating profits increased by 36.59% on annualized basis due to improvement in Capital Market which contributed better margin in printing business of Capital Market Stationery.

- (b) **Packaging :**

- (i) **Flexible Packaging :** The turnover of Flexible Packaging Division of the Company was almost equal compared to the previous period on annualized basis. During the period the Division operated its full production capacity inspite of severe competition and low demand. However, the profit margin could not increase in commensurate with the turnover due to thin margin because of high input cost.

- (ii) **Paper Board Carton Division :** The turnover of the Paper Board Carton Division increased by 61.86% on annualized basis compared to previous period. However the profit margin could not increase due to thin margin because of competition.

The operating Profit of the packaging segment of the Company (Flexible and Paper Board Carton Divisions) decreased by 93.79% on annualized basis compared to previous period.

It can be summarized that the printing segment of the Company has earned more profits because of improved capital market. The Packaging segment has earned less profits compared to previous period. The Company is also exploring to develop Export market not only in Packaging Segment but also in the Printing Segment, where Company is receiving good response globally resulting increase in Sales which will contribute to increase in Profits in coming years. The export turnover of the Company increased by 18.42% from Rs.22.04 crores to Rs.26.10 crores in the year under report on annualized basis compared to previous period.

The Company is keenly interested to induct new technology and upgrade the existing technology to remain as one of the leading player in the printing and packaging industry. The Company's main thrust now is in paper and paperboard related printing and packaging business to safeguard its business interest against any government legislation to curb plastic related packaging on pollution ground. The Company is committed itself with eco friendly packaging for that Company had installed automatic Board to Kraft fluting Lamination Machines. All these machineries and equipments will help the Company to enhance its business opportunity in value added printing & packaging sector and export market.

- (iv) **Future Prospects/Outlook :**

The present scenario of printing industry is fragmented and is governed by few big and end numbers medium and small business enterprises. The printing and packaging Industry has lately improved after receiving initial shock of financial crisis in the year 2008-09. There is strong belief that this business improvement will sustain in future too. Printing and packaging industry is a service industry and it is co-related with GDP growth of the country as well as the growth of country's educational sector. Since the GDP growth of the country is



pegged at 8%, it provides lot of encouragement for growth of printing and packaging industry. In the present business scenario and GDP growth, the company is expecting 10% to 15% growth in its business at least for the coming three years. Besides this, India's Printing and packaging industry has upgraded to International standard in last five years and thus provides lot of export business opportunity of printing and packaging material. India is gradually established itself as business sourcing hub of printing & packaging material of developed countries. Initially it was China and now India is competing with China in this sector. Today, Printing & packaging industry export growth is phenomenal as compared to last five years. Orient Press has also increased its share of business in export and will continue to do so in next few years. We expect at least 10% growth in this field. Orient Press is constantly upgrading its technology to cater to this market and we expect that in three years time our 20% to 25% earnings will be from export sector which today stands at 17%. Orient Press has also received the "Export House" status from the Govt. of India for its consistent performance in this sector.

(v) **Industry structure:**

Though Printing and packaging industry is one of the biggest employers of the Country, the nature of the industry is not organized and it has not been termed as an "Unorganized Industry" by the Government of India. The number of players in our industry is close to 1,30,000 units from highly organized sector to a very small personal entrepreneur organization. Due to this structure of the Industry, there is always a fierce competition in the industry and the growth of the Industry is always hampered due to un-healthy competition.

The demand of the Packaging Industry is always getting higher and higher and to satisfy this demand, the packaging and converting industry has to invest huge sums to induct new technology and to automate most of the manual operations. This extra investment and capital cost is really not recovered by the Industry due to the fragment nature of the Industry. The

customers are always taking advantage of unhealthy competition and as a result, the industry growth is not taking place in a structured manner. However, there is silver lining since the demand from the customers is consistently increasing and retailing is gradually taking shape in India, the packaging industry has bright future and consistent demand from the related industry. This will help to grow the organized sector of the Packaging Industry than the unorganized sector.

(vi) **Opportunities and threats :**

a) **Opportunities** – The opportunities are immense in all business of our Company. The Government's huge budgetary allocation in the educational sector will create great demand for text books and children books in schools and colleges. Opening of the new primary and secondary schools all over the country will create huge market for the text books and writing stationery. The Government is determined to put new legislation to curb the food adulteration and enforce the food manufactures to sell safe and packed food and introduce legislation to pack all food items in safe and hygienic condition. It will resultant great opportunities for all packaging industries. Our Company is geared up to meet this challenge and planning to expand its production capacity in the packaging field to encash the new business opportunity.

b) **Threats** – The printing and packaging industry also face threats from outside as well inside. The Government is trying to introduce new legislation on packaging material and it is not very clear how many legislations will bring in to curb use of plastic in the packaging industry. This is great threat to the industry since new legislations and guidelines are not very clear.

(vii) **Risks and concern** – If there is any Government policy change due to the waste stream and environmental pollution and new technology driven may be one of the risk. The raw material price, based on the petrochemicals outlook, may be high which may create uncertainty to potential profitability of the Company. Our Company

having exposure to the export market is 17% of its total revenue and the present unstable financial condition of the international market is great concern to our Company. Besides this, the small unorganized printing and packaging units are also concern to big manufactures.

(viii) **Internal Control Systems and their Adequacy** - In our opinion there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to the purchase of stores, raw materials, plant and machinery, equipment and other assets and for the sale of goods as well. However Company is in the process to introduce more systems to strengthen the internal control system.

(ix) **Material Developments in Human Resources/Industrial Relations Front** - Directly/ indirectly your Company provides employment to 500 persons at various levels at its factories and Corporate Office. Its industrial relations continue to remain cordial.

#### 4. **FINANCE :-**

The Company has obtained Working Capital Limits during the year under review from Axis Bank Ltd.

#### 5. **DEPOSITS :-**

The Company has accepted Fixed Deposits during the year under Report without inviting Fixed Deposits from public as permitted under the provisions of Companies (Acceptance) of Deposits) Rules, 1975 and Section 58 of the Companies Act, 1956. No Fixed Deposit is outstanding for payment as on the date of this Report.

#### 6. **CORPORATE GOVERNANCE :-**

As required by Clause 49 of the Listing Agreement, a Corporate Governance Report is attached as Annexure A to this Report. Certificate of Auditors regarding compliance of the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement of the Stock Exchanges is also attached in Annexure A and forms part of this Report.

#### 7. **DIRECTOR'S RESPONSIBILITY STATEMENT :-**

A Director's Responsibility Statement as required under section 217(2AA) of the Companies Act, 1956 is given below :-

- i) Directors have followed the applicable accounting standards in the preparation of the Annual Accounts and proper explanations relating to material departures have been given in Schedule S of Notes on Accounts forming part of the accompanying Accounts.
- ii) Directors have selected the Accounting Policies as given in Schedule S of Notes on Accounts and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2011 and of the Profits of the Company for the period ended on that date.
- iii) Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting of fraud and other irregularities.
- iv) Directors have prepared the Annual Accounts for the year ended 31<sup>st</sup> March, 2011 on a going concern basis.

#### 8. **AUDITORS AND AUDITORS' REPORT :-**

The Auditors M/s. B L Sarda & Associates, who hold office until the conclusion of the ensuing Annual General Meeting have furnished certificate under Section 224(1) of the Companies Act, 1956 for their eligibility for reappointment. The proposal for their re-appointment will be set out in the ensuing Notice of the Annual General Meeting.

The Auditors without qualifying their opinion, have drawn attention to Note no. B.9 of Schedule S of Notes of Accounts regarding non provision for taxation under Section 115JB of the Income Tax Act, 1961, based on expert opinion.

As the said note is self explanatory the Directors do not have any further comment to offer.

9. **PARTICULARS OF EMPLOYEES :-**

Information in accordance with the provisions of section 217(2A) of the Companies Act, 1956 read with Companies (particulars of employees) Rules, 1975 are not applicable to the Company as Company has not employed any person drawing a salary of Rs.60,00,000/- in a year or Rs.5,00,000/- per month if employed for part of the year.

and shareholders. The Directors express their appreciation for the dedication and commitment shown by the employees at all levels.

**By Order of the Board of Directors**

**(R V Maheshwari)  
Chairman & Managing Director**

Mumbai, 11<sup>th</sup> August, 2011

10. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO :-**

**Registered Office :**

L-31 MIDC Tarapur Industrial Area  
Boisar 401 506, Dist. Thane.

A) **Conservation of Energy :-**

The Company is not covered under the list of industries specified in the Schedule to furnish the information in Form "A" under Rule 2 of the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules 1988. The manufacturing operations of the Company are not power intensive. However, Company makes every possible effort to conserve the energy.

B) **Technology absorption :-**

The Company does not have any technical collaboration. The Company uses the latest technology and process available in the printing and packaging industry. Accordingly, the Company has the latest equipments and its personnel are trained from time to time on the uses, operation and maintenance of such sophisticated equipments.

c) **Foreign Exchange Earnings and Outgo :-**

**Rupees**

Foreign Exchange earned – Exports	26,09,97,736
Foreign Exchange used for	
a) Raw materials, Stores and Spares and capital goods	2,88,42,397
b) Expenses	17,63,909

11. **ACKNOWLEDGEMENT :-**

The Directors wish to place on record their appreciation of the continuous support received by the Company from Banks, Central/State Government Departments, its customers, suppliers

**CORPORATE GOVERNANCE REPORT**

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

Orient Press Limited's Philosophy of Corporate Governance firmly believes in attainment of highest level of transparency, professionalism and accountability. The Company's principles are focused to achieve the highest standards of Corporate Governance. The Company cares for ethical values and will not compromise on any of them.

**2. BOARD OF DIRECTORS**

(A) As on 31.03.2011 the Board of Directors comprises one Managing Director, one Executive Director, two Whole-time Directors and four Independent Directors.

During the Financial Year (01.04.2010 to 31.03.2011) – 6 Board Meetings were held on 26.05.2010, 26.07.2010, 14.08.2010, 24.09.2010, 13.11.2010 and 12.02.2011.

The Composition of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting as also number of other directorships are as follows :

Name of Director	Category of Directorship	No. of Board Meetings attended	Attendance at last AGM	No. of other directorship	No. of other Committee Membership in other companies
Mr. R V Maheshwari	MD	6	YES	NIL	NIL
Mr. R R Maheshwari	ED	5	YES	NIL	NIL
Mr. B L Kankani	NED	3	YES	NIL	NIL
Mr. Balkrishna Agar *	NED	3	YES	NIL	NIL
Mr. Sanjay Maheshwari	WTD	6	YES	NIL	NIL
Mr. Prakash Maheshwari	WTD	6	YES	NIL	NIL
Mr. R Kannan **	NED	5	YES	5	NIL
Mr. Ghanshyamdas Mundra***	NED	3	NO	8	NIL
Mr. Vilas Dighe***	NED	2	NO	1	NIL

MD - Managing Director  
 ED - Executive Director  
 WTD - Whole-time Director  
 NED - Non Executive Director

\* NED resigned w.e.f. 29.08.2010  
 \*\* NED appointed w.e.f. 26.05.2010  
 \*\*\* NED appointed w.e.f. 28.08.2010

**(B) Relationship between Directors :-**

Mr. R V Maheshwari and Mr. R R Maheshwari are related to each other, Mr. R V Maheshwari and Mr. Prakash

Maheshwari are related to each other and Mr. R R Maheshwari and Mr. Sanjay Maheshwari are related to each other and no other Director is related with them or related to each other.

**3. AUDIT COMMITTEE**

**(i) Terms of reference :-**

The Audit Committee reviews Company's financial reporting process and the disclosure of its financial information and ensures that the financial statements are correct before submission to the Board. The term of reference is as specified under Section 292A of the Companies Act, 1956 and as specified in Clause 49 of the Listing Agreement with the Stock Exchanges. The Minutes of the Audit Committee Meetings are circulated to the Board, discussed and taken note of.

**(ii) Composition :-**

The Committee is consisting of Mr. B L Kankani, Chairman, Mr. Ghanshyamdas Mundra and Mr. R Kannan, Independent Directors as Members. The Committee met 5 times during the Financial Year (01.04.2010 to 31.03.2011) on 26.04.2010, 26.05.2010, 14.08.2010, 13.11.2010 and 12.02.2011 and the attendance of members at the meetings were as follows :-

Name of Member	Status	No. of meetings attended
Mr. B L Kankani	Chairman	4
Mr. Balkrishna Agar *	Member	3
Mr. R Kannan **	Member	2
Mr. Ghanshyamdas ** Mundra	Member	2

\* Resigned w.e.f. 29.08.2010  
 \*\* Appointed w.e.f. 24.09.2010

**4. REMUNERATION COMMITTEE :-**

**(i) Terms of Reference :-**

The Remuneration Committee determines the Company's policy on specific remuneration packages for Managing Director and Whole-time Directors and other compensation related matters and issues within the framework of the provisions and enactments governing the same.

