

Date: 05.08.2019

To,
Manager,
BSE Limited,
P.J. Towers,
Dalal Street, Fort,
Mumbai - 400001

Dear Sir,

Sub: Submission of Annual Report -Regulation 34 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015
Ref: Shanti Educational Initiatives Limited



In terms of Regulation 34 of the SEBI (Listing Obligation and Disclosures Requirements) Regulations, 2015, enclosed is Annual Report of the Company for the financial year 2018-19.

Kindly take the same on record and inform all the concerned accordingly.

Thanking you,

Yours faithfully,

For, Shanti Educational Initiatives Limited

Darshan Vayeda
Director
DIN: 07788073



Shanti Educational Initiatives Limited : (CIN : L80101GJ1988PLC010691)

Registered Office : 283, New Cloth Market, Raipur Ahmedabad - 380 002 | info@sei.edu.in | www.sei.edu.in

Corporate Office : Mondeal Square, A Wing, 6th Floor, Prahladnagar, Ahmedabad - 380015 | Land Line No.: 079 66177266

31st
Annual Report
2018-19



SHANTI EDUCATIONAL
INITIATIVES LIMITED

CORPORATE INFORMATION



Board of Directors

| <u>Sr. No.</u> | <u>Name</u> | <u>Designation</u> |
|-----------------------|----------------------|---------------------------|
| 1. | Mr. Darshan Vayeda | Whole-Time Director |
| 2. | Mr. Ronak Agrawal | Additional Director |
| 3. | Ms. Suruchi Somani | Independent Director |
| 4. | Mr. Chitranjan Singh | Independent Director |
| 5. | Mr. Jayesh Patel | Chief Financial Officer |
| 6. | Ms. Bhavya Bajpai | Company Secretary |

REGISTERED OFFICE ADDRESS

283, New Cloth Market,
Ahmedabad -380002, Gujarat,
Cont.:079-22162006

CORPORATE OFFICE ADDRESS

A Wing, 6th Floor, Mondeal Square
Pralhad Nagar, Ahmedabad-15
Cont: 079- 66177266

REGISTRAR & TRANSFER AGENT:

LINK INTIME INDIA PRIVATE LIMITED.
5th Floor, 506 to 508, Amarnath Business Center-1,
Beside Gala Business Centre, Nr.St. Xavier's College,
Off. C.G. Road, Ahmedabad - 380009

STATUTORY AUDITORS

M/S Nahta Jain & Associates,
Chartered Accountants
283, New Cloth Market,
Ahmedabad -380002, Gujarat

BANKERS:

State Bank of India
Laxmi Vilas Bank
Kalapur Commercial Co-operative Bank

Axis Bank Ltd.
IDBI Bank Ltd.

INDEX

| <u>Sr. No.</u> | <u>Particulars</u> | <u>Page No.</u> |
|-----------------------|--|------------------------|
| 1 | Notice | 01-15 |
| 2 | Directors' Report | 08-54 |
| 3 | Independent Auditors' Report | 55-64 |
| 4 | Balance Sheet | 65 |
| 5 | Statement of Profit & Loss | 66 |
| 6 | Cash Flow Statement | 67-68 |
| 7 | Notes Forming part of the Financial Statements | 69-109 |
| 8 | Proxy Form | 110 |
| 9 | Attendance Slip | 111 |
| 10 | Ballot paper | 112 |
| 11 | Route map to the venue | 113 |

NOTICE

Notice is hereby given that the 31st Annual General Meeting of the Members of the Company will be held on Friday, 30th day of August, 2019 at 5.00 P.M. at Shanti Corporate House, Beside Hira Rupa Hall, Opposite Landmark Hotel, Bopal-Ambli Road, Ahmedabad – 380058, Gujarat, India 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 31st March, 2019 and the Reports of the Board of Directors and Auditors thereon and in this regard, pass the following resolution as Ordinary Resolution:**

“**RESOLVED THAT** the audited financial statement of the Company for the financial year ended on March 31, 2018 and the report of the Board of Directors and Auditors thereon laid before this meeting, be and are hereby considered and adopted.”

- 2. To appoint Mr. Ronak Agarwal (DIN: 05002292), who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, pass the following resolution as an Ordinary Resolution:**

“**RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Ronak Agarwal (DIN: 05002292), who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

- 3. Ratification of Auditors, and in this regard, pass 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 Nahta Jain & Associates, Chartered Accountants (Firm Registration No.: 106801W), 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 35th General Meeting of the Company on such remuneration as may be agreed between Board of Directors and the M/s Nahta Jain & Associates 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 contribute in charitable and bonafide funds, and in this regard pass with or without modification(s), the following resolution as an Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 181 and other applicable provisions, if any, of the Companies Act, 2013 consent of the members of the Company be and is hereby accorded, to the Board of Directors to contribute on behalf of the Company to bona fide charitable and other funds as may be deemed fit and appropriate, 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 aggregate the sum of Rs. 1.00 Crore (Rupees One Crore Only) in a Financial Year.”

5. Issue of Warrant on Preferential basis and in this regard pass with or without modification(s), the following resolution as an Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 42, Section 62(1)(c), and other applicable provisions of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014 made thereunder and in accordance with the provisions of Memorandum and Articles of Associations of the Company, SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, Chapter VII “Preferential Issue” and other applicable provisions of SEBI (Issue of Capital and Disclosure Requirements) Regulations 2009, and any other applicable rules, notifications and guidelines issued by various authorities including but not limited to the Government of India, the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”) and other competent authorities, and subject to the approvals, permissions, sanctions, and consent as may be necessary from any regulatory and other appropriate authorities and all such other approvals as may be required, the approval of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “Board”) to create, issue, offer and allot in one or more tranches upto up to 4,34,000 (Four Lakh Thirty Four Thousand) warrants (hereinafter referred to as “convertible warrants”) of the Company, at a price of Rs. 115/- per warrant convertible into 1 (One) Equity share of face value of Rs. 10/- each at a premium of Rs. 105/- (Rupees One Hundred and Five Only) per share aggregating to not more than Rs. 5,00,00,000/- (Rupees Five Crore Only) to non-promoter allottee, the details of which are given below on preferential basis for cash in form and in a manner and in accordance with the provisions of SEBI (ICDR) Regulations and other applicable laws on such terms and conditions as the Board may, in its absolute discretion think fit and without requiring any further approval and consent from the members.

| Sr. No. | Name & Address of the proposed Allottee | PAN | Category | No. of Warrants to be converted into Equity Shares of Rs. 115/- each |
|---------|--|------------|--------------------------------|--|
| 1. | Bennett Coleman and Company Limited (BCCL) Address: Times Of India, Bldg. N Road Mumbai: 400001, Maharashtra, India | AAACB4373Q | Non-Promoters-Bodies Corporate | 4,34,000 |

RESOLVED FURTHER THAT in accordance with the provisions of SEBI (ICDR) Regulations, the “Relevant Date” for the purpose of calculating the price of Convertible warrants/Resultant Equity Shares to be issued in terms hereof shall be

31st July, 2019 being 30 days prior to the date of this Annual General Meeting scheduled.

RESOLVED FURTHER THAT without prejudice to the generality of the above, the issue of Warrants convertible into Equity shares shall be subject to the following terms:

- A. The warrants by itself do not give any rights to the warrants holder that of the shareholders of the Company.
- B. The proposed Warrants shall be issued and allotted by the Company to proposed allottee within a period of fifteen (15) days from the date of passing of this resolution provided that where the issue and allotment of the proposed Warrants is pending on account of pendency of any approval for such issue and allotment by any regulatory authority, the issue and allotment shall be completed within a period of fifteen (15) days from the date receipt of last of such approvals, if any.
- C. Each Warrant is convertible into 1 (One) Equity Share and the conversion can be exercised by warrant holder at any time during the period of Eighteen (18) months from the date of allotment of Warrants, in one or more tranches, as the case may be and on such other terms and conditions as applicable;
- D. The Warrants proposed to be issued shall be subject to appropriate adjustment, if during the interim period, the Company makes any issue of equity shares by way of capitalization of profits or reserves, upon demerger / realignment, rights issue or undertakes consolidation / sub-division / re-classification of equity shares or such other similar events or circumstances requiring adjustments as permitted under SEBI (ICDR) Regulations and all other applicable regulations from time to time;
- E. The warrant holder shall pay an amount equivalent to at least 25% of the price fixed per warrant in terms of the (ICDR) Regulations on or before the allotment of warrants. If the option to acquire equity shares pursuant to conversion of warrants is not exercised within the prescribed time period of 18 months from the date of allotment of warrants then such warrants shall be lapsed and the amount paid under this clause shall be forfeited by the Company. Upon exercise of the option of conversion of the warrants into Equity shares by the warrant holder, the price equivalent to 75% of the issue price per warrant shall be payable at the time of exercising the right of conversion of warrants.
- F. The consideration price of the warrants, if paid in cash, shall be received from allottee's bank account;
- G. The warrant holder(s) shall be entitled to exercise the option of exercising any or all of the Warrants in one or more tranches by way of a written notice which shall be given to the Company, specifying the number of Warrants proposed to exercise along with the aggregate amount payable thereon, prior to or at the time of conversion. The Company shall accordingly, without any further approval from the Members of the Company, issue and allot the corresponding number of Equity Shares and perform such actions as required to credit the Equity Shares to the depository account and entering the name of allottee in the records of the Company as the registered owner of such Equity Shares;
- H. The Equity Shares to be so allotted on exercise of option of conversion of Warrants shall be in dematerialised form and shall be subject to the provisions of the

Memorandum and Articles of Association of the Company and shall rank pari-passu in all respects including dividend, with the existing equity shares of the Company;

- I. The Equity Shares arising from the exercise of the option of conversion of Warrants will be listed on Stock Exchange where the equity shares of the Company are listed, subject to the receipt of necessary regulatory permissions and approvals as the case may be and shall inter-alia be governed by the regulations and guidelines issued by SEBI or any other statutory authority;
- J. The Warrants and the Equity Shares being allotted pursuant to exercise of option of conversion of Warrants shall be subject to a lock-in for such period as specified under applicable provisions of SEBI (ICDR) Regulations.

