

# SHANTI EDUCATIONAL INITIATIVES LIMITED

Regd. Office: 283, New Cloth Market, Ahmedabad – 380 002

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## NOTICE

Notice is hereby given the 25<sup>th</sup> Annual General Meeting of the members of the Company will be held on Monday, the 30<sup>th</sup> day of September, 2013 at 12.30 P.M. at the Registered Office of the Company situated at 283, New Cloth Market, Ahmedabad – 380 002 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at and Profit and Loss Account for the year ended on 31<sup>st</sup> March, 2013 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Shri. Anandbhai N. Agrawal, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the statutory auditors and to fix their remuneration.

By Order of the Board of Directors



Jaiprakash D. Chiripal  
Chairman

Date: 02<sup>nd</sup> September, 2013  
Place: Ahmedabad

### **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.**
2. The instrument of proxy in order to be valid must be deposited at the registered office of the company not later than forty eight hours before the commencement of the meeting.

# SHANTI EDUCATIONAL INITIATIVES LIMITED

Regd. Office: 283, New Cloth Market, Ahmedabad – 380 002

## DIRECTORS' REPORT

To,  
The Members  
**SHANTI EDUCATIONAL INITIATIVES LTD.**  
AHMEDABAD

Your Directors take pleasure in presenting their report on the business and operations of your Company for the year ended on 31<sup>st</sup> March, 2013.

### FINANCIAL REVIEW:

FINANCIAL RESULTS	Current Year ended on 31 <sup>st</sup> March, 2013 Amount (Rs. in Thousands)	Previous Year ended on 31 <sup>st</sup> March, 2011 Amount (Rs. in Thousands)
Income	245136.13	119505.76
Expense	242377.98	117735.02
Profit before depreciation	2758.15	1770.74
Less – depreciation	1477.90	1108.20
<b>Profit after depreciation</b>	<b>1280.25</b>	<b>662.54</b>
Less - Current Tax	1135.00	750.00
Less – Deferred Tax	(107.66)	(83.55)
Add – Provision for I. Tax written back	(23.74)	(7.31)
Add – Deferred Tax of Earlier Year Written Back	0.00	0.00
Add – Deferred Tax Assets for Earlier Year	0.00	0.00
Less – Income Tax for Earlier Year	0.00	0.00
<b>Profit after taxation</b>	<b>276.65</b>	<b>3.40</b>
Depreciation of earlier years	0.00	1623.16
Balance of profit / (loss) brought forward	0.00	0.00
<b>Balance Carried To Balance Sheet</b>	<b>276.65</b>	<b>(1619.76)</b>

### PERFORMANCE:

Your Company's total income for the year 2012-13 is Rs. 24.51 crore compared to last year's income of Rs. 11.95 crore. The Profit Before Tax (after depreciation) during the year under review was Rs. 0.13 crore as compared to previous year's figure of Rs. 0.07 crore. Your Company has earned Net Profit of Rs. 2.77 lakh while it has suffered losses of Rs. 16.19 lakh during the previous year. Your Company expects to achieve better performance during the current year.

### DIVIDEND:

Your Directors have not recommended any dividend during the year under review.

### FIXED DEPOSIT:

The Company has not accepted any deposits as defined under Section 58A of the Companies Act, 1956 during the period under review.

# SHANTI EDUCATIONAL INITIATIVES LIMITED

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## **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY, ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO:**

The Statement of particulars with respect to Conservation of Energy, Technology, Absorption, Foreign Exchange Earning and out go pursuant to provision of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 are not applicable to the Company.

## **AUDITORS:**

M/s. J.R. Purohit & Co., Chartered Accountants, the Statutory Auditors of the Company retires at the end of the ensuing Annual General Meeting of the Company. The retiring Statutory Auditors are eligible for reappointment. The Board recommends their reappointment as the Statutory Auditors for the approval of the members at the ensuing Annual General Meeting and to fix their remuneration.

## **AUDITORS' REPORT:**

The notes on accounts described in Auditors' Report are self explanatory and do not call for any explanation.

## **DIRECTORS:**

Shri. Anandbhai N. Agrawal retires by rotation and being eligible offers himself for reappointment. Your directors recommend his re-appointment at the ensuing Annual General Meeting of the Company

## **PARTICULARS OF EMPLOYEES:**

The Company does not have any employee in the category as specified under Section 217(2A) of the Companies Act, 1956.

## **DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, your directors hereby confirm that:

- (a) In preparation of the Annual Accounts, the applicable accounting standards have been followed. Necessary explanations are given for material departures, if any;
- (b) Sound accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company as on 31<sup>st</sup> March, 2013 and of the profit of the Company for the year ended on that date;
- (c) Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities;
- (d) The Annual Accounts for the year ended on 31<sup>st</sup> March, 2013 are prepared on going concern basis.

# SHANTI EDUCATIONAL INITIATIVES LIMITED

Regd. Office: 283, New Cloth Market, Ahmedabad – 380 002

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## ACKNOWLEDGEMENT:

Your Directors places on records their deep sense of appreciations for the contributions made by the employees at all levels for their dedicated services enabling the Company to achieve a satisfactory performance during the year under review.

Your Directors also take this opportunity to place on record the valuable co-operation and continued support extended by the Company's Bankers, and other business associates.

By Order of the Board of Directors



Jaiprakash D. Chiripal  
Chairman

Date: 02<sup>nd</sup> September, 2013

Place: Ahmedabad



**J. R. Purohit & Co.**  
*Chartered Accountants*

**INDEPENDENT AUDITOR'S REPORT**

To,  
The Members of,  
**SHANTI EDUCATIONAL INITIATIVES LIMITED**

***Report on the Financial Statements***

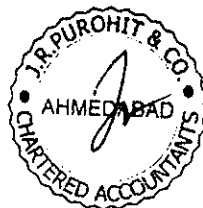
We have audited the accompanying financial statements of Shanti Educational Initiatives Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



## **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements gives the information required by the Act in the manner so required and gives 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 March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date;

## **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet and Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet and Statement of Profit and Loss comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Place : **Ahmedabad**  
Date : **02/09/2013**



**For, J. R. PUROHIT & CO.**  
Chartered Accountants  
Firm Reg. No: 111841W

A handwritten signature in black ink, appearing to read "Vikas Purohit".

