

**29<sup>th</sup>**  
**Annual Report**  
**16-17**



**SHANTI EDUCATIONAL**  
**INITIATIVES LIMITED**

## CORPORATE INFORMATION



### BOARD OF DIRECTORS

VINEETA VISHAL CHIRIPAL	- Managing Director (DIN: 00155462) Date of resignation:20.04.2017
DARSHAN VAYEDA	- Whole-Time Director (DIN: 07788073) Date of Appointment: 20.04.2017
JAIPRAKASH DEVKINANDAN CHIRIPAL	- Director (DIN: 00155430)
SURUCHI SANCHIT SARAF	- Independent Director (DIN: 07259779)
CHITRANJAN SINGH	- Independent Director (DIN: 07300731)
VINEETA VISHAL CHIRIPAL	- Chief Executive Officer Date of Appointment:01.06.2017
<b><u>CHIEF FINANCIAL OFFICER</u></b>	- Jayeshbhai Ramanbhai Patel

**COMPANY SECRETARY/ COMPLIANCE OFFICER** - Dimple Rajendrasinh Padhiar (dimple@sei.edu.in)

**CIN:** - L80101GJ1988PLC010691

**Website Address** : www.sei.edu.in

**REGISTERED OFFICE ADDRESS:** 283, New Cloth Market, Ahmedabad -380002, Gujarat, Cont.:079-22162006

**CORPORATE OFFICE ADDRESS:** Mondeal Square, A Wing, 6<sup>th</sup> Floor, Prahladnagar, Ahmedabad – 380015

**REGISTRAR & TRANSFER AGENT:** LINK INTIME INDIA PRIVATE LIMITED.,5<sup>th</sup> Floor, 506 to 508, Amarnath Business Center-1, Beside Gala Business Centre, Nr.St. Xavier’s College, Off. C.G. Road, Ahmedabad - 380009 (**Telephone No.:** 079-26465179,**Fax-** 079 – 26465179,**Email:** ahmedabad@linkintime.co.in )

**STATUTORY AUDITORS** : M/S ANIL S. SHAH & CO., Chartered Accountants,302,Shaily Complex, opp. Loha bhavan,Old High Court road, Navrangpura, Ahmedabad - 380009 (Email:[anilsshahco@yahoo.com](mailto:anilsshahco@yahoo.com) [kprofessionals@yahoo.com](mailto:kprofessionals@yahoo.com))

**BANKERS:**State Bank of India, Kalupur Commercial Co-operative Bank, Axis Bank Ltd., IDBI Bank Ltd., Laxmi Vilas Bank.

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**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 29<sup>th</sup> Annual General Meeting of the Members of the Company will be held on Wednesday, 27<sup>th</sup> day of September, 2017 at 3.00 P.M. at Chiripal House, Nr. Shivranjani Cross Roads, 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, 2017 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, 141, 142 and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and on recommendation of Audit Committee M/s Anil S. Shah & Co., Chartered Accountants(Firm: Registration No.:100474W), who have offered themselves for re-appointment and have confirmed their eligibility to be appointed as Statutory Auditors, in terms of provisions of Section 141 of the Act, and Rules made thereunder be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as may be agreed between Board of Directors and the M/s Anil S. Shah & Co., Chartered Accountants, plus applicable tax and reimbursement of out of pocket expenses incurred by them in connection with the audit of the accounts of the Company.”

### **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 section 152, 161 and read with other applicable provisions of the Companies Act, 2013, if any, and read with Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or reenactment thereof for the time being in force), Mr. Darshan Vayeda(DIN: 07788073) was appointed as an Additional Whole- time Director by the Board of Directors at their meeting, with effect from 20<sup>th</sup> April, 2017 with such remuneration as mentioned in explanatory statement including the remuneration to be paid in the event of inadequacy of profits in any Financial Year with the authority to the Board of Directors of the Company to alter and vary the terms and conditions of the said reappointment in such manner as may be agreed to between the Board of Directors and Mr. Darshan Vayeda pursuant to the provisions of Section 161 of the Companies Act, 2013

and the Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and being eligible, has offered himself for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as Director of the Company and shall be liable to retire by rotation.

**“RESOLVED FURTHER THAT** Board of Directors of the Company be and are hereby authorized as to do all such acts, deeds and things incidental thereto to give effect to the aforesaid resolution.”

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: 24.08.2017**  
**Place: Ahmedabad**

**By order of the Board of Directors**  
**Dimple Padhiar**  
**Company Secretary**

**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 2016-17 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(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 2016-17 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,**  
5<sup>th</sup> Floor, 506 to 508, Amarnath Business Centre-1,  
Beside Gala Business Centre, Nr. St. Xavier's College Corner,  
Off C.G. Road, Ellisebridge  
Ahmedabad – 380006
6. The Register of Members and Share Transfer Books of the Company will remain closed from 26<sup>th</sup> September, 2017 to 27<sup>th</sup> September, 2017 (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 Company had at the meeting of Board of Directors of the Company held on 20th April, 2017, appointed Mr. Darshan Vayeda (DIN: 07788073) as an Additional Whole-time Director and holds the office up to ensuing Annual General Meeting in terms of Section 152, 161, 196, 197, 198 and 203 and Schedule V of the Companies Act, 2013 (the Act), Rules made thereunder (including any amendment(s) and modification(s) thereto) and Articles of Association of the company. Pursuant to Section 160 of the Act, the Company has received a notice in writing from a Member along with the deposit of requisite amount under section 160 of the Companies Act, 2013 signifying its intention to propose Mr. Darshan Vayeda as candidate for the office of Director of the company. Mr. Darshan Vayeda is not disqualified from being appointed as Director in terms of section 164 (2) of the Companies Act, 2013. The brief profile of Mr. Darshan Vayeda, the nature of his expertise, the names of companies in which he holds

directorships / memberships of Committees of Board, as required to be given pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to explanatory statement. Mr. Darshan Vayeda is interested in the resolution set out at Item No. 5 of the Notice with regards to his appointment. The relatives of Mr. Darshan Vayeda is deemed to be interested in the resolution set out at Item No. 5 of the Notice, to the extent of their shareholding interest, if any, in the Company. Further, Basic Salary, Perquisites and other allowance/benefits up to maximum CTC of ` 14.40 Lakhs per annum or such higher amount as may be decided by the Board of Directors of the Company from time to time and in conformity of the all the applicable provisions.

Save and except the above, none of the other Directors/Key Managerial Personnel of the company and their relatives is, in any way, concerned or interested, financially or otherwise, in these resolutions. The Board recommends the resolution at Item No.4 for your approval.

**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: 24.08.2017**  
**Place: Ahmedabad**

**By order of the Board of Directors**  
**Dimple Padhiar**  
**Company Secretary**

### 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. Having an experience of around 26 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. Darshan Vayeda	10/01/1984	He is post graduate in Management from Gujarat University. He has 10+ years of experience in academic industry. He has worked with multinational companies like A C Nielsen globally renowned market research company, TATA Croma, Electronics Retail chain and Vodafone. During this tenure he has experience of different industries from Market Research to Retail to Telecom to Entrepreneurship and in Education. Finally he has found his calling in education. He has been 3 times finalist at AMA's best speakers award function and was also one of the finalists in Economic Times Young Leader competition in 2010. He is also passionate trainer and have conducted 300+ seminar at different platform on motivation, leadership, exam preparation to effectiveness.	<p><b>Other Directorship:</b> NIL</p> <p><b>Committee positions held in Shanti Educational Initiatives Limited:</b></p> <ul style="list-style-type: none"> <li>➤ Member – Audit Committee</li> <li>➤ Member – Stakeholders Relationship Committees</li> </ul>

## **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, 2017.

### **FINANCIAL RESULTS:**

<b>FINANCIAL RESULTS</b>	<b>Current Year ended on 31<sup>st</sup> March, 2017 Amount</b>	<b>Previous Year ended on 31<sup>st</sup> March, 2016 Amount</b>
Income	96122604	116347105
Expense	84040606	75862455
Profit before depreciation	37289037	40484650
Less – depreciation	3353597	1046709
<b>Profit after depreciation</b>	<b>33935440</b>	<b>39442349</b>
Less - Current Tax	12500000	12500000
Less – Deferred Tax	18621	9875
<b>Profit after taxation</b>	<b>20282647</b>	<b>26775431</b>
Depreciation of earlier years	0	0
Balance of profit / (loss) brought forward	0	0
<b>Balance Carried To Balance Sheet</b>	<b>20282647</b>	<b>26775431</b>

### **FINANCIAL REVIEW:**

Your Company's total income for the year 2016-17 is Rs. 96122604 compared to last year's income of Rs. 116347105. The Profit Before Tax (after depreciation) during the year under review was Rs.33935440 as compared to previous year's figure of Rs.39442349. Your Company has earned Net Profit of Rs. 20282647 against the Net Profit of Rs. 26775431 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, 2017.

### **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, 2017.

### **EXTRACT OF ANNUAL RETURN:**

The extract of Annual Return as on March 31, 2017 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, (DIN: 00155430) 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 (DIN:00155462) resigned as Managing Director of the Company with effect from 20<sup>th</sup> April, 2017. The Board places on record her appreciation and gratitude for her guidance and valuable contribution during her association with the Company and was appointed as Chief Executive Officer of the Company w.e.f. 01<sup>st</sup> June, 2017.

Mr. Darshan Vayeda (DIN: 07788073), was appointed as Whole Time Director of the Company w.e.f 20<sup>th</sup> April, 2017.

**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, 2017.

**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:**

The Board meets once in every quarter to review the quarterly financial results and other items of the agenda and if necessary, additional meetings are held as and when required. The intervening gap between the meetings was within the period prescribed under SEBI (LODR) Regulations, 2015 & Companies Act, 2013. 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. During the year under review, 7 (Seven) Board Meetings were held on 02<sup>nd</sup> May, 2016, 24<sup>th</sup> May, 2016, 09<sup>th</sup> June, 2016, 10<sup>th</sup> June, 2016, 23<sup>rd</sup> July, 2016, 14<sup>th</sup> November, 2016 and 09<sup>th</sup> March, 2017.