RESOLVED FURTHER THAT the Board be and is hereby authorized to issue and allot such number of equity shares as it may be required to be issued and allotted upon conversion of the warrants and that the said equity shares shall be subject to the Memorandum and Articles of Association of the Company and shall, subject to any subsisting conditions of the warrants, rank pari-passu in all respect with existing equity shares of the Company.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, Mr. Darshan Vayeda, Whole - Time Director and / or Mr. Ronak Agarwal, Director of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as they may in their absolute discretion deem necessary, desirable and expedient for such purpose, including but not restricted to, to prescribe the forms of application, allotment, entering into contracts, arrangements, documents, in connection therewith and incidental thereto without being required to seek any fresh approval of the members of the Company and to settle all questions, difficulties or doubts that may arise in regard to the offer, issue and allotment of the convertible warrants and utilization of proceeds of the convertible warrants, take all other steps which may be incidental, consequential, relevant or ancillary in this connection.

RESOLVED FURTHER THAT Mr. Darshan Vayeda, Whole - Time Director and / or Mr. Ronak Agarwal, Director of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things as also to execute such documents, writings, etc. as may be necessary to give effect to the aforesaid resolution including but not restricted to, to making application to Stock Exchange for obtaining in-principle approval, listing approval of Securities, filing of requisite documents with the Registrar of Companies, National Securities Depository Limited (NSDL), Central Depository Services (India) Limited (CDSL) and/ or such other authorities as may be necessary for the purpose, to resolve and settle any questions and difficulties that may arise in the proposed issue, offer and allotment of the Securities and delegate all or any of the powers herein conferred by above resolution to any Director or to any Committee of Directors or any other executive(s) / officer(s) of the Company or any other person.”

6. Ratification of Related Party Transactions and in this regard pass with or without modification(s), the following resolution as an Ordinary Resolution

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 (“the Act”) read with the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 23 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, (including any amendment, modification, variation or re-enactment to any of the foregoing), and subject to such other approvals, consents, permissions and sanctions of other authorities as may be necessary, consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company to ratify/ approve all existing contracts/arrangements/agreements/transactions for F.Y.: 2018-19 and to enter into new/further contracts/ arrangements/ agreements/ transactions (including any modifications, alterations or amendments thereto), in the ordinary course of business and on arm’s length basis with related parties, as more particularly enumerated in the explanatory statement to the Notice and on such terms and conditions as may be agreed between the Company and Related Parties.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and execute all such deeds, documents and writings, on an ongoing basis, as may be necessary, proper or expedient for the purpose of giving effect to the above resolution.”

**By Order of the Board
For, Shanti Educational Initiatives Limited**

Sd/-

Bhavya Bajpai
Company Secretary

Date:31.07.2019
Place: Ahmedabad

NOTES:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, with regard to the Special Business is appended.
2. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** 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 a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Friday, 23rd August, 2019 to Friday, 30th August, 2019 (both days inclusive).
4. The instrument appointing the proxy, duly completed must be deposited at the registered office of the Company at least 48 hours before the Commencement of the meeting. A blank proxy form is attached.
5. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
6. Members/Proxies attending the meeting are requested to bring the Attendance Slip (duly completed and signed) to the Meeting.
7. Queries proposed to be raised at the Annual General Meeting may be sent to the Company at least seven days prior to the date of the AGM to enable the management to compile the relevant information to reply the same in the meeting.
8. Corporate Members intending to send their authorized representatives to attend the Meeting pursuant to section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the Meeting.
9. The Members are requested to notify immediately any change of address to their Depository Participants (DPs) in respect of their electronic share accounts and to the Company's Registrar, Link In time India Pvt. Ltd in respect of their physical share folios, if any, quoting their folio number.
9. The Members are informed that the Company is sending Notice of Annual General Meeting through e-mail to those members who have registered their e-mail ID with the Company/ RTA of the Company. The Members may also note that the Notice of Annual General Meeting will also be available on the Company's website www.sei.edu.in for their download.
10. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended, and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is providing a facility to its members to exercise their votes electronically through the remote e-voting facility arranged by Central Depository Services (India) Limited ("CDSL") for all items of business as set out in the notice of the AGM and confirms that the business can be transacted through e-voting in pursuance of the above provisions. The facility for voting through ballot/poll paper will also be made available at the AGM and the members who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through voting by ballot/poll paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The Board of Directors has appointed Mr. Uday G. Dave, Partner of Parikh Dave & Associates, Practicing Company Secretaries (COP: 7158) as the Scrutinizer, for conducting the e-voting process in a fair and transparent manner.

11. The Company has engaged the services of Central Depository Services (India) Limited (“CDSL”) to provide e-voting facilities enabling the members to cast their vote in a secured manner. It may be noted that this e-voting facility is optional.
12. The members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
13. The procedure and instructions for remote e-voting is furnished in this notice.
14. The instructions electronic voting (e-voting) are as under: Instructions for remote e-voting:
 - The voting period commences on 10:00 A.M. on Tuesday, 27th August, 2019 and ends at 5.00 P.M. on Thursday, 29th August, 2019. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date which has been fixed as Friday August, 23, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - The shareholders should log on to the e-voting website www.evotingindia.com.
 - Click on Shareholders.
 - Now Enter your User ID
 - a) For CDSL: 16 digits beneficiary ID,
 - b) For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c) Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - Next enter the Image Verification as displayed and Click on Login.
 - If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
 - If you are a first time user follow the steps given below:

| | For Members holding shares in Demat Form and Physical Form |
|------------------------------|---|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field. |
| DOB | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. |
| Dividend Bank Details | If both the details are not recorded with the depository or company Please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv). |

- After entering these details appropriately, click on “SUBMIT” tab.
- Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- Click on the EVSN for the relevant Shanti Educational Initiatives Limited on which you choose to vote.
- On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Shareholders can also cast their vote using CDSL’s mobile app - CDSL m-Voting available for I-phone as well as android and windows based mobiles. Please follow the instructions as prompted by the mobile app while voting on your mobile.

Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the Cut Off date i.e. 23rd August, 2019, may obtain the login ID and password by sending a request in writing at helpdesk.evoting@cdslindia.com.
- However, if you are already registered with CDSL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evotingindia.com.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting/voting at the AGM through ballot paper.

Mr. Uday G. Dave, Partner of Parikh Dave & Associates, Practicing Company Secretaries, Ahmedabad has been appointed as the Scrutinizer to scrutinize the voting process in a fair and transparent manner.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" / "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the Annual Meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 Hours of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date, which is 23rd August, 2019.

The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.sei.edu.in and on the website of the CDSL and communicated to Stock Exchanges, where the shares of the Company are listed.

For the convenience of the members, a route map indicating the AGM venue is annexed to this notice. The Notice of the AGM and instructions for e-voting, along with the Attendance Slip and Proxy Form, is being sent to all members by Registered Post/Speed Post.

ANNEXURE TO THE NOTICE

Explanatory Statement under Section 102(1) of the Companies Act, 2013

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

Item No.4:

The Board of Directors 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).

None of the Promoters/ Directors/KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 4 of this Notice. The Board recommends the resolution set forth for the approval of the Members.

Item No.5:

Our Company is mainly engaged in the business of providing the educational support service to the pre-schools, K-12 and premium category pre-schooling in India. In order to augment the fund requirement, the Board of Directors proposed to issue the convertible warrants on preferential basis.

Bennett Coleman and Company Limited (BCCL), a prominent name in Indian/International media space, has agreed to subscribe to the convertible warrants and to support funding requirements towards brand building through advertising in the print and non-print media.

Pursuant to provisions of Section 42 and 62 (1)(c) of Companies Act, 2013 (the "Act") and Regulation 160 of SEBI ICDR Regulations, any preferential allotment of Securities needs to be approved by the shareholders by way of a Special Resolution.

Accordingly, the consent of the shareholders is being sought to enable the Board to issue convertible warrants as may be permitted under applicable laws to BCCL in accordance with the provisions of the Companies Act, 2013 and Rules made thereunder, SEBI ICDR Regulations, as amended, Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable laws, including with respect to the pricing of the securities proposed to be issued.

The proposed allottee of convertible warrants has not sold any equity shares of the Company during the six months preceding the Relevant Date i.e, Wednesday 31st July, 2019.

In compliance with the above mentioned provisions, the Board of Directors proposes to pass resolution as set in the notice for approval of Shareholders' as a Special Resolution.

The disclosures in accordance with the Companies Act, 2013, and the other disclosures as per the SEBI (ICDR) Regulations, 2009 and the other applicable provisions of law, in relation to the Special Resolution set out in the accompanying Notice are as follows:

1. **The objects of the preferential issue:**

The proceeds of the proposed issue will be utilized for any one or in combination with any one or more of the purposes such as to augment the resources for Brand Building, Advertisements, and General Corporate Purposes of the Company.

2. **The total number of securities to be issued, pricing and relevant date:**

It is proposed to issue and allot upto 4,34,000 warrants at a price of Rs. 115/- per warrant, each convertible into 1 (One) equity share of face value of Rs. 10/- each at a premium of Rs. 105/- per share aggregating to not more than Rs. 5,00,00,000/- to the proposed allottee.

The price of each equity share to be issued in lieu of Warrants is fixed at Rs. 115/- (Rupees One Hundred and Fifteen Five Only) per share including premium of Rs. 105/- (Rupees One Hundred and Five Only) per share as determined in terms of SEBI (ICDR) Regulations on the basis of the Relevant Date. Further, the Company undertakes to re-compute the price of the equity shares, if at all required, in terms of the provisions of these regulations where it is required to do so. If the amount payable on account of the re-computation, if required, of price is not paid within the time stipulated in these regulations, the specified securities shall continue to be locked- in till the time such amount is paid by the allottees.

The relevant date determined in accordance with the SEBI (ICDR) Regulations is Wednesday, 31st July, 2019.

3. **Basis on which the price is arrived at:**

The equity shares of Company are listed on BSE Limited and are frequently traded in accordance with SEBI (ICDR) Regulations.

In terms of the applicable provisions of SEBI (ICDR) Regulations the price at which Warrants shall be allotted shall not be less than higher of the following:

- Average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the Stock Exchange, during the Twenty Six (26) weeks preceding the Relevant Date; or
- Average of the weekly high and low of the volume weighted average price of the equity shares of the Company quoted on the Stock Exchange, during the Two (2) weeks preceding the Relevant Date.