(ii) **Composition :-**

The Committee is consisting of Mr. B L Kankani, Chairman, Mr. R Kannan and Mr. Vilas Dighe – Independent Directors. No Committee meeting was held during the financial year (01.04.2010 to 31.03.2011) because no matter took place for consideration before the remuneration committee.

(iii) **Details of Remuneration paid to Directors :-**

(a) **Remuneration to Non Executive Directors –**

(i) The Non Executive Directors were paid sitting fees of Rs.1250/- for each Meeting of the Board attended by them which was increased to Rs.5,000/- w.e.f. 24.09.2010. The total sitting fees paid during the year ended 31<sup>st</sup> March, 2011 was as under :-

Director	Sitting Fees (Rs.)
Mr. B L Kankani	7,500.00
Mr. Balkrishna Agar	3,750.00
Mr. R Kannan	13,750.00
Mr. Ghanshyamdas Mundra	11,250.00
Mr. Vilas Dighe	6,250.00

(ii) Further a sitting fees of Rs.250/- was also being paid for attending Audit Committee Meetings and the same was also increased from Rs.250/- to Rs.1,000/- w.e.f. 24.09.2010 and during the year ended 31<sup>st</sup> March, 2011 total sitting fees paid was as under :-

Director	Sitting Fees (Rs.)
Mr. B L Kankani	1,750.00
Mr. Balkrishna Agar	750.00
Mr. R Kannan	2,000.00
Mr. Ghanshyamdas Mundra	2,000.00

(b) **Remuneration to Executive Directors :-**

Managing Director Whole-time Director	Salary (Rs.)	Perquisites (Rs.)
Mr. R V Maheshwari	1200000	740550
Mr. R R Maheshwari	1200000	740550
Mr. Sanjay Maheshwari	840000	459700
Mr. Prakash Maheshwari	840000	460200

i. Notice period for termination of appointment of Managing and Executive Director is three months and for Whole-time Directors is six months on either side.

ii. No severance pay is payable on termination of appointment.

5. **SHAREHOLDERS/INVESTOR'S GRIEVANCE COMMITTEE :-**

(i) **Terms of Reference :-**

The terms of reference of Committee is to ensure redressal of the Shareholders and Investors complaints relating to transfer of shares, non receipt of dividend warrants, Balance Sheets etc.

(ii) **Composition of the Committee :-**

The Committee is consisting of Mr. Prakash Maheshwari, Whole-time Director, Mr. B L Kankani, Chairman & Mr. Vilas Dighe, Independent Director. Mr. Vilas Dighe – Member was appointed w.e.f. 24.09.2010. No Meeting of the Committee was held during the Financial Year ended 31<sup>st</sup> March, 2011 because during the Financial Year under review no complaint was received from shareholders/ Investors.

6. **GENERAL MEETINGS :-**

**Details of Annual General Meetings :-**

(a) The last three Annual General Meetings were held as under :-

F.Yr	Date	Time	Venue	Special Resolutions passed
2008	29.11.2008	1.00 P.M.	L-31 MIDC Tarapur Ind. Area Boisar 401 506, Dist. Thane	None
2009	30.12.2009	11.30 A.M.	L-31 MIDC Tarapur Ind. Area Boisar 401 506, Dist Thane	Yes
2010	28.08.2010	11.30 A.M.	L-31 MIDC Tarapur Ind. Area Boisar 401 506, Dist Thane	Yes

(b) Whether Special Resolutions were put through postal ballot last year – No Special Resolution was passed in the last Annual General Meeting through postal ballot.

(c) Is any Special Resolution proposed to be conducted through postal ballot in the ensuing Annual General Meeting – No Special Resolution is proposed to be conducted.

7. **DISCLOSURES :-**

(i) There was no materially significant transactions with the Directors or the management or their subsidiaries or relatives etc. that may have potential conflict with the interest of Company at large. However, the Company has annexed to the Notes to the Accounts attached with Balance Sheet a list of related parties as per Accounting standard 18 and the transactions entered into with them.

(ii) Non Executive Directors are being paid sitting fee for attending the Board/ Committee Meetings, apart from that, they did not have any material pecuniary relationship or transactions with the

## ORIENT PRESS LIMITED

Company, its promoters or its management during the Financial Year 31.03.2011, which in the judgment of the Board may affect the independence of judgment of any Director or potentially conflict the interest of the Company at large.

- (iii) There were no instance of significant non-compliance on any matter related to the capital markets during the last three years. The Stock Exchanges or SEBI or any other Statutory authority have not imposed any penalty, stricture on any matter related to capital market on the Company during the last three financial years.
- (iv) Whistle blower policy – Policy not adopted.

### 8. MEANS OF COMMUNICATION TO SHAREHOLDERS :-

- (i) Quarterly results are published in daily newspapers viz. Economic Times, Maharashtra Times and Navbharat Times and are sent to the Stock Exchanges immediately after they are approved by the Board.
- (ii) Management Discussion and Analysis Report forms part of the Board Report, which is posted to the shareholders of the Company alongwith Annual Report.

### 9. GENERAL SHAREHOLDERS INFORMATION :-

- (i) **Annual General Meeting** is to be held on Wednesday, the 28th day of September, 2011 at 12.30 P.M. at L-31 MIDC Industrial Area, Boisar, 401 506, Dist Thane.
- (ii) **Financial Calendar :** (April 1, 2011 to March 31, 2012)
- |                                   |   |
|-----------------------------------|---|
| First Quarter Results             | 11 <sup>th</sup> August, 2011                                 |
| Second Quarter Results            | Upto 15 <sup>th</sup> November, 2011                          |
| Third Quarter Results             | Upto 15 <sup>th</sup> February, 2012                          |
| Fourth Quarter/<br>Annual Results | Upto 15 <sup>th</sup> May,<br>2012/30 <sup>th</sup> May, 2012 |
- (iii) **Dates of Book Closure :** Monday, the 26<sup>th</sup> day of September, 2011 to Wednesday, the 28<sup>th</sup> day of September, 2011 (both days inclusive).
- (iv) **Listing of Equity Shares** on the Stock Exchanges at BSE and NSE.  
Stock code nos. BSE 526325,  
NSE – ORIENTLTD  
Demat ISIN number in NSDL and  
CDSL – Equity Shares INE609C01024
- (v) **Share Transfer Agent :-**  
**Universal Capital Securities Pvt Ltd**  
(Formerly known as Mondkar Computers Pvt. Ltd.)  
21 Shakil Nivas, Mahakali Caves Road  
Andheri (East), Mumbai 400 093  
Phone : 28262920, 28257641

### (vi) Share Transfer Systems :-

Shares sent for transfer in physical form are registered by the Share Transfer Agent of the Company within 15 days of receipt of the documents, if they are found in order. Shares under objection are returned within two weeks. A share Transfer Committee comprising of members of the Board meets as an when required to consider the transfer of shares etc.

Request for dematerialization (demat) received from the shareholders are effected within 21 days.

### (vii) Distribution of Shareholding as on 31st March, 2011.

No. of Shares	No. of Share-	% of Share-holders	No. of Shares	% of Shares holders
Upto 500	3426	93.50	280004	3.47
501 to 1000	93	2.54	69596	0.86
1001 to 5000	92	2.51	212059	2.63
5001 to 10000	9	0.25	64699	0.80
10001 and above	44	1.20	7448642	92.24
	3664	100.00	8075000	100.00

### (viii) Categories of Shareholders as on 31st March, 2011.

Category	No. of shares held	% shareholding
Promoter Companies	4414750	54.67
Promoters	2859078	35.41
Residential Individuals	636303	7.88
Non Residential Individuals	22096	0.27
Corporate Bodies	75675	0.94
Nationalised Banks	300	0.004
Mutual Funds and UTI	3500	0.04
Others	63298	0.786
	8075000	100.00

### (ix) Dematerialisation of shares

15.52% (1253228 shares) of total equity share capital is held in dematerialization form with NSDL and 12.30% (993107 shares) of total equity share capital is held in dematerialization form with CDSL as on 31.03.2011.

### (x) Plant Locations

The Company's plants are located at Boisar and Silvassa.

### (xi) Address for communication

The Company's Registered Office is situated at L-31 MIDC Tarapur Industrial Area, Boisar 401 506 Dist. Thane, Maharashtra.

Shareholders correspondence should be addressed to :

Orient Press Limited  
20 Pragati Industrial Estate, N M Joshi Marg  
Lower Parel, Mumbai 400 011  
Tel : 40285828 Fax 40285870  
E-Mail : [share@orientpressltd.com](mailto:share@orientpressltd.com)

Shareholders holding shares in electronic mode should address all their correspondence relating to change of address to their respective Depository Participants (DP).

(xii) **Market Price Data :**

Monthly high/low during the Financial Year 31.03.2011 on the Stock Exchange Mumbai (BSE) on which the Company's Shares traded more and monthly high/low of BSE Sensex during the same period for comparison :

Month	BSE		BSE SENSEX		NSE	
	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)	High (Rs.)	Low (Rs.)
April, 2010	114.80	97.00	18047.86	17276.80	113.00	97.05
May, 2010	122.00	92.50	17536.86	15960.15	124.40	83.50
June, 2010	140.00	101.05	17919.62	16318.39	133.90	101.00
July, 2010	115.00	106.00	18237.56	17395.58	124.80	104.00
August, 2010	144.00	108.00	18475.27	17819.99	136.25	107.00
September, 2010	126.00	94.05	20267.98	18027.12	125.80	110.00
October, 2010	128.00	110.00	20854.55	19768.96	120.95	108.00
November, 2010	137.00	97.00	21108.64	18954.82	129.85	92.60
December, 2010	117.00	94.00	20552.03	19074.57	114.95	84.50
January, 2011	108.70	89.00	20664.80	18038.48	105.00	88.50
February, 2011	109.00	74.55	18690.97	17295.62	113.95	80.00
March, 2011	100.00	82.00	19575.16	17792.17	98.00	80.40

(xiii) **Presentation made to Institutional Investors/analysts :-**

No

(xiv) **Name and Address of Compliance Officer :-**

**Mrs. Lata Bhatia**  
Orient Press Limited  
20 Pragati Industrial Estate, N M Joshi Marg  
Lower Parel, Mumbai 400 011  
Tel : 40285828 Fax 40285870  
E-Mail : [share@orientpressltd.com](mailto:share@orientpressltd.com)

10. **NON MANDATORY REQUIREMENTS**

a) **Chairman of the Board**

Recommendation: A non Executive Chairman should be entitled to maintain a Chairman's office at the Company's expenses and also allowed reimbursement of expenses incurred in performance of his duties.

The Chairman of the Board is an Executive Director.

b) **Remuneration Committee:**

The Company has appointed a Remuneration Committee.

c) **Shareholders Information :**

Recommendation: The half yearly declaration of financial performance including summary of the significant events in the last six months should be sent to each household of shareholders.

As the Company's half yearly results are published in an English Newspaper having wide circulation, in a Marathi and in a Hindi newspaper the same are not sent to each household of shareholders.

d) One Independent Director of the Company has a tenure of exceeding nine years on the Board of the Company for which Company is taking necessary steps to replace him with a suitable candidate.

e) Whistle blower policy – Policy not yet adopted.

11. **CODE OF CONDUCT :-**

The Board has laid down a Code of Conduct for all Board Members and Senior Management personnel of the Company.

A copy of the Code of Conduct has been put on the Company's website.

All Board Members and Senior Management personnel have affirmed compliance with the Code of Conduct for the F.Y. ended March 31, 2011.

A declaration to this effect is signed by the Chairman & Managing Director forms part of this Report.

12. **CEO/CFO CERTIFICATION :-**

Mr. R V Maheshwari – Chairman & Managing Director and Mr. Pramod Sikaria – DGM – Finance & Accounts of the Company have issued a certificate to the Board of Directors on the fairness and correctness of the Annual Audited Accounts of the Company for the financial year ended 31st March, 2011.

**Declaration**

I, Ramvilas Maheshwari, Chairman & Managing Director of the Company, hereby declare that all the Members of the Board of Directors and Senior Management Personnel of the Company have affirmed Compliance with the code of conduct for the Financial Year ended 31st March, 2011.

For **ORIENT PRESS LIMITED**

**(R V MAHESHWARI)**  
**CHAIRMAN & MANAGING DIRECTOR**

## ORIENT PRESS LIMITED

### AUDITOR'S CERTIFICATE REGARDING CORPORATE GOVERNANCE

To the Members of  
M/s. Orient Press Limited

We have examined the compliance of conditions of Corporate Governance by Orient Press Limited for the year ended 31st March, 2011, as stipulated in clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

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

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

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.