**BOARD COMMITTEES**

The Board has following three Committees:

- Audit Committee;
- Nomination & Remuneration Committee;
- Stakeholders' Relationship Committee;

**(A)AUDIT COMMITTEE****• Audit Committee Composition:**

The composition and terms of reference of the Audit Committee is in compliance with Section 177 of the Companies Act, 2013 and with Regulation 18 of the Listing Regulations, 2015. The Audit Committee of the Company comprises of 3 members out of which 2 members are Non-Executive-Independent Directors. Mr. Chitranjan Singh, an Independent Director, acts as Chairman of the Committee. The Committee members have requisite knowledge in the fields of Finance, Accounts and Company Law. The Audit Committee met 4 times during the year. The representatives of Internal and Statutory Auditors are invitees to Audit Committee meetings and the Company Secretary acts as the Secretary of the Audit Committee.

- **Constitution of the Audit Committee is as under:**

Sr. No.	Name of the Member	Designation
1.	Mr. Chitranjan Singh	Chairman Independent, Non-Executive
2.	Mrs. Suruchi Saraf	Member Independent, Non-Executive
3.	Mrs. Vineeta Chiripal	Member Managing Director, Executive

- The scope of activities of Audit Committee broadly include to review reports of the Internal Auditors and to discuss the same with them periodically, to meet Statutory Auditors to discuss their findings / suggestions, to review weaknesses in internal controls reported by Internal and Statutory Auditors, to review financial reporting systems and internal control systems, to review quarterly / half yearly / annual financial results and other matters.

- **Terms of Reference of the Audit Committee *inter alia* include the following:**

The recommendation for appointment, remuneration and terms of appointment of auditors of the company;

(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.

#### **(B) NOMINATION AND REMUNERATION COMMITTEE**

- **Nomination and Remuneration Committee Composition:**

The composition and terms of reference of the Committee is in compliance with the Section 178 of the Companies Act, 2013 and with Regulation 19 of the Listing Regulations, 2015. The Committee consists of 3 Directors all of whom are Non-Executive Independent Directors. The Chairman of the Committee is an Independent Director.

**Constitution of the Nomination and Remuneration Committee is as under:**

<b>Sr. No.</b>	<b>Name of the Member</b>	<b>Designation</b>
1.	Mrs. Suruchi Saraf	Chairman/ Independent, Non-Executive
2.	Mr. Chitranjan Singh	Member/Independent, Non-Executive
3.	Mr. Jaiprakash Chiripal	Member/Independent, Non-Executive

- **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 Regulation 19 of the Listing Regulations, 2015.

#### **NOMINATION & REMUNERATION POLICY**

The Company has adopted this policy on appointment and remuneration of directors, Key Managerial personnel, and senior management as required by the Section 178 of the Companies Act, 2013. The purpose of this policy is to establish the process for:

- (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:**

a. 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.

b. 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.

**Details of Remuneration paid to the Directors during the Financial Year 2016-17 is as follows:**

(Rs. in lacs)

Sr. No.	Name of Directors	Salaries and Perquisites (Rs)	Sitting Fees (Rs)	Commission (Rs)	No. of Shares held
1.	Mr. Jaiprakash Chiripal*	-	-	-	700000
2.	Mrs Vineeta Chiripal	6.57	-	-	480000
3.	Mr. Chitranjan Singh	-	0.12	-	-
4.	Mrs. Suruchi Saraf	-	0.18	-	-

\*Non-executive Director

**( C ) STAKEHOLDERS' RELATIONSHIP COMMITTEE**

The composition and terms of reference of the Committee is in compliance with the Section 178 of the Companies Act, 2013 and with Regulation 20 of the Listing Regulations, 2015. The Committee consists of 3 Directors out of which 2 are Non-Executive Independent Directors. The Chairman of the Committee is an Independent Director. During the year under review, the Committee met 4 (Four) times. The Stakeholders Relationship Committee inter-alia deals with all matters relating to Stakeholders/Investors Grievance and its redressal and others as specified in the Listing Regulations, 2015. During the year ended 31<sup>st</sup> March, 2017, no Shareholders' Complaints were received by the Company. For effective and efficient grievance management, the Company has dedicated email id: [dimple@sei.edu.in](mailto:dimple@sei.edu.in) to resolve the grievances of the investors.

**Constitution of the Stakeholders' Relationship Committee is as under:**

<b>Sr. No.</b>	<b>Name of the Member</b>	<b>Designation</b>
1.	Mr. Chitranjan Singh	Chairman/ Independent, Non-Executive
2.	Mrs. Suruchi Saraf	Member/Independent, Non-Executive
3.	Mrs. Vineeta Chiripal	Member/Managing Director - Executive

**MEETING OF INDEPENDENT DIRECTORS**

During the year under review, the Independent Directors met on 09<sup>th</sup> March, 2017 inter alia, to discuss:

- ✓ Review of the performance of Non-independent Directors and the Board of Directors as a whole.
- ✓ Review of the performance of the Chairman of the Company, taking into account the views of the Executive and Non-executive directors.
- ✓ Assess the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All Independent Directors were present at the meeting.

**1. DECLARATION FROM INDEPENDENT DIRECTORS**

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 and as per the Listing Regulations, 2015.

**2. 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. The Company did not have any pecuniary relationship or transactions with Non-Executive Directors during the year ended 31<sup>st</sup> March, 2017 except for payment of sitting fees.

**3. FORMAL ANNUAL EVALUATION**

Pursuant to the provisions of the Companies Act, 2013, the Nomination and Remuneration Committee has laid down the criteria for evaluation of the performance of individual Directors and the Board as a whole. Based on the criteria the exercise of evaluation was carried out through a structured process covering various aspects of the Board functioning such as composition of the Board and committees, experience & expertise, performance of specific duties & obligations, attendance, contribution at meetings, etc. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Director. The performance of the Independent Directors was carried out by the entire Board (excluding the Director being evaluated). The Directors expressed their satisfaction with the evaluation process.

**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, 2017 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, hold office till the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

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.

**INTERNAL AUDITOR:**

In accordance with the provisions of Section 138 of the act and rules made thereunder, the Board of Directors of the Company have appointed M/s. A. O. Agarwal & Co. Chartered Accountants, (FRN: 119827W) as an Internal Auditor to conduct the Internal Audit of the Company for the F.Y. 2016-17.

**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 – III' 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.

**PUBLIC DEPOSITS**

Your company has not accepted any Deposits from the public during the year under review.

**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:**

As per Regulation 15(2) of the Listing Regulation, the compliance with the Corporate Governance provisions shall not apply in respect of the following class of companies:

- a. Listed Entity having paid up equity share capital not exceeding Rs.10 crore and Net Worth not exceeding Rs.25 crore, as on the last day of the previous financial year;
- b. Listed Entity which has listed its specified securities on the SME Exchange.

Since, our Company falls in the ambit of aforesaid exemption (b); hence compliance with the provisions of Corporate Governance shall not apply to the Company and it also does not form part of the Annual Report for the Financial Year 2016-17.

**SECRETARIAL AUDITORS AND THEIR REPORT:**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made thereunder, the Company had appointed M/s. Geeta Serwani & Associates, Practicing Company Secretaries as Secretarial Auditor of the Company to undertake the Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for financial year 2016-17 issued by M/s. Geeta Serwani & Associates, Practicing Company Secretaries has been appended as Annexure II to this Report. There were no qualifications or adverse remarks in their Report.

**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 – IV' 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

**PREVENTION OF INSIDER TRADING**

Pursuant to the provisions of the regulations, the Board has formulated and implemented a Code of Conduct to regulate, monitor and report trading by its employees and other connected persons and Code of Practices and Procedures for fair disclosure of Unpublished Price Sensitive Information. The same is available on the Company's website [www.sei.edu.in](http://www.sei.edu.in)

**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.

**CHANGE IN SHARE CAPITAL:**

During the year under review, there was no change in the authorized capital of the Company. Authorised capital of the Company as on 31<sup>st</sup> March, 2017, WAS Rs.30,00,00,000 (Rupees Thirty Crores Only).

The paid up Equity Share Capital of your Company was Rs. 161000000 (Rupees Sixteen Crores Ten Lakhs Only). During the year under review the Company has allotted 800,000 (Eight Lakhs) fresh equity shares by way of Initial Public Issue on 10<sup>th</sup> June, 2016 and the shares got listed on BSE SME Platform & trading approval from exchange was received on 14<sup>th</sup> June, 2016.

**INSURANCE:**

All assets of the company including inventories, building, plant and machineries are adequately insured.

