

**SHANTI EDUCATIONAL INITIATIVES LIMITED**

(CIN: L80101GJ1988PLC010691)

Regd. Office: 283, New Cloth Market, Ahmedabad – 380002

Corporate Office: Shanti Educational Initiatives Limited, Mondeal Square, A Wing, 6<sup>th</sup> Floor,  
Pralhadnagar, Ahmedabad 380015

Contact No. : 079 22162006; Fax 079 – 26768656

Email: [info@seil.edu.in](mailto:info@seil.edu.in) ; Website: [www.seil.edu.in](http://www.seil.edu.in)

## **NOTICE**

Notice is hereby given that the 28<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Thursday, 30<sup>th</sup> day of September, 2016 at 11:00 A.M. at the Chiripal House, Near Shivranjani Cross Roads, Satellite, Ahmedabad – 380 015 to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet and Statement of Profit and Loss Account for the year ended on 31<sup>st</sup> March, 2016 and the Reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Jaiprakash D. Chiripal, who retires by rotation and being eligible, offers himself for re appointment.
3. Ratification of Auditors:

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

**“Resolved that** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time, the Company hereby ratifies the appointment of M/s Anil S. Shah & Co., Chartered Accountants(Firm: Registration No.:100474W), as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the next AGM of the Company to be held in the year 2017.”

### **SPECIAL BUSINESS:**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the rules framed thereunder, read with Scheduled IV of the Act, as amended from time to time, Mr. Chitranjan Singh (DIN: 07300731), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Act and Articles of Association of the Company and who holds office up to the date of this Annual General Meeting, be and is hereby appointed as an Independent Director (Non Executive) of the Company to hold office for a period of 5 (five) consecutive years with effect from 30<sup>th</sup> September, 2016.”

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

“RESOLVED THAT consent of the Company be and is hereby accorded under the provision of Section 181 and other applicable provisions, if any, of the Companies Act, 2013, to the Board of Directors of the Company to contribute on behalf of the Company to bona fide charitable and other funds as may be deemed fit and appropriate by the Board, provided however that the total amount up to which the Board of Directors may contribute to such bona fide charitable and other funds as aforesaid from time to time shall not exceed, in the aggregate the sum of Rs. 1.00 Crore (Rupees One Crore Only) in any one Financial Year.”

Date: 23.07.2016  
Place: Ahmedabad

By order of the Board of Directors  
Dimple Padhiar  
Company Secretary  
Mem.No. 39930

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of him/herself and proxy need not be a member of the company. Proxies in order to be effective must be received at the registered office of the company not less than forty eight hours before the commencement of the annual general meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint single person as proxy and such person shall not act as proxy for any other person or shareholder.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
3. Shareholders are requested to bring their copies of the Annual Report to the meeting. The Shareholders/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the meeting.
4. Electronic copy of the Annual Report for FY 2015 16 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purpose unless any member has requested for a Physical copy of the same. Members may also note that the Notice of Annual General Meeting and Annual Report for 2015 16 will also be available on the Company's website [www.sei.edu.in](http://www.sei.edu.in).
5. The members, holding shares in physical form, are requested to intimate any change in their addresses or bank details to the Company or its Registrar and Transfer Agent (RTA).  
**Link Intime India Private Limited,**  
3<sup>rd</sup> Floor, Shoppers Plaza V, Opp. Municipal Market,  
Off. C.G. Road, Navranpura  
Ahmedabad – 380009
6. The Register of Members and Share Transfer Books of the Company will remain closed from Monday, 26<sup>th</sup> September, 2016 to Friday, 30<sup>th</sup> September, 2016 (both days inclusive).
7. Documents referred to in the Notice and the Explanatory Statement attached hereto are available for inspection by the shareholders at the Registered Office of the Company during business hours between 10.00 a.m. to 6.00 p.m. on any working day up to and including the date of the Annual General Meeting of the Company.

8. In case of joint holders attending the meeting, only such joint holder who is higher in the order of name will be entitled to vote.
9. Members holding equity shares in electronic form are requested to notify the change of address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts.
10. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company/Registrar of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Registrar and Share Transfer Agent of the Company.
12. As per Notification issued by Ministry of Corporate Affairs dated 19th of March, 2015 with reference to the Companies (Management and Administration) Rules, 2014, Companies covered under Chapter XB and Chapter XC as per SEBI (ICDR) Regulations, 2009 will be exempted from e voting provisions. Also, no such provision is available in SME Equity Listing Agreement. Company is covered under Chapter XB as it is a SME Company and listed on SME platform of BSE Limited. Therefore Company is not providing e voting facility to its shareholders.
13. Members holding shares in Physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares. Members can contact Company's Registrar and Transfer Agents, M/s Link Intime India Private Limited for assistance in this regard.

#### **EXPLANATORY STATEMENT**

##### **[Pursuant to Section 102 of the Companies Act, 2013]**

In conformity with the provisions of Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice and should be taken as forming part of the Notice:

##### **Item No. 4 :**

The Board of Directors, at its meeting held on 14<sup>th</sup> September, 2015, appointed Mr. Chitranjan Singh as an Additional Director (Independent) under Section 161(1) of the Act. Accordingly, Mr. Chitranjan Singh holds office as a director up to the date of the forthcoming Annual General Meeting. It is proposed to appoint him as a Non executive and Independent Director of the Company for five consecutive years with effect from 30<sup>th</sup> September, 2016 in terms of Section 149 of the Act.

Mr. Chitranjan Singh has confirmed to the Board that he qualifies to be an independent director within the meaning of Section 149(6) of the Act read with Rule 5 of the Companies (Appointment and Qualification of Directors) Rules, 2014. In the opinion of the Board, Mr. Chitranjan Singh fulfills the conditions specified in the Act and Rules made thereunder for his appointment as an Independent Director of the Company. The Directors are of the view that Mr. Chitranjan Singh would bring valuable experience and knowledge to the Board and the Company would benefit from his appointment as Director. Accordingly, the Board recommends the passing of the Ordinary Resolution.

None of the Directors/Key Managerial Personnel of the Company/ their relatives, except Mr. Chitranjan Singh, is in any way, concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding in the Company.

**Item No. 5 :**

The Board of Directors of the Company is authorized to make contributions to bona fide charitable and other funds under Section 181 of the Companies Act, 2013, provided that prior permission of the Members is required for such contributions in case any amount, the aggregate of which, in any financial year, exceeds five per cent of its average net profits for the three immediately preceding financial years. The Board of Directors of the Company propose to take approval of the members to contribute any amount the aggregate of which will in any Financial Year does not exceed Rs. 1.00 Crore (Rupees One Crore Only) .

Accordingly, the Board recommends the Ordinary resolution in relation to contribution to bona fide Charitable and other funds, for the approval by the members of the Company.

None of the Directors/Key Managerial Personnel of the Company/ their relatives, except Mr. Chitranjan Singh, is in any way, concerned or interested, financially or otherwise, in the resolution except to the extent of their shareholding in the Company.

**Date: 23.07.2016**  
**Place: Ahmedabad**

**By order of the Board of Directors**  
**Dimple Padhiar**  
**Company Secretary**  
**Mem.No. 39930**

Details of Directors seeking Appointment / Re – appointment

Name of Director	Date of Birth	Brief Resume and Nature of Expertise in Functional Area	List of Directorship / Committee Memberships in other Public Companies
Mr. Jaiprakash Chiripal	02/11/1959	He has done his Bachelors in Commerce from Gujarat University. Apart from Shanti Educational Initiatives Limited, he also holds Directorship in Chiripal Poly Films Limited, Chiripal Industries Limited. Having an experience of around 25 years in the textile industry, he is instrumental in setting up the BOPP Project. He is actively involved in Production, Marketing, Human Resource Development of Chiripal Poly Films Limited.	<p><b>Other Directorship:</b></p> <ul style="list-style-type: none"> <li>➤ Chiripal Industries Ltd.</li> <li>➤ Vraj Integrated Textile Park Ltd.</li> <li>➤ Dholi Integrated Spinning Park Ltd.</li> <li>➤ Chiripal Lifestyle Ltd.</li> <li>➤ Chiripal Energy Ltd.</li> <li>➤ Chiripal Poly Films Ltd.</li> <li>➤ Picasso Flexibles Ltd.</li> </ul> <p><b>Committee positions held in Shanti Educational Initiatives Limited:</b></p> <ul style="list-style-type: none"> <li>➤ Member – Nomination &amp; Remuneration Committee</li> </ul> <p><b>Committee Positions held in other Public Companies:</b></p> <ul style="list-style-type: none"> <li>➤ Chairman – Share Allotment &amp; Share Transfer Committee</li> <li>➤ Member – Audit Committee</li> <li>➤ Member – CSR Committee</li> </ul>
Mr. Chitranjan Singh	23/02/1953	He is the Independent Director of our Company. He has completed his B.Sc (Honours) in Bio Chemistry from Gujarat University. He is retired IPS Union Public Service Commission (Government of India) Officer.	<p><b>Other Directorship:</b></p> <p>NIL</p> <p><b>Committee positions held in Shanti Educational Initiatives Limited:</b></p> <ul style="list-style-type: none"> <li>➤ Chairman – Audit Committee</li> <li>➤ Chairman – Stakeholders Relationship Committee</li> <li>➤ Member – Nomination &amp; Remuneration Committee</li> </ul> <p><b>Committee Positions held in other Public Companies:</b></p> <p>NIL</p>

## 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, 2016.

### FINANCIAL RESULTS:

FINANCIAL RESULTS	Current Year ended on 31 <sup>st</sup> March, 2016 Amount	Previous Year ended on 31 <sup>st</sup> March, 2015 Amount
Income	116347105	66674223
Expense	75862455	56877312
Profit before depreciation	40484650	9796911
Less – depreciation	1046709	921936
<b>Profit after depreciation</b>	<b>39442349</b>	<b>8874975</b>
Less Current Tax	12500000	2900000
Less – Deferred Tax	9875	156093
<b>Profit after taxation</b>	<b>26775431</b>	<b>5818882</b>
Depreciation of earlier years	0	0
Balance of profit / (loss) brought forward	0	0
<b>Balance Carried To Balance Sheet</b>	<b>26775431</b>	<b>5818882</b>

### FINANCIAL REVIEW:

Your Company's total income for the year 2015 16 is Rs. 116347105 compared to last year's income of Rs. 66674223. The Profit Before Tax (after depreciation) during the year under review was Rs.39442349 as compared to previous year's figure of Rs. 8874975. Your Company has earned Net Profit of Rs.26775431 against the Net Profit of Rs. 5818882 during the previous year. Your Company expects to achieve better performance during the current year.

### DIVIDEND:

To conserve the present resources for better future of the Company, your Directors are not recommending any dividend for the financial year ended on 31st March, 2016.

### FIXED DEPOSIT:

The Company has not accepted or renewed any deposits during the year. There are no outstanding and overdue deposits as at 31st March, 2016.

### EXTRACT OF ANNUAL RETURN:

The extract of Annual Return as on March 31, 2016 in the prescribed Form No. MGT 9, pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is attached herewith as 'Annexure I' and forms part of this Report.

### BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

In accordance with the Articles of Association of the Company and the provisions of the Companies Act, Mr. Jaiprakash Chiripal, Director of the Company who retires by rotation from the Board of Directors of the Company at the ensuing Annual General Meeting during the year under review, and offers himself for reappointment.

Mrs. Vineeta Chiripal, was appointed as Managing Director of the Company w.e.f. 01<sup>st</sup> July, 2015.

Mrs. Suruchi Saraf, was appointed as Independent Director of the Company w.e.f. 03<sup>rd</sup> August, 2015.

Mr. Binod Agrawal resigned as an Independent Director from the Board with effect from 14<sup>th</sup> September, 2015. The Board places on record his appreciation and gratitude for his guidance and valueable contribution during their association with the Company.

Mr. Chitranjan Singh was appointed as an Additional Directors with effect from 14<sup>th</sup> September, 2015, in the capacity of Independent Director. They holds the office upto the date of forthcoming Annual General Meeting and are eligible for appointment as Independent Director.

Mr. Jayesh Patel was appointed as Chief Financial Officer of the Company w.e.f. 01<sup>st</sup> July, 2015.

Ms. Dimple Padhiar was appointed as Company Secretary of the Company w.e.f. 06<sup>th</sup> July, 2015.

**CRITERIA FOR APPOINTMENT OF INDEPENDENT DIRECTORS:**

An Independent Director shall be a person of integrity and possess appropriate balance of skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing and technical operations or any other discipline related to the Company's business.

**DECLARATION OF INDEPENDENCE:**

Your Company has received declaration from the Independent Directors confirming that they meet the criteria of independence as prescribed under the Section 149(6) of Companies Act, 2013 read with Rules made thereunder.

**CRITERIA FOR APPOINTMENT OF MANAGING DIRECTORS / WHOLE TIME DIRECTORS:**

The appointment is made pursuant an established procedure which includes assessment of managerial skills, professional behavior, technical skills and other requirements as may be required and shall take into consideration recommendation, if any, received from any member of the Board.

**SUBSIDIARY COMPANY:**

The Company has no subsidiary as on 31<sup>st</sup> March, 2016.

**REMUNERATION POLICY:**

The Company follows a policy on remuneration of Directors and Senior Management Employees, details of the same are given in the Corporate Governance Report.

**MEETINGS OF BOARD:**

During the financial year, twelve Board Meetings were held, the details of which are provided in Report on Corporate Governance. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

**DIRECTORS RESPONSIBILITY STATEMENT:**

Pursuant to the provisions of Section 134(5) of Companies Act 2013, 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) Such 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 at March 31, 2016 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, 2013 for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities;

(d) The Annual Accounts of the Company have been prepared on a going concern basis.

(e) The Directors have laid down internal financial controls, which are adequate and were operating effectively.

(f) The Directors has devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively. This will ensure legal compliance in all areas of companies operations.

#### **MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY:**

The Company was unlisted public company and listed during the year under review on BSE SME Platform on 14<sup>th</sup> June, 2016.

#### **INITIAL PUBLIC OFFERING:**

During the year under review, your Company came up with a Public Issue of 44,00,000 equity shares of Rs.10/ each at a premium of Rs. 80/ per share aggregating to the total issue size of Rs. 3960.00 lakhs consisting of an offer for sale of 36,00,000 equity shares and fresh issue of 8,00,000 equity shares. Subsequently the shares of the company have been listed on SME Platform of BSE Limited on June 14, 2016.