For **B.L. Sarda & Associates**  
Firm Registration No. 109266W  
Chartered Accountants

**(CA. B. L. Sarda)**  
Partner  
M. No. 14568

Place : Mumbai  
Date: 11<sup>th</sup> August, 2011



## AUDITOR'S REPORT

To  
The Members,  
**M/S. ORIENT PRESS LIMITED**

1. We have audited the attached Balance Sheet of ORIENT PRESS LIMITED, as at 31st March, 2011 and also the Profit and Loss Account 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 the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on 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 (the 'order') as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956 (the 'Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Without qualifying our opinion, we draw attention to Note B.9 of Schedule S regarding non-provision for taxation under section 115JB of the Income Tax Act, 1961, based on expert opinion according to which non rejection of grant of relief u/s.115JB and other reliefs under the said Act by Tax Authorities as directed by the Board for Industrial and Financial Reconstruction in the sanctioned Rehabilitation Scheme for their consideration for which Company has submitted all the details and the matter is pending disposal with them .
5. Further to our comments in the Annexure referred to 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, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (iv) In our opinion, the Balance Sheet, Profit and Loss Account 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 Act ;
- (v) On the basis of written representations received from the directors as on 31st March, 2011 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31st March, 2011 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act;
- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the accounting policies and notes to accounts appearing in schedule "S" 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, 2011;
  - b. in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
  - c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For B.L. Sarda & Associates  
Firm Registration No. 109266W  
Chartered Accountants

**(B.L. Sarda)**  
Partner  
M. No. 14568

Place : Mumbai  
Date : 11<sup>th</sup> August, 2011

**ANNEXURE TO THE AUDITORS' REPORT REFERRED TO IN  
PARAGRAPH THREE OF OUR REPORT OF EVEN DATE**

- (1) In our opinion and according to the information and explanations given to us, the nature of the Company's business / activities during the year are such that clauses (xiii) and (xiv) of paragraph 4 of the order are not applicable to the company.
- (2) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) According to the information and explanations given to us, fixed assets of the Company have been physically verified by the Management during the year which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. According to the information and explanations given to us, no discrepancies were noticed on such verification.
- (c) According to the information and explanation given to us, the company has not disposed off substantial part of fixed assets which could affect the going concern status of the company.
- (3) (a) The inventory of the company has been physically verified by the Management at the end of the year except in case of inventory lying with third parties. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventory followed by the Management were reasonable and adequate in relation to the size of the Company and the nature of its business. In case of inventory lying with third parties, confirmation have been obtained for inventory held by them at the end of year.
- (c) In our opinion and according to the information and explanations given to us, the company has maintained proper records of inventory and the discrepancies noticed on physical verification between the physical stocks and the book records were not material and have been properly dealt with in the books of account.
- (4) (a) The company has not granted any secured or unsecured loan to companies, firms and other parties covered in the register maintained under section 301 of the Act during the year. Therefore, comments under clause 4(iii)(a) to (d) of the order are not applicable.
- (b) The Company has taken interest bearing unsecured loans from a party and two companies and also interest free loan from one of the said companies covered in the register maintained under section 301 of the Act. The maximum amount involved during the year was Rs.6,70,91,287/- and the year-end balance of such loans was Rs.6,05,60,200/-.
- (c) In our opinion, the rate of interest (wherever applicable) and other terms and conditions on which unsecured loans have been taken from a party and two Companies 1isted in the register maintained under section 301 of the Act are not, prima facie, prejudicial to the interest of the company.
- (d) According to the information and explanations given to us, the unsecured loans taken from a party and two Companies are without any stipulations as to repayment and hence question of regular repayment of principal amounts does not arise.
- (5) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and for 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 major weakness in the aforesaid internal control procedures. However, the same needs to be strengthened.
- (6) (a) In our opinion and according to the information and explanations given to us, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the Register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, in respect of transactions of purchase of goods and services made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Act and exceeding the value of rupees five lakhs in respect of a party during the period, have been made at prices which are reasonable having regard to the prevailing market prices for such goods and services at the relevant time.
- (7) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 58A, Section 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. Accordingly, there have been no proceedings before the Company Law Board or National Company Law Tribunal or any Court or any other Tribunal in this matter and no order has

been passed by any of the aforesaid authorities.

- (8) The Internal Audit is being conducted by a firm of Chartered Accountants appointed by the management and in our opinion, the same commensurates with the size and nature of company's business.
- (9) The Central Government has not prescribed the maintenance of cost records under section 209(1)(d) of the Act for any of the products manufactured by the company.
- (10)(a) On the basis of information available, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of investor education and protection fund, income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess were in arrears, as at 31st March, 2011 for a period of more than six months from the date they became payable except the following :

Nature of dues	Amount (Rs.)	Period to which the amount relates
Sales Tax, Central Sales Tax and Works Contract Tax Liability	16,81,502	November, 2002 onwards
Rates & Taxes	1,00,339	September, 2006 onwards
Service Tax	2,18,350	May, 2009 onwards

- (c) As at 31st March, 2011, according to the records of the company and the information and explanations given to us, the following are the particulars of disputed dues on account of income tax, sales tax, wealth tax, service tax, custom duty, excise duty and cess matters that have not been deposited:

Nature of dues	Amount (Rs.)	Period to which the amount relates	Forum where pending
Fringe Benefit Tax	43,033	2006-07	Commissioner Of Income Tax (Appeals)

- (11) The Company does not have any accumulated losses as at 31st March, 2011. The company has not incurred cash losses during the financial year ended on that date and also in the immediately preceding financial period.
- (12) In our opinion and according to the information and explanations given to us, the Company has not

defaulted in repayment of dues to its Bank. The Company has not obtained any borrowings from any financial institutions or by way of debentures.

- (13) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (14) To the best of our knowledge and belief and according to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
- (15) To the best of our knowledge and belief and according to the information and explanations given to us, no term loans were obtained by the company during the year.
- (16) According to the Cash Flow Statement and other records examined by us and the information and explanations given to us, on an overall basis, funds raised on short term basis have prima facie, not been used during the year for long term investment.
- (17) According to the information and explanations given to us, the Company has not made any preferential allotment during the year to companies / firms / parties covered in the register maintained under section 301 of the Act.
- (18) The Company has not issued any debentures during the year and hence creation of security or charge for the same is not applicable.
- (19) The Company has not raised any money by public issue during the year.
- (20) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

For **B.L. Sarda & Associates**  
 Firm Registration No.109266W  
 Chartered Accountants  
**(B.L. Sarda)**  
 Partner  
 M. No. 14568

Place : Mumbai  
 Date : 11<sup>th</sup> August, 2011

# ORIENT PRESS LIMITED

## BALANCE SHEET AS AT 31ST MARCH' 2011

	Schedule	As At 31.03.2011 (Rupees)	As At 30.09.2010 (Rupees)
<b>SOURCES OF FUNDS</b>			
1. SHAREHOLDER'S FUNDS			
a) Share Capital	A	80,750,000	80,750,000
b) Reserves & Surplus	B	366,088,997	254,642,841
		<u>446,838,997</u>	<u>335,392,841</u>
2. LOAN FUNDS			
a) Secured Loans	C	125,545,211	2,317,876
b) Unsecured Loans	D	221,345,540	233,139,756
		<u>346,890,751</u>	<u>235,457,632</u>
TOTAL		<u>793,729,748</u>	<u>570,850,473</u>
<b>APPLICATION OF FUNDS</b>			
1. FIXED ASSETS			
a) Gross Block	E	903,138,000	847,248,440
b) Less : Depreciation (including impairment losses)		562,643,641	525,310,465
c) Net Block		340,494,359	321,937,975
d) Capital Work-in-Progress		28,125,720	17,423,365
		<u>368,620,079</u>	<u>339,361,340</u>
2. INVESTMENTS	F	8,583,103	8,600,382
3. CURRENT ASSETS, LOANS & ADVANCES			
a) Inventories	G	216,733,650	136,047,903
b) Sundry Debtors	H	338,663,823	270,508,124
c) Cash & Bank Balances	I	16,773,910	26,441,048
d) Other current assets	J	664,783	1,304,713
e) Loans & Advances	K	90,058,301	92,092,560
		<u>662,894,467</u>	<u>526,394,348</u>
LESS: CURRENT LIABILITIES & PROVISIONS			
a) Current Liabilities	L	232,977,142	292,178,266
b) Provisions	M	13,390,759	11,327,331
		<u>246,367,901</u>	<u>303,505,597</u>
NET CURRENT ASSETS		416,526,566	222,888,751
TOTAL		<u>793,729,748</u>	<u>570,850,473</u>
Significant Accounting Policies and Notes to the Accounts.	S		

The Schedules referred to above form an integral part of the Balance Sheet.

As per our Report of even date

For **B.L. Sarda & Associates**  
Chartered Accountants

**B.L. Sarda**

Partner

Membership No. : 14568

Place : Mumbai

Dated : 11th August, 2011

**R.V. Maheshwari**

**R.R. Maheshwari**

**Sanjay Maheshwari**

**Prakash Maheshwari**

*Chairman & Managing Director*

*Executive Director*

*Whole-time Director*

*Whole-time Director*

Place : Mumbai

Dated : 11th August, 2011

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH' 2011**

	Schedule	For the year Ended 31.03.2011 (12 Months) (Rupees)	For the period Ended 31.03.2010 (6 Months) (Rupees)
<b>INCOME</b>			
Sales & Job Work Charges	N	1,568,554,143	699,038,363
Less : Excise duty		68,398,016	26,104,519
		1,500,156,127	672,933,844
Other Income	O	42,360,691	38,054,611
		1,542,516,818	710,988,455
Increase/(Decrease) in Stocks	P	1,349,028	9,395,879
		<u>1,543,865,846</u>	<u>720,384,334</u>
<b>EXPENDITURE</b>			
Manufacturing & Other Expenses	Q	1,373,185,404	633,615,636
Interest and Finance Charges	R	19,327,566	6,668,841
Depreciation	E	39,862,890	21,165,982
		<u>1,432,375,860</u>	<u>661,450,459</u>
PROFIT FOR THE YEAR / PERIOD BEFORE TAXATION		111,489,986	58,933,875
Less : Provision for Taxation - Wealth Tax		33,000	0
PROFIT FOR THE YEAR / PERIOD		<u>111,456,986</u>	<u>58,933,875</u>
Add : Balance brought forward from Previous Period		254,642,841	200,873,768
Less : Short Provision for Fringe Benefit Tax for earlier years		(10,830)	0
Less : Adjustment consequent to adoption of Accounting Standard - 15 (AS-15) - "Employee Benefits"		0	(5,164,802)
BALANCE CARRIED TO BALANCE SHEET		<u>366,088,997</u>	<u>254,642,841</u>
Basic and Diluted Earning per Share of face value of Rs.10/- each (in Rupees) (Refer note B.15 of Schedule S)		13.80	7.30
Significant Accounting Policies and Notes to the Accounts.	S		
The Schedules referred to above form an integral part of the Profit & Loss Account			

As per our Report of even date

For **B.L. Sarda & Associates**  
Chartered Accountants

**B.L. Sarda**  
Partner  
Membership No. : 14568

Place : Mumbai  
Dated : 11th August, 2011

**R.V. Maheshwari**  
**R.R. Maheshwari**  
**Sanjay Maheshwari**  
**Prakash Maheshwari**

*Chairman & Managing Director*  
*Executive Director*  
*Whole-time Director*  
*Whole-time Director*

Place : Mumbai  
Dated : 11th August, 2011

# ORIENT PRESS LIMITED

## SCHEDULES FORMING PART OF BALANCE SHEET

	As At 31.03.2011 (Rupees)	As At 31.03.2010 (Rupees)
<b>SCHEDULE A</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised</b>		
1,35,00,000 Equity Shares of Rs.10/- each	135,000,000	135,000,000
3,00,000 Cumulative Redeemable Preference shares of Rs.100/- each	30,000,000	30,000,000
TOTAL	<u>165,000,000</u>	<u>165,000,000</u>
<b>ISSUED, SUBSCRIBED &amp; PAID-UP</b>		
80,75,000 Equity Shares of Rs.10/- each fully paid up	80,750,000	80,750,000
(Out of the above 4,96,500 Equity Shares of Rs.10/- each allotted as fully paid Bonus Shares by capitalisation of General Reserve.)	<u>80,750,000</u>	<u>80,750,000</u>
<b>SCHEDULE B</b>		
<b>RESERVES AND SURPLUS</b>		
1. Profit and Loss Account	366,088,997	254,642,841
	<u>366,088,997</u>	<u>254,642,841</u>
<b>SCHEDULE C</b>		
<b>SECURED LOANS</b>		
<b>1. Short Term</b>		
a) From a Bank		
- Cash Credit facility	99,276,160	0
- Packing Credit facility repayable in Foreign Currency	19,944,653	0
	<u>119,220,813</u>	<u>0</u>
<b>2. Vehicle Loans</b>		
- From Banks	6,097,715	2,317,876
- From Others	226,683	0
	<u>6,324,398</u>	<u>2,317,876</u>
TOTAL	<u>125,545,211</u>	<u>2,317,876</u>
<b>NOTES</b>		
i) Cash Credit and Packing Credit facility are secured by first charge on current assets of the company and on the land, building and machinery of its Silvassa unit and collaterally secured by second charge on movable fixed assets and negative lien on immovable fixed assets of the Company other than those of its Silvassa unit and also guaranteed by Promoters.		
ii) Vehicle loans are secured by hypothecation of Motor vehicles.		
<b>SCHEDULE D</b>		
<b>UNSECURED LOANS</b>		
Sales-Tax Deferral	122,735,340	126,111,443
Bodies Corporates	62,060,200	107,028,313
Fixed Deposits	36,550,000	0
TOTAL	<u>221,345,540</u>	<u>233,139,756</u>