**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 2016-17 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: 24.08.2017**  
**Place: Ahmedabad**

**By order of the Board of Directors**  
**Darshan Vayeda**  
**Chairman**  
**DIN: 07788073**

**ANNEXURE – I**  
**EXTRACT OF ANNUAL RETURN AS ON 31<sup>ST</sup> MARCH, 2017**  
**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 01.04.2016)				No. of Shares held at the end of the year (as on 31.03.2017)				% 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	10000000	900000	10900000	71.24	8400000	0	8400000	52.17	(19.07)
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	0	0	0	0	0	0	0	-
e) Banks / FI	0	0	0	0	0	0	0	0	-
f) Any Other	3092500	0	3092500	20.21	1992500	0	1992500	12.38	(7.83)
<b>Sub-total(A)(1):-</b>	<b>13092500</b>	<b>900000</b>	<b>13992500</b>	<b>91.45</b>	<b>10392500</b>	<b>0</b>	<b>10392500</b>	<b>64.55</b>	<b>26.90</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>13092500</b>	<b>900000</b>	<b>13992500</b>	<b>91.45</b>	<b>10392500</b>	<b>0</b>	<b>10392500</b>	<b>64.55</b>	<b>(26.90)</b>
<b>Total Promoters Shareholding (A)=(A)(1)+ (A)(2)</b>	<b>13092500</b>	<b>900000</b>	<b>13992500</b>	<b>91.45</b>	<b>10392500</b>	<b>0</b>	<b>10392500</b>	<b>64.55</b>	<b>(26.90)</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) FIIs/FPI's	0	0	0	0	1788800	0	1788800	11.11	11.11
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	-
i) Others (specify)									
NRI(Repat)	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>1788800</b>	<b>0</b>	<b>1788800</b>	<b>11.11</b>	<b>11.11</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. 2 lakh	5000	2500	7500	0.05	310500	2500	313000	1.94	1.89
(ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	0	0	0	0	1681600	0	1681600	10.44	10.44
c) Others(Specify)									
(i) Non-Resident Indian	0	0	0	0	272000	0	272000	1.68	1.68
(ii) Overseas Corporate Bodies	1300000	0	1300000	8.50	1300000	0	1300000	8.07	(0.43)
(iii) Foreign Nationals	0	0	0	0	0	0	0	0	-
(iv) Clearing Members	0	0	0	0	8000	0	8000	0.04	0.04
(v) Trust	0	0	0	0	0	0	0	0	-
(vi) HUF	0	0	0	0	102400	0	102400	0.63	0.63
(vii) Bodies Corporate	0	0	0	0	233700	0	241700	1.50	1.50
<b>Sub-total (B)(2)</b>	<b>1305000</b>	<b>2500</b>	<b>1307500</b>	<b>8.55</b>	<b>3916200</b>	<b>2500</b>	<b>3918700</b>	<b>24.34</b>	<b>15.79</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>1305000</b>	<b>2500</b>	<b>1307500</b>	<b>8.55</b>	<b>5705000</b>	<b>2500</b>	<b>5707500</b>	<b>35.45</b>	<b>26.9</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>14397500</b>	<b>902500</b>	<b>15300000</b>	<b>100</b>	<b>16097500</b>	<b>2500</b>	<b>16100000</b>	<b>1000</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 01.04.2016)				No. of Shares held at the end of the year (As on 31.03.2017)				% Change during the Year
		Demat	Physical	Total	% to Total Shares	Demat	Physical	Total	% to Total Shares	
1	Vedprakash Chiripal	850000	0	850000	5.56	850000	0	850000	5.28	(0.28)
2	Vishal Chiripal	800000	0	800000	5.23	800000	0	800000	4.97	(0.26)
3	Brijmohan Chiripal	800000	0	800000	5.23	800000	0	800000	4.97	(0.26)
4	Vineeta Chiripal	480000	0	480000	3.14	480000	0	480000	2.98	(0.16)
5	Ronak Agarwal	1000000	0	1000000	6.54	1000000	0	1000000	6.21	(0.33)
6	Savitridevi Chiripal	950000	0	950000	6.21	450000	0	450000	2.79	(3.42)
7	Jyotiprasad Chiripal	650000	0	650000	4.25	650000	0	650000	4.04	(0.21)
8	Urmiladevi Chiripal	750000	0	750000	4.90	250000	0	250000	1.55	(3.35)
9	Deepak Chiripal	840000	0	840000	5.49	340000	0	340000	2.11	(3.38)
10	Jaiprakash Chiripal	700000	0	700000	4.58	700000	0	700000	4.35	(0.23)
11	Manjudevi Chiripal	800000	0	800000	5.23	300000	0	300000	1.86	(3.37)
12	Vansh Chiripal	100000	900000	1000000	6.54	1000000	0	1000000	6.21	(0.33)
13	Pritidevi Chiripal	800000	0	800000	5.23	300000	0	300000	1.86	(3.37)
14	Nitika Chiripal	480000	0	480000	3.14	480000	0	480000	2.98	(0.16)
15	Chiripal Exim LLP	1298500	0	1298500	8.49	1298500	0	1298500	8.06	(0.42)
16	Devkinandan Corporation LLP	1223070	0	1223070	7.99	123070	0	123070	0.76	(7.2)
17	Kautilya Traders Pvt. Ltd.	347500	0	347500	2.27	347500	0	347500	2.16	(0.11)
18	Tripoli Management Pvt. Ltd.	223430	0	223430	1.46	223430	0	223430	1.38	(0.08)

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

**i. Change in Promoter's Shareholding**

Sr. No.		Shareholding at the beginning of the year (As on 01-04-2016)		Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	13992500	91.45	10392500	64.55
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/ sweat equity etc.):	Note-I		Note-I	
	At the End of the year	9535000	72.37	10392500	64.55

Note-I

Sr. No	Name	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative Shareholding during the year (01-04-2016 to 31-03-2017)	
		No. of shares at the beginning (01-04-2016)	% of total shares of the Company				No. of shares	% of total shares of the Company
1.	Chiripal Exim LLP	1298500	8.49	-	-	-	1298500	8.06
2.	Vansh Chiripal	1000000	6.53	-	-	-	1000000	6.21
3.	Ronak Agarwal	1000000	6.53	-	-	-	1000000	6.21
4.	Vedprakash Chiripal	850000	5.55	-	-	-	850000	5.28
5.	Vishal Chiripal	800000	5.23	-	-	-	800000	4.97
6.	Brijmohan Chiripal	800000	5.23	-	-	-	800000	4.97
7.	Jaiprakash Chiripal	700000	4.57	-	-	-	700000	4.35
8.	Jyotiprasad Agarwal	650000	4.25	-	-	-	650000	4.04
9.	Vineeta Chiripal	480000	3.14	-	-	-	480000	2.98
10.	Nitika Chiripal	480000	3.14	-	-	-	480000	2.98

11.	Savitridevi Chiripal	950000	6.21	10.06.2016	(500000)	OFS	450000	2.79
12.	Kautilya Traders Pvt. Ltd.	347500	2.27	-	-	-	347500	2.16
13.	Deepak Chiripal	840000	5.50	10.06.2016	(500000)	OFS	340000	2.11
14.	Pritidevi Chiripal	800000	5.23	10.06.2016	(500000)	OFS	300000	1.86
15.	Manjudevi Agarwal	800000	5.23	10.06.2016	(500000)	OFS	300000	1.86
16.	Urmiladevi Agarwal	750000	4.90	10.06.2016	(500000)	OFS	250000	1.55
17.	Tripoli Management Pvt. Ltd.	223430	1.46	-	-	-	223430	1.39
18.	Devkinandan Corporation LLP	1223070	7.99	10.06.2016	(1100000)	OFS	123070	0.76

**(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
<b>1.</b>	<b>Albula Investment Fund Limited</b>				
	At the beginning of the year	-	-	1300000	8.07
	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	8.07
<b>2.</b>	<b>New Leaina Investments Limited</b>				
	At the beginning of the year	-	-	476800	2.96
	Acquired shares through transfer of Shares on 24.06.2016	-	-	292800	4.78
	At the End of the year	-	-	769600	4.78
<b>3.</b>	<b>Lts Investment Fund Ltd.</b>				
	At the beginning of the year	-	-	816000	5.06
	Acquired shares through transfer of Shares on 24.06.2016 Sold shares on 17.03.2017	-	-	176000 (224000)	6.16 4.77
	At the End of the year	-	-	768000	4.77

<b>4.</b>	<b>Mrudulaben Harshadbhai Patel</b>				
	At the beginning of the year	-	-	-	-
	Acquired shares through transfer on 27.01.2017	-	-	507200	3.15
	At the End of the year	-	-	507200	3.15
<b>5.</b>	<b>Dhruv Harshadbhai Patel</b>				
	At the beginning of the year	-	-	340800	2.11
	Acquired shares	-	-	-	-
	At the End of the year	-	-	340800	2.11
<b>6.</b>	<b>Manuj Chiripal</b>				
	At the beginning of the year	-	-	-	
	Acquired shares through transfer of Shares on				
	15.07.2016	-	-	7251	0.04
	22.07.2016	-	-	19989	0.16
	29.07.2016	-	-	12504	0.24
	05.08.2016	-	-	6656	0.28
	17.03.2017	-	-	96129	0.88
	24.03.2017	-	-	129471	1.69
	At the End of the year	-	-	272000	1.69
<b>7.</b>	<b>Lgof Global Opportunities Limited</b>				
	At the beginning of the year	-	-	158400	0.98
	Acquired shares through transfer on 24.06.2016	-	-	92800	1.56
	At the End of the year	-	-	251200	1.56
<b>8.</b>	<b>Guinness Securities Ltd.</b>				
	At the beginning of the year	-	-	246400	1.53
	Acquired & sold shares through transfer on				
	24.06.2016			(1600)	1.52
	15.07.2016			6400	1.56
	22.07.2016			(12700)	1.48
	29.07.2016			(1600)	1.47
	02.09.2016			(1600)	1.46
	16.09.2016			4800	1.49
	21.10.2016			(205000)	0.21
	28.10.2016	-	-	1600	0.22
	04.11.2016			(208200)	1.52
	11.11.2016			(1600)	1.52
	13.01.2017			(1600)	1.50
	20.01.2017			(9600)	1.44
	27.01.2017			1600	1.45
	03.02.2017			1600	1.46
	10.03.2017			1600	1.47
	17.03.2017			(3200)	1.45
	24.03.2017			(1600)	1.44
	31.03.2017			1600	1.45
	At the End of the year	-	-	233700	1.45



<b>9.</b>	<b>Viraj Amar Patel</b>				
	At the beginning of the year	-	-	171200	1.06
	Acquired shares through transfer	-	-	-	-
	At the End of the year	-	-	171200	1.06
<b>10.</b>	<b>Kahini A Patel</b>				
	At the beginning of the year	-	-	169600	1.05
	Acquired shares through transfer	-	-	-	-
	At the End of the year	-	-	169600	1.05

#### 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	4.58	700000	4.34
2	Mrs. Vineeta Chiripal	480000	3.14	480000	2.98
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 (01-04-2016)</b>				
Principal Amount	-	102010994	-	102010994
Interest due but not paid	-	-	-	-
Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	102010994	-	102010994
<b>Change in Indebtedness during the financial year 2016-17</b>				
Addition	-	21179000	-	21179000
Reduction	-	11410000	-	11410000