#### **STATUTORY AUDITORS:**

The Company's Auditors, M/s. Anil S. Shah & Co., Chartered Accountants, were appointed as Statutory Auditor of the Company at the previous Annual General Meeting of the Company for 5 (five) consecutive years till the conclusion of the 32<sup>nd</sup> Annual General Meeting, subject to ratification by the Members at each Annual General Meeting. The Members are requested to ratify the appointment of M/s. Anil S. Shah & Co., Chartered Accountants as the Statutory Auditors of the Company for the Financial Years 2016 – 2017.

There are no observations (including any qualification, reservation, adverse remark or disclaimer) of the Auditors in their Audit Report that may call for any explanation from the Directors. Further, the notes to accounts referred to in the Auditor's Report are self explanatory.

#### **SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:**

The Company has not received any significant or material orders passed by any regulatory authority, court or tribunal which shall affect the going concern status of the Company's operations.

#### **ADEQUACY OF INTERNAL FINANCIAL CONTROL:**

The Company has clearly defined organization structure and lines of authority and sufficient control is exercised through quarterly and annual business review by the Management. The Company has adopted a well defined system to ensure adequacy and efficacy of the Internal Financial Control function.

#### **PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO :**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, required to be disclosed by Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014, are provided in the 'Annexure – II' of this report.

#### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

Details of loans and investments by the Company to other bodies corporate or persons are given in notes to the financial statements.



**TRANSFER TO RESERVES:**

The Company proposes not to carry any amount to its General Reserves and the entire profit is transferred to Reserves & Surplus as Surplus in Statement of Profit and Loss.

**CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES AS PER COMPANIES ACT, 2013:**

The Company has entered into transactions with related parties as defined under section 2(76) of the Companies Act, 2013 read with Companies (Specification of Definitions Details) Rules, 2014. All related party transactions that were entered into during the year under the review were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company which may have a potential conflict with the interest of the Company at large and thus disclosure in Form AOC 2 is not required. The Board has formulated Policy on Related Party Transactions, detailed policy is also available at [www.sei.edu.in](http://www.sei.edu.in)

**DEVELOPMENT AND IMPLEMENTATION OF RISK MANAGEMENT POLICY:**

The Company has a well defined risk management framework in place. Further, it has established procedures to periodically place before the Board, the risk assessment and management measures.

**MANAGEMENT DISCUSSION AND ANALYSIS:**

As required under Regulation 34 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), the Management Discussion and Analysis Report of the Company for the year under review is presented in a separate section forming part of the Annual Report.

**CORPORATE GOVERNANCE REPORT:**

A report on Corporate Governance as stipulated in Schedule V of Regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of the Annual Report. Certificate from the Practising Company Secretary confirming compliance of the conditions of Corporate Governance as stipulated under the aforesaid also forms part of the Annual Report.

**SECRETARIAL AUDITORS AND THEIR REPORT:**

The following companies are required to obtain Secretarial Audit Report:

1. Every listed company;
2. Every public company having a paid up share capital of fifty crore rupees or more; or
3. Every public company having a turnover of two hundred fifty crore rupees or more.

"Turnover" means the aggregate value of the realisation of amount made from the sale, supply or distribution of goods or on account of services rendered, or both, by the company during a financial year. [Section 2(91)]

The company does not fall under any of the above mentioned categories, hence it need not appoint Secretarial Auditor for the year 2015 2016.

Your company has appointed M/s Geeta Serwani & Associates as the Secretarial Auditor of the Company for the year 2016 17, as for the year 2015 16 company does not fall under any of the above mentioned categories, hence it need not appoint Secretarial Auditor.

**PARTICULARS OF EMPLOYEES:**

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of Companies Act, 2013 and Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 has been appended as 'Annexure – III' to this Report.

**DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES:**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable to the Company.

**DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The summary of sexual harassment complaints received and disposed off during the financial year 2015 – 2016 is as under:

Number of Complaints Received : Nil

Number of Complaints Disposed off : Nil

**VIGIL MECHANISM:**

Pursuant to provisions of Section 177(9) of the Companies Act, 2013 read with Rule 7 of the Companies(Meeting of Board and its Powers) Rules, 2014 the Board of Directors had approved the Policy on Vigil Mechanism/Whistle Blower Policy. Through this policy Directors, Employees or business associates may report the unethical behavior, malpractices, wrongful conduct, frauds, violations of the Company's code etc. to the Chairman of the Audit Committee.

**SHARE CAPITAL:**

As on 31<sup>st</sup> March, 2016, the paid up Equity Share Capital of your Company was Rs. 153000000 (Rupees Fifteen Crores Thirty Lakhs Only). During the year under review the Company has issued 1300000(Thirteen Lakh) equity shares.

**DEMATERIALIZATION OF SHARES :**

During the year under review, the Company has entered into Tripartite Agreement with both the depositories, National Securities Depository Limited and Central Depository Services (India) Limited for providing Demat facility to its Shareholders. For the purpose the Company has appointed M/s Link Intime (India) Private Limited as its Registrar and Transfer Agent.

**STATEMENT PURSUANT TO LISTING AGREEMENT:**

The Company's Equity shares are listed at Bombay Stock Exchange Limited (SME Segment). The Annual Listing Fees for the year 2015 16 has been paid.

**SHARES:**

Buy Back of Securities: The Company has not bought back any of its securities during the year under review.

Sweat Equity: The Company has not issued any sweat equity shares during the year under review.

Bonus Shares: No bonus shares were issued during the year under review.

Employees Stock Option Plan: The Company has not provided any Stock Option Scheme to the employees.

**ACKNOWLEDGEMENT:**

Your Directors place on records their 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.

Date: 23.07.2016  
Place: Ahmedabad

By order of the Board of Directors  
Vineeta Chiripal  
Chairman  
DIN: 00155462

**ANNEXURE – I**  
**EXTRACT OF ANNUAL RETURN AS ON 31<sup>ST</sup> MARCH, 2016**  
**FORM NO. MGT 9**

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**REGISTRATION AND OTHER DETAILS**

<b>i) CIN</b>		L80101GJ1988PLC010691	
<b>ii) Registration Date</b>		12	5
		Date	Month
			1988
			Year
<b>iii) Name of the Company</b>		SHANTI EDUCATIONAL INITIATIVES LIMITED	
<b>iv) Category of the Company</b>			
1.	Public Company		✓
2.	Private Company		
<b>Sub Category of Company</b>			
1.	Government Company		
2.	Small Company		
3.	One Person Company		
4.	Subsidiary of Foreign Company		
5.	NBFC		
6.	Guarantee Company		
7.	Limited by Shares		✓
8.	Unlimited Company		
9.	Company having Share Capital		
10.	Company not having Share Capital		
11.	Company registered under Section 8		
<b>v) Address of the Registered Office and Contact Details</b>			
Company Name		Shanti Educational Initiatives Limited	
Address		283, New Cloth Market	
Town / City		Ahmedabad	
State		Gujarat	
Pin Code		380002	
Country Name		India	
Country Code		IND	
Telephone with STD Area Code Number		079 22162006	
Fax Number			
Email Address		dimple@sei.edu.in	
Website, if any			
Name of the Police Station having jurisdiction where the Registered Office is situated		Kagda Pith Police Station	

**PRINCIPLE BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of your Company shall be stated:

Name and Description of main products / services	NIC Code of the Product / Service	% to total turnover of the Company
Education & related activities	85	100%

**PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

Shanti Educational Initiatives Limited does not have any holding, subsidiary or associate company.

**SHAREHOLDING PATTERN (Equity share capital break up as percentage to total equity)**

**(i) Category wise Shareholding**

Category of Shareholders	No. of Shares held at the beginning of the year (as on 01.04.2015)				No. of Shares held at the end of the year (as on 31.03.2016)				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>1) Indian</b>									
a) Individual/ HUF	0	10900000	10900000	77.86	10000000	900000	10900000	71.24	6.62
b) Central Govt	0	0	0	0	0	0	0	0	
c) State Govt(s)	0	0	0	0	0	0	0	0	
d) Bodies Corp	0	3092500	3092500	22.09	3092500	0	3092500	20.21	1.88
e) Banks / FI	0	0	0	0	0	0	0	0	
f) Any Other	0	0	0	0	0	0	0	0	
<b>Sub total(A)(1):</b>	<b>0</b>	<b>13992500</b>	<b>13992500</b>	<b>99.95</b>	<b>13092500</b>	<b>900000</b>	<b>13992500</b>	<b>91.45</b>	<b>8.50</b>
<b>2) Foreign</b>									
a) NRIs Individuals	0	0	0	0	0	0	0	0	
b) Other Individuals	0	0	0	0	0	0	0	0	
c) Bodies Corp.	0	0	0	0	0	0	0	0	
d) Banks / FI	0	0	0	0	0	0	0	0	
e) Any Other....	0	0	0	0	0	0	0	0	
<b>Sub total (A)(2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Total Promoters Shareholding (A)=(A)(1)+ (A)(2)</b>	<b>0</b>	<b>13992500</b>	<b>13992500</b>	<b>99.95</b>	<b>13092500</b>	<b>900000</b>	<b>13992500</b>	<b>91.45</b>	<b>8.5</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	
b) Banks / FI	0	0	0	0	0	0	0	0	
c) Central Govt	0	0	0	0	0	0	0	0	
d) State Govt(s)	0	0	0	0	0	0	0	0	
e) Venture Capital Funds	0	0	0	0	0	0	0	0	
f) Insurance Companies	0	0	0	0	0	0	0	0	
g) FIs	0	0	0	0	1300000	0	1300000	8.50	(8.50)
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	
i) Others (specify)	0	0	0	0	0	0	0	0	
<b>Sub total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>1300000</b>	<b>0</b>	<b>1300000</b>	<b>8.50</b>	<b>(8.50)</b>

<b>2. Non Institutions</b>									
a) Bodies Corp.	0	0	0	0	0	0	0	0	
(i) Indian	0	0	0	0	0	0	0	0	
(ii) Overseas	0	0	0	0	0	0	0	0	
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	0	7500	7500	0.05	5000	2500	7500	0.05	
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	0	0	0	0	0	0	0	0	
c) Others(Specify)									
(i) Non Resident Indian	0	0	0	0	0	0	0	0	
(ii) Overseas Corporate Bodies	0	0	0	0	0	0	0	0	
(iii) Foreign Nationals	0	0	0	0	0	0	0	0	
(iv) Clearing Members	0	0	0	0	0	0	0	0	
(v) Trust	0	0	0	0	0	0	0	0	
(vi) Foreign Bodies	0	0	0	0	0	0	0	0	
<b>Sub total (B)(2)</b>	<b>0</b>	<b>7500</b>	<b>7500</b>	<b>0.05</b>	<b>5000</b>	<b>2500</b>	<b>7500</b>	<b>0.05</b>	
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>0</b>	<b>7500</b>	<b>7500</b>	<b>0.05</b>	<b>1305000</b>	<b>2500</b>	<b>1307500</b>	<b>8.55</b>	<b>(8.50)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>14000000</b>	<b>14000000</b>	<b>100</b>	<b>14397500</b>	<b>902500</b>	<b>15300000</b>	<b>100</b>	<b>0</b>

**(ii) Shareholding of Promoters:**

Sr. No.	Name of Shareholders	No. of Shares held at the beginning of the year (As on 01.04.2015)				No. of Shares held at the end of the year (As on 31.03.2016)				% Change during the Year
		Demat	Physical	Total	% to Total Shares	Demat	Physical	Total	% to Total Shares	
1	Vedprakash Chiripal	0	850000	850000	6.07	850000	0	850000	5.56	0.51
2	Vishal Chiripal	0	800000	800000	5.71	800000	0	800000	5.23	0.48
3	Brijmohan Chiripal	0	800000	800000	5.71	800000	0	800000	5.23	0.48
4	Vineeta Chiripal	0	480000	480000	3.43	480000	0	480000	3.14	0.29
5	Ronak Agarwal	0	1000000	1000000	7.14	1000000	0	1000000	6.54	0.60
6	Savitridevi Chiripal	0	950000	950000	6.79	950000	0	950000	6.21	0.58
7	Jyotiprasad Chiripal	0	650000	650000	4.64	650000	0	650000	4.25	0.39
8	Urmiladevi Chiripal	0	750000	750000	5.36	750000	0	750000	4.90	0.46
9	Deepak Chiripal	0	840000	840000	6.00	840000	0	840000	5.49	0.51
10	Jaiprakash Chiripal	0	700000	700000	5.00	700000	0	700000	4.58	0.42
11	Manjudevi Chiripal	0	800000	800000	5.71	800000	0	800000	5.23	0.48
12	Vansh Chiripal	0	1000000	1000000	7.14	100000	900000	1000000	6.54	0.60
13	Pritidevi Chiripal	0	800000	800000	5.71	800000	0	800000	5.23	0.48
14	Nitika Chiripal	0	480000	480000	3.43	480000	0	480000	3.14	0.29
15	Chiripal Exim LLP	0	1298500	1298500	9.28	1298500	0	1298500	8.49	0.79
16	Devkinandan Corporation LLP	0	1223070	1223070	8.74	1223070	0	1223070	7.99	0.75
17	Kautilya Traders Pvt. Ltd.	0	347500	347500	2.48	347500	0	347500	2.27	0.21
18	Tripoli Management Pvt. Ltd.	0	223430	223430	1.60	223430	0	223430	1.46	0.14

**(iii) Change in Promoters Shareholding: ( please specify, if there is no change)**

Note: There is no change in the number of shares held by the promoters of the Company.