**VIKAS PUROHIT**  
Partner  
Mem. No: 131959

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**ANNEXURE TO INDEPENDENT AUDITORS' REPORT**

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

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- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) During the year, the company has not disposed off any part of the Fixed Assets.
- (ii)(a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) On the basis of our examination of the records of the company, we are of the opinion that the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
- (iii) (a) The company has granted Interest free unsecured loan to six parties listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 275,367.37 thousands and the year-end balance of loan granted was ₹ 259,405.58 thousands.
- (b) In our opinion and according to the information and explanation given to us, the loan have been granted at NIL rate of interest and other terms and conditions on which loans have been granted from parties listed in the register maintained under section 301 of the companies Act, 1956 are not prima facie prejudicial to the interest of the company.
- (c) The companies and party have repaid principal amounts as stipulated and have been regular in the payment of principle amount.
- (d) There is no overdue amount of loans granted to the Companies and party listed in the register maintained u/s. 301 of the Companies Act, 1956.



- (e) The Company has taken interest free unsecured loan from two parties listed in the register maintained under section 301 of the companies act 1956. The maximum amount involved during the year was ₹ **2,500 thousands** and the year end balance of loan taken was ₹ **2,500 thousands**.
- (f) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which loans have been taken from firm listed in the register maintained under section 301 of the companies act 1956 are not prima facie prejudicial to the interest of the company.
- (g) The Company is regular in repaying the principal amount and interest.
- (iv) 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 with regard to purchase of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, no major weaknesses have been noticed in the internal controls.
- (v)(a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that 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, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of ₹ 5,00,000 in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from public covered Under Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. To the best of our knowledge and according to the information and explanations given to us, no order has been passed by the Company law board or National Company Law tribunal Or Reserve Bank of India or any other Tribunal.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The central Government has not prescribed maintenance of Cost records under Section 209 (1) (d) of the Companies Act, 1956 in respect of





manufacturing activities of the company. Hence the provision of this clause is not applicable to the company.

- (ix) (a) According to the records of the company, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, sales-tax wealth-tax, service tax, custom duty, excise duty, cess and other material statutory dues applicable to it. Further according to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Wealth-tax, Sales Tax, Service Tax, customs duty and excise duty were outstanding, as at 31<sup>st</sup> March, 2013 for a period of more than six months from the date they become payable.
- (b) According to the records of the company, there are no dues of sales tax income-tax, custom duty, wealth tax, service tax, excise duty/cess, which have not been deposited on account of any dispute.
- (x) The company does not have any accumulated losses. The company has not incurred any cash loss during the current financial year and in the immediately preceding financial year.
- (xi) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to the banks.
- (xii) The company has not granted any loans against security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion and according to the information and explanation given to us, the company is not a chit fund or nidhi, mutual benefit fund/society.
- (xiv) According to the information and explanation given to us, we are of the opinion that the company has maintained proper records in respect of trading transactions and contract of shares, securities, debentures and other investments and timely entries have been made therein. Further, the investments and stock in trade have been held by the company, in its own name.
- (xv) In our opinion and according to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- (xvi) The term loans have been applied for the purpose for which they were raised.
- (xvii) Based on the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no



significant funds raised on short-term basis have been used for long-term investment by the company.

- (xviii) The company has not made any preferential allotment of shares to any parties and companies covered under the register maintained u/s.301 of the Act.
- (xix) During the period covered by our audit report, the company has not issued any debentures.
- (xx) The company has not raised any money out of public issue during the year.
- (xxi) We report that no material fraud on or by the company has been noticed or reported during the course of our audit.



**Place : Ahmedabad**  
**Date : 02-09-2013**

**For, J. R. PUROHIT & CO.**  
Chartered Accountants  
Firm Regn No: 111841W

A handwritten signature in black ink, appearing to read "Vikas Purohit", written over a horizontal line.

**VIKAS PUROHIT**  
Partner  
Mem.No:131959

**SHANTI EDUCATIONAL INITIATIVES LIMITED**

**BALANCE SHEET AS AT 31<sup>st</sup> MARCH 2013**

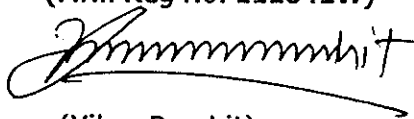
(₹ in Thousands)

	Notes	As at 31.03.2013	As at 31.03.2012
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	1,40,000.00	82,000.00
Reserves and Surplus	3	79,685.76	79,409.11
		<u>2,19,685.76</u>	<u>1,61,409.11</u>
<b>Non -Current Liabilities</b>			
Long Term Borrowings	4	-	-
Long Term Provisions	5	490.11	-
		<u>490.11</u>	<u>-</u>
<b>Current Liabilities</b>			
Short Term Borrowings	6	2,500.00	-
Trade Payables	7	1,85,906.48	85,219.07
Other current liabilities	8	1,85,681.74	8,259.00
Short Term Provisions	9	586.65	381.69
		<u>3,74,674.87</u>	<u>93,859.76</u>
	<b>TOTAL</b>	<b><u>5,94,850.74</u></b>	<b><u>2,55,268.87</u></b>
<b>ASSETS</b>			
<b>Non -Current Assets</b>			
<b>Fixed assets</b>			
Tangible assets	10	64,121.09	34,364.64
Intangible assets		193.50	251.09
Capital Work in Progress		187.00	85.50
		<u>64,501.59</u>	<u>34,701.23</u>
Non Current Investments	11	1,14,134.82	94,597.32
Deferred Tax Assets (Net)	12	506.63	398.97
Long-term loans and advances	13	2,59,972.70	93,686.03
Other Non Current Assets	14	9.52	20.02
		<u>3,74,623.67</u>	<u>1,88,702.34</u>
<b>Current Assets</b>			
Inventories	15	6,517.68	3,643.57
Trade receivables	16	1,40,142.38	7,946.98
Cash and Bank balances	17	5,422.78	16,375.79
Short-term loans and advances	18	3,535.38	3,878.77
Other Current Assets	19	107.26	20.19
		<u>1,55,725.48</u>	<u>31,865.30</u>
	<b>TOTAL</b>	<b><u>5,94,850.74</u></b>	<b><u>2,55,268.87</u></b>