<b>Net Change</b>	-	<b>9769000</b>	-	<b>9769000</b>
<b>Indebtedness at the end of the financial year (31-03-2017)</b>				
Principal Amount	-	111779994	-	111779994
Interest due but not paid	-	-	-	-
Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	-	111779994	-	111779994

### 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	4.80	-	4.80
	(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	1.77	-	1.77
	<b>Total</b>	6.57	-	6.57
	<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	0.12	-	-	0.12
	<b>Total (B)</b>	0.30	-	-	0.30
	<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	6.12	3.10	9.22
	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>6.12</b>	<b>3.10</b>	<b>9.22</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

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

**To,**  
**The Member,**  
SHANTI EDUCATIONAL INITIATIVES LIMITED  
283, New cloth Market  
Ahmedabad.

I, Geeta Serwani, Proprietor of Geeta Serwani and Associates, Practicing Company Secretary have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by SHANTI EDUCATIONAL INITIATIVES LIMITED (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided us reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on March 31, 2017 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2017 according to the provisions of;

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment;
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act');
  - (a) The Securities and Exchange Board of India( Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India ( Prohibition of Insider Trading) Regulations, 1992;
  - (c) The Securities and Exchange Board of India ( Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - (e) The Securities and Exchange Board of India ( Issue and Listing of Debt Securities) Regulations, 2008 ;

- (f) The Securities and Exchange Board of India ( Registration to an Issue and Share Transfers Agents ) Regulations, 1993;
- (g) The Securities and Exchange Board of India ( Delisting of Equity Shares) Regulations, 2009;
- (h) The Securities and Exchange Board of India (Buyback of Securities ) Regulations, 1998.

I have also examined compliance with the applicable clause of the following;

- I. The Secretarial Standards issue by the Institute of Company Secretaries of India.
- II. The SME Equity Listing Agreements entered into by the Company with BSE Limited and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Accordingly, the Industry specific major Acts as applicable to the Company are complied .

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc mentioned above.

I further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.

All decision at Board Meetings and Committee Meetings are carried unanimously as recorded in the minutes of the Meetings of the Board of Directors or Committee of the Board, as the case may be.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the year under report, the Company has not undertaken any event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

**Geeta Serwani & Associates**  
**(Practicing Company Secretary)**

**(Geeta Serwani)**  
**Proprietor**  
**FCS: 8991**  
**CP: 8842**

**Date : 24<sup>th</sup> Aug 2017**

Note: This report is to be read with letter of even date which is annexed as “ANNEXURE A” and forms an integral part if this report.

**“ANNEXURE A”**

**To,**  
**The Member,**  
SHANTI EDUCATIONAL INITIATIVES LIMITED  
283, New cloth Market  
Ahmedabad.

Report of even date is to be read along with this letter.

1. Maintenance of Secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

**Geeta Serwani & Associates**  
**Practicing Company Secretary)**

**(Geeta Serwani)**  
**Proprietor**  
**FCS: 8991**  
**CP: 8842**

**Date : 24<sup>th</sup> Aug 2017**

### ANNEXURE - III

#### 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. NIL) and the foreign exchange earned was NIL (P.Y. NIL)

#### ANNEXURE IV

[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: 88
- ii. The percentage increase in the median remuneration of employees in F.Y. 2017 stood at -3.35%
- iii. Ratio of the remuneration of each director to the median remuneration of the Employees of the Company for the financial year 2016-17:

Sr. No.	Name	Category	Ratio
1.	Mrs. Vineeta Chiripal	Managing Director	2.42:1

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 2016-17:

Sr. No.	Name	Category	%
1.	Mrs. Vineeta Chiripal	Managing Director	Nil
2.	Mr. Jayesh Patel	Chief Financial Officer	25
3.	Ms. Dimple Padhiar	Company Secretary	20

- v. The explanation on the relationship between average increase in remuneration and Company's performance: Company's Profit before Tax was Rs.394.42 Lacs during 2015-16 to Rs.339.35 Lacs during 2016-17, against which the increase in Employee expense is 116.22%.
- 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	2.65
2.	Mr. Jayesh Patel	Chief Financial Officer	3.55
3.	Ms. Dimple Padhiar	Company Secretary	1.77

- 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	31.03.2017	31.03.2016
*Market Capitalization of the Company (Rs. in Lacs)	1899800000	*N.A.
Issued Capital (in Nos.)	16100000	15300000
*Closing Price at BSE Ltd (in Rs.)	118	*N.A.
Earnings Per Share (in Rs.)	1.27	1.87
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: -6.75%
- 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: 1:3.50
- 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, 2017.)

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, 2017, 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,

### **Indian Education and Business Overview**

Education is one of the largest, most thriving industries in India. Our Company is a growing educational sector company, which is the key to nation building. It is also well-accepted that providing the right knowledge and skills to the youth can ensure fiscal and national progress. The country's sustained financial growth is further boosting the demand for quality education.

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, 2017 Amount</b>	<b>Previous Year ended on 31<sup>st</sup> March, 2016 Amount</b>
Income	96122604	116347105
Expense	84040606	75862455
Profit before depreciation	37289037	40484650
Less – depreciation	3353597	1046709
<b>Profit after depreciation</b>	<b>33935440</b>	<b>39442349</b>

Less - Current Tax	12500000	12500000
Less – Deferred Tax	18621	9875
<b>Profit after taxation</b>	<b>20282647</b>	<b>26775431</b>
Depreciation of earlier years	0	0
Balance of profit / (loss) brought forward	0	0
<b>Balance Carried To Balance Sheet</b>	<b>20282647</b>	<b>26775431</b>

**Risks**

The Company has adequate Risk Management System and it faces the risk of competition from local players in the cities it expands. This risk is addressed by building a brand and processes to provide consumer centric services and quality education.

**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 Company believes that the industry has the tremendous potential to impact the society, nation and the world positively. Its employees are major stakeholders and their efforts have direct stake in the business prospects of the 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 to amend, modify or revise any such statements on the basis of subsequent developments, information or events.

**Date: 24.08.2017**  
**Place: Ahmedabad**

**By order of the Board of Directors**  
**Darshan Vayeda**  
**Chairman**  
**DIN: 07788073**

**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: 24.08.2017**  
**Place: Ahmedabad**

**By order of the Board of Directors**  
**Darshan Vayeda**  
**Chairman**  
**DIN: 07788073**

## Independent Auditor's Report

To,  
The Members of  
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 2017, 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, 2017;
- 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 adequacy of the internal financial controls over financing of Company, and joint operation and operating effectiveness of such controls, refer to our separate Report in "Annexure A". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial over financial reporting.
  - g) 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.
    - iv. The company has provided requisite disclosures in the financial statements as regards its holding and dealings in Specified Bank Notes as defined in the Notification S. O. 3407(E) DATED 08<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016. Based on audit procedures performed and the representation provided to us by the management, we report that the disclosures are in accordance with the books of account maintained by the Company and produced to us by the management.

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

**Anil S Shah**  
Partner  
M.No.: 016613  
Place : Ahmedabad  
Date : 30.05.2017

## 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 2017, 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.

According to information and explanation given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2017 for a period of more than six months from the date of becoming payable.

- (b) 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 2017 for a period of more than six months from the date they became payable.
- (c) 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 2017. Accordingly, paragraph 3(ix) of the Order is not applicable.
- (ix) In our opinion and according to the information and explanations given by the management, monies raised by the Company by way of Initial Public Offer have been applied for the purpose for which they are obtained, though idle funds which are not required for immediate utilization have been gainfully invested in the liquid investments payable on demand. The maximum amount of idle funds invested during the year was Rs.516593/- of which Rs.516593/- was outstanding at the end of the year. According to the information and explanations given to us by the management, the Company has not raised any money by way of term loans.
- (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 : 30.05.2017

## **ANNEXURE “A” 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 : 30.05.2017



## SHANTI EDUCATIONAL INITIATIVES LIMITED

BALANCE-SHEET AS ON 31ST MARCH, 2017

PARTICULARS	Note	Amount in Rs.	
		Current Year	Previous Year
		31.03.2017	31.03.2016
<b>I EQUITY AND LIABILITIES</b>			
<b>A SHARE HOLDERS FUNDS</b>			
Share Capital	2	161,000,000	153,000,000
Reserve & Surplus	3	299,891,422	215,608,775
		<b>460,891,422</b>	<b>368,608,775</b>
<b>B Non-current liabilities</b>			
(a) Long-term borrowings	4	111,779,994	102,010,994
(b) Deferred tax liabilities (Net)		0	0
(c) Other Long term liabilities	5	5,415,662	993,161
(d) Long-term provisions	6	2,009,574	1,285,215
		<b>119,205,230</b>	<b>104,289,370</b>
<b>C Current liabilities</b>			
(a) Short-term borrowings	7	0	0
(b) Trade payables	8	6,487,691	3,182,183
(c) Other current liabilities	9	16,644,921	15,672,025
(d) Short-term provisions	10	14,110,307	12,429,788
		<b>37,242,919</b>	<b>31,283,996</b>
<b>TOTAL&gt;&gt;&gt;&gt;</b>		<b>617,339,570</b>	<b>504,182,141</b>
<b>II ASSETS</b>			
<b>A Non-current assets</b>			
(a) Fixed assets	11		
(i) Tangible assets		77,858,525	78,184,907
(ii) Intangible assets		209,591	361,088
(iii) Capital work-in-progress		57,587,690	8,513,263
(iv) Intangible assets under development		0	0
(b) Non-current investments	12	83,376,613	79,730,213
(c) Deferred tax assets (Net)	13	270,995	289,616
(d) Long-term loans and advances	14	325,442,241	294,856,285
(e) Other non current assets	15	10,554,083	5,492,440
		<b>555,299,738</b>	<b>467,427,812</b>
<b>B Current assets</b>			
(a) Current investments		0	0
(b) Inventories	16	14,793,538	10,921,195
(c) Trade receivables	17	16,010,111	13,192,532
(d) Cash and cash equivalents	18	5,126,922	5,697,246
(e) Short-term loans and advances	19	17,440,979	3,389,423
(f) Other current assets	19A	8,668,282	3,553,933
		<b>62,039,831</b>	<b>36,754,329</b>
<b>TOTAL&gt;&gt;&gt;&gt;</b>		<b>617,339,570</b>	<b>504,182,141</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: 30.05.2017