The pricing of the Warrants to be allotted on preferential basis is Rs. 115/- per Warrant convertible into equivalent number of Equity Share of face value of Rs. 10/- each, which is not lower than the price determined in accordance with applicable provisions of SEBI (ICDR) Regulations.

4. **Shareholding pattern before and after the Preferential issue:**

| Category of Shareholder | Pre Issue | | Post Issue* | |
|-------------------------|---------------------|--------------------------|---------------------|--------------------------|
| | Total no. of Shares | % of Total No. of Shares | Total no. of Shares | % of Total No. of Shares |
| | | | | |

| | | | | | |
|------------|---|--------------------|---------------|--------------------|---------------|
| (A) | Shareholding of Promoter and Promoter Group | | | | |
| 1 | Indians | | | | |
| | Individuals / Hindu Undivided Family | 77,11,600 | 47.90 | 77,11,600 | 46.64 |
| | Bodies Corporate | 17,74,100 | 11.02 | 17,74,100 | 10.73 |
| | Sub Total (A)(1) | 94,85,700 | 58.92 | 94,85,700 | 57.37 |
| 2 | Foreign | | | | |
| | Individuals (Non-Resident Individuals / Foreign Individuals) | 8,50,000 | 5.28 | 8,50,000 | 5.14 |
| | Sub Total (A)(2) | 8,50,000 | 5.28 | 8,50,000 | 5.14 |
| | Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2) | 1,03,35,700 | 64.20 | 1,03,35,700 | 62.51 |
| (B) | Public Shareholdings | | | | |
| 1 | Institutions | | | | |
| | Foreign Portfolio Investor | 14,10,400 | 8.76 | 14,10,400 | 8.53 |
| | Sub Total (B)(1) | 14,10,400 | 8.76 | 14,10,400 | 8.53 |
| 2 | Non-Institutions | | | | |
| | Bodies Corporate | 11,43,514 | 7.10 | 15,77,514 | 9.54 |
| | Individual | | | | |
| | Individual shareholders holding nominal share capital up to Rs. 2 lakhs. | 2,82,198 | 1.75 | 2,82,198 | 1.71 |
| | Individual shareholders holding nominal share capital in excess of Rs. 2 lakhs. | 6,36,626 | 3.95 | 6,36,626 | 3.85 |
| | Any Other (Specify) | | | | |
| | HUF | 1,00,801 | 0.62 | 1,00,801 | 0.61 |
| | Foreign Companies | 5,61,110 | 3.49 | 5,61,110 | 3.39 |
| | Non Resident Indians (Non Repat) | 1 | 0.00 | 1 | 0.00 |
| | Non Resident Indians (Repat) | 15,99,050 | 9.93 | 15,99,050 | 9.67 |
| | Clearing members | 30,600 | 0.19 | 30,600 | 0.19 |
| | Sub Total (B)(2) | 43,53,900 | 27.04 | 47,87,900 | 28.23 |
| | Total Public Shareholding (B)= (B)(1)+(B)(2) | 57,64,300 | 35.80 | 57,64,300 | 34.86 |
| (C) | Shares held by Custodians and against which depository Receipts have been issued | 0 | 0 | 0 | 0 |
| | Sub-Total (C) | 0 | 0 | 0 | 0 |
| | Grand Total (A+B+C) | 1,61,00,000 | 100.00 | 1,65,34,000 | 100.00 |

Note:

- The post issue shareholding pattern in the above table has been prepared on the basis that the proposed allottee would have subscribed to and been allotted all the Equity Shares resulting from the exercise of option of conversion of warrants. In the event for any reason, the proposed allottee does not or is unable to subscribe to and/or are not allotted the Equity Shares, the shareholding pattern in the above table would undergo corresponding changes.

- The existing promoters of the Company will continue to be in control of the Company and there will not be any change in the management / control of the Company as a result of the proposed allotment and conversion of the warrants into Equity shares.

5. **Intention of Promoters/ Directors/ Key Managerial Personnel to subscribe to the preferential issue:**

None of the Promoter & Promoter Group/Directors/Key Managerial personnel of the Company intend to subscribe to the Warrants under the Preferential Issue. The preferential allotment is intended to be made to Bennett Coleman and Company Limited which is a non-promoter entity.

6. **Proposed time within which the proposed preferential issue shall be completed:**

The allotment of Warrants shall be completed within a period of 15 days from the date of passing of this resolution by the shareholders, provided that where the allotment is pending on account of pendency of any approval from any regulatory authority / body, the allotment shall be completed by the Company within a period of 15 days from the date of receipt of such approvals.

7. **No. of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:**

Save and except the preferential issue as proposed in the resolution as set in the accompanying Notice, the Company has not made any other issue or allotment of securities on preferential basis during the year 2018-19 and during the period from 1st April, 2019 till the date of this notice.

8. **Valuation for consideration other than cash:**

As the proposed preferential allotment is to be made for cash, the said provision will not be applicable.

9. **Lock-in:**

The warrants and the Equity shares to be allotted upon exercise of option of conversion by the warrant holder shall be subjected to lock-in for such period as specified under the provisions of relevant Regulation(s) of SEBI (ICDR) Regulations.

10. **Listing:**

The Company will make an application to the Stock Exchange at which the existing shares are already listed, for listing of the equity shares being issued on conversion of Equity Warrants. Such Equity Shares, once allotted, shall rank pari-passu with the existing equity shares of the Company in all respects, including dividend.

11. **Auditor's Certificate:**

A copy of certificate from Statutory Auditors of the Company certifying that the present proposed preferential allotment is being made in accordance with the requirements contained in SEBI (ICDR) Regulations, 2018 as amended from time to time and will be placed before the shareholders of the Company at Annual General Meeting and will also be open for inspection by the members at the registered office of the Company between 11.00 AM to 5.00 P.M. between Monday to Friday of every week upto the date of Annual General Meeting.

12. Other Disclosures / Undertakings:

- It is hereby confirmed that neither the Company nor its Directors and to the Company's Knowledge and any of its Promoters are willful defaulter.
- The proposed Allottee has not sold any equity shares during the six months preceding the Relevant Date.

13. Identity of Proposed Allottee (including natural persons who are the ultimate beneficial owners of equity shares proposed to be allotted and/or who ultimately control), the percentage (%) of Post Preferential Issue Capital that may be held by them and Change in Control, if any, consequent to the Preferential Issue:

| Sr. No. | Name of the proposed Allottee | Category | Pre issue Shareholding | | No. of Warrants proposed to be allotted | Shareholding Post conversion of Warrants* | |
|---------|-------------------------------------|--------------------------------|------------------------|---|---|---|------|
| | | | No. of Shares | % | | No. of Shares | % |
| 1. | Bennett Coleman and Company Limited | Non-Promoters-Bodies Corporate | - | - | 4,34,000 | 4,34,000 | 2.62 |

*Assuming full conversion of warrant.

Bennett Coleman & Company Limited (BCCL) an existing Company having no identified promoters and is managed by its Board of Directors and hence it is not possible to determine the natural person who are the ultimate beneficial owners of BCCL.

None of the Directors, Key Managerial Persons (KMPs) of the Company or any relatives of such Director or KMPs, are in any way concerned or interested financially or otherwise in the proposed Resolution.

Item No. 6:

The Company has entered into transactions over a period of time with Related Parties. A statement giving brief summary of these transactions is given below. The transactions as mentioned above were not in the Ordinary course of business and not at Arm's Length price. The Audit Committee & the Board of Directors of the Company have considered these Contracts / Arrangement and limits at their respective meetings and ratified and approved the Contracts/ Arrangements with the Related Party and have also decided to seek ratification and approval of Shareholders pursuant to Section 188 of the Act, read with the Companies (Meetings of Board and its Powers) Rules, 2014. Members are hereby informed that pursuant to second proviso of Section 188 of the Act, no member of the Company shall vote on the resolution to approve any contract or arrangement which may be entered into by the Company if such member is a related party. The Board of Directors of the Company recommends the Resolution for ratification and approval of the members.

Form for disclosure of particulars of contract/arrangements entered into by the company with related parties referred to in sub-sec (1) of sec 188 of Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

Details of contract entered into with related parties during FY 2018-19

- (a) In the ordinary course of business but difficult to prove Arm's Length

| Sr No | Nature of relationship | Name of the related party | Type of contracts/ arrangements/ transactions | Total Value of all the Contracts in the Fin. Year | Duration of the contracts / arrangements/ transactions | Salient terms of the contracts or arrangements or transactions | Date of approval by the Board |
|------------------------|---------------------------------------|--------------------------------|---|---|--|--|-------------------------------|
| 1 | Availing or rendering of any services | Milestone Educom Trust | Contract or Arrangement have been entered into after consultation and approval of Audit Committee and Board | Rs. 50 Cr. | Recurring | These transactions as well as the proposed transactions would continue to be in ordinary course of business and at arm's length basis. | 31.05.2018 |
| | | SIRF | | | | | |
| | | Agrawal Educational Trust | | | | | |
| | | Tripoli Management Pvt Ltd | | | | | |
| | | Chiripal Charitable Trust | | | | | |
| | | Kautilya Traders Pvt.Ltd. | | | | | |
| | | Vijay Shubham Contrade Pvt Ltd | | | | | |
| | | Navsarjan Projects Pvt Ltd | | | | | |
| SD Education Trust | | | | | | | |
| 2 | Leasing of property | Chiripal Industries Ltd | Contract or Arrangement have been entered into after consultation and approval of Audit Committee and Board | Rs. 50 Cr. | One-time | | |
| | | Chiripal Polyfilm Ltd | | | | | |
| | | Nandam Denim Ltd | | | | | |
| | | SIRF | | | | | |
| | | Vishal Fabrics Ltd | | | | | |
| | | Milestone Educom Trust | | | | | |
| | | Agrawal Educ. Trust | | | | | |
| | | Chiripal Charitable Trust | | | | | |
| Milestone Educom Trust | | | | | | | |

(b) In the ordinary course of business but difficult to prove Arm's Length: NA

None of the Promoters/ Directors/KMP of the Company/their relatives are, in any way, concerned or interested, financially or otherwise, in the Ordinary Resolution set out at Item no. 6 of this Notice. The Board recommends the resolution set forth for the approval of the Members.