Significant Accounting Policies 1  
Notes forming parts of Financial Statements 2-32

As per our report of even date attached

For J R Purohit & Co.  
Chartered Accountants  
(Firm Reg No: 111841W)

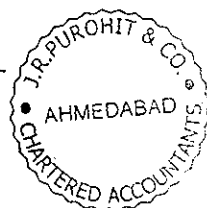


(Vikas Purohit)  
Partner

Membership No. 131959

Place: Ahmedabad

Date: 02/09/2013



For and on behalf of the Board

FOR. SHANTI EDUCATIONAL INITIATIVES LIMITED

Director

  
DIRECTOR / AUTHORISED SIGNATORY

Place: Ahmedabad

Date: 02/09/2013

**SHANTI EDUCATIONAL INITIATIVES LIMITED**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2013**

(₹ in Thousands)

	Notes	2012-13	2011-12
<b>INCOME</b>			
Revenue from operations	20	2,42,313.98	1,18,121.35
Other income	21	2,822.15	1,384.41
<b>Total Revenue</b>		<b>2,45,136.13</b>	<b>1,19,505.76</b>
<b>EXPENSES</b>			
Purchase of Stock in Trade	22 (a)	2,00,231.96	90,272.17
Changes in inventories of finished goods	22 (b)	(2,874.11)	54.71
Employee benefits expenses	23	24,634.80	15,078.08
Finance Cost	24	403.79	717.08
Depreciation and Amortisation	10	1,477.90	1,108.20
Other expenses	25	19,981.54	11,612.98
<b>Total Expenses</b>		<b>2,43,855.88</b>	<b>1,18,843.22</b>
<b>Profit before Tax and Prior Period Items</b>		<b>1,280.25</b>	<b>662.54</b>
Less/ [Add] :Tax expenses			
(1) Current tax		1,135.00	750.00
(2) (Excess) / Short Provision of Income Tax		(23.74)	(7.31)
(3) Deferred tax		(107.66)	(83.55)
<b>Total Tax Expenses</b>		<b>1,003.60</b>	<b>659.14</b>
<b>Profit After Tax And Before Prior Period items</b>		<b>276.65</b>	<b>3.40</b>
<b>Prior Period Items</b>			
Depreciation of Earlier Years		-	1623.16
<b>Profit for the Year</b>		<b>276.65</b>	<b>(1,619.76)</b>
<b>Earnings per equity share of face value of ₹ 10 each</b>			
Basic and Diluted (in ₹)	26	0.00	(0.91)
<b>Significant Accounting Policies</b>	1		
<b>Notes forming parts of Financial Statements</b>	2-32		

As per our report of even date attached

For J R Purohit & Co.

Chartered Accountants

(Firm Reg No: 111841W)

*Vikas Purohit*

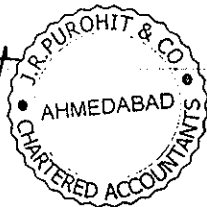
(Vikas Purohit)

Partner

Membrship No. 131959

Place: Ahmedabad

Date: 02/09/2013



For and on behalf of the Board

FOR, SHANTI EDUCATIONAL INITIATIVES LIMITED

Director

*Purohit*  
Director

DIRECTOR / AUTHORISED SIGNATORY

Ahmedabad

Date: 02/09/2013

## SHANTI EDUCATIONAL INITIATIVES LIMITED

### Note 1 SIGNIFICANT ACCOUNTING POLICIES:

#### **Basis of Preparation:**

The financial Statements are prepared under the historical cost convention on the "Accrual Concept" of accountancy in accordance with the accounting principles generally accepted in India and they comply with the Accounting Standards prescribed in the Companies [Accounting Standards] Rules, 2006 issued by the Central Government to the extent applicable and with the applicable provisions of the Companies Act, 1956.

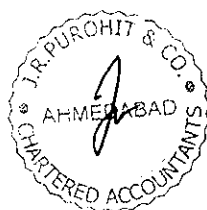
#### **Use of Estimates:**

The preparation of financial statements in conformity with the generally accepted accounting principles (GAAP) requires the management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities as at the date of the financial statements and reported amounts of revenues and expenses during the reported period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### **Inventories:**

Inventories are valued after providing for obsolesce, as under:

- Inventories are stated at Cost or Net realizable value whichever is lower after considering credit of VAT.
- In determining cost of Raw Materials and Finished Goods, Weighted Average Method is used.



## **Depreciation:**

Depreciation on Fixed Assets (other than building and intangible assets) has been provided on Written Down Value Method as per the rates specified in Schedule XIV to the Companies Act, 1956 as amended from time to time.

Building has been depreciated on Straight Line Method as per the rates prescribed in Schedule XIV to the Companies Act, 1956

Intangible Asset has been amortized over its useful life.

Depreciation for additions / deletion from assets is calculated pro-rata from the day of additions / deletion.

Fixed Assets costing Rs. 5000/- or less are fully depreciated in the year of acquisition.

## **Revenue Recognition:**

- Sales of Franchisee Material/Traded Material are recognized net of returns and discounts, if any; when significant risks and rewards of ownership of products is passed on to customers.
- Revenue from Franchisee constituting one time Franchisee fee (non – refundable) is recognised upon receipt of fee from the Franchisee. The recurring revenue from Franchisee is recognised on accrual basis.
- Revenue from Dividend income is recorded when right to receive the income arises.