## SCHEDULES FORMING PART OF BALANCE SHEET

### SCHEDULE: E FIXED ASSETS :

Descriptions	GROSS BLOCK				DEPRECIATION				IMPAIRMENT				NET BLOCK	
	As on 01.04.2010	Additions	Deductions	As on 31.03.2011	Upto 01.04.2010	For the year	Deductions	Upto 31.03.2011	Upto 01.04.2011	For the year	Deductions	Upto 31.03.2011	As on 31.03.2011	As on 31.03.2010
<b>A) TANGIBLE ASSETS</b>														
FREEHOLD LAND	7,221,477	0	0	7,221,477	0	0	0	0	0	0	0	0	7,221,477	7,221,477
LEASEHOLD LAND	3,422,453	0	0	3,422,453	0	0	0	0	0	0	0	0	3,422,453	3,422,453
BUILDINGS	131,924,028	27,568,944	0	159,492,372	41,345,409	4,311,830	0	45,657,239	0	0	0	0	113,835,133	90,578,619
PLANT & MACHINERY	645,683,478	21,461,600	250,860	666,894,218	448,871,219	31,308,692	239,994	479,939,917	110,071	0	0	110,071	186,844,230	196,702,188
FURNITURE & FIXTURES	9,326,950	693,179	0	10,020,129	7,704,474	541,294	0	8,245,768	2,938	0	0	2,938	1,771,423	1,619,538
AIR CONDITIONERS	5,674,371	299,451	96,280	5,877,542	2,495,588	262,486	47,972	2,710,102	67,740	0	0	67,740	3,089,700	3,111,043
OFFICE EQUIPMENTS	5,517,128	340,642	26,815	5,830,955	2,835,465	249,508	13,568	3,071,405	290,992	0	0	290,992	2,468,568	2,390,671
COMPUTERS	6,633,407	564,608	0	7,198,015	4,264,286	707,740	0	4,972,026	0	0	0	0	2,225,989	2,369,121
ELECTRICAL FITTINGS	15,920,902	775,663	139,726	16,556,839	11,063,845	731,020	121,311	11,673,554	0	0	0	0	4,883,285	4,857,057
VEHICLES	14,084,031	8,071,485	3,517,201	18,638,315	5,058,395	1,561,183	2,106,869	4,512,709	0	0	0	0	14,125,606	9,025,636
<b>A) INTANGIBLE ASSETS</b>														
SOFTWARE	1,840,215	145,470	0	1,985,685	1,200,043	189,137	0	1,389,180	0	0	0	0	596,505	640,172
<b>TOTAL</b>	<b>847,248,440</b>	<b>59,920,442</b>	<b>4,030,882</b>	<b>903,138,000</b>	<b>524,838,724</b>	<b>39,862,890</b>	<b>2,529,714</b>	<b>562,171,900</b>	<b>471,741</b>	<b>0</b>	<b>0</b>	<b>471,741</b>	<b>340,494,359</b>	<b>321,937,975</b>
PREVIOUS YEAR	820,498,116	29,836,723	3,086,399	847,248,440	504,933,567	21,165,982	1,260,825	524,838,724	471,741	0	0	471,741	321,937,975	315,092,808

# ORIENT PRESS LIMITED

## SCHEDULES FORMING PART OF BALANCE SHEET

	As At 31.03.2011 (Rupees)		As At 31.03.2010 (Rupees)	
<b>SCHEDULE F</b>				
<b>INVESTMENTS - LONG TERM</b>				
<b>(I) IN EQUITY SHARES</b>				
<b>TRADE (AT COST)</b>				
<b>QUOTED</b>				
15 (P.Y.15) Equity shares of Rs.10/- each fully paid up in Infomedia 18 Ltd. *		0		0
100 (P.Y.100) Equity shares of Rs.10/- each fully paid up in Uflex Ltd.		6,380		6,380
Nil (P.Y.100) Equity shares of Rs.1/- each fully paid up in India Foils Ltd. **		0		7,135
270 (P.Y.270) Equity shares of Rs.1/- each fully paid up in Hindalco Industries Ltd.		28,511		28,511
<b>NON TRADE (At Cost)</b>				
<b>LISTED BUT NOT TRADED</b>				
8,32,000 (P.Y.8,32,000) Equity shares of Rs.10/- each fully paid up in Orient Fincorp Ltd.		8,322,500		8,322,500
28 (P.Y.28) Equity shares of Rs.10/- each fully paid up in Sharp Industries Ltd.		820		820
<b>UNQUOTED</b>				
7,20,000 (P.Y.7,20,000) Equity shares of Rs.10/- each fully paid up in Orient Share & Stock Brokers Ltd.		7,200,000		7,200,000
1,000 (P.Y.1,000) Equity shares of Rs.10/- each fully paid up in Saraswat Co- Op Bank Ltd.		10,000		10,000
<b>(II) RIGHTS IN IMMOVABLE PROPERTIES</b>				
Investments in time sharing in Resorts		214,892		225,036
		15,783,103		15,800,382
Less : Provision for diminution in value of investments		7,200,000		7,200,000
		<u>8,583,103</u>		<u>8,600,382</u>
		AS AT 31.03.2011		AS AT 31.03.2010
Aggregate cost of Unquoted Investments		7,210,000		7,210,000
Aggregate cost of Investments listed but not traded		8,323,320		8,323,320
		Cost		Cost
Aggregate of Quoted Investments		34,891	70,993	42,026
				59,623

\* Represents bonus shares.

\*\* 0.07782 fractional shares of Ess Dee Aluminium Ltd. allotted on merger and sales proceeds thereof received.



**SCHEDULES FORMING PART OF BALANCE SHEET**

	As At 31.03.2011 (Rupees)	As At 31.03.2010 (Rupees)
<b>SCHEDULE G</b>		
<b>INVENTORIES</b>		
(As taken, Valued and Certified by Management)		
Raw Materials	195,928,344	116,936,232
Packing Materials	1,992,614	1,803,998
Finished Goods	9,550,477	9,446,899
Work-In-Process	3,921,753	4,505,282
Scrap/Waste	3,668,837	1,839,858
Stores & Spares	1,237,113	1,215,903
Power & Fuel	434,512	299,731
	<u>216,733,650</u>	<u>136,047,903</u>
<b>SCHEDULE H</b>		
<b>SUNDRY DEBTORS</b>		
(Unsecured, considered good unless otherwise stated.)		
Debts outstanding for a period exceeding 6 months		
- Considered good	49,409,101	37,747,648
- Considered doubtful	16,640,971	11,272,751
Other Debts		
- Considered good	289,254,722	232,760,476
	<u>355,304,794</u>	<u>281,780,875</u>
Less : Provision for doubtful debts	16,640,971	11,272,751
	<u>338,663,823</u>	<u>270,508,124</u>
<b>SCHEDULE I</b>		
<b>CASH AND BANK BALANCES</b>		
Cash on hand	580,929	2,492,272
With Scheduled Banks		
In Current Accounts	1,376,044	4,720,113
In Fixed Deposit Accounts	14,816,937	19,228,663
	<u>16,773,910</u>	<u>26,441,048</u>
<b>SCHEDULE J</b>		
Other current assets		
Interest accrued on Fixed Deposits	664,783	1,304,713

**SCHEDULES FORMING PART OF BALANCE SHEET**

	As At 31.03.2011 (Rupees)	As At 31.03.2010 (Rupees)
<b>SCHEDULE K</b>		
<b>LOANS &amp; ADVANCES</b>		
(Unsecured, considered good unless otherwise stated.)		
Loan to Staff & Workers	1,480,810	1,843,483
Less : Provision for doubtful advance	<u>17,568</u>	<u>17,568</u>
	1,463,242	1,825,915
Advances Recoverable in Cash or Kind or for value to be received	38,249,278	36,619,000
Advance Income Tax & Tax Deducted at Source	27,864,369	31,359,261
Advance Fringe Benefit Tax	2,007,570	2,968,400
Deposits	14,500,467	12,779,542
Less : Provision for doubtful deposits	<u>50,000</u>	<u>50,000</u>
	14,450,467	12,729,542
Balance with Central Excise	<u>6,023,375</u>	<u>6,590,442</u>
	<u><u>90,058,301</u></u>	<u><u>92,092,560</u></u>
<b>SCHEDULE L</b>		
<b>CURRENT LIABILITIES</b>		
Acceptances	23,427,060	0
Sundry Creditors		
(i) Due to Micro , Small and Medium Enterprises	0	0
(ii) Due to other than Micro, Small and Medium Enterprises	183,094,590	238,505,943
Advance Payment from Customers and Others	3,762,908	6,127,482
Other Liabilities	20,405,444	44,260,514
Interest Accrued but not Due	37,140	128,327
Lease Deposits	<u>2,250,000</u>	<u>3,156,000</u>
	<u><u>232,977,142</u></u>	<u><u>292,178,266</u></u>
<b>NOTE :</b> Amounts due to Micro , Small and Medium Enterprises is disclosed to the extent such parties have been identified by the management from the information available with the company regarding the status of the supplier and relied upon by the Auditors. There are no such undertakings to which the company owes a sum exceeding Rs.1 lac for more than 30 days. No interest is paid/payable to such undertakings.		
<b>SCHEDULE M</b>		
<b>PROVISIONS</b>		
Fringe Benefit Tax	1,950,000	2,900,000
Wealth Tax	33,000	0
Leave encashment	1,943,457	1,701,323
Gratuity	9,464,302	6,726,008
	<u><u>13,390,759</u></u>	<u><u>11,327,331</u></u>

**SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT**

	For the Year ended 31.03.2011 (12 Months) (Rupees)	For the Period ended 31.03.2010 (6 Months) (Rupees)
<b>SCHEDULE N</b>		
<b>SALES &amp; JOBWORK CHARGES</b>		
Sales and Jobwork Charges	1,504,174,243	665,014,441
Delivery / Courier Charges	64,379,900	34,023,922
	<u>1,568,554,143</u>	<u>699,038,363</u>
<b>SCHEDULE O</b>		
<b>OTHER INCOME</b>		
Interest (Gross) (TDS Rs.111120/- (P.Y.Rs.308313/-)	2,214,935	3,232,987
Exports Incentives	18,791,000	8,136,199
Miscellaneous Income	17,823,328	16,484,486
Dividend	2,865	400
Profit/(Loss) on Sale of Fixed Assets	(303,168)	7,559,999
Profit/(Loss) on Sale of Investment	(7,104)	0
Rent Recieved (Gross) (TDS Rs.424376/- (P.Y.Rs.362356/-)	3,838,835	2,640,540
	<u>42,360,691</u>	<u>38,054,611</u>
<b>SCHEDULE P</b>		
<b>INCREASE/(DECREASE) IN STOCK</b>		
<b>Stock at the beginning of the period</b>		
Finished Goods	9,446,899	4,050,421
Work In Process	4,505,282	1,673,849
Scrap/Waste	1,839,858	671,890
<b>Stock at the close of the period</b>		
Finished Goods	9,550,477	9,446,899
Work In Process	3,921,753	4,505,282
Scrap/Waste	3,668,837	1,839,858
INCREASE/(DECREASE)	<u>1,349,028</u>	<u>9,395,879</u>

**SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT**

	For the Year ended 31.03.2011 (12 Months) (Rupees)	For the Period ended 31.03.2010 (6 Months) (Rupees)
<b>SCHEDULE Q</b>		
<b>MANUFACTURING &amp; OTHER EXPENSES</b>		
Materials Consumed	965,498,927	452,728,013
Purchase of Finished Goods - Traded Goods	5,991,206	110,000
Outwork and Ancillary Printing	39,029,179	20,943,979
Labour Charges	19,610,389	8,641,462
Stores & Spare Parts	20,645,819	8,862,403
Freight Inward	17,310,799	6,223,230
Power and Fuel	43,369,871	20,486,749
Payment to and provisions for Employees	93,115,023	40,791,321
Travelling & Conveyance	6,467,880	2,906,402
Printing & Stationery	663,334	326,500
Courier, Postage, Telegram & Telephone	3,269,713	1,713,649
Rent, Rates & Taxes	3,607,875	1,188,593
Insurance	917,940	417,689
Repairs & Maintenance	13,557,276	6,898,855
Legal & Professional Fees	4,811,906	2,316,717
Bank Commission & Charges	3,869,789	1,290,965
Motor Car & Delivery Van Expenses	4,259,950	1,508,534
Remuneration to Auditors	1,319,019	460,476
Commission & Brokerage	3,485,926	686,981
Advertisement & Sales Promotion Expenses	3,439,330	2,218,181
Water Charges	493,295	363,742
Packing, Freight and Forwarding (Net of recovery)	103,048,489	37,310,797
Sales Tax	0	3,698,983
Provision for Doubtful Debts	5,368,220	1,309,834
Bad Advances Written Off	24,470	438,515
Less : Provision for Doubtful Advances written back	0	(307,428)
	24,470	131,087
Loss due to Forfeiture of Investments	0	100,000
Less : Provision for Diminution in value of Investments written back	0	(100,000)
Miscellaneous Expenses	10,009,779	10,080,494
	<u>1,373,185,404</u>	<u>633,615,636</u>

**SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT**

	For the Year ended 31.03.2011 (12 Months) (Rupees)	For the Period ended 31.03.2010 (6 Months) (Rupees)
<b>SCHEDULE R</b>		
<b>INTEREST AND FINANCE CHARGES</b>		
To Banks	3,478,702	142,947
To Others	15,748,262	6,525,894
To Managing Director	100,602	0
	<u>19,327,566</u>	<u>6,668,841</u>

## SCHEDULE S

### (A) SIGNIFICANT ACCOUNTING POLICIES :

#### a) BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The accompanying financial statements are prepared in accordance with Generally Accepted Accounting principles and provisions of the Companies Act, 1956 under the historical cost convention on the accrual basis of accounting. The accounting policies have been consistently applied by the company unless otherwise stated.