For and on behalf of Board of Directors of
Shanti Educational Initiatives Limited
Sd/-

Bhavya Bajpai
Company Secretary

Place : Ahmedabad
Date : 31.07.2019

DIRECTORS' REPORT

**TO,
THE MEMBERS
SHANTI EDUCATIONAL INITIATIVES LIMITED.
AHMEDABAD**

Your Directors take pleasure in presenting their report on the business and operations of your Company for the year ended on 31st March, 2019.

FINANCIAL RESULTS:

| Particulars | As on 31.03.2019 | As on 31.03.2018 |
|------------------------------|-------------------|------------------|
| | ₹ in Lakhs | |
| Sales/Income from operations | 1388.72 | 2194.58 |
| Other Income | 61.59 | 259.49 |
| Total Income | 1450.31 | 2454.07 |
| Total Expense | 1327.64 | 2185.52 |
| Depreciation | 31.75 | 34.35 |
| Profit Before Tax | 90.92 | 234.19 |
| Tax | 41.97 | 68.94 |
| Profit After Tax | 48.95 | 165.26 |

FINANCIAL REVIEW:

Your Company's total income for the year 2018-19 is Rs. 1450.31 lakhs compared to last year's income of Rs. 2454.07 lakhs. The Profit before Tax (after depreciation) during the year under review was Rs.90.92 Lakhs as compared to previous year's figure of Rs. 234.19 Lakhs. Your Company has earned Net Profit of Rs. 48.95 lakhs against the Net Profit of Rs. 165.26 lakhs 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, 2019.

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, 2019.

EXTRACT OF ANNUAL RETURN:

The extract of Annual Return as on 31st March, 2019 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 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.

BOARD OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Pursuant to Section 152 and other applicable provisions, if any, of the Companies Act, 2013, one-third of such number of Directors are liable to retire by rotation every year and, if eligible, offer themselves for reappointment at every Annual General Meeting. In this context, Mr. Ronak Agarwal, Director, is liable to retire by rotation at the ensuing Annual General Meeting, and being eligible, offer himself for reappointment in accordance with the provisions of the Companies Act, 2013.

During the year under review, Ms. Dimple Padhiar ceased to hold office as Company and Compliance Officer effective from 09.04.2018 and Ms. Bhavya Bajpai was appointed as Company and Compliance Officer effective from 30.05.2018.

None of the Directors of your Company are disqualified pursuant to the provision of section 164 (2) of the Companies Act, 2013. Your Directors have made necessary disclosures as required under various provisions of Companies Act, 2013 and SEBI regulations.

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

The appointment is made pursuant to 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.

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.

SUBSIDIARY / ASSOCIATE / JOINT VENTURE:

The Company did not have any Subsidiary Company, Associate Company or Joint Venture as on 31st March, 2019.

REMUNERATION POLICY:

The Company has formulated and adopted the Nomination and Remuneration Policy in accordance with the provisions of Companies Act, 2013 read with Rules issued thereunder and the Listing Regulations.

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, 6 (Six) Board Meetings were held on 30th May, 2018, 24th August, 2018, 31st October, 2018, 18th January, 2019 and 14th February, 2019 & 20th March, 2019.

SECRETARIAL STANDARD:

The Directors states that applicable Secretarial Standards i.e. SS-1 & SS-2, relating to 'Meetings of the Board of Directors' and 'General Meetings', respectively, have been duly followed by the Company.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to the provisions of Section 134(3) (c) 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 31st March, 2019 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:

During the year under review, the company received in-principle approval of the BSE Limited (main board) vide their letter dated 29th November, 2018. Subsequently, the company migrated from SME segment of BSE to Main Board of BSE limited effective from 12th December, 2018

STATUTORY AUDITORS:

Pursuant to Section 139 of the Companies Act, 2013, M/s. Nahta Jain & Associates, Chartered Accountants, (Firm Registration No.: 106801W) were appointed as the Statutory Auditors of the Company to fill the casual vacancy caused due to resignation of M/s Anil S. Shah & Co., Ahmedabad, at the Extra Ordinary General Meeting held on 15.04.2019 to conduct audit for the financial year 2018-19. The Board recommends their further appointment for 4 consecutive years i.e.; till the conclusion of 35th Annual General Meeting

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 Internal Auditor to conduct the Internal Audit of the Company for the F.Y. 2018-19.

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

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

ADEQUACY OF INTERNAL FINANCIAL CONTROL:

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

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

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

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

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

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 <http://www.sei.edu.in/policies.html>

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:

Your Company is committed to maintain the highest standards of Corporate Governance. We believe that sound Corporate Governance is critical to enhance and retain investor trust. Our disclosures seek to attain the best practices in Corporate Governance as prevalent globally. We have implemented several best Corporate Governance practices in the Company to enhance long-term shareholder value and respect minority rights in all our business decisions. Our Corporate Governance report for financial year 2018-19 forms part of this Annual Report.

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. Keyur J. Shah & Associates, Practicing Company Secretaries as Secretarial Auditor of the Company to undertake the Secretarial Audit for financial year 2018-19. The Secretarial Audit Report for financial year 2018-19 issued by M/s. Keyur J. Shah & Associates, Practicing Company Secretaries has been appended as Annexure-V 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.

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 <http://www.sei.edu.in/policies.html>

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 share capital of the Company. Authorized capital of the Company as on 31st March, 2019 was Rs. 30,00,00,000 (Rupees Thirty Crores Only) and Paid-up Share Capital of the Company as on 31st March, 2019 was Rs. 16,10,00,000 (Rupees Sixteen Crores Ten Lakhs Only).

SHARES:

1. **Buy Back of Securities:** The Company has not bought back any of its securities during the year under review.
2. **Sweat Equity:** The Company has not issued any sweat equity shares during the year under review.
3. **Bonus Shares:** No bonus shares were issued during the year under review.
4. **Employees Stock Option Plan:** The Company has not provided any Stock Option Scheme to the employees.

INSURANCE:

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

STATEMENT PURSUANT TO LISTING AGREEMENT:

The Company's Equity shares are listed at Bombay Stock Exchange Limited. The Annual Listing Fees for the year 2018-19 has been paid.

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.

Place: Ahmedabad
Date: 31.07.2019

By Order of the Board
For Shanti Educational Initiatives Limited

Sd/-
Darshan Vayeda
Whole-Time Director
DIN : 07788073

Sd/-
Ronak Agrawal
Director
DIN : 05002292

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(Management Discussion and Analysis is part of Directors Report for the Year Ended 31st March, 2019)

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 31st March, 2019, 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

| ₹ in Lakhs | | |
|------------------------------|-------------------------|-------------------------|
| Particulars | As on 31.03.2019 | As on 31.03.2018 |
| Sales/Income from operations | 1388.72 | 2194.58 |
| Other Income | 61.59 | 259.49 |
| Total Income | 1450.31 | 2454.07 |
| Total Expense | 1327.64 | 2185.52 |
| Depreciation | 31.75 | 34.35 |
| Profit Before Tax | 90.92 | 234.19 |
| Tax | 41.97 | 68.94 |
| Profit After Tax | 48.95 | 165.26 |

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.

ANNEXURE - I

**EXTRACT OF ANNUAL RETURN AS ON 31ST MARCH, 2019
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]

1. REGISTRATION AND OTHER DETAILS

| | | | | |
|--|------------------------------------|--|-------|------|
| i) CIN | | L80101GJ1988PLC010691 | | |
| ii) Registration Date | | 12 | 5 | 1988 |
| | | Date | Month | Year |
| iii) Name of the Company | | Shanti Educational Initiatives Limited | | |
| iv) Category of the Company | | | | |
| 1. | Public Company | ✓ | | |
| 2. | Private Company | | | |
| Sub Category of Company | | | | |
| 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 | | | |
| v) Address of the Registered Office and Contact Details | | | | |
| Company Name | | Shanti Educational Initiatives Limited | | |
| Address | | 283, New Cloth Market, Raipur | | |
| 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 | | info@sei.edu.in | | |
| Website, if any | | www.sei.edu.in | | |
| Name of the Police Station having jurisdiction where the Registered Office is situated | | Kagda Pith Police Station | | |

2. 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% |

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

4. SHAREHOLDING PATTERN

4.1. Category wise Shareholding pattern

| Sr No | Category of Shareholders | Shareholding at the beginning of the year - 2018 | | | | Shareholding at the end of the year - 2019 | | | | % Change |
|------------|---|--|----------|-----------------|-------------------|--|----------|-----------------|-------------------|-------------|
| | | | | | % of Total Shares | | | | % of Total Shares | |
| (A) | Shareholding of Promoter and Promoter Group | | | | | | | | | |
| [1] | Indian | | | | | | | | | |
| (a) | Individuals / Hindu Undivided Family | 7550000 | 0 | 7550000 | 46.89 | 7711600 | 0 | 7711600 | 47.89 | 1 |
| (b) | Central Government / State Government(s) | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0 | 0 |
| (c) | Financial Institutions / Banks | 0 | 0 | 0 | 0.00 | 0 | 0 | 0 | 0 | 0 |
| (d) | Any Other (Specify) | | | | | | | | | |
| | Bodies Corporate | 1624500 | 0 | 1624500 | 10.09 | 1774100 | 0 | 1774100 | 11.01 | 0.92 |
| | Sub Total (A)(1) | 9174500 | 0 | 9174500 | 56.98 | 9485700 | 0 | 9485700 | 58.91 | 1.93 |
| [2] | Foreign | | | | | | | | | |
| (a) | Individuals (Non-Resident Individuals / Foreign Individuals) | 850000 | 0 | 850000 | 5.27 | 850000 | 0 | 850000 | 5.27 | 0 |
| (b) | Government | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 |
| (c) | Institutions | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 |
| (d) | Foreign Portfolio Investor | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 |
| (e) | Any Other (Specify) | | | | | | | | | |
| | Sub Total (A)(2) | 850000 | 0 | 850000 | 5.27 | 850000 | 0 | 850000 | 5.27 | 0 |
| | Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2) | 10024500 | 0 | 10024500 | 62.26 | 10335700 | 0 | 10335700 | 64.19 | 1.93 |
| (B) | Public Shareholding | | | | | | | | | |
| [1] | Institutions | | | | | | | | | |
| (a) | Mutual Funds / UTI | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 |
| (b) | Venture Capital Funds | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 |
| (c) | Alternate Investment Funds | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 |
| (d) | Foreign Venture Capital Investors | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 |
| (e) | Foreign Portfolio Investor | 2071200 | 0 | 2071200 | 12.86 | 2070400 | 0 | 2070400 | 12.85 | 0 |
| (f) | Financial Institutions / Banks | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 |
| (g) | Insurance Companies | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 |
| (h) | Provident Funds/ Pension Funds | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 |
| (i) | Any Other (Specify) | | | | | | | | | |
| | Sub Total (B)(1) | 2071200 | 0 | 2071200 | 12.86 | 2070400 | 0 | 2070400 | 12.85 | 0 |
| [2] | Central Government/ State Government(s)/ President of India | | | | | | | | | |
| | Sub Total (B)(2) | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 |
| [3] | Non-Institutions | | | | | | | | | |