## **Fixed Assets:**

Fixed Assets are recorded at cost of acquisition / construction less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Where the construction or development of any such asset requiring a substantial period of time to set up for its intended use, is funded by borrowings if any, the corresponding borrowing cost are capitalized up to the date when the asset is ready for its intended use.



- **Defined Contribution Plans:**

These are plans in which the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. These comprise of contributions to Employees Provident Fund. The Company's payments to the defined contribution plans are reported as expenses during the period in which the employee perform the services that the payment covers.

- **Defined Benefit Plans:**

Expenses for defined benefit gratuity payment plans are calculated as at the balance sheet date by independent actuaries in the manner that distributes expenses over the employees working life. These commitments are valued at the present value of the expected future payments, with consideration for calculated future salary increases, using a discounted rate corresponding to the interest rate estimated by the actuary having regard to the interest rate on Government Bonds with a remaining term i.e. almost equivalent to the average balance working period of employees.

**Borrowing Cost:**

Borrowing cost includes interest incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

Borrowing costs, if any, directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized. All other borrowing costs are expensed in the period they occur.

**Earning per Share:**

Basic and diluted earnings per share are computed by dividing the net profit/ loss after tax attributable to equity shareholders for the year, with the weighted number of equity shares outstanding during the year



### **Effects of changes in Foreign Exchange Rates:**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount at the exchange rate between the reporting currency and foreign currency at the date of the transactions.

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction.

Exchange differences arising on the settlement of monetary items or on reporting a company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise.

Monetary assets & liabilities denominated in foreign currency remaining unsettled at the year end are translated at the closing rates.

### **Investments:**

Long Term Investments are valued at cost less provision for diminution other than temporary, in value, if any as at the Balance sheet date.

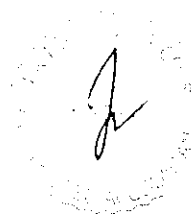
### **Employee Benefits:**

- **Short Term Benefits:**

Short Term employee benefits are recognized as an expense at the undiscounted amount expected to be paid over the period of services rendered by the employees to the company.

- **Long Term Benefits:**

The Company has both defined contribution and defined benefit plans, of which some have assets in approved funds. These plans are financed by the Company in the case of defined contribution plans.

A circular stamp containing a handwritten signature in the center. The signature appears to be a stylized 'J' or similar character. The stamp is faint and partially obscured by the text above it.



### **Cash and cash equivalents:**

Cash and Cash equivalents comprise cash and balance with banks. The company considers all highly liquid investments with the remaining maturity at the date of purchase of three months or less and that are readily convertible to known amount of cash to be cash equivalent.

### **Accounting for Taxes on Income:**

#### **A) Current Tax**

The current charge for income taxes is calculated in accordance with the relevant income tax regulations applicable to the company.

#### **B) Deferred Tax**

Deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period) and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

### **Provisions, Contingent Liabilities and Contingent Assets:**

A provision is recognized when the group has a present legal or constructive obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions (excluding retirement benefits) are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized but are disclosed in the notes to the Financial Statements. A contingent asset is neither recognized nor disclosed.



**SHANTI EDUCATIONAL INITIATIVES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

Note 2 : SHARE CAPITAL	As at 31.03.2013		As at 31.03.2012	
	No. of Shares	₹ in thousands	No. of Shares	₹ in thousands
Authorised Equity Shares of ₹ 10/- each	3,00,00,000	3,00,000.00	3,00,00,000	3,00,000.00
Issued , Subscribed and Fully paid Equity Shares of ₹ 10/- each	1,40,00,000	1,40,000.00	82,00,000	82,000.00
Par Value of Share ( ₹ 10 each )	<b>1,40,00,000</b>	<b>1,40,000.00</b>	<b>82,00,000</b>	<b>82,000.00</b>

**2.1 Reconciliation of the number of shares outstanding and the amount of share capital is as under:**

Equity shares	31.03.2013		31.03.2012	
	No. of Shares	₹ in thousands	No. of Shares	₹ in thousands
At the beginning of the year	82,00,000	82,000.00	8,58,400	8,584.00
Add: Issued during the year	58,00,000	58,000.00	73,41,600.00	73,416.00
<b>Outstanding at the end of the year</b>	<b>1,40,00,000</b>	<b>1,40,000.00</b>	<b>82,00,000</b>	<b>82,000.00</b>

**2.2 Details of Shareholders holding more than 5% equity shares #**

Name of Share holders	31.03.2013		31.03.2012	
	No. of Equity Shares	% Holding	No. of Equity	% Holding
Jaiprakash D. Agrawal	*	-	5,00,000.00	6.10%
Vedprakash D. Agrawal	8,50,000.00	6.07%	4,50,000.00	5.49%
Brijmohan D. Agrawal	8,00,000.00	5.71%	5,00,000.00	6.10%
JyotiPrasad D. Agrawal	6,50,000.00	4.64%	4,50,000.00	5.49%
Manju J. Agrawal	8,00,000.00	5.71%	5,00,000.00	6.10%
Urmila J. Agrawal	7,50,000.00	5.36%	4,50,000.00	5.49%
Priti B. Agrawal	8,00,000.00	5.71%	5,00,000.00	6.10%
Ronak Agrawal	10,00,000.00	7.14%	6,50,000.00	7.93%
Vansh J. Chiripal	10,00,000.00	7.14%	6,50,000.00	7.93%
Chiripal Exim LLP	12,50,000.00	8.93%	6,50,000.00	7.93%
Devkinandan Corporation LLP	12,50,000.00	8.93%	6,50,000.00	7.93%
Vishal V. Chiripal	8,00,000.00	5.71%	-	-
Dipak J. Agarwal	8,40,000.00	6.00%	-	-

# As per the records of the company, including its register of members.

\* not more than 5%

2.3 The Company has only one class of shares referred to as equity shares having a par value of ₹ 10/- . Each holder of equity shares is entitled to one vote per shares.

2.4 In the event of liquidation of the Company, the holders of equity shares will be entitled to receive the remaining assets of the company, after distribution of all preferential amounts. However, no such preferential amount exist currently. The distribution will be in proportion to the number of equity shares held by the shareholders.