**For, SHANTI EDUCATIONAL INITIATIVES LTD**

**JAIPRAKASH D. CHIRIPAL**

DIRECTOR

DIN -00155430

**Jayesh Patel**  
( Chief Financial Officer )

**DARSHAN VAYEDA**

WHOLE-TIME DIRECTOR

DIN -07788073

**Dimple Padhiar**  
( Company Secretary )

Place : Ahmedabad

Date : 30.05.2017

<b>SHANTI EDUCATIONAL INITIATIVES LIMITED</b>			
Statement of Profit & Loss account for the year ended on 31st March, 2017			
PARTICULARS	Note	Amount in Rs.	
		Current Year 31.03.2017	Previous Year 31.03.2016
I. Revenue from operations		96,122,604	88,408,003
Less Excise duty		0	0
Revenue from operations (net)	20	<b>96,122,604</b>	<b>88,408,003</b>
II. Other Income	21	21,853,442	27,939,102
<b>III. Total revenue &gt;&gt;(i+ii)</b>		<b>117,976,046</b>	<b>116,347,105</b>
<b>IV. Expenses</b>			
(a) Cost of Materials	22	0	0
(b) Purchases of stock-in-trade	23	30,979,460	26,908,499
(c) Changes in inventories of finished goods, work-in-progress	24	-3,872,344	-2,609,481
(e) Employee benefits expenses	25	29,639,725	27,088,950
(f) Finance costs	26	22,391	22,016
(g) Depreciation	11	2,990,712	1,046,709
Amortisation of IPO expenses		362,885	0
(h) Other expenses	27	23,917,776	24,452,473
<b>Total expenses &gt;&gt;</b>		<b>84,040,605</b>	<b>76,909,164</b>
V. Profit / (Loss) before exceptional and extraordinary items and tax		33,935,440	39,437,941
VI. Exceptional items		0	4,408
VII. Profit / (Loss) before extraordinary items and tax		33,935,440	39,442,349
VIII. Extraordinary Items		0	0
IX. Profit / (Loss) before tax		33,935,440	39,442,349
X. Tax expense :			
(a) Current Tax		12,500,000	12,500,000
(b) Earlier Year Provision written back		1,134,172	176,793
(c) Deferred Tax		-18,621	-9,875
		<b>13,652,793</b>	<b>12,666,918</b>
XI. Profit / ( Loss) from for the period from continuing operations		20,282,647	26,775,431
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
Profit / ( Loss) from for the period from continuing operations		<b>20,282,647</b>	<b>26,775,431</b>
Earning per equity share [nominal value of 10/- (perivious year-10)]			
Basic and Diluted		1.27	1.87

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**  
( Membership No.016613)

Place: Ahmedabad  
Date: 30.05.2017

**For, SHANTI EDUCATIONAL INITIATIVES LTD**

**JAIPRAKASH D. CHIRIPAL**  
DIRECTOR  
DIN -00155430

**Jayesh Patel**  
( Chief Financial Officer )

**DARSHAN VAYEDA**  
WHOLE-TIME DIRECTOR  
DIN -07788073

**Dimple Padhiar**  
( Company Secretary )  
Place: Ahmedabad  
Date: 30.05.2017

**SHANTI EDUCATIONAL INITIATIVES LIMITED**  
**CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31st MARCH 2017**

PARTICULARS	3/31/2017	3/31/2016
<b>A. Cash Flow from Operating Activities</b>		
<b>Net Profit After Tax &amp; Exceptional Items</b>	<b>20282647</b>	<b>26775431</b>
Adjustments for:		
Depreciation & amortization	2990712	1046709
Profit on Sale of Assets	0	(4408)
Interest Income	(17158410)	(22091681)
Rent Income	(4520000)	(4520000)
Provision for Income Tax	12500000	12500000
Earlier provision written back	1134172	176793
Deffered Tax	18621	(9875)
	(5034905)	(12902462)
<b>Operating Profit Before Working Capital Changes</b>	<b>15247742</b>	<b>13872969</b>
Adjustments for:		
Trade and Other Receivables	(2817579)	(6019119)
Inventories	(3872343)	(2609479)
Trade Payables	3305504	871136
Short term provisions	1680519	7878553
Long Term Provisions	724359	(713525)
Other Long term liabilities	4422501	718991
Other current liability	972901	4731755
short term loans & adv	(14051556)	2605763
Other Current Assets	(5114349)	(2542693)
Other non current assets	(5061643)	2431078
	(19811686)	7352460
<b>Cash Generated from Operations</b>	<b>(4563944)</b>	<b>21225429</b>
Income Taxes	13634172	12676793
<b>Net Cash Generated by Operating Activities</b>	<b>(18198116)</b>	<b>8548636</b>
<b>B. Cash Flow from Investing Activities:</b>		
Purchase of Fixed Assets (Including Intangible Asset)	(2512833)	(4876971)
Profit on sale of Assets	0	4408
Sale of Assets	0	4350
Capital Work In Progress	(49074428)	(8513263)
Non Current Investment	(3646400)	(2000000)
Rent Income	4520000	4520000
Profit on Sale of Asset		
<b>Net Cash Generated by / (used in) Investing Activities</b>	<b>(50713661)</b>	<b>(10861476)</b>
<b>Net Cash Generated by / (used in) Investing Activities</b>		
<b>C. Cash Flow from Financing Activities:</b>		
Increase in Share Capital & Share Premium		
Increase/decrease in Share Capital	8000000	13000000
Increase/decrease in Securities Premium	64000000	104000000
Increase/decrease in Long Term Borrowings	9769000	(156557637)
Interest Income	17158410	22091681
Increase/Decrease in Long term Loans Advances	(30585957)	20401105
Preliminary Exp.		
Expenses related to Initial Public Offering		
<b>Net Cash Generated by / (used in) Finance Activities</b>	<b>68341453</b>	<b>2935149</b>
<b>Net (Decrease) / Increase in Cash and cash equivalents</b>	<b>(570324)</b>	<b>622309</b>
Opening Cash and Cash Equivalent	5697246	5074937
<b>Cash &amp; Cash Equivalents at the end of the period</b>	<b>5126922</b>	<b>5697246</b>
As per our Report of even date annexed herewith		
<b>For, M/s. Anil S. Shah &amp; Co.</b>	<b>For, Shanti Educational Initiatives Ltd.</b>	
Chartered Accountants		
FRN. 100474W	JAIPRAKASH D. CHIRIPAL	DARSHAN VAYEDA
	DIRECTOR	WHOLE-TIME DIRECTOR
	DIN -00155430	DIN -07788073
<b>Anil S. Shah</b>	<b>Jayesh Patel</b>	<b>Dimple Padhiar</b>
Partner	( Chief Financial Officer )	( Company Secretary )
M.No.:016613		
Place: Ahmedabad		Place : Ahmedabad
Date: 30.05.2017		Date :30.05.2017

## SHANTI EDUCATIONAL INITIATIVES LIMITED

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

#### Corporate information

**SHANTI EDUCATIONAL INITIATIVES LIMITED** (“the company”) is a public company domiciled in India and incorporated on May,12,1988 under the companies Act,1956, as Chirpal Enterprises, and commencement of business was issued on July,12,1988 . Further the name was changed to Chirpal Enterprise Ltd to Shanti Educational Initiatives Ltd, vide fresh certificate of incorporation dt., April,16,2010 CIN number is L80101GJ1988PLC010691.The Company is engaged in the business of providing educational services and activities. The Company caters only to domestic market .

Pursuant to Initial Public Offer (IPO), 44,00,0000 equity shares of Rs.10 each were allotted at a price of Rs.90/- per equity share consisting of fresh issue of 800,00,00 equity shares and offer for sale of 36,00,0000 equity shares by the selling shareholders. The equity shares of the company were listed on the SME platform of BSE Limited (BSE) on 14th June, 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 & 1330020of 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.

## **1.12 IPO Expense**

The company is having policy for allocating/amortizing IPO expense over the period of five years.

## **1.13 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.

### **( C ) Minimum alternate tax (MAT) :**

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit & loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the company will pay normal income tax during the period i.e. the period for which MAT credit is allowed to be carried forward. In the year in which the company recognizes MAT credit as an asset in accordance with the guidance note on accounting for Credit Available in respect of Minimum Alternate Tax under the Income tax

Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as “MAT credit entitlement” The company reviews the “MAT credit entitlement” asset to the extent the company does not have convincing evidence that it will pay normal tax during the specified period.

**1.14 PRIOR PERIOD ITEMS**

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

**1.15 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.

**1.16 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 Corporate social responsibility expenditure**

Corporate social responsibility expenditure are charged to the statement of profit and loss as an expense in the year in which they are incurred.

**1.17 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 31.03.2017	Previous Year 31.03.2016
<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> 16100000 Equity Shares of Rs.10/- each fully paid up (Previous Year 153000000 Shares)	161,000,000	153,000,000
<b>Total</b>	161,000,000	153,000,000

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

Particulars	As on 31st March ,2017	As on 31st March,2016
	No.of Shares	No.of Shares
Equity Shares at the beginning of the year	15300000	14000000
Add: Shares issued (Refer Note No.2.2)		1300000
Add: Shares issued (Refer Note No.2.1)	800000	
Less : Shares cancelled	0	0
Equity: Shares at the end of the year	16100000	15300000

2.1 During the year Company has made public issue of 44,00,000 Equity Shares for Rs. 10/- each for cash at a price of Rs 90/- per per share (including premium of Rs.80/-) under SME platform consisting of 36,00,000 shares by the selling share holders aggregating to 3240.00 lakhs and fresh issue of 8,00,000 equity shares aggregating to Rs720.00 lakhs listed at BSE.