#### b) USE OF ESTIMATES

The preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual result could differ from these estimates and the difference between actual results and estimates are recognized in the periods in which the results are known / materialize.

#### c) FIXED ASSETS AND DEPRECIATION

- i) Fixed Assets are stated at cost (net of Cenvat/VAT, wherever availed) less accumulated depreciation. Cost includes pre-operative expenses including interest on borrowings for the project incurred upto the date of installation and adjustment arising from exchange rate variations upto 31st March, 2007 relating to liabilities attributable to the fixed assets. Such exchange rate variations w.e.f. 1st April'2007 are recognized in the Profit and Loss Account.
- ii) The company depreciates its fixed assets on straight line method at the rates prescribed under Schedule XIV of the Companies Act, 1956. Depreciation on assets acquired / sold during the year is provided on pro-rata basis.
- iii) The premium paid for leasehold land is not amortised over the period of lease, since the lease intended to be renewed on the expiry of the stipulated lease period.

#### d) INTANGIBLE ASSETS AND AMORTIZATION

Items of expenditure that meet the recognition criteria as mentioned in Accounting Standard - 26 on "Intangible Assets" are classified as intangible assets and are amortized over the period of economic benefits.

Softwares are stated at cost of acquisition and are amortized on straight line basis over a period of five years irrespective of the date of acquisition.

#### e) REVENUE RECOGNITION

- i) Revenue from Sale of goods, income from delivery / courier charges and income from jobs are recognized on the basis of dispatch of goods.
- ii) Sales are inclusive of Excise Duty.
- iii) Dividend including interim is accounted when the right to receive payment is established.
- iv) Benefits available against exports are estimated and accounted for in the year of exports.

#### f) BORROWING COST

Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalised as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

#### g) EXCISE DUTY

The Company is providing liability for excise duty on finished goods manufactured and remaining in stock.

#### h) INVENTORIES

- i) Raw Material, Store & Spares, Packing Materials and Fuel are valued at cost or net realisable value whichever is lower. The cost includes the purchase price as well as incidental expenses such as freight and is net of Cenvat/VAT benefit available, if any.
- ii) Finished Goods and Work-in-progress are valued at cost or net realisable value whichever is lower. Cost includes appropriate allocation of overheads.
- iii) Waste/Scrap are valued at net realisable value.
- iv) The cost of base shells is amortised over a period of 8 years from the year of purchase.
- v) Cost is arrived at on first-in-first-out basis.

**i) ASSETS ON OPERATING LEASES**

Lease rental paid/received on assets taken/given under operating lease are recognized as expenses/income on accrual basis in accordance with the respective lease agreements.

**j) FOREIGN CURRENCY TRANSACTIONS**

Foreign Currency transactions are accounted at the exchange rate prevailing on the date of transaction. Foreign Currency monetary items outstanding as at the Balance Sheet date are reported using the closing rate. Gains and losses resulting from the settlement of such transactions and translation of monetary assets and liabilities denominated in Foreign Currencies are recognised in the Profit and Loss Account. Non-monetary Foreign Currency items are carried at cost. Premium in respect of forward contracts are accounted over the period of contract.

**k) INVESTMENTS**

Investments are stated at cost because they are long term in nature. Provision for diminution in the value is made only if such diminution is other than temporary in the opinion of the management.

**l) EMPLOYEE BENEFITS****A) Short Term Benefits**

All employee benefits including bonus/performance incentives/ex-gratia payable wholly within twelve months of rendering the service are classified as short term employee benefits and are charged to the Profit and Loss Account of the year.

**B) Long Term Benefits****(a) Post Employment Benefits**

- i) Defined Contribution Plans :- Retirement/Employee benefits in the form of Provident Fund, Employees State Insurance and labour welfare are considered as defined contribution plan and contributions to the respective funds administered by the Government are charged to the profit and loss account of the year when the contribution to the respective funds are due.
- ii) Defined Benefit Plans :- Retirement benefits in the form of gratuity is considered as defined benefit obligation and is provided for on the basis of an actuarial valuation on projected unit credit method made as at the date of the Balance Sheet. The same is not funded. Actuarial gain/loss, if any are immediately recognized in the Profit and Loss account.

**(b) Other Long Term Benefits****i) Leave Encashment**

Liability on account of leave entitlement of employees in accordance with the policy of the company is provided for on the basis of an actuarial valuation on projected unit credit method made as at the date of the Balance Sheet. The same is not funded. Actuarial gain/loss, if any are immediately recognized in the Profit and Loss account.

- ii) As per the present policy of the company, there are no other long term benefits to which its employees are entitled.

**m) PROVISION FOR CURRENT AND DEFERRED TAX**

Provision for current Income Tax is made on the taxable income using the applicable tax rules and tax laws. Deferred tax arising on account of timing difference and which are capable of reversal in one or more subsequent periods, is recognised using the tax rates and tax laws that have enacted or substantively enacted. Deferred tax assets are recognised and carried forward only to the extent that there is a virtual certainty that the asset will be realised in future.

**n) IMPAIRMENT OF ASSETS**

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

**o) PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS**

A provision is recognized when an enterprise has a present obligation as a result of past event(s) and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation(s), in respect of which a reliable estimate can be made for the amount of obligation. Contingent liabilities, if material, are disclosed by way of notes. Contingent assets are not recognized or disclosed in the financial statements.

## ORIENT PRESS LIMITED

### p) CONTINGENCIES AND EVENTS OCCURRING AFTER THE BALANCE SHEET DATE

Event occurring after the date of the Balance Sheet, which provide further evidence of conditions that existed at the Balance Sheet date or that arose subsequently, are considered upto the date of approval of accounts by the Board of Directors, where material.

### (B) NOTES TO THE ACCOUNTS :

1. Figures of previous period comprising of 6 months are not comparable with the figures of current year which is of 12 months. However, the same have been regrouped / recast / rearranged wherever necessary to conform to classification adopted for the current year.

2. (i) Contingent liabilities not provided for in the books of accounts:-

Particulars	As at 31.03.2011	As at 31.03.2010
a) Tax Liabilities and interest there of demanded by the Income Tax Department towards fringe benefit tax not accepted and disputed.	43,033	43,033
b) Outstanding Letter of Credit	2,46,78,090	80,53,150
c) Guarantees given by Company's Banker	1,70,62,829	73,76,762
d) Bonds executed in favour of excise authorities.	8,55,369	11,90,960
e) In respect of Custom Duty benefits availed on imports of capital goods under EPCG Scheme against Export obligations.	2,81,08,682	2,41,73,542

(ii) No provision for disputed income tax demands of Rs. 105.01 Lacs (P.Y. Rs.105.01 Lacs) has been made since the same are contested at appropriate forum and the company do not expect any liability. Payment of Rs.105.01 Lacs (P.Y. Rs.105.01 Lacs) against said disputed demands has been shown under the head "Loans and Advances".

(iii) Capital commitments:

Estimated amounts of contracts remaining to be executed on capital account and not provided for (net of advances) Rs.2,18,69,640/- (P.Y. Rs.96,97,089/-)

3. Capital work-in-progress represents capital advances, fixed assets acquired but not put to use before the end of the financial year and expenses pertaining thereto.

4. Balance of debtors, Creditors, loans and advances and advance payments from customers are subject to confirmation/reconciliation and adjustments, if any.

5. Sales, Purchases, Stores and spares parts, Jobwork charges received and paid, are net of CENVAT, VAT, returns, discounts rate differences and rebates received and paid/allowed.

6. The disclosures as required by Accounting Standard 15 (AS - 15) on "Employee Benefits", are given below :-

#### i) Defined Contribution Plan

The Company has recognized the following amounts in Profit and Loss Account towards Contribution to Defined Contribution Plans which are included under "Contribution to Provident fund and other funds":

Particulars	Year Ended 31.03.2011 (12 Months) Rupees	Period Ended 31.03.2010 (6 Months) Rupees
Provident Fund	57,59,952	25,59,009
Employees State Insurance Scheme	3,32,049	1,62,199
Maharashtra Labour Welfare Fund	20,124	10,548
Total	61,12,125	27,31,756



**ii) Defined Benefits Plan/Long Term benefits :-**

The Details of the Company's post retirement benefit plan for gratuity and long term benefits for leave encashment for its employees in conformity with the principles set out in AS-15 which has been determined by an Actuary appointed for the purpose and relied upon by the Auditors are given below :

Sr. No.	Particulars	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
		Year Ended	Period Ended	Year Ended	Period Ended
		31.03.2011 (12 Months)	31.03.2010 (6 Months)	31.03.2011 (12 Months)	31.03.2010 (6 Months)
		Rs.	Rs.	Rs.	Rs.
<b>a)</b>	<b>Changes in present value of obligations</b>				
	Present Value of Obligations at beginning of the year	67,26,008	64,89,551	17,01,323	11,16,298
	Interest cost	6,86,972	2,53,973	1,75,860	40,125
	Current Service Cost	14,28,291	2,36,457	9,52,458	4,36,656
	Benefits Paid	(2,97,607)	(2,80,442)	(4,84,822)	(2,26,325)
	Actuarial (gain)/loss on obligations	9,20,638	26,469	(4,01,362)	3,34,569
	Present Value of Obligations at end of the year	94,64,302	67,26,008	19,43,457	17,01,323
<b>b)</b>	<b>Changes in fair value of plan assets</b>				
	Fair Value of Plan Assets at beginning of the year	—	—	—	—
	Expected Return on Plan Assets	—	—	—	—
	Contributions by employer	2,97,607	2,80,442	4,84,822	2,26,325
	Benefits Paid	(2,97,607)	(2,80,442)	(4,84,822)	(2,26,325)
	Actuarial (gain)/loss on plan assets	—	—	—	—
	Fair Value of Plan Assets at end of the year	—	—	—	—
<b>c)</b>	<b>Fair value of plan assets</b>				
	Fair Value of Plan Assets at beginning of the year	—	—	—	—
	Actual Return on Plan Assets	—	—	—	—
	Contributions	2,97,607	2,80,442	4,84,822	2,26,325
	Benefits Paid	(2,97,607)	(2,80,442)	(4,84,822)	(2,26,325)
	Fair Value of Plan Assets at end of the year	—	—	—	—
	Funded Status	(94,64,302)	(67,26,008)	(19,43,457)	(17,01,323)
	Excess of actual over estimated return on Plan Assets	—	—	—	—
<b>d)</b>	<b>Actuarial Gain/(Loss) Recognized</b>				
	Actuarial Gain/(Loss) for the year (Obligation)	(9,20,638)	(26,469)	4,01,362	(3,34,569)
	Actuarial Gain/(Loss) for the year (Plan Assets)	—	—	—	—
	Total Gain/(Loss) for the year	(9,20,638)	(26,469)	4,01,362	(3,34,569)
	Actuarial Gain/(Loss) recognized for the year	(9,20,638)	(26,469)	4,01,362	(3,34,569)
	Unrecognized Actuarial Gain/(Loss) at end of the year	—	—	—	—
<b>e)</b>	<b>Amounts recognized in the Balance Sheet</b>				
	Present Value of Obligations at end of the year	94,64,302	67,26,008	19,43,457	17,01,323
	Fair Value of Plan Assets at end of the year	—	—	—	—
	Funded Status	(94,64,302)	(67,26,008)	(19,43,457)	(17,01,323)
	Unrecognized Actuarial Gain/(Loss)	—	—	—	—
	Net Asset/(Liability) recognized in the Balance Sheet under "Provisions - Gratuity"	(94,64,302)	(67,26,008)	(19,43,457)	(17,01,323)