| | | | | | | | | | | |
|------|--|-----------------|----------|-----------------|---------------|-----------------|----------|-----------------|--------------|--------------|
| (a) | Individuals | | | | | | | | | |
| (i) | Individual shareholders holding nominal share capital upto Rs. 1 lakh. | 204644 | 0 | 204644 | 1.27 | 168406 | 0 | 168406 | 1.04 | -0.22 |
| (ii) | Individual shareholders holding nominal share capital in excess of Rs. 1 lakh | 1035495 | 0 | 1035495 | 6.43 | 837800 | 0 | 837800 | 5.2 | -1.22 |
| (b) | NBFCs registered with RBI | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 |
| (d) | Overseas Depositories(holding DRs) (balancing figure) | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 |
| (e) | Any Other (Specify) | | | | | | | | | |
| | Hindu Undivided Family | 125590 | 0 | 125590 | 0.78 | 103300 | 0 | 103300 | 0.64 | -0.13 |
| | Foreign Companies | 1300000 | 0 | 1300000 | 8.07 | 561110 | 0 | 561110 | 3.48 | -4.58 |
| | Non Resident Indians (Non Repat) | 0 | 0 | 0 | - | 1 | 0 | 1 | 0 | 0 |
| | Non Resident Indians (Repat) | 973600 | 0 | 973600 | 6.04 | 1549050 | 0 | 1549050 | 9.62 | 3.57 |
| | Clearing Member | 8146 | 0 | 8146 | 0.05 | 12733 | 0 | 12733 | 0.07 | 0.02 |
| | Bodies Corporate | 356825 | 0 | 356825 | 2.23 | 461500 | 0 | 461500 | 2.86 | 0.65 |
| | Sub Total (B)(3) | 4004300 | 0 | 4004300 | 24.87 | 3693900 | 0 | 3693900 | 22.94 | -1.92 |
| | Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3) | 6075500 | 0 | 6075500 | 37.70 | 5764300 | 0 | 5764300 | 35.8 | -1.93 |
| | Total (A)+(B) | 16100000 | 0 | 16100000 | 100.00 | 16100000 | 0 | 16100000 | 100 | 0 |
| (C) | Non Promoter - Non Public | | | | | | | | | |
| [1] | Custodian/DR Holder | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 |
| [2] | Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014) | 0 | 0 | 0 | - | 0 | 0 | 0 | 0 | 0 |
| | Total (A)+(B)+(C) | 16100000 | 0 | 16100000 | 100.00 | 16100000 | 0 | 16100000 | 100 | |

4.2. Shareholding of Promoters:

| Sr No | Shareholder's Name | Shareholding At The Beginning Of The Year - 2018 | | | Shareholding At The End Of The Year - 2019 | | | % Change In Shareholding During The Year |
|-------|---------------------------------|--|----------------------------------|--|--|----------------------------------|--|--|
| | | No.Of Shares Held | % Of Total Shares Of The Company | %Of Shares Pledged/ Encumbered To Total Shares | No.Of Shares Held | % Of Total Shares Of The Company | %Of Shares Pledged/ Encumbered To Total Shares | |
| 1 | Chiripal Exim Llp | 1153700 | 7.16 | 0 | 1233700 | 7.66 | 0 | 0.49 |
| 2 | Ronak B Agarwal | 1000000 | 6.21 | 0 | 1000000 | 6.21 | 0 | 0 |
| 3 | Vansh J Chiripal | 1000000 | 6.21 | 0 | 1000000 | 6.21 | 0 | 0 |
| 4 | Vedprakash Devkinandan Chiripal | 850000 | 5.27 | 0 | 850000 | 5.27 | 0 | 0 |
| 5 | Brijmohan Devkinandan Chiripal | 800000 | 4.96 | 0 | 800000 | 4.96 | 0 | 0 |

| | | | | | | | | |
|----|------------------------------------|-----------------|--------------|----------|-----------------|--------------|----------|-------------|
| 6 | Vishal V Chiripal | 800000 | 4.96 | 0 | 800000 | 4.96 | 0 | 0 |
| 7 | Jaiprakash D Chiripal | 700000 | 4.34 | 0 | 700000 | 4.34 | 0 | 0 |
| 8 | Jyotiprasad D Chiripal | 650000 | 4.03 | 0 | 650000 | 4.03 | 0 | 0 |
| 9 | Nitika Deepak Chiripal | 480000 | 2.98 | 0 | 480000 | 2.98 | 0 | 0 |
| 10 | Vineeta Chiripal | 480000 | 2.98 | 0 | 480000 | 2.98 | 0 | 0 |
| 11 | Savitridevi Vedprakash Chiripal | 450000 | 2.79 | 0 | 10400 | 0.06 | 0 | -2.73 |
| 12 | Kautilya Traders Private Limited | 347500 | 2.15 | 0 | 347500 | 2.15 | 0 | 0 |
| 13 | Deepak J Chiripal | 340000 | 2.11 | 0 | 340000 | 2.11 | 0 | 0 |
| 14 | Manjudevi Jaiprakash Chiripal | 300000 | 1.86 | 0 | 440400 | 2.73 | 0 | 0.87 |
| 15 | Pritidevi B Chiripal | 300000 | 1.86 | 0 | 340400 | 2.11 | 0 | 0.25 |
| 16 | Urmiladevi Jyotiprasad Chiripal | 250000 | 1.55 | 0 | 670400 | 4.16 | 0 | 2.61 |
| 17 | Devkinandan Corporation Llp | 123070 | 0.76 | 0 | 192670 | 1.19 | 0 | 0.43 |
| 18 | Tripoli Management Private Limited | 230 | 0 | 0 | 230 | 0 | 0 | 0 |
| | Total | 10024500 | 62.26 | 0 | 10335700 | 64.19 | 0 | 1.93 |

4.3. Change in promoters shareholding

| Sr No. | Name & Type of Transaction | Shareholding at the beginning of the year - 2018 | | Transactions during the year | | Cumulative Shareholding at the end of the year - 2019 | |
|--------|----------------------------|--|----------------------------------|------------------------------|---------------|---|----------------------------------|
| | | NO.OF SHARES HELD | % OF TOTAL SHARES OF THE COMPANY | DATE OF TRANSACTION | NO. OF SHARES | NO OF SHARES HELD | % OF TOTAL SHARES OF THE COMPANY |
| 1 | Chiripal Exim Llp | 1153700 | 7.16 | | | 1153700 | 7.16 |
| | Transfer | | | 22 Jun 2018 | 13600 | 1167300 | 7.25 |
| | Transfer | | | 27 Jul 2018 | 16000 | 1183300 | 7.34 |
| | Transfer | | | 03 Aug 2018 | 8000 | 1191300 | 7.39 |
| | Transfer | | | 10 Aug 2018 | 3200 | 1194500 | 7.41 |
| | Transfer | | | 18 Jan 2019 | 9600 | 1204100 | 7.47 |
| | Transfer | | | 25 Jan 2019 | 9600 | 1213700 | 7.53 |

| | | | | | | | |
|----|---------------------------------|---------|------|-------------|----------|---------|------|
| | Transfer | | | 22 Feb 2019 | 20000 | 1233700 | 7.66 |
| | At The End Of The Year | | | | | 1233700 | 7.66 |
| 2 | Vansh J Chiripal | 1000000 | 6.21 | | | 1000000 | 6.21 |
| | At The End Of The Year | | | | | 1000000 | 6.21 |
| 3 | Ronak B Agarwal | 1000000 | 6.21 | | | 1000000 | 6.21 |
| | At The End Of The Year | | | | | 1000000 | 6.21 |
| 4 | Vedprakash Devkinandan Chiripal | 909200 | 5.64 | | | 909200 | 5.64 |
| | Transfer | | | 04 May 2018 | 52800 | 962000 | 5.97 |
| | Transfer | | | 11 May 2018 | 5600 | 967600 | 6.00 |
| | Transfer | | | 25 May 2018 | 31200 | 998800 | 6.20 |
| | Transfer | | | 15 Jun 2018 | 12800 | 1011600 | 6.28 |
| | Transfer | | | 22 Jun 2018 | (161600) | 850000 | 5.27 |
| | At The End Of The Year | | | | | 850000 | 5.27 |
| 5 | Vishal V Chiripal | 800000 | 4.96 | | | 800000 | 4.96 |
| | At The End Of The Year | | | | | 800000 | 4.96 |
| 6 | Brijmohan Devkinandan Chiripal | 800000 | 4.96 | | | 800000 | 4.96 |
| | At The End Of The Year | | | | | 800000 | 4.96 |
| 7 | Jaiprakash D Chiripal | 700000 | 4.34 | | | 700000 | 4.34 |
| | At The End Of The Year | | | | | 700000 | 4.34 |
| 8 | Urmiladevi Jyotiprasad Chiripal | 250000 | 1.55 | | | 250000 | 1.55 |
| | Transfer | | | 20 Jul 2018 | 420400 | 670400 | 4.16 |
| | At The End Of The Year | | | | | 670400 | 4.16 |
| 9 | Jyotiprasad D Chiripal | 650000 | 4.03 | | | 650000 | 4.03 |
| | At The End Of The Year | | | | | 650000 | 4.03 |
| 10 | Vineeta Chiripal | 480000 | 2.98 | | | 480000 | 2.98 |
| | At The End Of The Year | | | | | 480000 | 2.98 |
| 11 | Nitika Deepak Chiripal | 480000 | 2.98 | | | 480000 | 2.98 |
| | At The End Of The Year | | | | | 480000 | 2.98 |