2.2 During the previous year Company had made Preferential issue of 1300000 Equity Shares at 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 4%shares

Sr.No	Name of Shareholders	As on 31st March, 2017		As on 31st March, 2016	
		No. of Shares	% held	No. of Shares	% held
1	Vedprakash D Chiripal	850000	5.28%	850000	5.56%
2	Brijmohan D Chiripal	800000	4.97%	800000	5.23%
3	Manjudevi J Chiripal	300000	1.86%	800000	5.23%
4	Pritidevi B. Chiripal	300000	1.86%	800000	5.23%
5	Ronak Agrawal	1000000	6.21%	1000000	6.54%
6	Vansh J Chiripal	1000000	6.21%	1000000	6.54%
7	Chiripal Exim LLP	1298500	8.07%	1298500	8.49%
8	Devkinandan Corporation LLP	123070	0.76%	1223070	7.99%
9	Vishal V Chiripal	800000	4.97%	800000	5.23%
10	Deepak J Chiripal	340000	2.11%	840000	5.49%
11	Albula Investment Fund Limited	1300000	8.07%	1300000	8.50%
12	Savitridevi D Chiripal	450000	2.80%	950000	6.21%

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 31.03.2017	Previous Year 31.03.2016
<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	64,007,773	37,232,343
Add : Profit/(loss) for the year	20,282,648	26,775,432
<b>Total</b>	<b>84,290,422</b>	<b>64,007,775</b>
<b>C SECURITY PREMIUM RESERVE</b>		
Balance Brought Forward	151,456,000	47,456,000
Add : During the year	64,000,000	104,000,000
<b>Total</b>	<b>215,456,000</b>	<b>151,456,000</b>
<b>TOTAL (A+B+C+D)</b>	<b>299,891,422</b>	<b>215,608,775</b>

**NOTE - 4**  
**Long-Term Borrowing**

PARTICULARS	Amount in Rs.	
	Current Year 31.03.2017	Previous Year 31.03.2016
<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	0
From Related parties - InterCorporate	21,779,994	12,010,994
From others - Intercorporate	90,000,000	90,000,000
<b>Total</b>	<b>111,779,994</b>	<b>102,010,994</b>
<b>TOTAL (A+B+C)</b>	<b>111,779,994</b>	<b>102,010,994</b>

**NOTE - 5**  
**Other Long-Term Liabilities**

PARTICULARS	Amount in Rs.	
	Current Year 31.03.2017	Previous Year 31.03.2016
-Sundry Creditors for Capital Goods	5,415,662	993,161
<b>Total</b>	<b>5,415,662</b>	<b>993,161</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 31.03.2017	Previous Year 31.03.2016
-Provision for Gratuity (Refer Note No. 6.1)	2,009,574	1,285,215
<b>Total</b>	<b>2,009,574</b>	<b>1,285,215</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 2017.

Net Employee benefit expense (recognized in employee cost)

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2017	31.03.2016
Current Service Cost	503584	835371
Interest Cost	104898	156071
Expected Return on Plan assets	0	0
Net actuarial (gain)/loss recognized in the year	(3395)	(1590040)
Prior Year Change	0	0
Net Benefit Exp.	605087	-598598

**Details of Provision for Gratuity**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2017	31.03.2016
Defined benefit obligation	(598598)	(598598)
Fair Value of Plan Assets	0	0
	(598598)	(598598)
Less : Un recognized past service cost	0	0
Liability/(Assets) recognized in the Balance sheet	(598598)	(598598)

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

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2017	31.03.2016
Opening defined benefit obligation	1404487	2003085
Interest cost on benefit obligation	104898	156071
Current year service cost	503584	835371
Prior year charge	0	0
Benefits Paid	0	0
Actuarial gains/(losses)	(3395)	(1590040)
Closing fair value of plan assets	2009574	1404487

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

Particulars		
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 plan are as under

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2017	31.03.2016
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
	31.03.2017	31.03.2016
SECURED	0	0
UNSECURED	0	0
Total	0	0

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

PARTICULARS	Amount in Rs.	
	Current Year 31.03.2017	Previous Year 31.03.2016
-Sundry Creditors for Goods	6,487,691	3,182,183
<b>Total</b>	<b>6,487,691</b>	<b>3,182,183</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 31.03.2017	Previous Year 31.03.2016
Statutory remittances (Contributions to PF and ESIC, withholding Taxes, VAT, Service Tax, etc.)	575,057	1,625,168
Advances from customers (Others)	8,776,329	7,673,670
Balance sheet Dif	-3,873	-2,195
-Sundry Creditors for Expenses (Others)	7,297,409	1,594,296
Sundry Others Liabilities	0	4,781,086
<b>Total</b>	<b>16,644,921</b>	<b>15,672,025</b>

**NOTE - 10**

**Short-term Provisions**

PARTICULARS	Amount in Rs.	
	Current Year 31.03.2017	Previous Year 31.03.2016
-Salary payable	2,979,577	2,127,331
-Bonus payable	674,006	811,968
-Provision for Rent	180,000	
-Expenses others	516,102	194,780
Provision For Taxation (Net of TDS/Tax Paid)	9,760,622	9,176,437
Provision For Gratuity	0	119,272
<b>Total</b>	<b>14,110,307</b>	<b>12,429,788</b>

**SHANTI EDUCATIONAL INTITIVATIVES LIMITED**



**NOTE - 11  
FIXED-ASSETS**

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK		
	As at April 1, 2016	Additions	Deductions/ Transfer	As at 31st March, 2017	As at April 1, 2016	For the year provided	Deductions/ adjustments	Retained Earnings	As at 31st March, 2017	As at 31st March, 2017	As at March 31, 2016
Land (Refer Note No. 11.2)	61892655	0	183000	61709655	0	0	0		0	61709655	61892655
Building (Mumbai Office) (Refer Note No. 11.3)	14248269	0		14248269	2744709	229599	0		2974308	11273961	11503560
Plant & Machinery	904393	0	0	904393	593716	49930	0		643646	260747	310677
Air condition	2972410	0	0	2972410	749917	981969	0	0	1731885	1240524	2222493
Furniture & Fixture	7098786	2206855	0	9305641	6296612	841709	0	0	7138321	2167320	802174
Computer Fix	1951975	453787	0	2405762	1704270	375006	0	0	2079276	326486	247705
EPBX System	67500	0	0	67500	64125	0	0	0	64125	3376	3375
Office Equipment	170188	35191	0	205379	116780	54338	0	0	171118	34261	53408
Fax machine	34000		0	34000	30310	1186	0		31496	2504	3690
Mobile /Software	124925	0	0	124925	12825	48002	0	0	60826	64099	112100
Cycle Display	401900	0	0	401900	362509	0	0		362509	39392	39392
Electric Fittings	980216	0		980216	0	253778	0	0	253778	726438	980217
Internet Tower	28392	0	0	28392	14930	3700	0		18630	9762	13462
<b>TOTAL &gt;&gt;&gt;&gt;&gt;</b>	<b>90875609</b>	<b>2695833</b>	<b>183000</b>	<b>93388442</b>	<b>12690701</b>	<b>2839215</b>	<b>0</b>	<b>0</b>	<b>15529916</b>	<b>77858525</b>	<b>78184907</b>
Work in Progress											
Trade Mark	195500	0	195500	0	0	0	0		0	0	187000
<b>TOTAL &gt;&gt;&gt;&gt;&gt;</b>	<b>195500</b>	<b>0</b>	<b>195500</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		<b>0</b>	<b>0</b>	<b>187000</b>

## FIXED-ASSETS

ASSETS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As at April 1, 2016	Additions	Deductions/ Transfer	As at 31st March, 2017	As at April 1, 2016	For the year provided	Deductions/ adjustments	Retained Earnings	As at 31st March, 2017	As at 31st March, 2017	As at March 31, 2016
<b>Intangible Assets</b>											
TRADEMARK	249000	0	0	249000	88534	89704	0	0	123253	125747	160466
Software Purchase	853890	0	0	853890	653268	61793	0	0	770046	83844	200622
<b>Capital Work in Progress</b>											
Corporate House (Refer Note No. 11.4)	2498976	5531674	0	8030649	0	0	0	0	0	8030649	2498976
Bopal Bungalow (Refer Note No. 11.4)	5828823	22077997	0	27906820	0	0	0	0	0	27906820	5828823
Sardar Gram (Refer Note No. 11.5)	185464	2162788	0	2348252	0	0	0	0	0	2348252	185464
Vastral School Building		27815232		27815232						27815232	
<b>TOTAL &gt;&gt;&gt;&gt;</b>	<b>9616153</b>	<b>57587690</b>	<b>0</b>	<b>67203843</b>	<b>741802</b>	<b>151497</b>	<b>0</b>	<b>0</b>	<b>893299</b>	<b>66310543</b>	<b>8874351</b>
<b>G. TOTAL &gt;&gt;&gt;&gt;</b>	<b>100491761</b>	<b>60283523</b>	<b>183000</b>	<b>160592284</b>	<b>13432503</b>	<b>2990712</b>	<b>0</b>	<b>0</b>	<b>16423215</b>	<b>144169069</b>	<b>87059258</b>
<b>PREVIOUS YEAR</b>	<b>8718835</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>

**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 31.03.2017	Previous Year 31.03.2016
<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	31,302,269
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
Office at 5/11777, Khasra No.3649/702, Block No. 04, Bastinagar, Sat Nagar, Karolbaug, New Delhi-11005.	3,646,400	0
<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.	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>83,376,613</b>	<b>79,730,213</b>
1. Aggregate value of Unquoted Investments	31,999,280	31,999,280
2. Market Value of Quoted Investment	1,175,737	1,112,669
3. Aggregate Value of Quoted Investment	566,791	566,791

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

PARTICULARS	Amount in Rs.	
	Current Year 31.03.2017	Previous Year 31.03.2016
<b>Deferred Tax Liability</b> (Refer Note 36 )	0	0
<b>Deferred tax assets</b> (Refer Note 36 )	289616	289,616
	-18621	
<b>Total</b>	<b>270995</b>	<b>289,616</b>