**2.5 Information regarding issue of shares in the last five years**

- (a) The company has not issued any shares without payment being received in cash.
- (b) The company has not issued any bonus shares.
- (c) The company has not undertaken any buy back of shares.



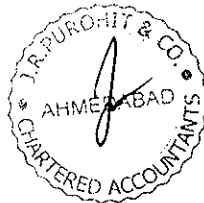
**SHANTI EDUCATIONAL INITIATIVES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(₹ in Thousands)

**Note 3 : RESERVES AND SURPLUS**

	As at <b>31.03.2013</b>	As at <b>31.03.2012</b>
<b>Securities Premium</b>		
Balance as per last Balance sheet	47,456.00	47,456.00
Add: Addition during the year	-	-
Balance as at year end	<u>47,456.00</u>	<u>47,456.00</u>
<b>General Reserve</b>		
Balance as per last Balance sheet	145.00	145.00
Add :Transferred from Surplus in Statement of Profit & Loss	-	-
Balance as at year end	<u>145.00</u>	<u>145.00</u>
<b>Surplus in the Statement of Profit and Loss</b>		
Balance as per last Balance sheet	31,808.11	33,427.87
Add: Profit for the year	276.65	(1,619.76)
Balance as at year end	<u>32,084.76</u>	<u>31,808.11</u>
	<u><u>79,685.76</u></u>	<u><u>79,409.11</u></u>



## SHANTI EDUCATIONAL INITIATIVES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

( ₹ in Thousands )

Note 4 : LONG TERM BORROWINGS	As at 31.03.2013	As at 31.03.2012
<b>Secured</b>		
Term loan from Bank #	-	1,933.93
<b>Less:</b>		
Amount disclosed under the head "Other Current Liabilities" (Refer Note 8)	-	(1,933.93)
	-	-

**4.1 Type of Loan & Nature of Security**

Term Loan from a bank amounting to ₹ Nil (PY ₹ 1,933.93) is secured by equitable mortgage of following properties with State Bank Of India and personal guarantee of two directors.

1. Flat at Ashoka Towers Mumbai
2. Flat at Greenwoods, Mumbai.

**# Default in terms of repayment of principle and interest -NIL**

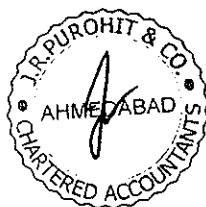


**SHANTI EDUCATIONAL INITIATIVES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

	(₹ in Thousands)	
	As at 31.03.2013	As at 31.03.2012
<b>Note 5 : LONG TERM PROVISIONS</b>		
(a) Provision for Employee Benefits Gratuity	490.11	-
	<u>490.11</u>	<u>-</u>
<b>Note 6 : SHORT TERM BORROWINGS</b>		
(a) Unsecured loan repayable on demand	2,500.00	-
	<u>2,500.00</u>	<u>-</u>
<b>Note 7 : TRADE PAYABLES</b>		
Others	1,85,906.48	85,219.07
	<u>1,85,906.48</u>	<u>85,219.07</u>

7.1 The Company has not received any information from suppliers regarding their status under Micro and Medium Enterprises Development Act, 2006 and hence disclosure, if any relating to amounts unpaid as at year end together with interest paid/payable as required under the said Act have not been given.



**SHANTI EDUCATIONAL INITIATIVES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(₹ in Thousands)

<b>Note 8 : OTHER CURRENT LIABILITIES</b>	As at 31.03.2013	As at 31.03.2012
(a) Current maturities of long term debt (Refer Note 4)	-	1,933.93
(b) Other payables :		
Statutory Payables	2,863.09	1,483.62
Advances from customers	1,79,806.82	1,503.63
Payable towards capital expenditure	172.27	348.55
Bank Overdraft (Due to Reconciliation)	-	822.54
Payable to employees	2,158.88	1,486.04
Income received in advance	680.68	680.69
	<u>1,85,681.74</u>	<u>8,259.00</u>

<b>Note 9 : SHORT TERM PROVISIONS</b>	As at 31.03.2013	As at 31.03.2012
(a) Provision for Employee Benefits		
Bonus	585.45	381.69
Gratuity	1.20	-
	<u>586.65</u>	<u>381.69</u>

**9.1 Benefits' : Defined benefit plan and long term employment benefit**

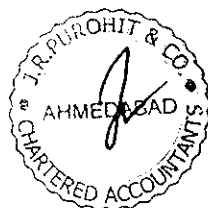
**Gratuity [ Defined benefit plan ] :**

The company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each year of service, subject to limit of Rs 1,000,000

The following tables summarise the components of net benefit expense recognised in the Statement of Profit and loss and the funded status and amounts recognised in the Balance Sheet for the respective plans.

**Net employee benefit expense (recognised in employee cost)**

Particulars	2012-13	2011-12
Current service cost	262.57	-
Interest cost	-	-
Expected return on plan assets	-	-
Net actuarial (gain) / loss recognised in the year	-	-
Prior year charge	228.73	-
Net benefit expense	<u>491.30</u>	-



(₹ in Thousands)

**Details of Provision for Gratuity**

Particulars	2012-13	2011-12
Defined benefit obligation	491.30	-
Fair value of plan assets	-	-
	<u>491.30</u>	<u>-</u>
Less: Unrecognised past service cost	-	-
Liability / ( Assets ) recognised in the Balance sheet.	<u>491.30</u>	<u>-</u>

**Changes in the present value of the defined benefit obligation are as follows:**

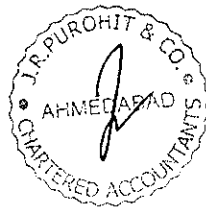
Particulars	2012-13	2011-12
Opening defined benefit obligation	-	-
Interest cost on benefit obligation	-	-
Current service cost	262.57	-
Prior Year Charge	228.73	-
Benefits paid	-	-
Actuarial (gains)/losses on obligation	-	-
Closing defined benefit obligation	<u>491.30</u>	<u>-</u>

**Changes in the fair value of plan assets are as follows:**

Particulars	2012-13	2011-12
Opening fair value of plan assets	-	-
Expected return	-	-
Contributions by employer	-	-
Benefits paid	-	-
Actuarial gains / (losses)	-	-
Closing fair value of plan assets	-	-

The principal actuarial assumption used in determining the Gratuity for the Company's plan are as under.