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Sr. No.	Particulars	Gratuity (Unfunded)		Leave Encashment (Unfunded)	
		Year Ended	Period Ended	Year Ended	Period Ended
		31.03.2011 (12 Months)	31.03.2010 (6 Months)	31.03.2011 (12 Months)	31.03.2010 (6 Months)
		Rs.	Rs.	Rs.	Rs.
f)	<b>Expenses recognized in Profit and Loss Account</b>				
	Current Service cost	14,28,291	2,36,457	9,52,458	4,36,656
	Interest Cost	6,86,972	2,53,973	1,75,860	40,125
	Expected Return on Plan Assets	—	—	—	—
	Net Actuarial Gain/(Loss) recognized for the year	9,20,638	(26,469)	(4,01,362)	3,34,569
	Expenses recognized in Profit and Loss Account under "Payment to and provisions for Employees"	30,35,901	5,16,899	7,26,956	8,11,350
g)	<b>Movements in the Liability recognized in Balance Sheet</b>				
	Opening Net Liability	67,26,008	64,89,551	17,01,323	11,16,298
	Expenses as above	30,35,901	5,16,899	7,26,956	8,11,350
	Contribution paid	(2,97,607)	(2,80,442)	(4,84,822)	(2,26,325)
	Closing Net Liability	94,64,302	67,26,008	19,43,457	17,01,323
h)	<b>Investment Pattern</b>	Not Funded	Not Funded	Not Funded	Not Funded
i)	<b>Principal Assumptions</b>				
	Mortality	LIC(1994-96) Ult	LIC(1994-96) Ult	LIC(1994-96) Ult	LIC(1994-96) Ult
	Discount Rate	8.30%	8.00%	8.30%	8.00%
	Rate of increase in compensation	6.00%	6.00%	6.00%	6.00%
	Rate of return (expected) on plan assets	—	—	—	—
	Withdrawal rates	0.80%	0.80%	0.80%	0.80%

7. a) Managerial remuneration to Managing Director and Whole-time Directors pursuant to section 198 of the Companies Act, 1956 (included under the head "payment to and provisions for Employees")

Particulars	Year Ended	Period Ended
	31.03.2011	31.03.2010
	(12 Months)	(6 Months)
	Rupees	Rupees
Salary & Bonus	40,80,000	19,00,000
Contribution to Provident fund	4,89,600	2,28,000
Perquisites and Benefits	19,11,400	8,97,824
Total	64,81,000	30,25,824

- b) Determination of Net Profits in accordance with the provisions of Section 349 of the Companies Act, 1956 has not been given since no commission is payable to Directors.
8. The Current Assets, loans and advances are stated at the value which in the opinion of Board of Directors are realisable in the ordinary course of business unless otherwise mentioned.
9. In the sanctioned Rehabilitation Scheme, the Board for Industrial and Financial Reconstruction (BIFR) had directed the Income Tax Authorities to consider granting relief under section 115JB and other reliefs under the said Act to the Company. The Company has in response submitted all the details sought by the Tax Authorities and the matter is pending for disposal before them. The Company has been opined by Expert that in view of no rejection of the reliefs by Tax Authorities which was directed by the BIFR, provision for taxation u/s.115JB of the said Act is not required to be made and accordingly no provision has been made.
10. Miscellaneous income includes Rs.54,05,789/- (P.Y.Rs.Nil) being waiver of interest on Sales Tax dues granted by the Sales Tax Department and Rs.60,32,440/- (P.Y.Rs.1,15,78,064/-) being waiver from unsecured creditors on settlement of dues in terms of sanctioned scheme of BIFR.

11. The Company has availed unsecured interest free sales tax deferral loan of Rs.12,27,35,340/- (P.Y. Rs.12,61,11,443/-) from the Government of Maharashtra in accordance with The 1988 Package Scheme Of Incentives / The 1993 Package Scheme Of Incentives. In terms of sanctioned scheme by BIFR, the Sales Tax Authorities have rescheduled the repayment of the said loan. The Company is regularly paying the installments as rescheduled.
12. Fixed deposits with scheduled banks includes (i) Rs.135.94 lacs (P.Y. Rs. 180.52 lacs) lodged as margin money towards bank guarantees and letters of credit (ii) Rs.0.08 lacs (P.Y. Rs.0.08 lacs) lodged with sales tax department and (iii) Rs.12.15 lacs (P.Y. Rs. 11.69 lacs) lodged with bank/customers as margin/security deposit.
13. Net amount of the exchange differences :-

Particulars	Year Ended 31.03.2011 (12 Months) Rupees	Period Ended 31.03.2010 (6 Months) Rupees
a) Included in the profit and loss account - Net (Loss) / Gain	18,95,462	(6,50,519)

14. In accordance with Accounting Standard 22 "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India, the company has accounted for deferred tax during the year. The Company has significant amount of carried forward losses and unabsorbed depreciation under Income Tax Act. However, as a matter of prudence and absence of virtual certainty of sufficient future taxable income, deferred tax assets have been recognised only to the extent there is deferred tax liability.

The Component of Deferred Tax Assets to the extent recognised and Deferred Tax liabilities as on 31st March, 2011 are as follows:

(Rs.in lacs)

Sr. No.	Particular	As on 01.10.2010	Current year charges	As on 31.03.2011
a.	Deferred Tax Liabilities			
	Related to Fixed Assets	341.50	(21.60)	319.90
	Total	341.50	(21.60)	319.90
b.	Deferred Tax Assets			
	Unabsorbed losses/depreciation as per Income Tax Act	162.77	47.97	210.74
	Provision	57.29	16.59	73.88
	Disallowance under Income Tax Act'1961	121.44	(86.16)	35.28
	Total	341.50	(21.60)	319.90
c.	Deferred Tax Liability/Assets (Net)	—	—	—

15. As per Accounting Standard (AS-20) on "Earning Per Share" (EPS) issued by the Institute of Chartered Accountants of India, the particulars of EPS for equity shareholders are as below :

Particulars	Year Ended 31.03.2011 (12 Months) Rupees	Period Ended 31.03.2010 (6 Months) Rupees
i) Net Profit as per Profit & Loss Account		
a) before exceptional items and extraordinary items	11,14,56,986	5,89,33,875
b) after exceptional items and extraordinary items	11,14,56,986	5,89,33,875
ii) Weighted average number of equity shares	80,75,000	80,75,000
iii) EPS (Basic and diluted)		
a) before exceptional items and extraordinary items	13.80	7.30
b) after exceptional items and extraordinary items	13.80	7.30
iv) Face Value of each equity share (Rs.)	10	10

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### 16. Segmental Reporting

#### (a) Primary Segment Reporting (by business segment)

(i) The company has identified Business Segment as the Primary Segment. Segments have been identified taking into account the nature of the products, differing risks and returns, organisational structure and internal reporting system.

(ii) Composition of the business segment:

Name of the Segment Comprises of :

- a) Printing All kind of Printing  
b) Packaging Flexible Packaging Material and Paper Board Carton

(iii) Information about Primary Segment are as follows :-

(All amounts in Rs. lacs)

	Printing		Packaging		Elimination		Total Consolidated	
	Year Ended 31.03.11 (12 Months)	Period Ended 31.03.10 (6 Months)	Year Ended 31.03.11 (12 Months)	Period Ended 31.03.10 (6 Months)	Year Ended 31.03.11 (12 Months)	Period Ended 31.03.10 (6 Months)	Year Ended 31.03.11 (12 Months)	Period Ended 31.03.10 (6 Months)
<b>REVENUE :</b>								
External sales	6133.08	2654.25	8868.48	4075.09	—	—	15001.56	6729.34
Inter segment revenue	1.41	—	2.47	1.27	(3.88)	(1.27)	—	—
Other Income	118.04	23.22	260.23	251.42	—	—	378.27	274.64
Total revenue	6252.53	2677.47	9131.18	4327.78	(3.88)	(1.27)	15379.83	7003.98
<b>RESULT :</b>								
Segment result	1251.39	457.97	11.45	92.15			1262.84	550.12
Unallocated expenses	—	—	—	—			—	—
Operating Profit / (Loss)	1251.39	457.97	11.45	92.15			1262.84	550.12
Interest expense							(193.28)	(66.69)
Unallocated Other Income							45.34	105.91
Income Tax - Wealth Tax							(0.33)	—
Profit from ordinary activities							1114.57	589.34

(All amounts in Rs.lacs)

	Printing		Packaging		Total Consolidated	
	Year Ended 31.03.11 (12 Months)	Period Ended 31.03.10 (6 Months)	Year Ended 31.03.11 (12 Months)	Period Ended 31.03.10 (6 Months)	Year Ended 31.03.11 (12 Months)	Period Ended 31.03.10 (6 Months)
<b>OTHER INFORMATION</b>						
Segment assets		4614.72	3128.73	5401.70	5185.55	8314.28
Unallocated corporate assets		—	—	—	—	384.55
<b>Total assets</b>					10400.9	8743.56
Segment liabilities		768.83	1128.77	1675.02	1877.29	3006.06
Unallocated corporate liabilities		—	—	—	—	19.83
<b>Total liabilities</b>					2463.68	3035.06
Capital Expenditure (including capital work in progress)		217.62	51.39	488.61	268.05	319.45
Depreciation		90.79	44.39	307.84	167.27	211.66
Non Cash expenses other than Depreciation		35.63	13.10	18.05	—	13.10

- (iv) Segment Revenue, Segment Results, Segments Assets and Segment Liabilities includes the respective amounts identifiable to each of the Segments as also amounts allocated on a reasonable (estimated) basis, if any.
- (b) Secondary Segment Reporting (by Geographical demarcation) :
- i) The Secondary Segment is based on geographical market i.e. Domestic Market and Overseas Markets.
  - ii) Information about Secondary Segments are as follows :

(All amounts in Rs.lacs)

Particulars	Year Ended 31.03.2011 (12 Months)			Period Ended 31.03.2010 (6 Months)		
	Domestic Market	Overseas Markets	Total	Domestic Market	Overseas Markets	Total
Segment Revenue	12,610.59	2,769.24	15,379.83	5,851.22	1,152.76	7,003.98
Segment Assets (Sundry Debtors)	3,194.36	358.69	3,553.05	2,333.75	484.06	2,817.81

- iii) The Company has common fixed assets for producing goods/providing services to domestic as well as overseas markets. Hence, separate figures for fixed assets/ addition to fixed assets have not been furnished.

**17. Related parties with whom transactions have taken place and relationships :**

- (a) Name of related party and nature of related party relationship

**(i) Key Management Personnel**

1. Mr. R.V. Maheshwari - Chairman & Managing Director
2. Mr. R.R. Maheshwari - Executive Director
3. Mr. Prakash Maheshwari - Wholetime Director
4. Mr. Sanjay Maheshwari - Wholetime Director

**(ii) Relatives of Key Management Personnel**

1. Mr. Navin Maheshwari } Relatives of Chairman & Managing Director
2. Mr. Vikas Maheshwari } Relatives of Chairman & Managing Director
3. Mr. Rahul Maheshwari - Relative of Executive Director

**(iii) Associates**

1. Orient Fincorp Ltd.
2. Orient Share & Stock Brokers Ltd.

**(iv) Enterprises owned/controlled by Key Management Personnel**

1. Orient Printers
2. Fortune Couriers Ltd.
3. N.L. Packaging

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### b) Transaction with Related Parties

	Key Management Personnel	Relatives of key Management Personnel	Associates	Enterprises owned / Controlled by key Management Personnel of their relatives
<b>INCOME</b>				
1) Sale of goods	— (—)	— (—)	— (—)	1,50,898 (84,897)
2) Jobwork Charges received	— (—)	— (—)	— (—)	70,039 (34,549)
3) Rent Received	— (—)	— (—)	— (—)	3,60,000 (1,80,000)
<b>EXPENDITURE</b>				
4) Job work charges paid	— (—)	— (—)	— (—)	43,65,071 (45,04,910)
5) Purchase of Raw Materials	— (—)	— (—)	— (—)	2,10,99,157 (1,51,01,020)
6) Managerial Remuneration	64,81,000 (30,25,824)	10,65,590 (5,20,464)	— (—)	— (—)
7) Rent Paid	— (—)	— (—)	— (—)	48,000 (24,000)
8) Interest paid	1,00,602 (—)	— (—)	18,50,850 (—)	7,59,445 (4,47,728)
<b>OTHERS</b>				
9) Expenses reimbursed by	— (—)	— (—)	— (—)	3,51,565 (30,000)
10) Unsecured Loan taken	55,00,000 (58,00,000)	— (—)	3,12,85,000 (—)	83,30,000 (34,50,000)
11) Unsecured Loan repaid	55,00,000 (58,00,000)	— (—)	17,20,000 (—)	1,13,40,000 (38,25,000)
12) Payments made on their behalf	14,480 (13,876)	— (—)	13,646 (—)	7,50,722 (—)
13) Payments received by us on their behalf	— (—)	— (—)	— (—)	39,27,180 (33,55,659)
14) Advances received and repaid	— (—)	— (—)	— (—)	— (15,00,000)
<b>OUTSTANDINGS</b>				
15) Sundry Creditors	— (—)	— (—)	— (—)	78,31,596 (2,81,33,076)
16) Investments	— (—)	— (—)	15,522,500 (15,522,500)	— (—)
17) Advance given	— (—)	— (—)	— (—)	1,44,360 (—)
18) Sundry Debtors	— (—)	— (—)	— (—)	— (57,842)
19) Unsecured Loans	— (—)	— (—)	3,12,17,119 (—)	2,93,43,081 (3,16,69,581)
20) Directors Remuneration payable	1,800 (2,01,762)	— (—)	— (—)	— (—)

- c) Provision for diminution in value of investment has been made in earlier years of Rs.72,00,000/- (P.Y. Rs.72,00,000/-) in respect of investment made in the related parties.  
d) Related parties identified by the Management and relied upon by the Auditors.