| | | | | | | | |
|----|------------------------------------|--------|------|-------------|----------|--------|------|
| 12 | Manjudevi Jaiprakash Chiripal | 300000 | 1.86 | | | 300000 | 1.86 |
| | Transfer | | | 22 Jun 2018 | 140400 | 440400 | 2.73 |
| | At The End Of The Year | | | | | 440400 | 2.73 |
| 13 | Kautilya Traders Private Limited | 347500 | 2.15 | | | 347500 | 2.15 |
| | At The End Of The Year | | | | | 347500 | 2.15 |
| 14 | Pritidevi B Chiripal | 300000 | 1.86 | | | 300000 | 1.86 |
| | Transfer | | | 22 Jun 2018 | 40400 | 340400 | 2.11 |
| | At The End Of The Year | | | | | 340400 | 2.11 |
| 15 | Deepak J Chiripal | 340000 | 2.11 | | | 340000 | 2.11 |
| | At The End Of The Year | | | | | 340000 | 2.11 |
| 16 | Devkinandan Corporation Llp | 184670 | 1.14 | | | 184670 | 1.14 |
| | Transfer | | | 06 Apr 2018 | 1600 | 186270 | 1.15 |
| | Transfer | | | 13 Apr 2018 | 6400 | 192670 | 1.19 |
| | At The End Of The Year | | | | | 192670 | 1.19 |
| 17 | Savitridevi Vedprakash Chiripal | 450000 | 2.79 | | | 450000 | 2.79 |
| | Transfer | | | 22 Jun 2018 | (19200) | 430800 | 2.67 |
| | Transfer | | | 20 Jul 2018 | (420400) | 10400 | 0.06 |
| | At The End Of The Year | | | | | 10400 | 0.06 |
| 18 | Tripoli Management Private Limited | 230 | 0.00 | | | 230 | 0.00 |
| | At The End Of The Year | | | | | 230 | 0.00 |

4.4. Shareholding Pattern of Top Ten Shareholders

| Sr No. | | Shareholding at the beginning of the year - 2018 | Transactions during the year | Cumulative Shareholding at the end of the year - 2019 |
|--------|--|--|------------------------------|---|
|--------|--|--|------------------------------|---|

| | Name & Type of Transaction | NO.OF SHARES HELD | % OF TOTAL SHARES OF THE COMPANY | DATE OF TRANSACTION | NO. OF SHARES | NO OF SHARES HELD | % OF TOTAL SHARES OF THE COMPANY |
|---|---------------------------------------|--------------------------|---|----------------------------|----------------------|--------------------------|---|
| 1 | Vedprakash Devkinandan Chiripal | 909200 | 5.64 | | | 909200 | 5.64 |
| | Transfer | | | 04 May 2018 | 52800 | 962000 | 5.97 |
| | Transfer | | | 11 May 2018 | 5600 | 967600 | 6.00 |
| | Transfer | | | 25 May 2018 | 31200 | 998800 | 6.20 |
| | Transfer | | | 15 Jun 2018 | 12800 | 1011600 | 6.28 |
| | Transfer | | | 22 Jun 2018 | (161600) | 850000 | 5.27 |
| | AT THE END OF THE YEAR | | | | | 850000 | 5.27 |
| 2 | Albula Investment Fund Ltd | 1582400 | 9.82 | | | 1582400 | 9.82 |
| | Transfer | | | 20 Apr 2018 | 16800 | 1599200 | 9.93 |
| | Transfer | | | 30 Nov 2018 | (20000) | 1579200 | 9.80 |
| | Transfer | | | 07 Dec 2018 | (12800) | 1566400 | 9.72 |
| | Transfer | | | 28 Dec 2018 | (415000) | 1151400 | 7.15 |
| | Transfer | | | 04 Jan 2019 | (139990) | 1011410 | 6.28 |
| | Transfer | | | 18 Jan 2019 | (183900) | 827510 | 5.13 |
| | AT THE END OF THE YEAR | | | | | 827510 | 5.13 |
| 3 | Anil R Dhanuka | 189600 | 1.17 | | | 189600 | 1.17 |
| | Transfer | | | 27 Apr 2018 | 6400 | 196000 | 1.21 |
| | Transfer | | | 11 May 2018 | 15200 | 211200 | 1.31 |
| | Transfer | | | 29 Sep 2018 | 17600 | 228800 | 1.42 |
| | Transfer | | | 07 Dec 2018 | 12800 | 241600 | 1.50 |
| | Transfer | | | 28 Dec 2018 | 414650 | 656250 | 4.07 |
| | Transfer | | | 04 Jan 2019 | 140000 | 796250 | 4.94 |
| | AT THE END OF THE YEAR | | | | | 796250 | 4.94 |
| 4 | New Leaina Investments Limited | 793600 | 4.92 | | | 793600 | 4.92 |
| | AT THE END OF THE YEAR | | | | | 793600 | 4.92 |
| 5 | Lts Investment Fund Ltd | 740800 | 4.60 | | | 740800 | 4.60 |
| | Transfer | | | 11 May 2018 | 15200 | 756000 | 4.69 |
| | AT THE END OF THE YEAR | | | | | 756000 | 4.69 |
| 6 | Manuj Chiripal | 724800 | 4.50 | | | 724800 | 4.50 |
| | Transfer | | | 20 Apr 2018 | 5600 | 730400 | 4.53 |
| | Transfer | | | 07 Dec 2018 | 22400 | 752800 | 4.67 |
| | AT THE END OF THE YEAR | | | | | 752800 | 4.67 |

| | | | | | | | |
|----|-----------------------------------|--------|------|-------------|---------|--------|------|
| 7 | Devkinandan Corporation Llp | 184670 | 1.14 | | | 184670 | 1.14 |
| | Transfer | | | 06 Apr 2018 | 1600 | 186270 | 1.15 |
| | Transfer | | | 13 Apr 2018 | 6400 | 192670 | 1.19 |
| | AT THE END OF THE YEAR | | | | | 315740 | 1.96 |
| 8 | Lgof Global Opportunities Limited | 254400 | 1.58 | | | 254400 | 1.58 |
| | AT THE END OF THE YEAR | | | | | 254400 | 1.58 |
| 9 | Veena Investments Private Limited | 0 | 0.00 | | | 0 | 0.00 |
| | Transfer | | | 18 Jan 2019 | 183900 | 183900 | 1.14 |
| | AT THE END OF THE YEAR | | | | | 183900 | 1.14 |
| 10 | Pravina Yogeshbhai Thaker | 107200 | 0.66 | | | 107200 | 0.66 |
| | AT THE END OF THE YEAR | | | | | 107200 | 0.66 |
| 11 | Rikin Bharatbhushan Agarwal | 112000 | 0.69 | | | 112000 | 0.69 |
| | Transfer | | | 18 May 2018 | (2400) | 109600 | 0.68 |
| | Transfer | | | 08 Jun 2018 | (8000) | 101600 | 0.63 |
| | Transfer | | | 15 Jun 2018 | (13600) | 88000 | 0.54 |
| | AT THE END OF THE YEAR | | | | | 88000 | 0.54 |
| 12 | Guiness Securities Limited | 124025 | 0.77 | | | 124025 | 0.77 |
| | Transfer | | | 06 Apr 2018 | (6400) | 117625 | 0.73 |
| | Transfer | | | 20 Apr 2018 | (1625) | 116000 | 0.72 |
| | Transfer | | | 11 May 2018 | (14400) | 101600 | 0.63 |
| | Transfer | | | 25 May 2018 | (800) | 100800 | 0.62 |
| | Transfer | | | 01 Jun 2018 | (60000) | 40800 | 0.25 |
| | Transfer | | | 06 Jul 2018 | 60000 | 100800 | 0.62 |
| | Transfer | | | 10 Aug 2018 | (800) | 100000 | 0.62 |
| | Transfer | | | 17 Aug 2018 | 800 | 100800 | 0.62 |
| | Transfer | | | 24 Aug 2018 | (800) | 100000 | 0.62 |
| | Transfer | | | 31 Aug 2018 | (800) | 99200 | 0.61 |
| | Transfer | | | 07 Sep 2018 | (800) | 98400 | 0.61 |
| | Transfer | | | 14 Sep 2018 | (800) | 97600 | 0.60 |
| | Transfer | | | 21 Sep 2018 | (800) | 96800 | 0.60 |
| | Transfer | | | 29 Sep 2018 | 800 | 97600 | 0.60 |
| | Transfer | | | 05 Oct 2018 | 1600 | 99200 | 0.61 |
| | Transfer | | | 12 Oct 2018 | 800 | 100000 | 0.62 |
| | Transfer | | | 26 Oct 2018 | 800 | 100800 | 0.62 |
| | Transfer | | | 02 Nov 2018 | (800) | 100000 | 0.62 |

| | | | | | | | |
|--|------------------------|--|--|-------------|---------|------|------|
| | Transfer | | | 21 Dec 2018 | (94600) | 5400 | 0.03 |
| | AT THE END OF THE YEAR | | | | | 5400 | 0.03 |

(V) 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 | Mrs. Suruchi Saraf | | Nil | | |
| 2 | Mr. Chitranjan Singh | | Nil | | |
| 3 | Mr. Jayesh Patel | | Nil | | |
| 4 | Ms. Dimple Padhiar | | Nil | | |
| 5 | Ms. Bhavya Bajpai | | Nil | | |

*Ms. Dimple Padhiar, Company Secretary, resigned on 09.04.2018 and Ms. Bhavya Bajpai was appointed as Company Secretary w.e.f. 30.05.2018.