Particulars	Gratuity	
	2012-13	2011-12
Discount Rate	8.20%	-
Rate of Increase in Compensation Levels	6.00%	-
Rate of Return of plan assets	NA	-



SHANTI EDUCATIONAL INITIATIVES LTD.  
FORMERLY KNOWN AS CHIRPAL ENTERPRISES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

NOTE 10 :- FIXED ASSETS

₹ in thousands

Description of Asset	Gross Block			Depreciation			Net Block			
	As at 01/04/2012	Additions during the year	Deductions during the year	As at 31/03/2013	As at 01/04/2012	For the Year	On deductions / adjustments	As at 31/03/2013	As at 31/03/2012	As at 31/03/2012
<b>TANGIBLE ASSETS</b>										
Land	19,090.89	27,373.52	-	46,464.41	-	-	-	-	46,464.41	19,090.89
Buildings	14,248.27	-	-	14,248.27	1,855.04	232.25	-	1,622.79	12,625.48	12,393.23
Plant and Equipments	790.76	3,435.30	-	4,226.06	464.75	443.72	-	21.03	3,317.59	326.01
Furniture and Fixtures	6,651.75	34.22	-	6,685.97	5,015.99	300.65	-	4,715.34	1,369.33	1,635.76
Computers	1,001.05	268.01	-	1,269.06	418.38	309.86	-	1,059.52	540.82	582.67
Office Equipments	156.32	23.21	-	179.53	95.83	19.98	-	75.85	63.72	68.79
Others	401.80	-	-	401.80	126.33	71.38	-	54.65	206.84	275.79
<b>TOTAL TANGIBLE ASSETS (A)</b>	<b>42,340.94</b>	<b>31,354.26</b>	<b>-</b>	<b>73,695.20</b>	<b>7,976.50</b>	<b>1,377.81</b>	<b>-</b>	<b>6,601.21</b>	<b>64,121.09</b>	<b>34,364.64</b>
<b>INTANGIBLE ASSETS</b>										
Goodwill	269.64	25.60	-	295.24	71.90	64.71	-	160.53	148.05	217.74
Other Intangible Assets	35.00	17.50	-	52.50	1.65	1.38	-	50.85	45.27	33.35
<b>TOTAL INTANGIBLE ASSETS (B)</b>	<b>304.64</b>	<b>43.10</b>	<b>-</b>	<b>347.74</b>	<b>73.55</b>	<b>66.09</b>	<b>-</b>	<b>211.38</b>	<b>193.30</b>	<b>251.09</b>
<b>CAPITAL WORK IN PROGRESS (C)</b>										
Capital Work in Progress	42,664.38	33,926.20	-	76,590.58	4,069.88	3,477.90	-	5,547.78	64,501.19	34,615.73
<b>Total Total</b>	<b>85,310.56</b>	<b>65,303.56</b>	<b>-</b>	<b>150,603.52</b>	<b>12,046.38</b>	<b>4,845.71</b>	<b>-</b>	<b>11,360.37</b>	<b>126,243.15</b>	<b>69,231.46</b>





**SHANTI EDUCATIONAL INITIATIVES LIMITED**

**NOTES TO THE FINANCIAL STATEMENTS**

(₹ in Thousands )

**Note 11 : NON CURRENT INVESTMENTS**

	As at 31.03.2013	As at 31.03.2012
--	---------------------	---------------------

**Investment in Property:**

Ashok Tower (Mumbai)	28,890.87	28,890.87
Greenwood (Mumbai)	4,104.67	4,104.67
Office in Surat	1,603.20	1,603.20
	<u>34,598.74</u>	<u>34,598.74</u>

**Investment in Equity Instruments:**

**Quoted:**

**Investments in Equity Instruments:**

CIL Nova Petrochemicals Limited 95,700 Equity Shares of ₹ 5/- each	283.40	283.40
GSL Nova Petrochemicals Limited 34900 Equity Shares of ₹ 5/- each	283.40	283.40
	<u>566.80</u>	<u>566.80</u>

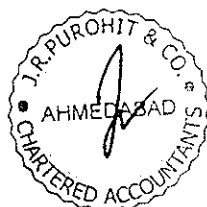
**Unquoted:**

**Investments in Equity Instruments :**

Chiripal Industries Limited: 418,350 Equity Shares [P.Y. 418,350] of ₹ 10/- each	40,420.00	40,420.00
Dindayal Processors Private Limited: 50000 Equity Shares [P.Y. 25000] of ₹ 10/- each	1,375.00	1,375.00
Bhushan Petrofils Private Limited: 19500 Equity Shares [P.Y. 19500] of ₹ 10/- each	195.00	195.00
Deepak Impex Private Limited: 35000 Equity Shares [P.Y. 35000] of ₹ 10/- each	350.00	350.00
Hexa International Private limited: 65000 Equity Shares [P.Y. 65000] of ₹ 10/- each	4,250.00	4,250.00
Kautilya Traders Private Limited: 383828 Equity Shares [P.Y. 383828] of ₹ 10/- each	3,838.28	3,838.28
Prakash Calendar Private Limited: 19000 Equity Shares [P.Y. 19000] of ₹ 10/- each	190.00	190.00
Quality Exim Private Limited: 30000 Equity Shares [P.Y. NIL] of ₹ 10/- each	1,500.00	1,500.00
Shanti Exports Private Limited: 8925 Equity Shares [P.Y. 8925] of ₹ 10/- each	-	4,462.50
Sparrow Exports Private Limited: 26000 Equity Shares [P.Y. 26000] of ₹ 10/- each	260.00	260.00
Vijay Shubham Contrade Private Limited: 109100 Equity Shares [P.Y. 109100] of ₹ 10/- each	1,091.00	1,091.00
Somnath Weaving Private Limited: 109100 Equity Shares [P.Y. 109100] of ₹ 10/- each	1,500.00	1,500.00
Navsarjan Project Private Limited 960000 Equity Shares [P.Y. Nil] of ₹ 10/- each	24,000.00	-
	<u>78,969.28</u>	<u>59,431.78</u>
	<u>1,14,234.82</u>	<u>94,597.32</u>