(iv) Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Shareholders Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	<b>Albula Investment Fund Limited</b>				
	At the beginning of the year			1300000	8.50
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year			1300000	8.50
2.	<b>Devender Jain</b>				
	At the beginning of the year	2500	0.02	2500	0.02
	Acquired shares through transfer of Shares from Gunjan Jain on 02.02.2016			2500	0.02
	At the End of the year			5000	0.04
3.	<b>Sushma Jain</b>				
	At the beginning of the year	2500	0.01	2500	0.01
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc):				
	At the End of the year	2500	0.01	2500	0.01
4.	<b>Gunjan Jain</b>				
	At the beginning of the year	2500	0.02	2500	0.02
	Transferred 2500 shares to Devendra Jain on 02.02.2016	2500	0.02	2500	0.02
	At the End of the year				

**Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year	
		No. of shares	% of total shares of the Company	No. of Shares	% of total Shares of the Company
1	Mr. Jaiprakash Chiripal	700000	5.00	700000	4.58
2	Mrs. Vineeta Chiripal	480000	3.43	480000	3.14
3	Mrs. Suruchi Saraf		Nil		
4	Mr. Chitranjan Singh		Nil		
5	Mr. Jayesh Patel		Nil		
6	Ms. Dimple Padhiar		Nil		

**INDEBTEDNESS**

Indebtedness of the Company including interest outstanding / accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year (01 04 2015)</b>				
Principal Amount	-	25,85,68,631	-	25,85,68,631
Interest due but not paid	-	-	-	-
Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	25,85,68,631	-	25,85,68,631
<b>Change in Indebtedness during the financial year 2015 16</b>				
Addition	-	-	-	-
Reduction	-	15,65,57,637	-	15,65,57,637
<b>Net Change</b>	-	15,65,57,637	-	15,65,57,637
<b>Indebtedness at the end of the financial year (31 03 2016)</b>				
Principal Amount	-	10,20,10,994	-	10,20,10,994
Interest due but not paid	-	-	-	-
Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	10,20,10,994	-	10,20,10,994



**REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole time Directors and/or Manager ( ` in Lacs)**

Sr. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total
		(MD) Mrs. Vineeta Chiripal	(Director) Mr. Jaiprakash Chiripal	
1	Gross Salary			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	3.16		3.16
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961			
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	As % of profit			
	Others, specify			
5	Others, please specify			
	Contribution to Provident Fund	0.43		0.43
	<b>Total</b>	<b>3.60</b>		<b>3.60</b>
	<b>Ceiling as per Act</b>	<b>10% of the Net Profit of the Company</b>		

**B. Remuneration to other Directors**

( ` in lacs)

Sr. No.	Name of Directors	Fees for attending board / Committee meetings	Particulars of Remuneration Commission paid for financial year	Others, please specify	Total
1	Mrs. Suruchi Saraf	0.18			0.18
2	Mr. Chitranjan Singh	0.18			0.18
	<b>Total (B)</b>	<b>0.36</b>			<b>0.36</b>
	<b>Overall Ceiling as per Act</b>	<b>1% of the Net Profit of the Company</b>			

c. Remuneration to Key Managerial Personnel other than MD/WTD/Manager ( in lacs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Mr. Jayesh Patel (CFO)	Ms. Dimple Padhiar (CS)	
1	Gross Salary			
	A. Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	4.32	1.87	6.19
	B. Value of perquisites u/s 17(2) of the Income Tax Act, 1961			
	C. Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961			
2	Stock Option			
3	Sweat Equity			
4	Commission			
	As % of profit			
	Others, specify			
5	Others, please specify			
	Contribution to Provident Fund			
	<b>Total</b>	<b>4.32</b>	<b>1.87</b>	<b>6.19</b>

D. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

During the year under review, the Company or any of its Directors were not liable for any penalty, punishment or any compounding offences under the Companies Act, 2013.

## ANNEXURE II

Details of Conservation of energy, technology absorption, foreign exchange earnings and outgo  
[Pursuant to Section 134(3)(m) of the Companies Act, 2013 and rule 8(3) of the Companies (Accounts)  
Rules, 2014]

### A. CONSERVATION OF ENERGY:

- i. the steps taken or impact on conservation of energy : N.A.
- ii. the steps taken by the unit for utilizing alternate sources of energy : N.A.
- iii. the capital investment on energy conservation equipments: N.A.

### B. TECHNOLOGY ABSORPTION:

- i. the efforts made towards technology absorption: N.A.
- ii. the benefits derived as a result of above efforts: N.A.
- iii. In case of imported technology (imported during the last three years reckoned from the beginning of the financial year): N.A.
- iv. the expenditure incurred on Research and Development: N.A.

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year, the Foreign Exchange outgo was NIL (P.Y. Rs.3020002) and the foreign exchange earned was NIL (P.Y. Rs.7805)

### ANNEXURE III

[Statement of Disclosure of Remuneration under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

- i. No. of permanent employees on the rolls of the Company: 91
- ii. The percentage increase in the median remuneration of employees in F.Y. 2016 stood at 5.85%
- iii. Ratio of the remuneration of each director to the median remuneration of the Employees of the Company for the financial year 2015 16:

Sr. No.	Name	Category	Ratio
1.	Mrs. Vineeta Chiripal	Managing Director	1.75:1

Note: For this purpose, sitting fees paid to the Directors have not been considered as remuneration

- iv. The percentage of increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year 2015 16:

Sr. No.	Name	Category	%
1.	Mrs. Vineeta Chiripal	Managing Director	Nil
2.	Mr. Jayesh Patel	Chief Financial Officer	Nil
3.	Ms. Dimple Padhiar	Company Secretary	Nil

- v. The explanation on the relationship between average increase in remuneration and Company's performance: Company's Profit before Tax has grown from Rs.88.75 Lacs during 2014 15 to Rs. 394.42 Lacs during 2015 16, against which the increase in Employee expense is 22.92 %.

- vi. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company (PAT):

Sr. No.	Name	Category	%
1.	Mrs. Vineeta Chiripal	Managing Director	1.51
2.	Mr. Jayesh Patel	Chief Financial Officer	1.61
3.	Ms. Dimple Padhiar	Company Secretary	0.84

- vii. Variation in the market capitalisation of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year:

Particulars	31.03.2016	31.03.2015
Market Capitalization of the Company (Rs. in Lacs)	N.A.	N.A.
Issued Capital (in Nos.)	15300000	14100000
*Closing Price at BSE Ltd (in Rs.)	N.A.	N.A.
Earnings Per Share (in Rs.)	1.87	0.42
Price Earnings Ratio as at the closing date	N.A.	N.A.

\*Not applicable as the Company been listed on 14<sup>th</sup> June, 2016

- viii. Average percentage increase already made in the salaries of employees other than the managerial remuneration in comparison with the last financial year: 11.76%
- ix. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year: 1:4.17
- x. The key parameters for any variable component of remuneration availed by the directors: N.A.
- xi. Affirmation that the remuneration is as per the remuneration policy of the company: It is affirmed that the remuneration is as per the Remuneration Policy of the Company

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(Management Discussion and Analysis is part of Directors Report for the Year Ended 31st March, 2016.)

Unless indicated otherwise, the following discussion of our financial condition and results of operation is based on the audited financial statements for our Company for the year ended on 31<sup>st</sup> March, 2016, including annexures, schedules and notes thereon and the report thereon appearing in the Annual Financial Statements are prepared in accordance with the Companies Act and Indian GAAP, in each case, to comply with Accounting Standards and the relevant provisions of the Companies Act, 2013,

### **Business Overview**

Our Company is a growing educational sector company, which is the key to nation building. New opportunities in the pre school segment include teacher's training, inclusion of day care services, provisioning of after school extra curricular activities and edutainment products.

Our Company also intends to exploit the opportunities that are available in the Education Sector and our operations will cover all aspects for development of Education.

### **Pre school Education**

Indian pre schools market is experiencing rapid growth, even among small towns and non metros due to rising number of working mothers, increasing trend of nuclear families and escalating demand for high quality pre school education for toddlers.

### **Competition**

The industry in which we operate is highly competitive and fragmented. The organized players in the industry compete with each other by providing high quality education and value added services. We have a number of competitors offering services similar to us. We believe that the principal elements of competition in educational sector are quality education, method of teaching, proper infrastructure and other related facilities and services.

### **General Economic and Business Conditions**

As a Company with its complete operations in India, we are affected by general economic conditions in the country and in particular economic factors that affect the education sector in India.

### **Our Strength**

- Significant experience and strong presence in Gujarat & other regions of India.
- Good Reputation and Brand Image.
- Experienced execution team & associates.

### **Internal Control System and Adequacy**

The Company has an adequate internal control system commensurate with its size and the nature of its business in order to achieve efficiency in operation and optimum utilization of resources. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

### **Discussion on financial performance with respect to operational performance**

The Company has not incurred losses during the year under review.

## Financial Results

<b>FINANCIAL RESULTS</b>	<b>Current Year ended on 31<sup>st</sup> March, 2016 Amount</b>	<b>Previous Year ended on 31<sup>st</sup> March, 2015 Amount</b>
Income	116347105	66674223
Expense	75862455	56877312
Profit before depreciation	40484650	9796911
Less – depreciation	1046709	921936
<b>Profit after depreciation</b>	<b>39442349</b>	<b>8874975</b>
Less Current Tax	12500000	2900000
Less – Deferred Tax	9875	156093
<b>Profit after taxation</b>	<b>26775431</b>	<b>5818882</b>
Depreciation of earlier years	0	0
Balance of profit / (loss) brought forward	0	0
<b>Balance Carried To Balance Sheet</b>	<b>26775431</b>	<b>5818882</b>

## Development in Human Resources

Management is successful in building experienced team and nurture them to be leaders. Since the management has a long term vision, the challenge to recruit employees with the right knowledge and skill is very important.

## Human Resources and Industrial Relations

During the year under review, your company had cordial and harmonious industrial relations at all the levels of organization. The employees have extended a very productive cooperation in the efforts of the management to carry the Company to greater heights.

## Forward looking and cautionary statements

Certain statements made in this report, are forward looking statements and actual results may differ from such expectations or projections about the future, as several factors would make significant difference to the Company's operations such as economic conditions affecting demand and supply, government's regulations, level of competitions prevailing at the relevant times, etc. The Company assumes no responsibility to public amend, modify or revise any such statements on the basis of subsequent developments, information or events.

Date: 23.07.2016  
Place: Ahmedabad

By order of the Board of Directors  
Vineeta Chiripal  
Chairman  
DIN: 00155462

## REPORT ON CORPORATE GOVERNANCE

(The Report on Corporate Governance forms part of the Directors Report for the year Ended on 31st March, 2016)

Pursuant to Schedule V(C) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a report on Corporate Governance is given below

### I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is based on a combination of voluntary practices and compliance with laws and regulations, principles of integrity, fairness, equity, transparency, accountability, effective strategies and policies which are constantly review and strengthened to be in alignment with market realities and overall management of the organization. Shanti Educational Initiatives Limited recognizes that good Corporate Governance is a continuing exercise and lead to long term shareholder value and enhances interest of all stakeholders.

Company has adopted the code of conduct which is applicable to all Board Members and Senior Management and is posted on the website of the Company. The Company has also placed a code for Practices and Procedures for Fair Disclosures on website.

The equity shares of the Company are listed on SME Platform of the BSE Limited w.e.f. 14<sup>th</sup> June, 2016. Pursuant to provisions of Clause 52 of the SME Listing Agreement, a report on Corporate Governance for the financial year ended on 31<sup>st</sup> March, 2016 is furnished below:

### II. BOARD OF DIRECTORS

#### Composition of the Board:

The Board of Directors of the Company has an optimum combination of Executive, Non Executive and Independent Directors. As on 31<sup>st</sup> March, 2016, the Board comprises of 4 (four) Directors, out of which 2 (two) are Executive Non Independent Directors and 2 (two) are Non Executive Independent Directors. The Composition of the Board is in accordance with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The names and categories of the Directors on the Board as on 31<sup>st</sup> March, 2016, their attendance at the Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships held by them in other companies are given below:

Sr. No.	Name of Directors	Category of Directors	Attendance		Directorship in other Public Companies*	Committee Positions**	
			Board	Last AGM		Chairman	Member
1.	Mrs. Vineeta Chiripal DIN: 00155462	Managing Director	12	Yes			2
2.	Mr. Jaiprakash Chiripal DIN: 00155430	Director	12	Yes	6	1	4
3.	Mr. Bimalkumar Balasaria*** DIN: 00156535	Non Executive & Independent	12	N.A.			
4.	Mr. Binod Agrawal**** DIN: 07250959	Non Executive & Independent	12	Yes			
5.	Mrs. Suruchi Saraf***** DIN:07259779	Non Executive & Independent	3	Yes	1	1	4
6.	Mr. Chitranjan Singh DIN: 07300731	Non Executive & Independent	3	N.A.		2	1

- \* The Directorship held by Directors as mentioned above, does not include Alternate Directorships, Companies registered under Section 25 of the Companies Act, 1956/ Section 8 of the Companies Act, 2013 and Private Limited Companies.
- \*\* Includes only Audit Committee and Stakeholders' Relationship Committee.
- \*\*\* resigned w.e.f. 1<sup>st</sup> July, 2015
- \*\*\*\* appointed w.e.f. 1<sup>st</sup> July, 2015 & resigned w.e.f. 14<sup>th</sup> September, 2015
- \*\*\*\*\* appointed w.e.f. 3<sup>rd</sup> August, 2015
- \*\*\*\*\* appointed w.e.f. 14<sup>th</sup> September, 2015

#### **Board Meetings:**

During the year, 12 (twelve) Board Meetings were held on 22nd April, 2015, 15th May, 2015, 20th June, 2015, 01st July, 2015, 03rd August, 2015, 14th September, 2015, 29th October, 2015, 28th November, 2015, 31st December, 2015, 06th January, 2016, 09th February, 2016 & 28th March, 2016 respectively.

The gap between two meetings did not exceed one hundred and twenty days. The agenda is circulated well in advance to the Board members. The items in the agenda are backed by comprehensive background information to enable the Board to take appropriate decisions. The Company did not have any pecuniary relationship or transactions with Non Executive Directors during the year ended 31<sup>st</sup> March, 2016 except for payment of sitting fees.

The necessary quorum was present for all the meetings.

#### **Independent Directors' Meeting**

During the year under review, the Independent Directors met on 21<sup>st</sup> January, 2016, inter alia, to discuss:

- Evaluation of the performance of Non Independent Directors and the Board of Directors as a whole;
  - Evaluation of the performance of Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
  - Evaluation of the quality, content and timelines of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonably perform its duties.
- All the Independent Directors were present at the Meeting.

### **III. COMMITTEES OF THE BOARD**

The Board has constituted various Committees of Directors as to effectively focus in activities falling within their terms of references. The minutes of the meeting of all the Committees of the Board are placed before the Board for discussion/noting. The Board Committees can request special invitees to join the meeting, as appropriate.

#### **Audit Committee**

The composition and terms of reference of the Audit Committee is in compliance with Section 177 of the Companies Act, 2013 and with Clause 52 of the Listing Agreement. The scope of activities of Audit Committee broadly include review reports and to discuss the same with them periodically, to meet Statutory Auditors to discuss their findings / suggestions, to review financial reporting systems and internal control systems, to review quarterly / half yearly / annual financial results and other matters. The Chairman of the Committee was present at the last Annual General Meeting.

#### **Audit Committee Meetings:**

During the year under review, the Committee met 2 (two) times during the year under review.