18. Lease on and after 1st April,2001

**Assets taken/given on Operating Leases**

The Company has taken/given various premises under cancellable operating leases. These lease arrangements are normally renewable on expiry. The rental expenses (net of recovery) in respect of premises taken on operating leases was Rs.29,96,255/- (P.Y. Rs.10,31,518/-) and rental income in respect of premises given on operating leases was Rs.38,38,835/- (P.Y. Rs.26,40,540/-).

19. (a) **Break up of the Auditors Remuneration:-**

Particulars	Year Ended 31.03.2011 (12 Months) Rupees (Inclusive of Service Tax)	Period Ended 31.03.2010 (6 Months) Rupees (Net of Service Tax)
Audit Fees	5,79,075	2,62,500
Tax Audit fees	82,725	37,500
Taxation Matters	3,36,794	62,750
Certification	1,82,550	97,726
Company Law Matters	1,37,875	—
	<u>13,19,019</u>	<u>4,60,476</u>

(b) **Break up of Repairs and Maintenance:-**

Particulars	Year Ended 31.03.2011 (12 Months) Rupees	Period Ended 31.03.2010 (6 Months) Rupees
To Building	33,66,297	11,72,037
To Machinery	71,55,877	36,07,967
To Others	30,35,102	21,18,851
	<u>1,35,57,276</u>	<u>68,98,855</u>

(c) **Break up of the payment to and provisions for employees :**

Particulars	Year Ended 31.03.2011 (12 Months) Rupees	Period Ended 31.03.2010 (6 Months) Rupees
Salaries, Wages & Bonus	8,08,66,872	3,51,64,115
Contribution to provident & other funds	61,12,125	27,31,756
Workmen & Staff Welfare expenses	61,36,026	28,95,450
	<u>9,31,15,023</u>	<u>4,07,91,321</u>

20. Expenses pertaining to previous year debited to Profit & Loss Account is Rs.9,97,143/- (P.Y. Rs.6,29,689/-).  
21. Additional information required pursuant to the provisions of part II of schedule VI to the Companies Act,1956, as certified by the management of the Company:-

## ORIENT PRESS LIMITED

### A. PARTICULARS OF GOODS MANUFACTURED

#### I. PRINTING ACTIVITIES

- a) Class of Goods Manufactured : Printed products of all kinds including annual reports, capital issue documentation, books, periodicals, catalogues, publicity materials, continuous stationery including Cheques, Divided / Debenture Warrants, Scratch and other Cards etc.
- b) The nature of printing division's operation is such that there is no known physical measures or standard classification for its saleable product and jobwork done because each product has different type. Consequently quantitative information regarding production, turnover and opening and closing stocks of finished goods has not been given.
- c) i) The Government has specified registered annual production capacity of 362.88 million (362.88 million) standard impressions for offset printing and 515.36 million (515.36 million) impressions for continuous stationery.
- ii) The installed capacity is 362.88 million (362.88 million) standard impressions for offset printing and 515.36 million (515.36 million) impressions for continuous stationery.

#### II. PACKAGING ACTIVITIES

##### a) Flexible Packaging Material

CAPACITY AND PRODUCTION	Unit	Installed Capacity (Annual)	Production
Flexible Packaging Material	M.T.	4465 * (4465)	3930.952 ** (2247.620)
Rotogravure Printing Cylinder	Nos.	3000 (3000)	270 (143)

\* The Company also have installed capacity of 1800 M.T. (P.Y. 1800 M.T.) of flexible packaging material at one of its units comprising of hotmelt coating, slitting and finishing process and in the view of technical director, the same falls within the capacity described under the heading "Other Packing Containers" in acknowledgement issued by the Secretariat for Industrial Approvals.

\*\* Includes 18.726 M.T. (P.Y. 2.574 M.T.) produced on job basis for other parties.

##### b) Paper Board Carton

CAPACITY AND PRODUCTION	Unit	Installed Capacity (Annual)	Production
Paper Board Carton	Pcs in lacs	2400 (2400)	1295.328 * (543.427)

\* Includes NIL Pcs (P.Y. 64.238 lacs Pcs) of other than carton manufactured for Printing Business.

##### c) Corrugated Carton/Sheets

CAPACITY AND PRODUCTION	Unit	Installed Capacity (Annual)	Production
Corrugated Carton / Sheets	Pcs in lacs	Not Applicable (Not Applicable)	6.982 (365.451)
Corrugated Sheets	M.T.	Not Applicable (Not Applicable)	10.550 (2.770)

Note : Installed capacities are as certified by the technical director and being a technical matter accepted by the Auditors as correct without verification.



**B) TURNOVER OF GOODS MANUFACTURED**

	Unit	Qty	Value (Rs.)
(i) Printing	—	—	54,40,44,016 (23,17,23,185)
(ii) Packaging			
Flexible Packaging Material	M.T.	3911.033 *	71,23,34,092
	M.T.	(2208.724)	(35,86,51,392)
Paper Board Carton	Pcs in lacs	1328.762 **	23,80,79,434
		(520.521)	(7,27,38,747)
Corrugated Carton / Sheets	—	—	34,10,168 (17,10,161)
			<u>1,49,78,67,710</u> <u>(66,48,23,485)</u>

\* includes 0.654 MT (P.Y. 0.121 MT) of free samples given.

\*\* includes 19,891 Pcs (P.Y. NIL Pcs) of free samples given.

**C) TRADING GOODS**

	Opening Stock		Purchases		Sales		Closing Stock	
	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.	Qty.	Value Rs.
Printing	N.A.	(—)	N.A.	59,91,206	N.A.	63,06,533	N.A.	—
	(N.A.)	(—)	(N.A.)	(—)	(N.A.)	(—)	(N.A.)	(—)
Others	—	(—)	N.A.	—	N.A.	—	—	—
	(—)	(—)	(N.A.)	(1,10,000)	(N.A.)	(1,90,956)	(—)	(—)

**D. STOCK OF FINISHED GOODS**

	Unit	Opening Stock		Closing Stock	
		Qty	Value (Rs.)	Qty	Value (Rs.)
Printing	N.A.	N.A.	—	N.A.	13,56,813
		(N.A.)	(8,59,922)	(N.A.)	(—)
Flexible Packaging Material	M.T.	62.198	67,67,015	63.391	73,17,488
		(25.876)	(17,56,528)	(62.198)	(67,67,015)
Paper Board Carton	Pcs in lacs	36.921	26,79,884	3.487	8,76,176
		(14.015)	(14,33,971)	(36.921)	(26,79,884)
			<u>94,46,899</u>		<u>95,50,477</u>
			<u>(40,50,421)</u>		<u>(94,46,899)</u>

**E. DETAILS OF MATERIALS CONSUMED (NET OF SALE OF MATERIALS)**

Particulars	Qty (Kg)	Value (Rs.)
Paper	69,08,834 *	25,68,89,061
	(33,39,440)	(12,06,22,815)
Paper Board	44,64,840	15,13,47,243
	(22,08,120)	(7,08,32,151)
Ink	4,01,970	6,39,09,532
	(2,17,098)	(2,75,51,891)
Plastic Films	27,94,235	39,08,94,719
	(15,46,902)	(16,99,02,393)

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Solvent & Chemicals	3,53,848	2,27,67,178
	(2,27,798)	(1,33,68,698)
Aluminium Foil	18,279	47,40,343
	(11,465)	(30,14,264)
Other Materials		14,66,35,087
		(7,67,16,848)
		<u>1,03,71,83,163</u>
		(48,20,09,060)
Less : Cenvat Credit availed		7,16,84,236
		(2,92,81,047)
		<u>96,54,98,927</u>
		<u>(45,27,28,013)</u>

\* Includes 2874.226 Kgs (P.Y.22569.048 Kgs) captively consumed.

### F. Value of imported and indigenous material, stores & spare parts and components consumed :

	Value	%
<b>a) Materials</b>		
Indigenous	93,49,90,988	96.84
	(43,32,80,853)	(95.70)
Imported	3,05,07,939	3.16
	(1,94,47,160)	(4.30)
<b>b) Stores &amp; Spare Parts</b>		
Indigenous	1,59,99,448	77.49
	(70,57,525)	(79.63)
Imported	46,46,371	22.51
	(18,04,878)	(20.37)

### G. EXPENDITURE IN FOREIGN CURRENCY

Particulars	Amount (Rupees)
Foreign Travel	10,71,286
	(3,04,353)
Commission on sale	2,33,968
	(Nil)
Repair & Maintenance (Machinery)	3,29,362
	(Nil)
Interest to Others	1,29,293
	(10,39,083)
Interest to Others (Capitalised)	Nil
	(30,191)

**H. VALUE OF IMPORTS ON CIF BASIS**

a) Raw Materials	1,29,68,356
	(52,65,652)
b) Capital Goods	1,22,65,015
	(91,59,710)
c) Stores & Spare Parts	36,09,026
	(12,86,904)

**I. Earning in Foreign Exchange**

FOB value of Exports	26,09,97,736
	(11,02,45,259)

22. Figures have been rounded off to the nearest rupee and those in brackets represent corresponding figures for the previous year.

**SIGNATURES TO SCHEDULES A TO S**

AS PER OUT REPORT OF EVEN DATE

For **B.L. Sarda & Associates**  
Chartered Accountants

**B.L. Sarda**  
*Partner*

M. No. : 14568

Place : Mumbai  
Dated : 11th August, 2011

**R.V. Maheshwari**  
**R.R. Maheshwari**  
**Sanjay Maheshwari**  
**Prakash Maheshwari**

Place : Mumbai  
Dated : 11th August, 2011

Chairman & Managing Director  
Executive Director  
Whole-time Director  
Whole-time Director

# ORIENT PRESS LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2011

(AMOUNT IN RS.)  
PREVIOUS  
PERIOD  
ENDED  
31.03.2010  
(6 MONTHS)

	CURRENT YEAR ENDED 31.03.2011 (12 MONTHS)	
<b>A. NET PROFIT BEFORE TAX, EXTRAORDINARY ITEMS</b>	111,489,986	58,998,012
<b>ADJUSTMENTS FOR :</b>		
INTEREST PAID	19,327,566	6,668,841
DEPRECIATION	39,862,890	21,165,982
(PROFIT)/LOSS ON SALE OF ASSETS	303,168	(7,559,999)
(PROFIT)/LOSS ON SALE OF INVESTMENT	7,104	0
BAD LOAN/ADVANCES WRITTEN OFF (NET OF PROVISION WRITTEN BACK)	24,470	131,087
PROVISION FOR DOUBTFUL DEBTS	5,368,220	1,309,834
CREDIT BALANCES WRITTEN BACK	(8,488,951)	(14,941,145)
INTEREST / DIVIDEND INCOME	(2,217,800)	(3,233,387)
RENT	(3,838,835)	(2,640,540)
	50,347,832	900,673
	161,837,818	59,898,685
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>		
<b>ADJUSTMENT FOR :</b>		
TRADE AND OTHER RECEIVABLES	(75,329,922)	32,509,628
FIXED DEPOSITS WITH BANKS NOT CONSIDERED AS CASH EQUIVALENTS	4,411,726	96,947,040
INVENTORIES	(80,685,747)	(18,560,001)
TRADE PAYABLES	(47,731,745)	(137,910,344)
	(199,335,688)	(27,013,677)
CASH GENERATED FROM OPERATIONS	(37,497,870)	32,885,008
INCOME TAX (PAID) / REFUND	3,494,892	224,210
<b>NET CASH FROM OPERATING ACTIVITIES</b>	<b>(34,002,978)</b>	<b>33,109,218</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
SALE/(ADDITION) OF/TO FIXED ASSETS	(69,424,797)	(22,559,240)
SALE/(ADDITION) OF/TO INVESTMENTS	10,175	5,072
RENT	3,838,835	2,640,540
INTEREST RECEIVED	2,214,935	3,232,987
DIVIDEND RECEIVED	2,865	400
	(63,357,987)	(16,680,241)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
INTEREST PAID	(19,327,566)	(6,668,841)
PROCEEDS / (REPAYMENT) FROM/(TO) SECURED LOANS (NET)	123,227,335	(654,585)
PROCEEDS / (REPAYMENT) FROM/(TO) UNSECURED LOANS (NET)	(11,794,216)	(7,801,861)
	92,105,553	(15,125,287)
<b>NET INCREASE/(DECREASE) IN CASH &amp; CASH EQUIVALENTS</b>	<b>(5,255,412)</b>	<b>1,303,690</b>
CASH & CASH EQUIVALENTS AS AT BEGINNING OF THE YEAR	7,212,385	5,908,695
CASH & CASH EQUIVALENTS AS AT END OF THE YEAR	1,956,973	7,212,385
NOTES : 1. CASH AND CASH EQUIVALENTS COMPRISES OF :-		
CASH ON HAND	580,929	2,492,272
BALANCES WITH SCHEDULED BANKS		
- IN CURRENT ACCOUNTS	1,376,044	4,720,113
TOTAL	1,956,973	7,212,385

- CASH FLOW STATEMENT HAS BEEN PREPARED UNDER THE INDIRECT METHOD AS SET OUT IN THE ACCOUNTING STANDARD - 3 (AS-3) "CASH FLOW STATEMENT" ISSUED BY THE INSTITUTE OF CHARTERED ACCOUNTANTS OF INDIA.
- CASH AND CASH EQUIVALENT EXCLUDES FIXED DEPOSITS WITH BANKS WHICH HAVE BEEN PLEDGED.
- PREVIOUS PERIOD FIGURES ARE RE-GROUPED / RECAST / RE-ARRANGED WHEREVER CONSIDERED NECESSARY.