5. INDEBTEDNESS

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

| Particulars | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|---|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year (01-04-2018) | | | | |
| Principal Amount | 4,25,49,454 | - | - | 4,25,49,454 |
| Interest due but not paid | - | - | - | - |
| Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 4,25,49,454 | - | - | 4,25,49,454 |
| Change in Indebtedness during the financial year 2018-19 | | | | |
| Addition | 49,83,000 | - | - | 49,83,000 |
| Reduction | (48,67,571) | - | - | (48,67,571) |
| Net Change | 1,15,429 | - | - | 1,15,429 |
| Indebtedness at the end of the financial year (31-03-2019) | | | | |
| Principal Amount | 4,26,64,883 | - | - | 4,26,64,883 |

| | | | | |
|------------------------------|--------------------|---|---|--------------------|
| Interest due but not paid | - | - | - | - |
| Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | 4,26,64,883 | - | - | 4,26,64,883 |

6. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

| Sr. No. | Particulars of Remuneration | Name of MD/WTD/Manager | | Total (in Lakhs) |
|---------|---|---|--------------|------------------|
| | | (MD) | (WTD) | |
| 1 | Gross Salary | | | |
| | (a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | - | 15.60 | 15.60 |
| | (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 | | | |
| | Total | | 15.60 | 15.60 |
| | Ceiling as per Act | 10% of the Net Profit of the Company | | |

B. Remuneration to other Directors

| Sr No | Name of Directors | Fees for attending board / Committee meetings | Particulars of Remuneration Commission paid for financial year | Others, please specify | Total (in Lakhs) |
|-------|-----------------------------------|---|--|------------------------|------------------|
| 1 | Mrs. Suruchi Saraf | 0.60 | - | - | 0.60 |
| 2 | Mr. Chitranjan Singh | 0.70 | - | - | 0.70 |
| | Total | 1.30 | - | - | 1.30 |
| | Overall Ceiling as per Act | 1% of the Net Profit of the Company | | | |

C. Remuneration to Key Managerial Personnel other than MD/WTD/Manager

(Rs. in Lakhs)

| Sr. No. | Particulars of Remuneration | (CFO) | (CS)* | Total |
|---------|-----------------------------|-------|-------|-------|
|---------|-----------------------------|-------|-------|-------|

| | | | | |
|---|--|-------------|-------------|--------------|
| 1 | Gross Salary | | | |
| | A. Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961 | 8.40 | 5.40 | 13.80 |
| | 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 | - | - | - |
| | Total | 8.40 | 5.40 | 13.80 |

*Ms. Dimple Padhiar, Company Secretary, resigned on 09.04.2018 and Ms. Bhavya Bajpai was appointed as Company Secretary w.e.f. 30.05.2018.

7. 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.

Place: Ahmedabad

Date: 31.07.2019

By Order of the Board

For Shanti Educational Initiatives Limited

**Sd/-
Darshan Vayeda
Whole-Time Director
DIN : 07788073**

**Sd/-
Ronak Agrawal
Director
DIN : 05002292**

ANNEXURE – II

Details of Conservation of energy, technology absorption, foreign exchange earnings and outgo

[Pursuant to Section 134(3)(m) of the Companies Act, 2013 and rule 8(3) of the Companies (Accounts) Rules, 2014]

A. CONSERVATION OF ENERGY:

- i. The steps taken or impact on conservation of energy: N.A.
- ii. The steps taken by the unit for utilizing alternate sources of energy: N.A.
- iii. The capital investment on energy conservation equipment: 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-III
Corporate Governance Report
For the year ended March 31, 2019

I. Company's philosophy on Code of Governance

Shanti Educational Initiatives Limited ("SEIL" or "the Company") believes that good Corporate Governance emerges from the application of the best management practices and compliance with the law coupled with the highest standards of integrity, transparency, accountability and ethics in all business matters.

SEIL also believes that sound corporate governance is critical to enhance and retain investor trust. Hence SEIL's business policies are based on ethical conduct, health, safety and a commitment to building long term sustainable relationships with relevant stakeholders. The Company continues to strengthen its governance principles to generate long term value for its stakeholders on sustainable basis thus ensuring ethical and responsible leadership both at the Board and Management levels.

At SEIL, we also consider it our inherent responsibility to disclose timely and accurate information regarding our financials and performance, as well as the leadership and governance of the Company. All SEIL are committed to a balanced corporate governance system, which provides the framework for achieving the Company's objectives encompassing practically every sphere of management, from action plans and internal controls to corporate disclosures.

Your Company is not only in compliance with the requirements stipulated under the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("SEBI LODR") as amended from time to time, with regard to corporate governance, but is also committed to sound corporate governance principles and practice and constantly strives to adopt emerging best corporate governance practices being followed worldwide.

A report on compliance with corporate governance principles as prescribed under the SEBI LODR is given below.

II. Board of Directors

As on March 31, 2019 the Board of Directors comprised of six members. Mr. Darshan Vayeda is the Chairperson & Whole-Time Director of your Company.

The other Executive Members of the Board as at March 31, 2019, are Ronak Agrawal. The other Two Directors of the Company, as detailed in the following table titled 'Composition of the Board', are Independent Directors.

The Company's day to day affairs are managed by a competent management team under the overall supervision of the Board. The Board is committed to representing the long term interests of the stakeholders and in providing executive governance over the Company's affairs and exercise reasonable business judgment on the affairs of the Company.

The Directors are appointed based on their qualifications and experience in relevant fields. At the time of induction of a Director, a formal invitation to join the Board is sent and a Directors handbook comprising a compendium of the role, powers and duties to be performed is handed over to the new Director. The Independent Directors annually provide a certificate of Independence, in accordance with the applicable laws, which is taken on record by the Board. All Board members are encouraged to meet and interact with the management. Board Members are invited to key meetings to provide strategic guidance and advice.

A. Composition of the Board

The Composition of the Board of your Company is in conformity with the SEBI LODR. The names and categories of Directors, the number of Directorships and committee positions held by them are given below.

None of the Directors is a Director in more than eight listed companies. Further, none of the Directors is an Independent Director in more than seven listed companies or three listed companies in case he/she serves as a Managing Director or Whole-time Director in any listed company.

Ms. Suruchi Somani is an Independent Woman Director on the Board of Directors of the Company.

None of the Directors on the Board are a member of more than 10 committees and a chairperson of more than 5 committees, across all public limited companies in which he/she is a Director.

| Name of the Director | Category | Directors Identification Number | Total number of Directorships, Committee Chairpersonships and Memberships of Public Limited Companies* as on March 31, 2019 | | | Name of Listed Entities including this Listed Entity |
|-------------------------------|------------------------|---------------------------------|---|----------------------------|------------------------|--|
| | | | Directorships# | Committee Chairpersonships | Committee^ Memberships | |
| RONAK BRIJMOHAN AGARWAL | Non-Executive Director | <u>05002292</u> | 1 | 1 | 0 | Shanti Educational Initiatives Limited |
| SURUCHI CHANDRANARAYAN SOMANI | Independent Director | <u>07259779</u> | 1 | 3 | 1 | Shanti Educational Initiatives Limited |
| CHITRANJAN AJAIB SINGH | Independent Director | <u>07300731</u> | 2 | 7 | 3 | Shanti Educational Initiatives Limited Vishal Fabrics Limited |
| DARSHAN VAYEDA YOGENDRABHAI | Executive Director | <u>07788073</u> | 1 | 2 | 0 | Shanti Educational Initiatives Limited |

*Excludes private limited companies, foreign companies, companies registered under Section 8 of the Companies Act, 2013 and Government Bodies.

#Includes Additional Directorships and Directorship in Shanti Educational Initiatives Limited.

^Committees considered are Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee, including that of Shanti Educational Initiatives Limited.

B. Board Procedure

Detailed agenda is sent to each Director at least 7 days in advance of Board and Committee meetings. All material information is incorporated in the agenda along with supporting documents and relevant presentations. Where it is not practicable to attach any document to the agenda, the same is tabled at the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted. To enable the Board to discharge its responsibilities effectively, the Chairperson presents during each Board Meeting, the

overall performance of the Company.

The Board reviews strategy and business plans, annual operating plans and capital expenditure budgets, investment and exposure limits, compliance reports of all laws applicable to the Company, as well as steps taken by the Company to rectify instances of non-compliances, if any. The Board also reviews major legal issues, minutes of meeting of various committees of the Board and subsidiary companies, significant transactions and arrangements entered into by the subsidiary companies, approval of financial results and statements, transactions pertaining to purchase or disposal of properties, major accounting provisions and write-outs, corporate restructuring details of any joint ventures or collaboration agreement, material defaults, if any, in financial obligations, fatal or serious accidents, any material effluent or pollution problems, transactions that involve substantial payment towards goodwill, brand equity or intellectual property, any issue that involves possible public product liability, claims of substantial nature.

The Company Secretary records Minutes of the proceedings of each Board and Committee meeting. Draft Minutes are circulated to Board/Committee Members within 15 days from the meeting for their comments. Directors communicate their comments (if any) in writing on the draft minutes within seven days from the date of circulation. The Minutes are entered in the Minute Books within 30 days from the conclusion of the Meeting and signed by the Chairperson at the subsequent meeting. The copy of the signed Minutes, certified by the Company Secretary or in his absence by any Director authorised by the Board, are circulated to all Directors within fifteen days of their signing.

The guidelines for Board and Committee Meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Committees thereof. Important decisions taken at Board/Committee Meetings are promptly communicated to the concerned departments/ divisions. Action Taken Report on decisions/Minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/Committee for noting.

Apart from Board Members and the Company Secretary, the Board and Committee Meetings are also attended by the Chief Financial Officer and wherever required by the heads of various corporate functions.

C. Number of Board meetings, attendance of the Directors at meetings of the Board and the Annual General Meeting (“AGM”)

During the financial year under review, six Board Meetings were held on the following dates – May 30, 2018, August 24, 2018, October 31, 2018, January 18, 2019, February 14, 2019 and March 20, 2019. The Board met at least once in every calendar quarter and the gap between two meetings did not exceed one hundred and twenty days. These meetings were well attended. The 30th Annual General Meeting of the Company was held on September 27, 2018.

The attendance of the Directors at these meetings is as mentioned in the table below:

| Directors | No. of Board Meetings Held | No. of Board Meetings Attended | Attendance at the 30th AGM |
|-------------------------|----------------------------|--------------------------------|----------------------------|
| Ronak Brijmohan Agarwal | 6 | 6 | No |
| Darshan Vayeda | 6 | 6 | Yes |
| Suruchi Somani | 6 | 6 | Yes |
| Chitranjan Singh | 6 | 6 | Yes |

D. Shareholding of Non-Executive Directors

The details of Company’s shares held by Non-Executive Directors as on March 31, 2019 are given

below:

| Directors | No. of shares held as on March31, 2019 |
|-------------------|--|
| Mr. Ronak Agrawal | 10,00,000 |

E. Meeting of the Independent Directors

The Independent Directors of your Company met once on March 14, 2019 without the presence of Non-Independent Directors and Members of the management. The Meeting was conducted in an informal and flexible manner to enable the Independent Directors to interalia, discuss matters pertaining to review of performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company after taking into account the views of the Executive and Non-Executive Directors, assess the quality, quantity and timeliness off low of information between the Company management and the Board, that is necessary for the Board to perform their duties effectively and reasonably.