**Name of the Committee Members along with their attendance is given below:**

Sr. No.	Name of the Member	Designation	No. of meeting attended
1.	Mr.Chitranjan Singh	Chairman	2
2.	Mrs. Suruchi Saraf	Member	2
3.	Mrs. Vineeta Chiripal	Member	2



**Role of Audit Committee:**

- (1) oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- (2) recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
- (3) approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- (4) reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - (a) matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub section (3) of Section 134 of the Companies Act, 2013;
  - (b) changes, if any, in accounting policies and practices and reasons for the same;
  - (c) major accounting entries involving estimates based on the exercise of judgment by management;
  - (d) significant adjustments made in the financial statements arising out of audit findings;
  - (e) compliance with listing and other legal requirements relating to financial statements;
  - (f) disclosure of any related party transactions;
  - (g) modified opinion(s) in the draft audit report;
- (5) reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- (6) reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
- (7) reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- (8) approval or any subsequent modification of transactions of the listed entity with related parties;
- (9) scrutiny of inter corporate loans and investments;
- (10) valuation of undertakings or assets of the listed entity, wherever it is necessary;
- (11) evaluation of internal financial controls and risk management systems;
- (12) reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
- (13) reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- (14) discussion with internal auditors of any significant findings and follow up there on;
- (15) reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
- (16) discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post audit discussion to ascertain any area of concern;
- (17) to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors;
- (18) to review the functioning of the whistle blower mechanism;
- (19) approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
- (20) Carrying out any other function as is mentioned in the terms of reference of the audit committee.

#### IV. NOMINATION AND REMUNERATION COMMITTEE

##### Terms of Reference:

Terms of reference of the Committee, includes considering the matters relating to the Company's policies on remuneration payable and determining the package to the Managing Director and Executive Director, commission to be paid to the Directors and other matters specified in section 178 of the Companies Act, 2013 and Clause 52 of the Listing Agreement.

##### Nomination & Remuneration Committee Composition, Meetings held and attendance:

###### Composition:

The Committee consists of three Directors. The Chairman of the Committee is an Independent Director.

###### Meetings:

During the year under review, the Committee met 2 (Two) times during the year under review.

##### Name of the Committee Members along with their attendance is given below:

Sr. No.	Name of the Member	Designation	No. of meeting attended
1.	Mrs. Suruchi Saraf	Chairman	2
2.	Mr. Chitranjan Singh	Member	2
3.	Mr. Jaiprakash Chiripal	Member	2

##### Role of Nomination and Remuneration Committee:

- (1) formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
- (2) formulation of criteria for evaluation of performance of independent directors and the board of directors;
- (3) devising a policy on diversity of board of directors;
- (4) identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
- (5) whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.

##### Remuneration Policy for Executive and Non Executive and Independent Directors are as follows:

###### Executive Directors:

The remuneration payable to executive directors shall be paid in consultation with the Nomination & Remuneration Committee who decides the remuneration structure for Executive Directors by considering the financial position of the company, qualification, experience of the directors, trend in the industry, past performance, past remuneration and limits prescribed for remuneration of Executive Directors i.e 10 % of net profit of the company calculated in the manner prescribed under the Companies Act and subject to necessary approvals thereunder. The Nomination & Remuneration Committee ensures that remuneration if any payable to executive directors does not exceeds the prescribed limits.

###### Non Executive and Independent Directors:

The Non Executive and Independent Directors of the Company may be paid remuneration periodically or may be paid commission within the overall limit of 1% of the Net Profit of the Company calculated in the manner prescribed under the Companies Act and subject to necessary approvals thereunder. In addition to commission if any, Non Executive Directors are paid sitting fees and actual reimbursement of expenses incurred for attending each meeting of the Board and Committees. The Nomination & Remuneration Committee ensures that if any such commission payable should not exceed the prescribed limits under the Companies Act.

## Remuneration to Directors

1. Details of Remuneration paid to the Directors during the Financial Year 2015 16 are as follows:  
 (Rs. in lacs)

Sr. No.	Name of Directors	Salaries and Perquisites (Rs)	Sitting Fees (Rs)	Commission (Rs)	No. of Shares held
1.	Mrs. Vineeta Chiripal	3.60			480000
2.	Mr. Jaiprakash Chiripal				700000
3.	Mrs. Suruchi Saraf		0.18		
4.	Mr. Chitranjan Singh		0.18		

## V. STAKEHOLDERS RELATIONSHIP COMMITTEE

Terms of Reference:

The Stakeholders Relationship Committee deals with all matters relating to Stakeholders/Investors Grievance and its redressal.

Meetings:

During the year under review, the Committee 2 (Two) times during the year under review.

Name of Committee members:

Sr. No.	Name of the Member	Designation	No. of meeting attended
1.	Mr. Chitranjan Singh	Chairman	2
2.	Mrs. Suruchi Saraf	Member	2
3.	Mrs. Vineeta Chiripal	Member	2

Stakeholders Grievance Redressal:

During the year ended 31<sup>st</sup> March, 2016, no Shareholders' Complaints were received by the Company.

## VI. INFORMATION ON GENERAL MEETINGS OF THE COMPANY:

### a. Annual General Meeting (AGM):

Financial Year	Date	Time	Venue	No. of Special Resolutions passed
2012 13	30 <sup>th</sup> September, 2013	12:30 p.m.	283, New Cloth Market, Ahmedabad 380002	
2013 14	30 <sup>th</sup> September, 2014	12:30 p.m.	283, New Cloth Market, Ahmedabad 380002	
2014 15	19 <sup>th</sup> August, 2015	11:00 a.m.	283, New Cloth Market, Ahmedabad 380002	7

### b. Extraordinary General Meeting (EGM):

One Extraordinary General Meeting of the shareholders of the Company was held during the year under review.

The Company has not passed any resolution through postal ballot during the year under reference.

## VII. DISCLOSURES:

- i. The Company has no material significant related party transactions that may have a potential conflict with the interest of the Company. The details of transaction between the Company and the related parties are given under Notes to the Financial Statement for the year ended March 31, 2016.
- ii. No penalties have been imposed on the Company by the Stock Exchange or SEBI or any other statutory authority on any matter related to capital markets.
- iii. All Accounting standard mandatorily required have been followed in preparation of financial statements and no deviation has been made in following the same.
- iv. The Company has adopted a Code of Conduct for Prevention of Insider Trading ("The Code") in accordance with the requirements of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulation. The Code is amended from time to time in accordance with the changes brought in by SEBI in the Insider Trading Regulations.
- v. Vigil Mechanism / Whistle Blower Policy.  
The Company has in place a Whistle Blower Policy for Directors and Employees to report to the management instances of unethical behavior, actual or suspected fraud or violation of Company's code of conduct or ethical policy. The Policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination will be meted out to any person for a genuinely raised concern.
- vi. Reconciliation of Share Capital Audit  
Audit for reconciliation of share capital of the Company to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) with the total issued and listed capital. The audit confirmed that the total issued/paid up capital is in agreement with the total number of dematerialized shares held with NSDL and CDSL.

## VIII. MEANS OF COMMUNICATION:

The Board of Directors of the Company approves and takes on record the half yearly and annual results and announces forthwith results to the Stock Exchange, where the shares are listed. Also the results are displayed on the Company's website [www.sei.edu.in](http://www.sei.edu.in)

## IX. CODE OF CONDUCT:

The Board of Directors of the Company has laid down a Code of Conduct for all the Board Members and Senior Management Personnel of the Company. The Board Members and the Senior Management personnel have affirmed compliance with the code for the year 2015 - 16. The said Code of Conduct has been posted on the website of the Company. A declaration to this effect, is annexed and forms part of this report.

## X. SUBSIDIARY COMPANIES

The Company does not have any Subsidiaries.

## XI. SHAREHOLDERS GENERAL INFORMATION

### i. 28<sup>th</sup> Annual General Meeting

Date	Friday, 30 <sup>th</sup> September, 2016
Time	11:00 A.M.
Venue	Chiripal House, Near Shivranjani Cross Roads, Satellite, Ahmedabad 380015
Date of Book Closure	26 <sup>th</sup> September, 2016 to 30 <sup>th</sup> September, 2016 (both days inclusive)
Dividend Payment Date	NIL

### ii. Tentative Financial calendar for the year 2016 17

Financial Year	1 <sup>st</sup> April, 2016 – 31 <sup>st</sup> March, 2017
First Half year results	Second Week of November, 2016
Results for the year end	Third Week of May, 2017

**iii. Listing on Stock Exchange and security code**

<b>Stock Exchange</b>	
BSE Limited (BSE SME Segment)	Security Code: 539921
ISIN for Equity Shares	INE440T01010

Annual Listing Fees for the Financial Year 2016 17 is paid to the Stock Exchange.

**iv. \*Market Price Data (15 16)**

Month*	BSE Limited	
	High (₹)	Low (₹)
April – 2015		
May – 2015		
June – 2015		
July – 2015		
August – 2015		
September – 2015		
October – 2015		
November – 2015		
December – 2015		
January – 2016		
February – 2016		
March 2016		

\*Market Price Data – Not applicable, as Company was listed on 14<sup>th</sup> June, 2016

**v. Distribution of equity shareholding as on 31<sup>st</sup> March, 2016 (to be included or not)**

Sr. No.	Number of shares	No. of Shares	% to Capital	Number of Shareholders	% of Total Holders
1	1 2000	NIL	NIL	NIL	NIL
2	2001 3000	2500	0.02	1	4.76
3	3001 5000	5000	0.03	1	4.76
4	5001 10000	15292500	99.95	19	90.48
	<b>TOTAL</b>	<b>15300000</b>	<b>100</b>	<b>21</b>	<b>100</b>

**vi. Shareholding Pattern as on 31<sup>st</sup> March, 2016**

Sr. No.	Category	Number of shares held	Percentage of Shareholding
1	Promoters	10900000	71.24%
2	Bodies Corporate (Promoter)	3092500	20.21%
3	Other Bodies Corporate		
4	Foreign Institutional Investors	1300000	8.50%
5	Hindu Undivided Family		
6	Clearing Member		
7	Public	7500	0.05%
8	Non Resident Indians		
	<b>TOTAL</b>	<b>15300000</b>	<b>100%</b>

**vii. Dematerialization of shares and liquidity:**

94.10% of the Company's paid up Equity Share Capital is held in dematerialized form with the National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) as on 31<sup>st</sup> March, 2016.

**viii. Outstanding GDRs / ADRs / Warrants or any Convertible instruments:**

As of date the Company has not issued these types of securities.

**ix. Share Transfer System**

The transfer takes place instantaneously between the transferor, transferee and the Depository Participant through electronic debit / credit of the accounts involved except in the shares which are held in the physical form. The process of the dematerialization of the same will also be insisted to the shareholder.

**x. Registrars and Transfer Agents:**

Name and Address : Link Intime India Private Limited  
3<sup>rd</sup> Floor, Shoppers Plaza V, Opp. Municipal  
Market, Off. C.G. Road, Navranpura  
Ahmedabad 380009

Phone : +91 – 79 26465179  
Fax : +91 – 79 26465179  
Email : ahmedabad@linkintime.co.in  
Website : www.linkintime.co.in

**xi. Name, designation and address of the Compliance Officer:**

Ms. Dimple Padhiar  
Company Secretary  
Mondeal Square, A Wing, 6<sup>th</sup> Floor,  
Prahladnagar,  
Ahmedabad – 380015  
Phone: + 91 79 66177266  
Fax: +91 – 79 26768656  
Email: dimple@sei.edu.in

**xii. Address for correspondence:**

**Registered office :**  
283, New Cloth Market  
Ahmedabad – 380002  
Phone: + 91 79 22162006  
Fax: +91 – 79 26768656  
Email: dimple@sei.edu.in  
Website: www.sei.edu.in

**Corporate Office:**  
Shanti Educational Initiatives Limited  
Mondeal Square, A Wing, 6<sup>th</sup> Floor,  
Prahladnagar,  
Ahmedabad – 380 015  
Phone: + 91 79 – 66177266  
Fax: +91 – 79 26768656

**DECLARATION AS REQUIRED UNDER SCHEDULE V PART D OF THE  
SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

All Directors and Senior Management members of the Company have affirmed compliance with Code of Conduct for Directors and Senior Management of Shanti Educational Initiatives Limited for the year ended March 31, 2016.

**For Shanti Educational Initiatives Limited**

**Date: 23<sup>rd</sup> July, 2016**  
**Place: Ahmedabad**

**Vineeta Chiripal**  
**Chairman**  
**DIN: 00155462**

## CERTIFICATE ON CORPORATE GOVERNANCE

To,  
The Members  
SHANTI EDUCATIONAL INITIATIVES LIMITED  
(CIN L80101GJ1988PLC010691)  
AHMEDABAD

I have examined the compliance of conditions of Good Corporate Governance by SHANTI EDUCATIONAL INITIATIVES LIMITED for the year ended on 31<sup>st</sup> March 2016 on the following clauses of Companies Act 2013 –

- Composition of Board of Directors
- Non executive directors' compensation and disclosures
- Meeting of Board of Directors and procedure adopted
- Code of Conduct adopted by Board of Directors
- Composition of Qualified and Independent Audit Committee
- Meeting of Audit Committee and procedure adopted
- Powers of Audit Committee
- Role of Audit Committee
- Review of information by Audit Committee
- Disclosures of Basis of related party transactions
- Disclosure of Accounting Treatment.
- Disclosure of Risk management
- Disclosure of Proceeds from public issues, rights issues, preferential issues etc.
- Disclosure of Remuneration of Directors
- Disclosure of appointment , composition and remuneration of CEO/CFO and other key managerial person

The compliance of Good Corporate Governance is the responsibility of the management. My examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the good Corporate Governance is followed by the company.

It is neither an audit nor an expression of opinion on the financial statements of the Company. In my opinion and to the best of my information and according to the explanations given to us, I certify that the Company has complied Good Corporate Governance as stipulated in the above mentioned items.

I 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.