As per our Report of even date  
For **B.L. Sarda & Associates**  
Chartered Accountants

**B.L. Sarda**  
Partner  
Membership No. : 14568  
Place : Mumbai  
Dated : 11th August, 2011

**R.V. Maheshwari** Chairman & Managing Director  
**R.R. Maheshwari** Executive Director  
**Sanjay Maheshwari** Whole-time Director  
**Prakash Maheshwari** Whole-time Director

Place : Mumbai  
Dated : 11th August, 2011

## BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

Statement Pursuant to Part IV of Schedule VI of the Companies Act, 1956

### I. REGISTRATION DETAILS

Registration No. 

4	2	0	8	3
---	---	---	---	---

 State Code 

1	1
---	---

Balance Sheet Date 

3	1
---	---

0	3
---	---

2	0	1	1
---	---	---	---

Date      Month      Year

### II. CAPITAL RAISED DURING THE YEAR (AMOUNT IN RUPEES THOUSANDS)

Public Issue 

N	I	L
---	---	---

 Rights Issue 

N	I	L
---	---	---

Bonus Issue 

N	I	L
---	---	---

 Private Placement 

N	I	L
---	---	---

### III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RUPEES THOUSANDS)

Total Liabilities	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>7</td><td>9</td><td>3</td><td>7</td><td>3</td><td>0</td></tr></table>	7	9	3	7	3	0	Total Assets	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>7</td><td>9</td><td>3</td><td>7</td><td>3</td><td>0</td></tr></table>	7	9	3	7	3	0
7	9	3	7	3	0										
7	9	3	7	3	0										
<b>Sources of Funds :</b>															
Paid-up Capital	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>8</td><td>0</td><td>7</td><td>5</td><td>0</td></tr></table>	8	0	7	5	0	Reserves & Surplus	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>3</td><td>6</td><td>6</td><td>0</td><td>8</td><td>9</td></tr></table>	3	6	6	0	8	9	
8	0	7	5	0											
3	6	6	0	8	9										
Secured Loans	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>2</td><td>5</td><td>5</td><td>4</td><td>5</td></tr></table>	1	2	5	5	4	5	Unsecured Loans	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>2</td><td>2</td><td>1</td><td>3</td><td>4</td><td>6</td></tr></table>	2	2	1	3	4	6
1	2	5	5	4	5										
2	2	1	3	4	6										
<b>Application of Funds :</b>															
Net Fixed Assets	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>3</td><td>6</td><td>8</td><td>6</td><td>2</td><td>0</td></tr></table>	3	6	8	6	2	0	Investments	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td></td><td>8</td><td>5</td><td>8</td><td>3</td></tr></table>			8	5	8	3
3	6	8	6	2	0										
		8	5	8	3										
Net Current Assets	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>4</td><td>1</td><td>6</td><td>5</td><td>2</td><td>7</td></tr></table>	4	1	6	5	2	7	Misc. Expenditure	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td></td><td></td><td>N</td><td>I</td><td>L</td></tr></table>				N	I	L
4	1	6	5	2	7										
			N	I	L										
Accumulated Losses	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td></td><td></td><td>N</td><td>I</td><td>L</td></tr></table>				N	I	L								
			N	I	L										

### IV. PERFORMANCE OF COMPANY (AMOUNT IN RUPEES THOUSANDS)

Total Income	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>5</td><td>4</td><td>3</td><td>8</td><td>6</td><td>6</td></tr></table>	1	5	4	3	8	6	6	Total Expenditure	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>4</td><td>3</td><td>2</td><td>3</td><td>7</td><td>6</td></tr></table>	1	4	3	2	3	7	6
1	5	4	3	8	6	6											
1	4	3	2	3	7	6											
Profit before tax	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>1</td><td>1</td><td>4</td><td>9</td><td>0</td></tr></table>	1	1	1	4	9	0	Profit after Tax	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>1</td><td>1</td><td>1</td><td>4</td><td>5</td><td>7</td></tr></table>	1	1	1	4	5	7		
1	1	1	4	9	0												
1	1	1	4	5	7												
Earnings per Share (Rs.)	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td>1</td><td>3</td><td>.</td><td>8</td><td>0</td></tr></table>		1	3	.	8	0	Dividends Rate (%)	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td></td><td>N</td><td>I</td><td>L</td></tr></table>		N	I	L				
	1	3	.	8	0												
	N	I	L														

### V. GENERIC NAMES OF PRINCIPAL PRODUCTS/ SERVICES OF THE COMPANY (AS PER MONETARY TERMS)

Item Code No. (ITC Code)	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>49011020</td></tr></table>	49011020	Product Description	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>Pamphlets, Booklets, Brochures, Leaflets</td></tr></table>	Pamphlets, Booklets, Brochures, Leaflets
49011020					
Pamphlets, Booklets, Brochures, Leaflets					
Item Code No. (ITC Code)	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>49011020</td></tr></table>	49011020	Product Description	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>Cheque Forms, Share or Bond Certificates and similar Documents of Title</td></tr></table>	Cheque Forms, Share or Bond Certificates and similar Documents of Title
49011020					
Cheque Forms, Share or Bond Certificates and similar Documents of Title					
Item Code No. (ITC Code)	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>49011010</td></tr></table>	49011010	Product Description	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>Printed Books</td></tr></table>	Printed Books
49011010					
Printed Books					
Item Code No. (ITC Code)	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>39219096</td></tr></table>	39219096	Product Description	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>Flexible Packaging Products</td></tr></table>	Flexible Packaging Products
39219096					
Flexible Packaging Products					
Item Code No. (ITC Code)	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>48191010</td></tr></table>	48191010	Product Description	<table border="1" style="display: inline-table; border-collapse: collapse;"><tr><td>Paper Board Cartons</td></tr></table>	Paper Board Cartons
48191010					
Paper Board Cartons					

**R.V. Maheshwari** *Chairman & Managing Director*

**R.R. Maheshwari** *Executive Director*

**Sanjay Maheshwari** *Whole-time Director*

**Prakash Maheshwari** *Whole-time Director*

Place : Mumbai  
Dated : 11th August, 2011











**ATTENDANCE SLIP**

**Registered Office :** Plot No. L-31, M.I.D.C. Tarapur Industrial Area, Boisar - 401 506, Thane Dist. (Maharashtra).

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint Shareholders may obtain additional Slip on request.

NAME AND ADDRESS OF THE SHAREHOLDER:  
(IN BLOCK LETTERS)

Regd. Folio No.	
No. of shares held	
* DP ID No.	
* Client ID No.	

NAME OF THE PROXY:  
(IN BLOCK LETTERS)

I hereby record my presence at the 23RD ANNUAL GENERAL MEETING of the Company held at L-31, M.I.D.C. Tarapur Industrial Area, Boisar, Dist. Thane 401 506 on Wednesday, the 28th day of September, 2011 at 12.30 p.m.

SIGNATURE OF THE SHAREHOLDER OR PROXY

TEAR HERE



**PROXY FORM**

**Registered Office :** Plot No. L-31, M.I.D.C., Tarapur Industrial Area, Boisar - 401 506, Thane Dist. (Maharashtra).

Regd. Folio No.	
No. of shares held	

* DP ID No.	
* Client ID No.	

I/We .....

of ..... being a member/members of

ORIENT PRESS LIMITED hereby appoint .....

of .....

or failing him .....

of .....

or failing him..... of as my/our proxy to vote for me/us and on my/our behalf at the 23RD ANNUAL GENERAL MEETING to be held on Wednesday, the 28th day of September, 2011 at 12.30 p.m. or at any adjournment thereof.

Signed this ..... day of..... 2011.

No. of Shares held .....

Proxy No. ....

Affix a Re.1/- Revenue Stamp
---------------------------------------

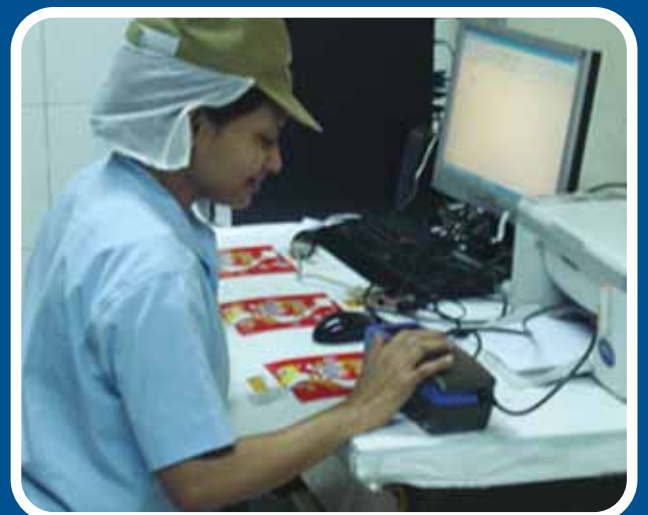
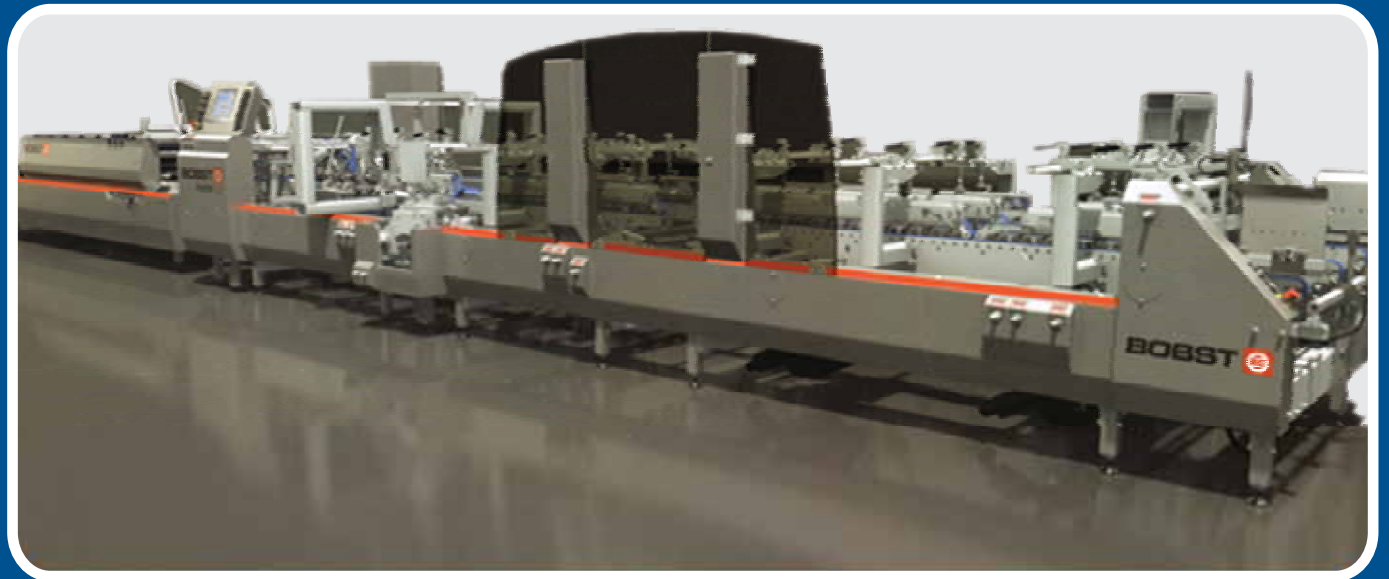
Signature of the Shareholder

NOTE: The proxy, in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.

- \* Strike out whichever is not applicable.
- \* Applicable for Shares held in demat form.



# MACHINERY & EQUIPMENT



# PRODUCTS