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

PARTICULARS	Amount in Rs.	
	Current Year 31.03.2017	Previous Year 31.03.2016
Advance for Capital Asset ( Refer Note No 14.1 and Note No. 28.2)	82,658,338	77,247,334
Advance for Capital Asset / Contract (Refer Note No. 28.4)	93,395,840	96,513,338
Advance for Capital Asset / Work (Others)	41,985,901	0
Loans and Advances to Related Party ( Intercorporate)	72,795,636	81,930,243
Loans and Advances to Others	34,606,526	39,165,370
<b>Total</b>	<b>325,442,241</b>	<b>294,856,285</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 14.2 : 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 31.03.2017	Previous Year 31.03.2016
<b>Unsecured, considered good</b>		
Trade receivable - Others	3,765,224	3,082,720
Trade receivable - Related Parties	430,629	0
Less: Provision for Doubtful	0	0
Other Deposits	2,398,230	2,409,720
BSE Security Deposits	3,960,000	0
<b>Total</b>	<b>10,554,083</b>	<b>5,492,440</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 31.03.2017	Previous Year 31.03.2016
<b>(As taken valued &amp; Certified by the Management)</b>		
<b>Traded Goods</b>		
Franchisee Material (At Cost or Market value which ever lower)	14,793,538	10,921,195
<b>Total</b>	<b>14,793,538</b>	<b>10,921,195</b>

**NOTE-17**

**Trade Receivables**

PARTICULARS	Amount in Rs.	
	Current Year 31.03.2017	Previous Year 31.03.2016
<b>( UnSecured Considered Good )</b>		
Exceeding Six months due from Others	4,829,841	1,652,392
Exceeding Six months due from Related Party	200,000	0
Other Debtors	10,475,421	11,540,140
dues from Related Party (less Than 6 months)	504,851	
Less: Provision for Doubtful	0	0
<b>Total</b>	<b>15,305,262</b>	<b>13,192,532</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 31.03.2017	Previous Year 31.03.2016
Cash on Hand	523,648	244,305
Balances with Banks :		
In Current Account	4,603,274	5,452,941
<b>Total</b>	<b>5,126,922</b>	<b>5,697,246</b>

Additional disclosure with respect to Cash and Bank

	SBNs	Other denominati on notes	Total	
Closing cash in hand as on 08.11.2016	1234500	347464	1581964	
( + ) Permitted receipts		684588	684588	
( - ) Permitted payments		478078	478078	
( - ) Amount deposited in Bank	1234500	295	1234795	
Closing cash in Hand as on 30.12.2016	0	553679	553679	<b>Total</b>
				<b>0</b>

Explanation : For the propose of this clause, the term Specified Bank Notes ( SBN ) shall have the same meaning provided in the notification of the Government of India, in the Ministry of finance department of Economic Affairs number S.O. 3407 ( E ) dated the 8th November, 2016.

**NOTE-19**  
**Short-term Loans and Advances**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2017	31.03.2016
TDS Receivables	3,022,528	261,957
Less : Adjusted Against Provision	-2,739,378	
Advances to Suppliers - Considered Good	15,041,794	0
Advances & Deposits	2,095,114	2,483,546
Prepaid Exp & Advance	6,229	643,920
-Intrest on FD Receivable	14,691	0
<b>Total</b>	<b>17,440,978</b>	<b>3,389,423</b>

**NOTE-19 A**  
**Other Current Assets**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2017	31.03.2016
Rent due from Others	3,522,240	2,262,240
Rent due from Related Party	3,694,500	208,500
IPO Exp( To the extent not written off / adjusted)	1,814,427	1,083,193
Less : 1/5 Amourtised expenses	-362,885	
	1,451,542	1,083,193
<b>Total</b>	<b>8668282</b>	<b>3553933</b>

**NOTE-20**  
**Revenue from operations**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2017	31.03.2016
Training Income	23,100	95,100
Sales	73,322,395	56,604,578
Royalty Income	6,648,345	13,169,927
Franchisee Income	16,128,764	18,538,397
<b>Total</b>	<b>96,122,604</b>	<b>88,408,003</b>

**NOTE - 21**  
**Other Income**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2017	31.03.2016
Sundry credit Balance writtern off	162,299	656,514
Rent	4,520,000	4,520,000
Interest on I.Tax Refund	0	40,089
Interest Income	17,158,410	22,091,681
Misc Income (Refer Note No. 21.1)	12,739	617,655
Kasar / Vatav	-7	995
Prior Period Income	0	12,168
<b>Total</b>	<b>21,853,442</b>	<b>27,939,102</b>

Note No. 21.1 : For previous year Misc. Income includes Rs.532151/- income tax refund pertaining to A.Y. 2014-15.

**NOTE - 22**  
**Cost of Materials**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2017	31.03.2016
Cost of Material	0	0
<b>Total</b>	<b>0</b>	<b>0</b>

**NOTE - 23**  
**Purchases of stock-in-trade**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2017	31.03.2016
Purchases (Franchisee Material )	30,979,460	26,908,499
<b>Total</b>	<b>30,979,460</b>	<b>26,908,499</b>

**NOTE - 24**  
**CHANGES OF INVENTORIES OF STOCK-IN-TRADE**

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2017	31.03.2016
<b><u>Inventories at the end of the year:</u></b>		
Stock-in-trade	14,793,538	10,921,195
	14,793,538	10,921,195
<b><u>Inventories at the beginning of the year:</u></b>		
Stock-in-trade	10,921,193	8,311,714
	10,921,193	8,311,714
<b>Total</b>	<b>(3,872,345)</b>	<b>(2,609,481)</b>



**NOTE - 25**  
**Payment to Employees**



PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2017	31.03.2016
Salaries, Wages, Bonus & P.F. etc.	28,987,142	26,865,491
Contributions to provident funds	36,242	574,921
Gratuity A/c. (Refer Note No. 6 and 25.1)	605,087	(598,598)
Staff Welfare	11,254	247,136
<b>Total</b>	<b>29,639,725</b>	<b>27,088,950</b>

**Note No 25.1 : During the previous year, 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
	31.03.2017	31.03.2016
Bank Charges & Commission	22,391	22,016
<b>Total</b>	<b>22,391</b>	<b>22,016</b>

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

PARTICULARS	Amount in Rs.	
	Current Year	Previous Year
	31.03.2017	31.03.2016
Lorry Freight / Job Work Exp	4,799	509,726
Electric charges	56,348	29,992
Rent Exp	272,259	1,528,010
Repair & Maintenance Exp.	124,959	206,167
Commission on Franchise Fee	1,052,649	1,896,867
Commission on Royalty Exp.	0	116,810
Interest on Statutory Payments	19,006	41,996
Website Subscription Exp.	0	25,000
Vat Exp.	60,569	
<b>Administration &amp; Selling and Distribution Exp.</b>		
Rates & Taxes	6,584,326	0
Stationery & Printing	21,344	389,834
Remuneration to Auditors	155,000	166,750
Conveyance	107,101	400,676
Travelling Expenses	42,198	2,147,337
Insurance	767,906	4,338
Telephone & Internet	775,553	596,902
Transportation	274,075	21,587
Miscellaneous Expenses	467,198	218,092
Consultancy / Professional Fees	538,110	145,230
Legal Expenses	34,000	206,333
Postage	90	97,041
Pantry & canteen exp	148,258	616,373
Franking charges	25,980	48,215
Office exp	28,373	468,949
Prior Period	134	25,519
Cycle Exp / Job Consultancy Exp.	10,125	411,923
Vat Exp.	0	51,975
Donation	0	130,000
Computer exp	48,693	58,853
Professional Tax	2,400	2,400
Training exp	117,870	88,440
ROC Filing Fees	19,300	56,700
Web development exp	13,468	55,880
Advertisement & Sales Promotion	11,592,502	11,224,768
Sundry Debit Balance written off	0	2,420,806
Service Tax - Input (0.5%) SBC exp	76,750	6,984
Sitting Fees	30,000	36,000
Kasar Vatav Exo	6,963	0
Property Tax	150,529	0
AMC Exp	288,940	0
<b>Total</b>	<b>23,917,776</b>	<b>24,452,473</b>
<b>Payments to the Auditor's</b>		
(i) Payments to the auditors comprises		
As auditors - statutory audit	100,000	23,000
Tax Audit	25,000	
Taxation Matters ( IT, ST, Etc.)	30,000	11,500
In Respect of IPO Certification etc.	0	132,250
<b>Total</b>	<b>155,000</b>	<b>166,750</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 2017	31 <sup>st</sup> March 2016
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(Previous year 9.55)
2	Flats at Ashok Tower (Refer Note No. 12)	29302269	Shanti Shirting Pvt. Ltd. & Dwarka Knitting Pvt. Ltd.	66.14(Previous year 66.14)
3	Office at Mumbai	14248269	Director and Relative of Director	7.50(Previous year 7.50)

4. The estimated amount of capital contract remaining to be executed on capital account and not provided for Rs. 146587766/- (P.Y. 146587766/-) against which advance have been paid Rs. 93395840/- (P.Y. 96513338/-)

**Note :29** Provision for income tax aggregating Rs.125,00,000/-(P.Y.Rs.1,25,00,000/-) has been made on estimated basis for the accounting for the year ended on 31.03.2017. The actual tax liabilities of the company will be determined on the basis of taxable income of the company for F.Y 2016-17. (Asst. Year 2017-18).