**Geeta Serwani & Associates**  
(Practicing Company Secretary)  
Proprietor  
ACS: 24479  
CP: 8842

Date : 02.09.2016

**CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER TO THE BOARD**  
(Under Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

We, the undersigned certify that:

- a) We have reviewed financial statements for the year and that to the best of our knowledge and belief:
  - i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii) these statements give a true and fair view of the state of affairs of Company and of the results of operations and cash flows. The financial statements have been prepared in conformity, in all material respects, with the existing generally accepted accounting principles including Accounting Standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept overall responsibility for the Company's internal control system for financial reporting. This is monitored by the internal audit function, which encompasses the examination and evaluation of the adequacy and effectiveness. Internal audit works with all levels of management and statutory auditors, and report significant issues to the Audit Committee of the Board. The auditors and audit committee are apprised of any corrective action taken with regard to significant deficiencies and material weaknesses.
- d) We indicate to the Auditors and to the Audit Committee:
  - i) significant changes in internal control over financial reporting during the year;
  - ii) significant changes in accounting policies during the year;
  - iii) instances of significant fraud of which we have become aware of and which involve management or other employees who have a significant role in the Company's internal control system over the financial reporting.

However, during the year there were no such changes or instances.

**For Shanti Educational Initiatives Limited**

**Date: 23<sup>rd</sup> July, 2016**  
**Place: Ahmedabad**

**Vineeta Chiripal      Jayesh Patel**  
**Managing Director    Chief Financial Officer**



## Independent Auditor's Report

To,  
The Members,  
Shanti Educational Initiatives Limited

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **Shanti Educational Initiatives Limited (the company)** which comprise the Balance Sheet as at 31 March 2016, the Statement of Profit and Loss and the Cash Flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. 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 the 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, 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 on the standalone financial statements.

## Opinion

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

- I. In the case of the Balance sheet, of the state of affairs of the Company as at March 31, 2016;
- II. In the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- III. In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The balance sheet, the statement of profit and loss and the cash flow statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 28 to the financial statements.
    - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For, M/S Anil S Shah & Co.,  
Chartered Accountants  
FRN : 100474W

**Anil S Shah**  
Partner  
M.No.: 016613

Place : Ahmedabad  
Date : 23<sup>rd</sup> July, 2016

## Annexure to the Independent Auditors' Report

The Annexure referred to in our Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March 2016, we report that:

- (i) In respect of Fixed Assets
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) As per information and explanation given to us, the physical verification of its fixed assets have been carried out by the management at the end of 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 & explanation given to us, no material discrepancies were noticed on such verification.
  - (c) According to the Information and explanation given to us and the records examined by us as disclosed in Note No. 11 on Fixed Assets and Note No. 12 on Investment, based on the examination of the registered sale deed/purchase deed provided to us, we report that, the title deed, comprising all the immovable properties of land and buildings which are freehold are held in the name of the company except in one case the land amounting Rs. 27761160/ the deed is in the form of Banakhat Right, as at the Balance sheet date.
- (ii) In respect of Inventories, as per the information and explanation given to us, the inventories have been physical verified by the management at the end of the year, which in our opinion is reasonable having regard to the size of the company and the nature of its activity. As per the information and explanation given to us no material discrepancies noticed on physical verification.
- (iii) In respect of Loans and Advances Granted during the year.
 

The Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013. Hence, the provisions of clauses (iii)(a), (iii)(b), and (iii)(c) of the order are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provision of Section 185 and 186 of the companies Act, 2013 in respect of loans and investments made.
- (v) According to the information and explanation given to us, the company has not accepted deposits from the public.
- (vi) As per the information and explanation provided to us the company is not required to maintain the cost records as per the provisions of Companies (Cost Records and Audit) Rules 2014, hence Clause (vi) of the Companies (Auditor's Report) order, 2015 is not applicable.
- (vii) In respect of Statutory Dues
 

According to the information and explanation given to us, in respect of statutory dues:

  - (a) The Company has generally been regular in depositing undisputed statutory dues including Provident Fund, Investor education and protection fund, Employees' state Insurance, income tax, Sales Tax, Service Tax, Custom Duty, Excise duty, Cess and any other material statutory dues applicable to it with the appropriate authorities.
  - (b) According to information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2016 for a period of more than six months from the date of becoming payable.

- (c) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, service tax, duty of customs, value added tax, Cess and other material statutory dues were outstanding as at 31 March 2016 for a period of more than six months from the date they became payable.
- (d) During the year no amount is required to transfer to the Investor Education and Protection Fund and hence clause (c) of clause (vii) of the Companies (Auditor's Report) Order, 2015 is not applicable to the Company.
- (viii) According to records of the company, the company has not borrowed from financial institutions or banks or issued debentures till 31<sup>st</sup> March 2016. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (ix) The company did not raise any money by way of initial public offer or further public offer (including debt instrument) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (x) According to the information and explanation given to us, no material fraud by the company or on the Company by its officers or employees has been noticed or reported during the course of audit.
- (xi) In our opinion and according to the information and explanations given to us, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.
- (xii) The Company is not a Nidhi Company and hence reporting under clause (xii) of the CARO 2016 Order is not applicable.
- (xiii) In our opinion and according to the information and explanations given to us the Company is in compliance with Section 177 and 188 of the Companies Act, 2013, where applicable, for all transactions with the related parties and the details of related party transactions have been disclosed in the financial statements etc. as required by the applicable accounting standards.
- (xiv) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made private placement of shares or fully or partly convertible debenture during the year. The company has made preferential allotment of shares amounting Rs. 11.70 Crore during the year, the company has complied with requirement of Section 42 of the Companies Act, 2013. Further, the Company has utilised Rs 9.34 Crores, pending utilization balance of Rs. 2.36 Crore has been temporarily deposited with NBFC.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non cash transactions with its directors or directors of the holding, subsidiary or associate company as applicable or persons connected with them and hence provisions of section 192 of the Companies Act, 2013 are not applicable.
- (xvi) The Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934.

For, M/S Anil S Shah & Co.,  
Chartered Accountants  
FRN : 100474W

**Anil S Shah**  
Partner  
M.No.: 016613

Place : Ahmedabad  
Date : 23<sup>rd</sup> July, 2016

## **ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE FINANCIAL STATEMENTS OF SHANTI EDUCATIONAL INITIATIVES LIMITED**

Report on the Internal Financial Controls under Clause (i) of Sub section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of SHANTI EDUCATIONAL INITIATIVES LIMITED ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my /our audit opinion on the Company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For, M/S Anil S Shah & Co.,  
Chartered Accountants  
FRN : 100474W

**Anil S Shah**  
Partner  
M.No.: 016613

Place : Ahmedabad  
Date : 23<sup>rd</sup> July, 2016

**SHANTI EDUCATIONAL INITIATIVES LIMITED**  
BALANCE SHEET AS ON 31ST MARCH, 2016



<b>PARTICULARS</b>	Note	Amount in Rs.	
		Current Year	Previous Year
		31.03.2016	31.03.2015
<b>I EQUITY AND LIABILITIES</b>			
<b>A SHARE HOLDERS FUNDS</b>			
Share Capital	2	153,000,000	140,000,000
Reserve & Surplus	3	215,608,775	84,833,343
		<b>368,608,775</b>	<b>224,833,343</b>
<b>B Non current liabilities</b>			
(a) Long term borrowings	4	102,010,994	258,568,631
(b) Deferred tax liabilities (Net)		0	0
(c) Other Long term liabilities	5	993,161	274,170
(d) Long term provisions	6	1,285,215	1,998,740
		<b>104,289,370</b>	<b>260,841,541</b>
<b>C Current liabilities</b>			
(a) Short term borrowings	7	0	0
(b) Trade payables	8	3,182,183	2,311,047
(c) Other current liabilities	9	15,672,025	10,940,270
(d) Short term provisions	10	12,429,788	4,551,235
		<b>31,283,996</b>	<b>17,802,552</b>
<b>TOTAL&gt;&gt;&gt;&gt;&gt;</b>		<b>504,182,141</b>	<b>503,477,436</b>
<b>II ASSETS</b>			
<b>A Non current assets</b>			
(a) Fixed assets	11		
(i) Tangible assets		78,184,907	74,471,895
(ii) Intangible assets		361,088	248,189
(iii) Capital work in progress		8,513,263	0
(iv) Intangible assets under development		0	0
(b) Non current investments	12	79,730,213	77,730,213
(c) Deferred tax assets (Net)	13	289,616	279,741
(d) Long term loans and advances	14	294,856,285	315,257,389
(e) Other non current assets	15	5,492,440	7,923,518
		<b>467,427,812</b>	<b>475,910,945</b>
<b>B Current assets</b>			
(a) Current investments		0	0
(b) Inventories	16	10,921,195	8,311,716
(c) Trade receivables	17	13,192,532	7,173,412
(d) Cash and cash equivalents	18	5,697,246	5,074,937
(e) Short term loans and advances	19	3,389,423	5,995,186
(f) Other current assets	19A	3,553,933	1,011,240
		<b>36,754,329</b>	<b>27,566,491</b>
<b>TOTAL&gt;&gt;&gt;&gt;&gt;</b>		<b>504,182,141</b>	<b>503,477,436</b>

The notes referred to above are an integral part of Profit & Loss Significant Accounting Policies and Notes on Accounts as Note "1"

**M/s. ANIL S. SHAH & CO.**

Chartered Accountants  
Firm Reg. No. 100474W

**ANIL S. SHAH**  
Partner  
(Membership No.016613)

Place: Ahmedabad  
Date: 23.07.2016


For, SHANTI EDUCATIONAL INITIATIVES LTD

**JAIPRAKASH D. CHIRIPAL**  
DIRECTOR  
DIN 00155430

**Jayesh Patel**  
(Chief Financial Officer)

**VINEETA V. CHIRIPAL**  
MANAGING DIRECTOR  
DIN 00155462

**Dimple Padhiar**  
(Company Secretary)  
Place : Ahmedabad  
Date : 23.07.2016

SHANTI EDUCATIONAL INITIATIVES LIMITED			
STATEMENT OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2016			
			
PARTICULARS	Note	Amount in Rs.	
		Current Year	Previous Year
		31.03.2016	31.03.2015
I. Revenue from operations		88,408,003	61,448,836
Less Excise duty		0	0
Revenue from operations (net)	20	88,408,003	61,448,836
II. Other Income	21	27,939,102	5,225,387
<b>III. Total revenue &gt;&gt;(i+ii)</b>		<b>116,347,105</b>	<b>66,674,223</b>
<b>IV. Expenses</b>			
(a) Cost of Materials	22	0	0
(b) Purchases of stock in trade	23	26,908,499	19,024,198
(c) Changes in inventories of finished goods, work in progress	24	2,609,481	516,156
(e) Employee benefits expenses	25	27,088,950	22,037,889
(f) Finance costs	26	22,016	21,516
(g) Depreciation and amortisation expenses	11	1,046,709	921,936
(h) Other expenses	27	24,452,473	16,309,865
<b>Total expenses &gt;&gt;</b>		<b>76,909,164</b>	<b>57,799,248</b>
V. Profit / (Loss) before exceptional and extraordinary items and tax		39,437,941	8,874,975
VI. Exceptional items		4,408	0
VII. Profit / (Loss) before extraordinary items and tax		39,442,349	8,874,975
VIII. Extraordinary Items		0	0
IX. Profit / (Loss) before tax		39,442,349	8,874,975
X. Tax expense :			
(a) Current Tax		12,500,000	2,900,000
(b) Earlier Year Provision written back		176,793	0
(c) Deferred Tax		9,875	156,093
		12,666,918	3,056,093
XI. Profit / (Loss) from for the period from continuing operations		26,775,431	5,818,882
XII. Profit / (Loss) from discontinuing operations (before tax)		0	0
XIII. Tax expense of discontinuing operations		0	0
XIV. Profit / (Loss) from discontinuing operations (after tax)		0	0
<b>Profit / (Loss) from for the period from continuing operations</b>		<b>26,775,431</b>	<b>5,818,882</b>
Earning per equity share [nominal value of 10/ (perivious year 10)]			
Basic and Diluted		1.87	0.42

The notes referred to above are an integral part of Profit & Loss Significant Accounting Policies and Notes on Accounts as Note "1"

M/s.ANIL S. SHAH & CO.  
Chartered Accountants  
Firm Reg. No. 100474W

For, SHANTI EDUCATIONAL INITIATIVES LTD

**ANIL S. SHAH**  
Partner  
( Membership No.016613)

JAIPRAKASH D. CHIRIPAL  
DIRECTOR  
DIN 00155430

VINEETA V. CHIRIPAL  
MANAGING DIRECTOR  
DIN 00155462

**Jayesh Patel**  
( Chief Financial Officer )

**Dimple Padhiar**  
( Company Secretary )

Place: Ahmedabad  
Date: 23.07.2016

Place: Ahmedabad  
Date: 23.07.2016



**SHANTI EDUCATIONAL INITIATIVES LIMITED**  
**CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31st MARCH 2016**

PARTICULARS	31/03/2016	31/03/2015
<b>A. Cash Flow from Operating Activities</b>		
Net Profit After Tax & Exceptional Items	26,775,431	5,818,882
Adjustments for:		
Depreciation & amortization	1,046,709	921,936
Profit on Sale of Assets	(4,408)	0
Interest Income	(22,091,681)	0
Rent Income	(4,520,000)	(1,920,000)
Profit on Sale of Investments	0	(1,152,590)
Provision for Income Tax	12,500,000	2,900,000
Earlier Provision written back	176,793	0
Deferred Tax	(9,875)	156,093
	(12,902,462)	905,439
<b>Operating Profit Before Working Capital Changes</b>	<b>13,872,969</b>	<b>6,724,321</b>
Adjustments for:		
Trade and Other Receivables	(6,019,119)	4,034,256
Inventories	(2,609,479)	(516,158)
Trade Payables	871,136	(619,025)
Short term provisions	7,878,553	1,138,498
Long Term Provisions	(713,525)	1,507,435
Other Long term liabilities	718,991	(122,949)
Other current liability	4,731,755	3,408,234
Short term Loans and Advances	2,605,763	1,874,092
Other Current Assets	(2,542,693)	(1,011,240)
Other non current assets	2,431,078	(7,725,980)
	7,352,460	1,967,163
<b>Cash Generated from Operations</b>	<b>21,225,429</b>	<b>8,691,484</b>
Income Taxes	12,676,793	2,900,000
<b>Net Cash Generated by Operating Activities</b>	<b>8,548,636</b>	<b>5,791,484</b>
<b>B. Cash Flow from Investing Activities:</b>		
Purchase of Fixed Assets (Including Intangible Asset)	(4,876,971)	(15,425,365)
Profit on sale of Assets	4,408	0
Sale of Assets	4,350	0
Capital Work In Progress	(8,513,263)	195,500
Non Current Investment	(2,000,000)	36,386,000
Rent Income	4,520,000	1,920,000
Profit on Sale of Investments	0	1,152,590
<b>Net Cash Generated by / (used in) Investing Activities</b>	<b>(10,861,476)</b>	<b>24,228,725</b>
<b>C. Cash Flow from Financing Activities:</b>		
Increase/decrease in Share Capital	13,000,000	0
Increase/decrease in Securities Premium	104,000,000	0
Increase/decrease in Long Term Borrowings	(156,557,637)	(21,831,219)
Interest Income	22,091,681	0
Increase/Decrease in Long term Loans Advances	20,401,105	(5,661,715)
<b>Net Cash Generated by / (used in) Finance Activities</b>	<b>2,935,149</b>	<b>(27,492,934)</b>
<b>Net (Decrease) / Increase in Cash and cash equivalents</b>	<b>622,309</b>	<b>2,527,275</b>
Opening Cash and Cash Equivalent	5,074,937	2,547,662
<b>Cash &amp; Cash Equivalents at the end of the period</b>	<b>5,697,246</b>	<b>5,074,937</b>

As per our Report of even date annexed herewith

For, M/s. Anil S. Shah & Co.  
Chartered Accountants  
FRN. 100474W

For, Shanti Educational Initiatives Ltd.