**11.1 Disclosure of Aggregate and Market Value of Investments:**

Aggregate amount of unquoted Investments	78,969.28	78,969,281.00
Aggregate amount of quoted Investments	566.80	5,66,791.36
Market Value of quoted Investments	1,676.61	16,76,605.00



SHANTI EDUCATIONAL INITIATIVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(₹ in Thousands)

<b>Note 12 : DEFERRED TAXES</b>	As at 31.03.2013	As at 31.03.2012
---------------------------------	---------------------	---------------------

Major components of Deferred Tax liabilities and Assets are as under:

Deferred Tax	As at 31.3.2013	As at 31.3.2012
<u>Deferred Tax Assets:</u>		
On Account of Bonus	121.53	87.09
On Account of Disallowance u/s 40(a)(ia)	115.51	-
On Account of Depreciation	269.59	311.88
<b>Net Deferred Tax Asset</b>	<b>506.63</b>	<b>398.97</b>
Less: Net Deferred Tax Asset of Earlier Years	398.97	315.42
<b>Net Deferred Tax (Expense) for the year</b>	<b>(107.66)</b>	<b>(83.55)</b>

<b>Note 13 : LONG TERM LOANS AND ADVANCES</b>	As at 31.03.2013	As at 31.03.2012
<b>Unsecured, Considered good</b>		
(a) Loans and advances to related parties	2,59,405.58	93,292.55
(b) Security Deposits	107.00	200.00
(c) Others	-	-
Advance Payment of Taxes (Net)	460.12	193.48
	<b>2,59,972.70</b>	<b>93,686.03</b>

<b>Note 14 : Other Non Current Assets</b>	As at 31.03.2013	As at 31.03.2012
Prepaid Expenses	9.52	20.02
	<b>9.52</b>	<b>20.02</b>

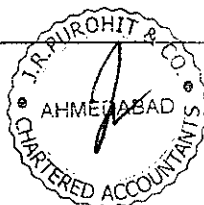


## SHANTI EDUCATIONAL INITIATIVES LIMITED

## NOTES TO THE FINANCIAL STATEMENTS

(₹ in Thousands )

Note 15 : INVENTORIES	As at 31.03.2013	As at 31.03.2012
(Valued at lower of Cost and Net realisable value on weighted average basis, unless other wise stated)		
Franchisee Material	6,517.68	3,643.57
	<u>6,517.68</u>	<u>3,643.57</u>
<hr/>		
Note 16 : TRADE RECEIVABLES	As at 31.03.2013	As at 31.03.2012
<b>Unsecured, considered good</b>		
(a) Overdue for Six Months	8,996.92	430.35
(b) Other	1,31,145.46	7,516.63
	<u>1,40,142.38</u>	<u>7,946.98</u>
<hr/>		
Note 17 : CASH AND BANK BALANCES	As at 31.03.2013	As at 31.03.2012
<b>(a) Cash and Cash Equivalents</b>		
(i) Balances with banks In Current Accounts	5,152.06	16,109.78
(ii) Cash on hand	270.72	266.01
	<u>5,422.78</u>	<u>16,375.79</u>
<hr/>		
Note 18 : SHORT TERM LOANS AND ADVANCES	As at 31.03.2013	As at 31.03.2012
<b>Unsecured, Considered good</b>		
<b>(a) Others:</b>		
Advances to Suppliers	1,981.60	2,328.02
Balance with Excise, Customs and Sales Tax Authorities	43.49	63.28
Loans and Advances to Employees	506.54	468.10
Advance recoverable in cash or in kind or for value to be received	1,003.75	1,019.37
	<u>3,535.38</u>	<u>3,878.77</u>
<hr/>		
Note 19 : OTHER CURRENT ASSETS	As at 31.03.2013	As at 31.03.2012
(a) Prepaid Expenses	107.26	20.19
	<u>107.26</u>	<u>20.19</u>



SHANTI EDUCATIONAL INITIATIVES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

(Rupees Lakhs)

Note 20 : REVENUE FROM OPERATIONS	Year	Year
	2012-13	2011-12
Sale of Products (Net of Returns) (Refer Note 28)	2,17,936.99	1,81,159.25
Sale of Services (Refer Note 28)	24,923.99	14,730.61
Sale/Adjustment of Shares and Securities	-	600.79
	<u>2,42,860.98</u>	<u>1,96,490.65</u>

Note 21 : OTHER INCOME	Year	Year
	2012-13	2011-12
(a) Other Non-operating income		
Profit on sale of Investment	1,236.75	-
Rent Income	720.64	720.60
Miscellaneous Income	183.37	214.40
Cycle Display Income	248.17	410.13
Foreign Exchange Fluctuation (Net)	341.80	32.88
	<u>2,822.15</u>	<u>1,384.41</u>

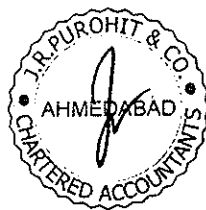
Note 22 :	Year	Year
	2012-13	2011-12
(a) PURCHASE OF STOCK IN TRADE		
Gray Purchase	1,19,571.50	3,77,741.18
Franchisee Material	20,910.40	9,557.59
	<u>2,00,221.90</u>	<u>3,87,298.77</u>
(b) CHANGES IN INVENTORIES OF FINISHED GOODS		
Stock at the end of the year	6,517.09	3,643.57
Stock at the beginning of the year	3,643.57	3,098.28
	<u>(2,874.11)</u>	<u>54.71</u>