**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.

**Remuneration to Directors:-**                      **2016-17**                      **2015-16**

Managerial Remuneration	480000	360000
Contribution to Provident Fund	177600	103600
	-----	-----
	657600	463600
	=====	=====

**Note: 31** Earning per share

Particular	2016-17	2015-16
(a) Net Profit after tax available for Equity share Holders	20282643	26775431
(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/-)	15940000	14324110
Basic/Diluted Earning per shares (a/b)	1.27	1.87

**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	
	2016-17	2015-16	2016-17	2015-16	2016-17	2015-16
<b>LOAN TAKEN</b>						
Vishal Fabrics Ltd	3500000	41400000	-	-	-	-
Chiripal Polyfilms Ltd.	0	4832253	-	-	-	-
<b>LOAN REPAYMENT RECEIVED</b>						
Vishal Fabrics Ltd	7000000	0	-	-	-	-
Milestone Educom Trust	17459254	0				
Shanti Innovation and Research Foundation	1062829	0				
Agrawal Educational Trust	1000000	0				
Vrindavan Furnishing Pvt. Ltd.	1179000	13042000				
Tripoli Management Pvt Ltd	92349535	25050000	-	-	-	-
Chiripal Charitable Trust	57394339	0				
Kautilya Traders Pvt.Ltd.	35010000	0				
<b>LOAN GIVEN/ REPAYMENT PAID</b>						
Milestone Educom Trust	21847024	0				
Shanti Innovation and Research Foundation	3160471	0				
Agrawal Educational Trust	3686508	0				

Vrindavan Furnishing Pvt. Ltd.	1225000	0				
Tripoli Management Pvt.Ltd.	66393135	0				
Chiripal Charitable Trust	39000000	0				
Kautilya Traders Pvt.Ltd.	26724454	0				
<b>ADVANCE AGAINST PURCHASE OF PROPERTY</b>						
Shanti Exports Pvt Ltd	0	50000000	-	-	-	-
Jaiprakash D. Chiripal	0	0	-	43395840	-	-
<b>OUTSTANDING BALANCES :-</b>						
Vishal Fabric Pvt Ltd	0	3500000				
Milestone Educom Trust	12036828	0				
Shanti Innovation and Research Foundation	10583772	7795381				
Agrawal Educational Trust	13059231	0				
Navsarjan Projects Pvt. Ltd.	406429	372871	-	-	-	-
Vrindavan Furnishing Pvt. Ltd.	46000	0				
Tripoli Management Pvt.Ltd	50969642	8510994				
Chiripal Charitable Trust	2487980	0				
Kautilya Traders Pvt.Ltd.-Loan	33612164	0				
<b>ADVANCE FOR CAPITAL ASSET</b>			-	-	-	-
Shanti Exports Pvt Ltd	50000000	50000000	-	-	-	-
Jaiprakash D. Chiripal	0	0	43395840	43395840	-	-
<b>DEBTORS FOR RENT/ ROYALTY</b>					-	-
Chiripal Industries Ltd – Rent	252000	0				
Chiripal Industries Ltd-Rent	777000	0				
Chiripal Polyfilm Ltd-Rent	525000	0				
Nandam Exim Ltd-Rent	777000	0				
Shanti Innov. & Res Found.	418500	208500				
Vishal Fabrics Pvt Ltd-Rent	945000	0				
Milestone Educom Trust-Rent	3103740	0				
Agrawal Educ. Trust-Rent	418500	0				
Chiripal Charitable Trust –Royalty	7891947	0	-	-	-	-
Milestone Educom Trust – Royalty	1259653	0	-	-	-	-
SAS - Kheda-Royalty ( SIRF )	504850	0	-	-	-	-
SAS - Vastral-Royalty ( AET )	232141	0	-	-	-	-
<b>RENT &amp; MAINTENANCE INCOME</b>						
Chiripal Industries Ltd. ( Rent )	980000	989849				
Chiripal Poly films Ltd ( Rent )	500000	500000				
Nanan Denim Limited	740000	740,000				
Shanti Innovation & Research Foundation	200000	200,000				
Vishal Fabrics Pvt Ltd ( Rent )	900000	900,000				
Milestone Educom Trust-Rent	1000000	1000000				
Agrawal Educational Trust-Rent	200000	200000				
<b>INTEREST INCOME</b>						
Navsarjan Projects Pvt Ltd	37287	414,302				
SD Education Trust	3966089	0				
Kautilya Traders Pvt.Ltd.-Loan	4150546	0				
Tripoli Management Pvt.Ltd	3896437	0				
Chiripal Charitable Trust	1747513	0				

Milestone Educom Trust	1362806	0				
Agrawal Educational Trust	1097901	0				
Shanti Inno. & Rese. Foun.	767499	718,407				
<b>ROYALTY INCOME</b>						
Shanti Asiatic School-Bopal - CCT	3088476	2857762				
Shanti Business School - CCT	1726650	2387774				
SAS - Kheda SIRF	264337	217998				
Shanti Asiatic School-Surat - MET	636180	567449				
Shanti Asiatic School-Vastra- AET	132039	89685				
<b>RENT &amp; MAINTENANCE EXP</b>						
Shanti Exports Pvt Ltd	-	120000	-	-	-	-
Jaiprakash D. Chiripal	-	-	0	45000		-
Brijmohan Chiripal	-	-	-	-	-	90000
Vedprakash D. Chiripal	-	-	-	-	-	135000
Jyotiprasad D. Chiripal	-	-	-	-	-	45000
<b>PURCHASE &amp; EXPENSES</b>						
Shanti Asiatic School - Vastral	7502	0				
Chiripal Charitable Trust	41594	0				
Shanti Asiatic School - Jaipur	53000	0				
<b>DIRECTORS SITTING FEES</b>						
Suruchi Sanchit Saraf			18000	18,000		
Chitranjan Ajaib Singh			12000	18,000		
<b>REMUNERATION</b>	-	-				-
Vineeta Chiripal	-	-	480000	360000	-	-
Jayesh Patel	-	-	612000	432000	-	-
Dimple Padhiar	-	-	310390	187075	-	-
<b>ADVANCE RENT PAID</b>						
Jaiprakash D. Chiripal	-	-	-	45000		-
Brijmohan Chiripal	-	-	-	-	-	180000
Vedprakash Chiripal	-	-	-	-	-	315000
Jyotiprasad Chiripal	-	-	-	-	-	45000

**NOTE : 33 Exceptional Item**

Particular	2016-2017	2015-2016
a. Profit / (Loss) on sale of Assets	0	4408
<b>Total</b>	<b>0</b>	<b>4408</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 01/04/2016	Current year Amount of DTA/(DTL)	Closing balance of DTA/(DTL) as on 31/03/2017
Account of Depreciation	428814	(411810)	17004
Account of Gratuity	(524295)	186945	(337350)
Account of Disallowance u/s. 40(a)(ia)	115510	NIL	115510
Account of Bonus	269587	206244	475831
<b>Total</b>	<b>289616</b>	<b>(18621)</b>	<b>270995</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	2016-17		2015-16	
		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**      **2016-17**      **2015-16**

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	NIL
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	NIL

**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. 201523/- p.m. w.e.f. 1.11.2016.

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 (Lease agreement yet not renewed )

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 (Lease agreement yet not renewed )

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 (Lease agreement yet not renewed )

The minimum lease rentals payable in respect thereof are as follows,  
 Not later than one year Rs. 3498276/-  
 Later than one year and  
 not later than five years Rs. 17491380/-  
 ( Excluding Yearly escalation )  
 Later than five years : Rs. -  
 ( Not ascertainable )

**Note : 39** During the previous 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, agreement yet not 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, purchase agreement yet not 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** During the year company came up with IPO (Initial Public Offer) of 44,00,000 Equity shares at Rs.90 per share (including premium of Rs.80) consisting of OFS (Offer for sale) of 36,00,000 Equity shares aggregating to Rs.32.40 crores and Fresh Issue of 8,00,000 Equity shares aggregating to Rs.7.20 crores.

Particulars	Amount
IPO Proceeds received (720.00 lakhs)	- 7,20,00,000.00
Less: Construction of School Building at Vastral (Rs.6,52,00,000 mentioned in prospectus of Company) Advances made of Rs. 70700000/- . Construction done of Rs.29295599/- till 31.03.2017. ( Advance outstanding as on 31.03.2017 Rs. 41404401/-)	- 6,50,00,000.00
Less: General Corporate Expense	
- Shanti Asiatic School Bopal	10,00,000
- Shanti Asiatic School Kheda	10,00,000
- Shanti Asiatic School Surat	10,00,000
- Shanti Asiatic School Vastral	10,00,000
- Shanti Hopskotch	10,00,000
- Shanti Juniors	3,00,000
(Rs.53,00,000 mentioned in Prospectus of Company)	
	53,00,000.00

Less: IPO Issue Expense (Rs. 15,00,000 mentioned in Prospectus of Company)	-	14,51,542.00
Add : Reimbursement of IPO Expenses		268135.00
<b>Balance Amount</b>		<b>516593.00</b>

**Note : 41 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.

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Signature to Notes 1 to 40

As per our report and even date annexed.

**For, M/S. ANIL S. SHAH & CO.      For, SHANTI EDUCATIONAL INITIATIVES LTD.**  
**CHARTERED ACCOUNTANTS**  
**(Firm Reg. No. 100474W)**

Anil S. Shah  
Partner  
M.No : 016613

JAIPRAKASH D. CHIRIPAL  
Director  
DIN : 00155430

DARSHAN VAYEDA  
Whole-time Director  
DIN : 07788073

Place: Ahmedabad  
Date : 30.05.2017

JAYESH PATEL  
(Chief Financial Officer)

DIMPLE PADHIAR  
(Company Secretary)  
Place : Ahmedabad  
Date : 30.05.2017



**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.seil.edu.in](http://www.seil.edu.in)**

**ATTENDANCE SLIP**

(To be presented at the entrance)

**28th Annual General Meeting of the Company held on Wednesday, 27th Day of September, 2017 at 03:00 P.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 29th Annual General Meeting of the Company held on Wednesday, 27th Day of September, 2017 at 03:00 P.M., at Chiripal 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, 2017 (**ordinary resolution**).
2. To appoint a Director in place of Mr. Jaiprakash D. Chiripal, 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. Darshan Vayeda (DIN: 07788073), as Whole-Time 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 29<sup>TH</sup> ANNUAL GENERAL MEETING ("AGM")**

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