JAIPRAKASH D. CHIRIPAL  
DIRECTOR  
DIN 00155430

VINEETA V. CHIRIPAL  
MANAGING DIRECTOR  
DIN 00155462

Anil S. Shah  
Partner  
M.No.:016613

JAYESH PATEL  
(Chief Financial Officer)

DIMPLE PADHIAR  
(Company Secretary)

Place: Ahmedabad  
Date: 23.07.2016

Place : Ahmedabad  
Date : 23.07.2016

## Note:1 Significant Accounting Policies, Contingent Liabilities and Notes Forming Part of Accounts

### 1.1 BASIS OF ACCOUNTING

- (a) Financial statements have been prepared under the historical cost convention in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and comply with the Accounting Standards issued by the Institute of Chartered Accountants of India and referred to section 129 & 133 of the Companies Act, 2013.

The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

- (b) The Company follows the mercantile system of accounting on a going concern basis.

### 1.2 USE OF ESTIMATE

The presentation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosure relating to contingent assets and liabilities as at the date of financial statements are reported amounts of incomes and expenses during the period. Actual results could differ from those estimates.

### 1.3 FIXED ASSETS AND CAPITAL WORK IN PROGRESS

#### A. FIXED ASSET

Fixed Assets are recorded at cost of acquisition/construction less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and the 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 upto the date when the asset is ready for its intended use.

#### B. CAPITAL WORK IN PROGRESS

Projects under which fixed assets are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

### 1.4 DEPRECIATION / AMORTIZATION

Except for Building, depreciation is charged on written down value method (WDV) and on Building depreciation is charged on Straight Line Method (SLM) as per useful life prescribed under Schedule II of the Companies Act, 2013. Any addition to an existing asset which is of capital nature and which becomes an integral part of the existing asset is depreciated over the remaining useful life of that asset.

Patent and Trademark is amortized on its useful life of 10 years as certified by the management.

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

### 1.5 REVENUE RECOGNITION

- a) Sales of Franchisee, Material Traded are recognized net of refund/returns and discounts, if any, when significant risks and rewards of ownership of products are passed on to customers but excluding Value Added Tax and Service Tax where ever applicable.
- b) Revenue from Franchisee constituting one time Franchisee fee (non – refundable) is recognized upon receipt of fee from the Franchisee. The recurring revenue from Franchisee and Royalty is recognized on accrual basis but excluding service tax where ever applicable.
- c) Revenue from Dividend income is recorded when right to receive the income arises.
- d) Interest and Rent income is accounted on time proportional basis and in respect of rent excluding service tax where ever applicable.

**1.6 INVENTORIES**

- a) Inventories are stated at Cost or Net realizable value whichever is lower after considering credit of VAT.
- b) In determining cost of franchise Materials and goods, weighted average method is used.

**1.7 INVESTMENTS**

Long Term Investments are stated at cost less provision for permanent diminution in value, if any, as at the Balance sheet date.

**1.8 RETIREMENT BENEFITS**

**a) Short Term Benefits**

Short term employees 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.

**b) Long Term Benefits**

The company has no defined contribution however has defined benefit plans and on that basis provisions are made in the books as per actuarial valuation calculated by approved valuer for gratuity. However, there is no defined contribution and benefit plan for leave encashment.

c) Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognized in the statement of Profit & Loss in the year in which they arise.

**1.9 FOREIGN CURRENCY TRANSACTION**

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 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 the 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.

**1.10 BORROWING COST**

Borrowing costs 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.

**1.11 PRELIMINARY EXPENDITURE**

Preliminary expenditure, if any, is to be apportioning in five equal installments, commencing from the year in which the expenditure has been incurred.

IPO Expenses is to be apportioning in five equal installments, commencing from the year in which the company make public issue.

## 1.12 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 to timing differences between accounting income and taxable income of 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 asserts 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.

## 1.13 PRIOR PERIOD ITEMS

Prior period incomes & expenditures are treated as current year's income/expenditure.

## 1.14 PROVISION

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settled the obligation and on a reliable estimate can be made of the amount of obligation.

## 1.15 EARNING PER SHARE

The earning considered in ascertaining the company's EPS comprises the Net Profit or Loss for the period after and extraordinary items. The basic EPS is computed on the basis of weighted average number of equity shares outstanding during the year.

## 1.16 LEASE

All leases are classified into operating and finance lease at the inception of the lease. Leases that transfer substantially all risks and rewards from lessor to lessees are classified as finance lease and others being classified as operating lease.

There are no finance lease transactions entered by the company. Rent Expense represent operating leases which are recognized as an expense.

## 1.17 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash and balance with Banks.

## 1.18 CONTINGENT LIABILITIES

Contingent Liabilities are determined on the basis of available information and explanations given to us and are disclosed by way of note to the accounts.

NOTE 2  
Share Capital



PARTICULARS	Amount in Rs.	
	Current Year 31.03.2016	Previous Year 31.03.2015
<b>AUTHORISED</b>		
30000000 Equity Shares of Rs.10/ each (Previous Year 30000000 Shares)	300,000,000	300,000,000
	300,000,000	300,000,000
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
15300000 Equity Shares of Rs.10/ each fully paid up (Previous Year 14000000 Shares)	153,000,000	140,000,000
<b>Total</b>	<b>153,000,000</b>	<b>140,000,000</b>

2.1 The reconciliation of the number of shares outstanding is set out below

PARTICULARS	As on 31st March, 2016	As on 31st March, 2015
	No. of Shares	No. of Shares
Equity Shares at the beginning of the year	14000000	14000000
Add: Shares issued	1300000	0
Less : Shares cancelled	0	0
Equity: Shares at the end of the year	15300000	14000000

2.2 During the year Company has issued 1300000 Equity Shares for Rs. 90/ per share (including premium of Rs.80/ under preferential allotment vide board resolution dt.31.12.2015

2.3 Terms attached to Equity Share

The Company has only one class of Equity Shares having a par value of Rs.10/ per share.  
Each holder of Equity shares is entitled to one vote per share.

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

2.4 The details of Shareholders holding more than 5%shares

Sr.No.	Name of Shareholders	As on 31st March, 2016		As on 31st March, 2015	
		No. of Shares	% held	No. of Shares	% held
1	Jaiprakash D. Chiripal	700000	4.58%	700000	5.00%
2	Vedprakash D Chiripal	850000	5.56%	850000	6.07%
3	Brijmohan D Chiripal	800000	5.23%	800000	5.71%
4	Manjudevi J Chiripal	800000	5.23%	800000	5.71%
5	Urmiladevi J. Chiripal	750000	4.90%	750000	5.36%
6	Pritidevi B. Chiripal	800000	5.23%	800000	5.71%
7	Ronak Agrawal	1000000	6.54%	1000000	7.14%
8	Vansh J Chiripal	1000000	6.54%	1000000	7.14%
9	Chiripal Exim LLP	1298500	8.49%	1298500	9.28%
10	Devkinandan Corporation LLP	1223070	7.99%	1223070	8.74%
11	Vishal V Chiripal	800000	5.23%	800000	5.71%
12	Deepak J Chiripal	840000	5.49%	840000	6.00%
13	Albula Investment Fund Limited	1300000	8.50%	0	0.00%
14	Savitridevi D Chiripal	950000	6.21%	950000	6.79%

2.5 As per the records of the Company including its Register of Shareholder/members, the above shareholding represent both legal & beneficial ownership of the shares

**NOTE 3**  
Reserve & Surplus

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
<b>A GENERAL RESERVE</b>		
Balance Brought Forward	145,000	145,000
<b>Total</b>	<b>145,000</b>	<b>145,000</b>
<b>B PROFIT &amp; LOSS ACCOUNT</b>		
Balance Brought Forward	37,232,343	32,502,065
Less : Retained Earning (Refer Note No. 11.1)	0	(1,088,604)
Add : Profit/(loss) for the period/year	26,775,432	5,818,882
<b>Total</b>	<b>64,007,776</b>	<b>37,232,343</b>
<b>C SECURITY PREMIUM RESERVE</b>		
Balance Brought Forward	47,456,000	47,456,000
Add : During the period/ year	104,000,000	0
<b>Total</b>	<b>151,456,000</b>	<b>47,456,000</b>
<b>TOTAL (A+B+C+D)</b>	<b>215,608,776</b>	<b>84,833,343</b>

**NOTE 4**  
Long Term Borrowing

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
<b>4.A SECURED TERM LOANS</b>	0	0
<b>4.B OTHER SECURED LOANS FROM BANK</b>	0	0
<b>Total</b>	<b>0</b>	<b>0</b>
<b>4.C UNSECURED</b>		
From Other	0	49,290
From Related parties InterCorporate	12,010,994	146,019,341
	0	0
From others InterCorporate	90,000,000	112,500,000
<b>Total</b>	<b>102,010,994</b>	<b>258,568,631</b>
<b>TOTAL (A+B+C+D)</b>	<b>102,010,994</b>	<b>258,568,361</b>

**NOTE 5**  
Other Long Term Liabilities

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
Sundry Creditors for Capital Goods	993,161	274,170
<b>Total</b>	<b>993,161</b>	<b>274,170</b>

Note 5.1 : Balance confirmation not called for, are subject to confirmation and reconciliation, if any.

Note 5.2 : In absence of required information regarding suppliers / buyers fall within definition of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, the amount outstanding and interest due thereon to Micro, Small and Medium Enterprises is not ascertainable as on Balance Sheet date.

**NOTE 6  
Long Term Provisions**



PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
Provisions for Gratuity (Refer Note No. 6.1)	1,285,215	1,998,740
<b>Total</b>	<b>1,285,215</b>	<b>1,998,740</b>

**Note 6.1: Benefits : Defined plan and long term employment benefit  
Gratuity (Defined Benefit Plan)**

The following tables summarise the components of net benefit expenses recognized in statement of Profit and Loss and the funded status and amounts recognized in the balance sheet for the respective plans, the figures are as per Actuarial Valuation Report provided to us as on 31st, March 2016.

Net Employee benefit expense (recognized in employee cost)

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
Current Service Cost	835371	289970
Interest Cost	156071	54869
Expected Return on Plan assets	0	0
Net actuarial (gain)/loss recognized in the year	(1590040)	1054564
Prior Year Change	0	0
Net Benefit Exp.	(598598)	1399403

**Details of Provision for Gratuity**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
Defined benefit obligation	(598598)	1399403
Fair Value of Plan Assets	0	0
	(598598)	1399403
Less : Un recognized past service cost	0	0
Liability/(Assets) recognized in the Balance sheet	(598598)	1399403

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

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
Opening defined benefit obligation	2003085	603682
Interest cost on benefit obligation	156071	54869
Current year service cost	835371	289970
Prior year charge	0	0
Benefits Paid	0	0
Actuarial gains/(losses)	(1590040)	1054564
Closing fair value of plan assets	1404487	2003085

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

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
Opening fair value of plan assets	0	0
Expected Return	0	0
Contributions by employer	0	0
Benefits paid	0	0
Actuarial gains/(losses)	0	0
Closing fair value of plan assets	0	0

**The principal actuarial assumption used in determining the Gratuity for the Company's**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
Discount Rate	7.80%	7.80%
Salary Growth Rate	6.00%	6.00%
Rate of return of plan assets	NA	NA

**NOTE 7**  
**Short Term Borrowings**



PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
SECURED	0	0
UNSECURED	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**NOTE 8**  
**Trade Payables**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
Sundry Creditors for Goods	3,182,183	2,311,047
Others (Provision for Bills yet not received)	0	0
<b>Total</b>	<b>3,182,183</b>	<b>2,311,047</b>

Note 8.1 In absence of required information regarding suppliers / buyers fall within definition of section 16 of Micro, Small and Medium Enterprises Development Act, 2006, the amount outstanding and interest due thereon to Micro, Small and Medium Enterprises is not ascertainable as on Balance Sheet date.

Note 8.2 : Balance confirmation not called for, are subject to confirmation and reconciliation, if any.