Note 23 : EMPLOYEE BENEFIT EXPENSE	Year	Year
	2012-13	2011-12
Salaries and Wages	23,974.90	24,935.59
Contribution to Provident Fund	74.48	72.83
Gratuity	491.31	-
Staff welfare expenses	113.62	115.00
	<u>24,824.80</u>	<u>25,673.08</u>

Note 24 : FINANCE COST	Year	Year
	2012-13	2011-12
Interest	379.50	701.35
Bank Charges	43.85	15.73
	<u>403.75</u>	<u>717.08</u>

**Note 25 : OTHER EXPENSES**

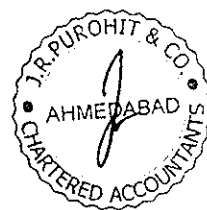
	Year 2012-13	Year 2011-12
Cluster Sharing Fees	300.37	113.33
Transportation Inward	137.96	100.34
	<u>438.33</u>	<u>213.67</u>
Rent	273.00	120.00
Repairs and Maintenance:		
Building	87.16	61.92
Others	285.79	506.06
Advertisement Expense	4,097.93	3,691.40
Postage and Courier	70.72	125.72
Insurance	10.24	12.00
Power and fuel	317.37	169.76
Job work charges	6.00	135.68
Packing Charges	74.04	59.87
Internet expenses	198.64	97.46
ROC Filing fees	-	1,944.70
Rates and Taxes	104.42	53.28
Transportation Outward	131.62	73.64
Tour and Travelling	2,776.62	2,351.61
Payment to Auditors (Refer Note No. 27)	56.18	56.18
Legal and Professional	5,349.62	309.13
Telephone and Mobile	305.47	296.36
Printing & Stationery Expenses	409.12	285.05
Office Expenses	217.38	229.44
Sales & Distribution Expenses	793.01	333.21
Vehicle expenses	512.03	268.68
Donation expense	2,500.00	
Training & Development Expense	520.91	96.73
Miscellaneous Expenses	445.94	121.43
	<u>19,543.21</u>	<u>11,399.31</u>
	<u>19,981.54</u>	<u>11,612.98</u>



Note 26 : Earning per Share	Year	Year
	2012-13	2011-12
(a) Profit attributable to shareholders as per Statement of Profit and Loss	276.65	(1,619.76)
(b) Weighted Average no.of equity shares used as denominator for calculating EPS	1,38,45,534	17,89,644.00
(c) Basic and Diluted Earnings per Share ( ₹ )	0.00	(0.91)
(d) Face Value per Equity share	10.00	10.00

Note 27 : Payment to Auditors	Year	Year
	2012-13	2011-12
As Audit Fees	56.18	56.18
	<u>56.18</u>	<u>56.18</u>

Note 28	Year	Year
	2012-13	2011-12
<b>Sale of Products</b>		
Franchise Material (Net of Discounts)	21,940.17	11,794.10
Gray Sales	1,95,490.82	90,785.15
	<u>2,17,430.99</u>	<u>1,02,579.25</u>
<b>Sale of Services</b>		
Royalty Income	18,676.87	10,019.25
Franchise Fees Income	5,727.89	4,956.06
Training income	478.23	
	<u>24,882.99</u>	<u>14,975.31</u>
	<u>2,42,313.98</u>	<u>1,17,554.56</u>



**Note 29 : RELATED PARTY DISCLOSURES UNDER AS-18**

Name of the Concern	Nature of Relationship
Chiripal Charitable Trust	Significant Influence
Chiripal Industries Limited	Significant Influence
Milestone Educom Trust	Significant Influence
Nandan Exim Limited	Significant Influence
Navsarjan Projects Pvt. Ltd.	Significant Influence
S.D Education Trust	Significant Influence
Shanti Exports Pvt Ltd	Significant Influence
Shanti Innovation and research Foundation	Significant Influence

**Disclosure of Transactions between Company and Related Parties**

Nature of Transaction	(R in thousands)	
	Year 2012-13	Year 2011-12
Sale of Service	12,983.06	7,996.97
Loan Given	1,66,113.04	93,292.55
Purchase of Material	-	356.33
Reimbursement of Expenses paid	2,892.04	377.16
Reimbursement of Expenses received	296.89	719.20
Sale of Material	2,507.49	3,133.58
Rent Received	808.99	794.16
Rent Paid	134.83	132.36

**Note 30**

Balance of Trade Receivables, Trade Payables and Loans and Advances are subject to confirmation

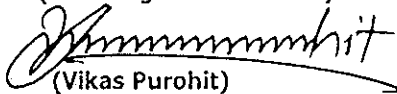
Note 31 : EXPENDITURE IN FOREIGN CURRENCY ON ACCOUNT OF	(R in thousands)	
	Year 2012-13	Year 2011-12
Travelling Expenses	-	59.15
Remittance for Import Purchases	3,448.05	1,677.39

**Note 32**

The previous year's figures have been regrouped / re-classified to conform to this year's classification which is as per Revised Schedule VI. This adoption does not impact recognition and measurement principles followed for preparation of financial statements as at 31st March, 2012

As per our report of even date attached

For J R Purohit & Co.  
Chartered Accountants  
(Firm Reg No: 111841W)

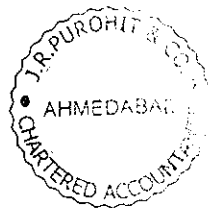
  
(Vikas Purohit)

Partner

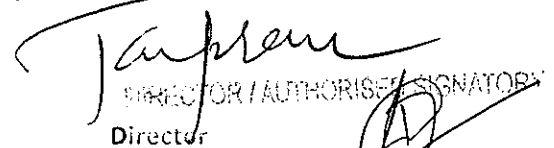
Membrship No. 131959

Place: Ahmedabad

Date: 02/09/2013



For and on behalf of the Board  
FOR SHAREHOLDERS' BENEFIT INITIATIVES LIMITED

  
DIRECTOR / AUTHORISED SIGNATORY  
Director

Place: Ahmedabad

Date :