**NOTE 9**  
**Other Current Liabilities**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
Statutory remittances (Contributions to PF and ESIC, withholding Taxes, VAT, Service Tax, etc.)	1,625,168	1,133,867
Advances from customers (Others)	7,673,670	6,536,253
Advances from customers (Related)	0	0
Balance sheet Dif	2,195	1,635
Sundry Creditors for Expenses (Others)	1,594,296	2,575,703
Sundry Creditors for Expenses (Related Party)	0	685,577
Sundry Others Liabilities	4,781,086	10,505
<b>Total</b>	<b>15,672,025</b>	<b>10,940,270</b>

**NOTE 10**  
**Short term Provisions**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
Salary payable	2,127,331	825,569
Bonus payable	811,968	596,772
Expenses others	194,780	104,549
Provision For Taxation (Net of TDS/Tax Paid)	9,176,437	3,020,000
Provision For Gratuity	119,272	4,345
<b>Total</b>	<b>12,429,788</b>	<b>4,551,235</b>



**SHANTI EDUCATIONAL INITIATIVES LIMITED**

**NOTE - 11**

**FIXED-ASSETS**

ASSETS	GROSS BLOCK			DEPRECIATION					NET BLOCK		
	As at April 1, 2015	Additions	Deductions/ Transfer	As at 31st March, 2016	As at April 1, 2015	For the year provided	Deductions/ adjustments	Retained Earnings	As at 31st March, 2016	As at 31st March, 2015	
Land (Refer Note No. 11.2)	61440015	452640	0	61892655	0	0	0		0	61892655	61440015
Building (Mumbai Office) (Refer Note No. 11.3)	14248269	0	0	14248269	2515110	229599	0		2744709	11503560	11733159
Plant & Machinery	904393	0	0	904393	534226	59490	0		593716	310677	370167
Air condition	790759	2181651	0	2972410	692709	57208	0	0	749917	2222493	98050
Furniture & Fixture	6733270	365516	0	7098786	6232036	64576	0	0	6296612	802174	501234
Computer Fix	1748015	290967	87007	1951975	1594097	192829	82657	0	1704270	247705	153918
EPBX System	67500	0	0	67500	64125	0	0	0	64125	3375	3375
Office Equipment	155698	14490	0	170188	85615	31165	0	0	116780	53408	70083
Fax machine	34000		0	34000	28563	1747	0		30310	3690	5437
Mobile /Software	13500	111425	0	124925	12825	0	0	0	12825	112100	675
Cycle Display	401900	0	0	401900	324683	37825	0		362509	39391	77217
Electric Fittings		980216		980216	0	0	0	0	0	980216	0
Internet Tower	28392	0	0	28392	9828	5102	0		14930	13462	18564
<b>TOTAL &gt;&gt;&gt;&gt;&gt;</b>	<b>86565711</b>	<b>4396905</b>	<b>87007</b>	<b>90875609</b>	<b>12093816</b>	<b>679542</b>	<b>82657</b>	<b>0</b>	<b>12690701</b>	<b>78184907</b>	<b>74471895</b>

**SHANTI EDUCATIONAL INITIATIVES LIMITED**

**NOTE - 11**

**FIXED-ASSETS**

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at April 1, 2015	Additions	Deductions/ Transfer	As at 31st March, 2016	As at April 1, 2015	For the year provided	Deductions/ adjustments	Retained Earnings	As at 31st March, 2016	As at 31st March, 2015	
<b>Intangible Assets</b>											
TRADEMARK	249000	0	0	249000	38347	50187	0	0	88534	160466	210653
Software Purchase	373824	480066	0	853890	336288	316980	0	0	653268	200622	37536
<b>Capital Work in Progress</b>											
Corporate House (Refer Note No. 11.4)	0	2498976	0	2498976	0	0	0	0	0	2498976	0
Bopal Bungalow (Refer Note No. 11.4)	0	5828823	0	5828823	0	0	0	0	0	5828823	0
Sardar Gram (Refer Note No. 11.5)	0	185464	0	185464	0	0	0	0	0	185464	0
<b>TOTAL &gt;&gt;&gt;&gt;&gt;</b>	<b>622824</b>	<b>8993329</b>	<b>0</b>	<b>9616153</b>	<b>374635</b>	<b>367167</b>	<b>0</b>	<b>0</b>	<b>741802</b>	<b>8874351</b>	<b>248189</b>
<b>G. TOTAL &gt;&gt;&gt;&gt;&gt;</b>	<b>87188535</b>	<b>13390233</b>	<b>87007</b>	<b>100491761</b>	<b>12468452</b>	<b>1046709</b>	<b>82657</b>	<b>0</b>	<b>13432503</b>	<b>87059258</b>	<b>74720083</b>
<b>PREVIOUS YEAR</b>	<b>71763170</b>	<b>15425365</b>	<b>0</b>	<b>87188535</b>	<b>10457912</b>	<b>921936</b>	<b>0</b>	<b>1088604</b>	<b>12468452</b>	<b>74730088</b>	<b>61305258</b>

Note 11.1 : Depreciation has not been provided for the assets which are acquired but not put to use.

Note 11.2 : Land at surat Rs. 19090890/- ( At Cost) given as additional collateral security for credit facility availed by others. (Refer Note No. 28.3(1))

Note 11.3 : Office at Mumbai mortgaged as security for credit facility availed by director and director's relatives. (Refer Note No.28.3(3))

Note 11.4 : The capital work in progress is carried out on lease hold land.

Note 11.5 : The capital work in progress on land the lease/ownership agreement yet not executed..

**NOTE 12**  
**Non Current Investments**

PARTICULARS	Amount in Rs.	
	Current Year 31.03.2016	Previous Year 31.03.2015
<b>Investment</b>		
<b>Long Term Investments Other than Trade</b>		
<b>INVESTMENT IN IMMOVABLE PROPERTY (AT COST)</b>		
Flat at Ashok Tower at Mumbai (Refer Note No.28.3(2))	31,302,269	29,302,269
Flat No. CTS 274 at Greenwoods Co Op. Hou. Soc. Ltd at Mumbai	4,104,673	4,104,673
Office at House No. D, 21st Century Business Centre at Surat	1,603,200	1,603,200
Land at Plot No. 22,23,24,25 at Narol	10,154,000	10,154,000
<b>QUOTED SHARES (At Cost)</b>		
34900(P.Y. 34900) Equity Shares of GSL Nova Petrochemicals Ltd.	283,396	283,396
47850 (P.Y. 47850) Equity Shares of CIL Nova Petrochemicals Ltd. PETROCHEMICALS LTD	283,396	283,396
<b>UNQUOTED SHARES (At Cost) Other</b>		
383828 (P.Y. 383828) Equity shares of Kautilya Traders Pvt.Ltd	3,838,280	3,838,280
960000(P.Y. 960000) Equity Shares of Navsarjan Proj. Pvt. Ltd	24,000,000	24,000,000
25000 (P.Y. 25000) Equity shares of Dindayal Processors Pvt Ltd	1,125,000	1,125,000
25000(P.Y. 25000) Equity Shares of Dindayal Processors Private Limited	250,000	250,000
5000(P.Y. 5000) Equity Shares of Quality Exim Private Limited	250,000	250,000
109100 (P.Y. 109100) Equity Shares of Vijay Shubham Contrade Private Limited	1,091,000	1,091,000
19500(P.Y. 19500) Equity Shares of Bhushan Petrofils Private Limited	195,000	195,000
25000(P.Y. 25000) Equity shares of Quality Exim Private Limited	1,250,000	1,250,000
<b>Total</b>	<b>79,730,213</b>	<b>77,730,213</b>
1. Aggregate value of Unquoted Investments	31,999,280	31,999,280
2. Market Value of Quoted Investment	1,112,669	1,882,305
3. Aggregate Value of Quoted Investment	566,791	566,791

**NOTE 13**  
**Deferred tax assets (Net)**

PARTICULARS	Amount in Rs.	
	Current Year 31.03.2016	Previous Year 31.03.2015
<b>Deferred Tax Liability</b> (Refer Note 36)	0	0
<b>Deffered tax assets</b> (Refer Note 36)	289616	279,741
<b>Total</b>	<b>289616</b>	<b>279,741</b>

**NOTE 14**  
**Long term loans and advances**

PARTICULARS	Amount in Rs.	
	Current Year 31.03.2016	Previous Year 31.03.2015
Advance for Capital Asset ( Refer Note No 14.1 and Note No. 28.2)	77,247,334	314,257,389
Advance for Capital Asset / Contract (Refer Note No. 28.4)	96,513,338	0
Loans and Advances to Related Party	0	0
Loans and Advances to Others	121,095,613	1,000,000
<b>Total</b>	<b>294,856,285</b>	<b>315,257,389</b>

Note 14.1 : The company has advanced money for acquisition /purchase of assets as per MOU executed and terms and condition as stated there in.

**NOTE 15  
Other non current assets**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
<b>Unsecured, considered good</b>		
Trade receivable - Others	3,082,720	7,879,018
Trade receivable - Related Parties	0	
Less: Provision for Doubtful	0	0
Other Deposits	2,409,720	44,500
<b>Total</b>	<b>5,492,440</b>	<b>7,923,518</b>

Note 15.1 : Balance confirmation not called for, are subject to confirmation and reconciliation, if any.

**NOTE 16  
Inventories**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
<b>(As taken valued &amp; Certified by the Management)</b>		
<b>Traded Goods</b>		
Franchisee Material (At Cost or Market value which ever lower)	10,921,195	8,311,716
<b>Total</b>	<b>10,921,195</b>	<b>8,311,716</b>

**NOTE 17  
Trade Receivables**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
Exceeding Six months due from Others	1,652,392	3,868,832
Exceeding Six months due from Related Party	0	0
Other Debtors	11,540,140	3,304,580
Debtors due from Related Party	0	
Less: Provision for Doubtful	0	0
<b>Total</b>	<b>13,192,532</b>	<b>7,173,412</b>

Note 17.1 : Balance confirmation not called for, are subject to confirmation and reconciliation, if any

**NOTE 18  
Cash and Cash Equivalents**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
Cash on Hand	244,305	101,669
Balances with Banks :		
In Current Account	5,452,941	4,973,268
<b>Total</b>	<b>5,697,246</b>	<b>5,074,937</b>

**NOTE 19  
Short term Loans and Advances**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
TDS Receivables	261,957	697,024
Advances to Suppliers - Considered Good	0	2,469,479
Advances & Deposits	2,483,546	2,828,683
Prepaid Exp & Advance	643,920	0
<b>Total</b>	<b>3,389,423</b>	<b>5,995,186</b>

**NOTE 19 A  
Other Current Assets**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
Rent due from Others	2,262,240	1,011,240
Rent due from Related Party	208,500	0
IPO Exp( To the extent of not written off / adjusted)	1,083,193	0
<b>Total</b>	<b>3553933</b>	<b>1011240</b>



**NOTE 25**

Payment to Employees		
PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
Salaries, Wages, Bonus & P.F. etc.	26,865,491	20,306,736
Contributions to provident funds	574,921	20,058
Gratuity A/c. (Refer Note No. 6 and 25.1)	(598,598)	1,511,780
Staff Welfare	247,136	199,315
<b>Total</b>	<b>27,088,950</b>	<b>22,037,889</b>

Note No 25.1 : During the period excess Gratuity Provision of earlier written back on the basis of approved actuarial valuation report

**NOTE 26**
**Financial Expenses**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
Bank Charges & Commission	22,016	21,516
<b>Total</b>	<b>22,016</b>	<b>21,516</b>

**NOTE 27**
**Other Expenses**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2016	31.03.2015
Lorry Freight / Job Work Exp	509,726	413,875
Electric charges	29,992	485,974
Rent Exp	1,528,010	855,700
Repair & Maintenance Exp.	206,167	152,956
Commission Expenses	0	21,676
Commission on Franchise Fee	1,896,867	0
Commission on Royalty Exp.	116,810	0
Inspection Charges	0	158,813
Interest on Statutory Payments	41,996	493,317
Website Subscription Exp.	25,000	0
<b>Administration &amp; Selling and Distribution Exp.</b>		
Rates & Taxes	0	107,336
Stationery & Printing	389,834	146,655
Audit Fees	166,750	34,200
Conveyance	400,676	465,724
Travelling Expenses	2,147,337	2,653,113
Insurance	4,338	4,317
Telephone & Internet	596,902	631,442
Transportation	21,587	21,090
Miscellaneous Expenses	218,092	120,966
Referral Charges	0	8,700
Consultancy / Professional Fees	145,230	460,242
Legal Expenses	206,333	32,871
Postage	97,041	90,673
Pantry & canteen exp	616,373	481,842
Franking charges	48,215	20,200
Office exp	468,949	127,217
Prior Period	25,519	27,575
Cycle Exp / Job Consultancy Exp.	411,923	406,890
Vat Exp.	51,975	51,197
Donation	130,000	0
Computer exp	58,853	45,375
Professional Tax	2,400	0
Training exp	88,440	156,703
ROC Filing Fees	56,700	0
Web development exp	55,880	95,611
Advertisement & Sales Promotion	11,224,768	7,537,615
Sundry Debit Balance written off	2,420,806	0
Service Tax Input (0.5%) SBC exp	6,984	0
Sitting Fees	36,000	0
<b>Total</b>	<b>24,452,473</b>	<b>16,309,865</b>
<b>Payments to the Auditor's</b>		
(i) Payments to the auditors comprises		
As auditors statutory audit	23,000	22,800
Income Tax	11,500	11,400
In Respect of IPO Certification etc.	132,250	0
<b>Total</b>	<b>166,750</b>	<b>34,200</b>

**Note : 28 Contingent Liabilities and Commitments**

1. Not provided for in the Accounts in respect of Corporate Guarantees given  
(Rs. In Crores)

Particulars	31 <sup>st</sup> March 2016	31 <sup>st</sup> March 2015
In respect of Corporate Guarantees	83.19	83.19

2. The estimated amount of contract remaining to be executed on capital account is not ascertainable in view of terms and conditions of MOU. (Refer Note No. 14.1)
3. The company has given its property as additional collateral/ mortgaged security to financial institution credit facilities availed stated as below,

Sr. No.	Property	At Cost (Rs.)	In favor of	Facility Rs.(inCrore)
1	Land at Surat (Refer Note No.11.2)	19090890	Milestone Educom Trust	9.55
2	Flats at Ashok Tower (Refer Note No. 12)	29302269	Shanti Shirting Pvt. Ltd. & Dwarka Knitting Pvt. Ltd.	66.14
3	Office at Mumbai	14248269	Director and Relative of Director	7.50

4. The estimated amount of capital contract remaining to be executed on capital account and not provided for Rs. 146587766/ (P.Y. Nil) against which advance have been paid Rs. 98537245/ (P.Y. Nil)

Note :29 Provision for income tax aggregating Rs.12500000/ (P.Y.Rs.2900000/ ) has been made on estimated basis for the accounting for the year ended on 31.03.2016. The actual tax liabilities of the company will be determined on the basis of taxable income of the company for F.Y 2015 16. (Asst. Year 2016 17).

Note: 30 **Expenses includes following payments to Directors**

Employment cost include managerial remuneration paid / payable during the year in accordance with the provisions Companies Act, 2013.

<b><u>Remuneration to Directors:</u></b>	2015 16	2014 15
Managerial Remuneration	360000	NIL
Contribution to Provident Fund	<u>NIL</u>	<u>NIL</u>
	360000	NIL
	=====	=====

Note: 31 **Earning per share**

Particular	2015 16	2014 15
(a) Net Profit after tax available for Equity share Holders	26775431	5818882
(b) Weighted Avg. No. of shares used as denominator For Calculation of Basic EPS on shares of Rs. 10 each.(P.Y. per share value @ Rs. 10/ )	14324110	14000000
Basic/Diluted Earning per shares (a/b)	1.87	0.42

Note: 32 Related Party

The Company has identified the following related parties under Accounting standard – 18 on related parties, issued by the institute of chartered accountants of India.

a) Other related parties with whom transaction have taken place during the year Associates /Enterprise which has significant influence

- i. CHIRIPAL INDUSTRIES LTD
- ii. NANDAN DENIM LTD
- iii. NAVSARJAN PROJECTS LTD
- iv. SHANTI EXPORTS PVT. LTD
- v. SHANTI INNOVATION & RESEARCH FOUNDATION
- vi. VRUNDAVAN FURNISHING PVT. LTD.
- vii. VISHAL FABRICS LIMITED
- viii. CHIRIPAL POLY FILMS LIMITED
- ix. TRIPOLI MANAGEMENT PVT. LTD.

b) Key management personnel

- i. JAIPRAKASH D. CHIRIPAL
- ii. VINEETA V. CHIRIPAL
- iii. JAYESH PATEL (W.E.F. 01.07.2015)
- iv. DIMPLE PADHIAR (W.E.F. 06.07.2015)
- v. SURUCHI SANCHIT SARAF (W.E.F. 03.08.2015)
- vi. CHITRANJAN AJAIB SINGH (W.E.F. 14.09.2015)

c) Relatives of Key Managerial Personnel

- i. BRIJMOHAN D. CHIRIPAL
- ii. VEDPRAKASH D. CHIRIPAL
- iii. JYOTIPRASAD D. CHIRIPAL

d) The Related Party Transactions are under:

Particulars	Associate Companies		Key Managerial Personnel		Relatives of Key Managerial Personnel	
	2015 16	2014 15	2015 16	2014 15	2015 16	2014 15
<b>LOAN TAKEN</b>						
Vishal Fabrics Ltd	41400000	20072500				
Chiripal Polyfilms Ltd.	4832253					
Vrindavan Furnishing Pvt. Ltd	13042000	157022000				
Chiripal Industries Limited	0	25000000				
Tripoli Management Pvt Ltd	25050000					



Particulars	Associate Companies		Key Managerial Personnel		Relatives of Key Managerial Personnel	
	2015 16	2014 15	2015 16	2014 15	2015 16	2014 15
<b>ADVANCE AGAINST PURCHASE OF PROPERTY</b>						
Shanti Exports Pvt Ltd	50000000					
Jaiprakash D. Chiripal			43395840			
<b>Rent &amp; Maintenance Exp.</b>						
Shanti Exports Pvt Ltd	120000	668445				
Jaiprakash D. Chiripal			45000			
Brijmohan Chiripal					90000	
Vedprakash D. Chiripal					135000	
Jyotiprasad D. Chiripal					45000	
<b>Directors Sitting Fees</b>						
Suruchi Sanchit Saraf			18,000			
Chitranjan Ajaib Singh			18,000			
<b>Rent &amp; Maintenance Income</b>						
Chiripal Industries Ltd.	989849	520679				
Chiripal Poly films Ltd	500000					
Nanan Denim Limited	740,000	240,000				
Shanti Innovation & Research Foundation	200,000	200,000				
Vishal Fabrics Pvt. Ltd.	900,000					
<b>Interest Income</b>						
Navsarjan Projects Pvt Ltd	414,302					
Shanti Innovation & Research Foundation	718,407					
<b>Remuneration</b>						
Vineeta Chiripal			360000			
Jayesh Patel			432000			
Dimple Padhiar			187075			
<b>OUTSTANDING BALANCES :</b>						
<b>Advance for Capital Asset</b>						
Navsarjan Projects Pvt. Ltd.	372871	4500000				
Shanti Innovation Research Foundation	6704855	6997289				
Shanti Exports Pvt Ltd	50000000					
Jaiprakash D. Chiripal			43395840			

Particulars	Associate Companies		Key Managerial Personnel		Relatives of Key Managerial Personnel	
	2015 16	2014 15	2015 16	2014 15	2015 16	2014 15
<b>Trade Payables</b>						
Shanti Exports Pvt Ltd.		685577				
<b>Loan Taken</b>						
Vishal Fabrics Ltd	3500000	34572500				
Vrindavan Furnishing Private Ltd		86446841				
Tripoli Management Pvt Ltd	8510994					
Chiripal Industries Limited		25000000				
<b>Debtors for Rent</b>						
Shanti Innovation & Research Foundation	208500					
Chiripal Industries Ltd.		485376				
Nanan Denim Limited		105580				
<b>Advance Rent Paid</b>						
Jaiprakash D. Chiripal			45000			
Brijmohan Chiripal					180000	
Vedprakash Chiripal					315000	
Jyotiprasad Chiripal					45000	

**NOTE : 33 Exceptional Item**

Particular	2015 2016	2014 2015
a. Profit / (Loss) on sale of Assets	4408	Nil
<b>Total</b>	<b>4408</b>	<b>Nil</b>

**Note: 34 Deferred Taxes**

In accordance with the Accounting Standard 22 "Accounting for Taxes on Income issued by the ICAI, the company has accounted for deferred taxes during the year.

Following are the major components of Deferred Tax Asset/(Liabilities) :

Component	Opening Balance as on 01/04/2015	Current year Amount of DTA/(DTL)	Closing balance of DTA/(DTL) as on 31/03/2016
Account of Depreciation	361784	(67030)	294754
Account of Gratuity	(467140)	57155	(409985)
Account of Disallowance u/s. 40(a)(ia)	115510	NIL	115510
Account of Bonus	269587	NIL	269587
<b>Total</b>	<b>279741</b>	<b>(9875)</b>	<b>269866</b>

Tax Impact for the above purpose has been arrived by applying a tax rate of 30.90% being the rate prevailing for the Indian Companies under the Income Tax Act, 1961

**Note: 35 Impairment of assets**

The company has not recognized any loss on impairment in respect of assets of the Company as is required in terms of Accounting Standard 28 on Impairment of Assets issued by The Institute of Chartered Accountants of India, since in the opinion of the management the reduction in value of any assets, to the extent required, has already been provided for in the books.

**Note: 36 Value of Imported/Indigenous Stores Spares and Components Consumed**

Class of Goods	2015 16		2014 15	
		Value		Value
A) Indigenous Goods		NIL		NIL
B) Imported Goods		NIL		NIL

(Quantity details are not available as there are different types of units)

**Note: 37 Earning / Expenditure in Foreign Currency**
**2015 16**                      **2014 15**

A. Expenditure in foreign currency during the Financial year on account of royalty, know how, Professional consultation fees, interest and Other matters	NIL	NIL
a) Foreign Bank Charge & Commission	NIL	NIL
b) Foreign Traveling	NIL	NIL
c) Advertisement	NIL	NIL
B. Value of Imports on C.I.F. basis in respect of Import Purchase	NIL	3020002
Advance payment for purchase of goods	NIL	NIL
C. Remittances of Foreign currency on account of dividend	NIL	NIL
D. Value of Imported Raw material consumed	NIL	NIL
E. Income/(Expense) in Foreign currency during the financial year on account of Purchase.	NIL	7805

**Note : 38 Lease**

Operating lease : Rental is expensed with reference to lease terms and other considerations.

Notes:

1. The company has taken on lease office situated at 602 to 606 Mondeal Square, Prahladnagar, S.G. Highway, Ahmedabad. The total Lease rent paid on the same amounting to Rs. 188340/ p.m. w.e.f. 1.11.2015.

2. The company has taken on lease land situated at Survey No. 256/P, Makraba, Ahmedabad. The total lease rent paid on the same amounting to Rs. 30000/ p.m. w.e.f. 01.10.2015

3. The company has taken on lease land situated at Survey No. 697 Makarba, Ahmedabad. The total lease rent paid on the same amounting to Rs. 30000/ p.m. w.e.f. 01.01.2016

4. The company has taken on lease land situated at Survey No. 698 Makarba, Ahmedabad. The total lease rent paid on the same amounting to Rs. 30000/ p.m. w.e.f. 01.01.2016

The minimum lease rentals payable in respect thereof are as follows,

Not later than one year Rs. 3340080/

Later than one year and not later than five years Rs. 3340080/

Later than five years Rs.9920160/  
 (Yearly escalation not considered)

**Note : 39** During the year company has raised money by way of Preferential allotment of shares, including premium as stated below, amounting to Rs.11.70 Crore, the company has complied the provision of section 42 for the Preferential Allotment. Further, the Company has passed necessary resolution authorizing the board to utilize the money for the object for which preferential allotment was made at the end of the year Rs.2.36crores remains unutilized as stated below,

Sr.No.	Particulars	Amount	Remarks
<b>A.</b>	Fund raised by way of preferential allotment	11,70,00,000	Equity Shares @ Rs. 90/ (Incl. premium @Rs. 80)
<b>B.</b>	<b>Fund Utilised</b>		
1	Advance payment made to Shanti Exports Pvt. Ltd.	5,00,00,000	Payment made for acquisition of land for construction of school building in terms agreement to purchase executed
2	Advance payment made to Jaiprakash D. Chiripal	4,33,95,840	Payment made for acquiring superstructure for the purpose of students education activities and to increase the brand recognition and to expand the geographical reach, enter the large domestic market and growth opportunity etc. in terms agreement to purchase executed
<b>C.</b>	<b>Unutilised Fund</b>	2,36,04,160	Unutilized balance has been temporarily deposited with an NBFC and will be utilized appropriately, as and when required

**Note : 40 Others**

- The Previous year figures have been regrouped/rearranged to make them comparable with the current period's figures with previous year's figures.
- In the opinion of the Board, all the current assets, Loans and advances have a value on the realization in the ordinary course of the business at least equal to the amount at which they are stated.
- Balances of sundry debtors, sundry creditors and loans and advances etc., are subject to confirmation and reconciliation, and consequential adjustment, if any.

Signature to Notes 1 to 40  
 As per our report and even date annexed.  
**For, M/S. ANIL S. SHAH & CO.**  
**CHARTERED ACCOUNTANTS**  
**(Firm Reg. No. 100474W)**

**For, SHANTI EDUCATIONAL INITIATIVES LTD.**

Anil S. Shah  
 Partner  
 M.No. : 016613

JAIPRAKASH D. CHIRIPAL  
 Director  
 DIN : 00155430

VINEETA V. CHIRIPAL  
 Managing Director  
 DIN : 00155462

JAYESH PATEL  
 (Chief Financial Officer)

DIMPLE PADHIAR  
 (Company Secretary)

Place: Ahmedabad  
 Date : 23.07.2016

Place: Ahmedabad  
 Date : 23.07.2016

**SHANTI EDUCATIONAL INITIATIVES LIMITED**  
 Regd. Office: 283, New Cloth Market, Ahmedabad – 380002  
 Corporate Office: Shanti Educational Initiatives Limited, Mondeal Square, A Wing, 6<sup>th</sup> Floor,  
 Prahladnagar, Ahmedabad 380015  
 Contact No. : 079 22162006; Fax 079 – 26768656  
 Email: [info@seil.edu.in](mailto:info@seil.edu.in) ; Website: [www.sei.edu.in](http://www.sei.edu.in)

**ATTENDANCE SLIP**

(To be presented at the entrance)

28th Annual General Meeting of the Company held on Friday, 30th Day of September, 2016 at 11:00 A.M., at  
 “Chiripal House”, Near Shivranjani Cross Roads, Satellite, Ahmedabad 380015

Folio No. \_\_\_\_\_ DP ID No. \_\_\_\_\_ Client ID  
 No. \_\_\_\_\_

Name of the Member \_\_\_\_\_  
 Signature \_\_\_\_\_

Name of the Proxyholder \_\_\_\_\_  
 Signature \_\_\_\_\_

1. Only Member/Proxy holder can attend the Meeting
2. Member/Proxy holder should bring his/her copy of the Annual Report for reference at the Meeting.

**NOTE: NO GIFTS/ GIFT COUPONS/REFRESHMENT COUPONS WILL BE DISTRIBUTED AT THE MEETING**

**SHANTI EDUCATIONAL INITIATIVES LIMITED**  
**PROXY FORM**

Form No. MGT 11

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014

Name of the Member(s) :  
 Registered Address :  
 E mail Id :

Folio No. / Client ID No. : \_\_\_\_\_ DP ID  
 No. \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ Shares of Shanti Educational Initiative Limited, hereby appoint

1. Name: \_\_\_\_\_ E mail Id: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Signature: \_\_\_\_\_ or failing him \_\_\_\_\_

2. Name: \_\_\_\_\_ E mail Id: \_\_\_\_\_  
 Address: \_\_\_\_\_  
 Signature: \_\_\_\_\_ or failing him \_\_\_\_\_

3. Name: \_\_\_\_\_ E mail Id: \_\_\_\_\_  
Address: \_\_\_\_\_  
Signature: \_\_\_\_\_ or failing him \_\_\_\_\_

As my/our proxy to attend and vote (on a poll) for me/us and my/our behalf at the 28th Annual General Meeting of the Company held on Friday, 30th Day of September, 2016 at 11:00 A.M., at Chirpal House, Nr. Shivranjani Cross Roads, Satellite, Ahmedabad 380015 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of audited financial statements for the financial year ended 31st March, 2016 (**ordinary resolution**).
2. To appoint a Director in place of Mr. Jaiprakash D. Chirpal, who retires by rotation and being eligible, offers himself for re appointment (**ordinary resolution**).
3. Ratification of M/s Anil S. Shah & Co., Chartered Accountants, as Statutory Auditors of the Company and fixing their remuneration (**ordinary resolution**).
4. Appointment of Mr. Chitranjan Singh (DIN: 07300731), as an Independent Director of the Company (**ordinary resolution**).
5. Contribution to Bonafide and Charitable Funds (**ordinary resolution**).

Affix  
Revenue  
Stamp

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2016

Signature of shareholder \_\_\_\_\_

Signature of Proxy holder(s) \_\_\_\_\_

**NOTES:**

1. This Form in order to be effective should be duly completed and deposited at the Registered Office of the Company at , 283, New Cloth Market, Ahmedabad – 380 002 or Corporate Office of the Company at Shanti Educational Initiatives Limited, Mondeal Square, A Wing, 6<sup>th</sup> Floor, Prahladnagar, Ahmedabad 380015, not less than 48 hours before the commencement of the Meeting.
2. Those Members who have multiple folios with different joint holders may use copies of this Attendance Slip/Proxy.
3. Appointing a Proxy does not prevent a member from attending the meeting in person if he so wishes.

**SHANTI EDUCATIONAL INITIATIVES LIMITED**

**ROUTE MAP TO THE VENUE OF 28<sup>TH</sup> ANNUAL GENERAL MEETING (“AGM”)**

**CHIRIPAL HOUSE, SHIVRANJANI CROSS ROADS, SATELLITE, AHMEDABAD 380015**