The evaluation of Independent Directors is done by the entire Board of Directors of the Company which includes:

- Performance of such directors; and
- Fulfilment of the Independence criteria and their Independence from the management

F. Details of familiarization program imparted to Independent Directors

During the year, the Independent Directors were apprised at frequent intervals on the industry trends, business model and the overview of the Company and its operations by the senior management team. Further, various business unit heads made presentations to the Independent Directors at periodic intervals on the performance and future strategy of their respective business units. The Independent Directors were also regularly apprised of all regulatory and policy changes including their roles, rights and responsibilities. Presentations on internal control over financial reporting, operational control over financial reporting, Prevention of Insider Trading Regulations, SEBI LODR, framework for Related Party Transactions etc. were made to the Board Members during the year.

The Company's familiarization policy and the details of programs attended and hours spent by Independent Directors during the financial year 2018-19 is available on the Company's website www.sei.edu.in at the following path: Investor Relation>Policies>Familiarization Programme <http://www.sei.edu.in/policies.html>.

G. Key expertise of the Board of Directors

The Board of Directors of your Company comprises of qualified and proficient Members who bring appropriate expertise and competence enabling them to make effective contribution to the Board and its committees.

Below are the key skills/expertise/competence identified by the Board of Directors:

- Strategic vision
- Leadership
- Industry knowledge
- Corporate governance
- Research and innovation
- Financial analysis and reporting
- Digital perspective
- Global landscape

- Risk management
- Social and regulatory framework
- Human capital and integrity
- Science and technology

Declaration by the Board

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, that he/ she meets the criteria of independence in accordance with the provisions of the Companies Act, 2013 and the SEBI LODR. In the opinion of the Board, the Independent Directors fulfill the conditions specified in the sections and regulations and are independent of the management. The Board further in forms that there is no resignation of an Independent Director during the financial year 2018-19.

III. Committees of the Board

The Board has constituted various committees to focus on specific areas and to make informed decisions within their authority. Each committee is directed by its charter which outlines their scope, roles, responsibilities and powers. All the decisions and recommendations of the committee are placed before the Board for their approval. The Company's guidelines relating to Board Meetings are applicable to committee meetings as far as practicable. Each committee has the authority to engage outside experts, advisors and counsels to the extent it considers appropriate to assist in its functions. Senior officers/function heads are invited to present various details called for by the committee at its meeting.

Committees of the Board are as under:

- Audit Committee
- Stakeholders Relationship Committee
- Nomination and Remuneration 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. SuruchiSaraf | Member, Independent, Non-Executive |
| 3. | Mr. DarshanVayeda | Member, Whole-time 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) 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 31st March, 2019, no Shareholders' Complaints were received by the Company. For effective and efficient grievance management, the Company has dedicated email id: info@sei.edu.in to resolve the grievances of the investors.

Constitution of the Stakeholders' Relationship 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. | Mr. Darshan Vayeda | Whole-time Director -Executive |

MEETING OF INDEPENDENT DIRECTORS

The Independent Directors met on 14th March, 2019, without the attendance of Non-Independent Directors and Members of the Management. The Independent Directors reviewed the performance of Non-Independent Directors and the Board as a whole; the performance of the Chairman of the Company, taking in to account the views of Executive Directors and Non-Executive Directors assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

1. 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 31st March, 2019 except for payment of sitting fees.

(C) 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:

| Sr. No. | Name of the Member | Designation |
|---------|----------------------|--------------------------------------|
| 1. | Mrs. Suruchi Saraf | Chairman/ Independent, Non-Executive |
| 2. | Mr. Chitranjan Singh | Member/Independent, Non-Executive |
| 3. | Mr. Ronak Agrawal | 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, 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 2018-19 is as follows:

| Sr. No. | Name of Directors | Salaries and Perquisites (Rs) | Sitting Fees (Rs) | Commission (Rs) | No. of Shares held |
|----------------|--------------------------|--------------------------------------|--------------------------|------------------------|---------------------------|
| 1. | Mr. Ronak Agrawal | - | - | - | 1000000 |
| 2. | Mr. Chitranjan Singh | - | 0.70 | - | - |
| 3. | Mrs. Suruchi Saraf | - | 0.60 | - | - |

IV. Remuneration of Directors

A. Remuneration Policy

Your Company has a well-defined policy for remuneration of the Directors, Key Management Personnel and Senior Management. The policy is furnished on the Company's website www.sei.edu.in at the following path: Investor Relation>Policies>Remuneration Policy for Non-Executive Directors <http://www.sei.edu.in/policies.html>.

The elements of remuneration package of the Executive Directors include fixed and variable salary, performance bonus, contribution to provident fund, superannuation, gratuity, perquisites and allowance, reimbursement of expenses etc., as applicable to employees of the Company. The Executive Directors are employees of the Company and are subject to service conditions as per the Company policy, which is three months' notice period, or such period as mutually agreed upon. There is no provision for payment of severance fees to Executive/Non-Executive Directors. Independent Directors are paid remuneration in the form of commission, apart from the sitting fees and are not subject to any notice period and severance fees.

B. Remuneration to 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.

The details of remuneration of Directors for the year ended March 31, 2019 are given below:

| Directors | Salary and Perquisites | | | | | (Rs. in Lakhs) |
|----------------|------------------------|---------------|------------------|-------------|--------------|----------------|
| | Fixed Pay & Bonus | Perquisites ^ | Retiral Benefits | Commission* | Sitting Fees | Total |
| Darshan Vayeda | 15.60 | | | | | 15.60 |

No options under the Company's ESOP plan were granted to Executive/Non-Executive Directors during the financial year.

The aggregate remuneration payable to all Executive Directors, who are promoters or members of the promoter group, does not exceed 5% of the net profits of the Company.

V. General Body Meetings

A. Annual General Meetings

The date, time location of Annual General Meetings held during the last three years and the special resolutions passed thereat are as follows:

| Year | Date and Time | Venue | Special Resolution(s)Passed |
|------|---------------|-------|-----------------------------|
|------|---------------|-------|-----------------------------|

| | | | |
|---------|----------------------------------|---|--|
| 2015-16 | September 30, 2016 at 11.00 A.M. | Chiripal House, Near Shivranjani Cross Roads, Satellite, Ahmedabad - 380015 | Ordinary Resolutions |
| 2016-17 | September 27, 2017 at 3.00 P.M. | Chiripal House, Near Shivranjani Cross Roads, Satellite, Ahmedabad - 380015 | Ordinary Resolutions |
| 2017-18 | September 27, 2018 at 3.00 P.M. | 6 th Floor Chiripal House, Near Shivranjani Cross Roads, Satellite, Ahmedabad - 380015 | <ol style="list-style-type: none"> 1. To regularize Ronak B Agarwal as Director of the Company. 2. To contribute in charitable and bonafide funds. 3. To increase the limit of Foreign Institutional Investors/ Foreign Portfolio Investors for acquiring and holding equity shares up to an aggregate limit of 49% of the paid up capital of the company 4. To increase limit of Foreign Investment by Non Resident Indians (NRI) under Portfolio Investment Scheme |

| Financial Calendar: Financial Year April 1, 2019 to March 31, 2020 | |
|--|-------------------------------|
| Declaration of financial results for the quarter ending June 30, 2019 | By 2nd week of August, 2019 |
| Declaration of financial results for the quarter ending September 30, 2019 | By 2nd week of November, 2019 |
| 2019 Declaration of financial results for the quarter ending December 31, 2019 | By 2nd week of February, 2020 |
| Declaration of financial results for the quarter ending March 31, 2020 | Last week of May, 2020 |

Special Resolutions Passed through Postal Ballot

During the financial year ended March 31, 2019 one postal ballot was held between August 28, 2018 to September 26, 2018 for passing the following resolutions:

- 1 Special Resolution

The details of the same are provided below:

Migration of the shares of the company from SME Platform of BSE Limited to the Main Board of BSE Limited

| Particulars | No. of Postal Ballot forms | No. of Shares | % |
|---|-----------------------------------|----------------------|----------|
| Total Postal ballot forms issued to members | 147 | 1,61,00,000 | |
| Postal ballot forms received back: | | | |

| | | | |
|--|-----------|------------------|----------|
| i. Promoters/ Promoter Group | 12 | 64,94,670 | |
| ii. Public | 71 | 18,13,600 | |
| Total | 83 | 83,08,270 | |
| In-valid postal ballot forms | 1 | 48,000 | |
| Valid postal ballot forms received | | | % |
| Valid postal ballot forms | 82 | 82,60,270 | 100.00 |
| A. Votes cast in favor of the Resolution (Promoters/ Promoter Group) | 12 | 64,94,670 | 78.63 |
| B. Votes cast in favor of the Resolution (Public) | 70 | 17,65,600 | 21.37 |
| C. Votes cast against the Resolution (Promoters/ Promoter Group) | 0 | 0 | 0.00 |
| D. Votes cast against the Resolution (Public) | 0 | 0 | 0.00 |
| E. Total votes in favor of the resolution | 82 | 82,60,270 | 100.00 |
| F. Total votes against the Resolution | 0 | 0 | 0.00 |

Person who conducted the Postal Ballot Process

Mr. Uday G. Dave (FCS 6545; CP 7158), Practicing Company Secretary and Partner of M/s. Parikh Dave & Associates, Company Secretaries, Ahmedabad, was appointed as scrutinizer to conduct the Postal Ballot process.

None of the business proposed to be transacted at the ensuing Annual General Meeting requires passing of special resolution through postal ballot.

B. Means of Communication

I. Quarterly financial results

The quarterly financial results are normally published in Financial Express and Indian Express (Gujarati edition) newspapers and are also displayed on Company's website http://www.sei.edu.in/financial_reports.html

II. News Releases, Presentations

Official news/press releases are sent to the Stock Exchanges and are displayed on the Company's website http://www.sei.edu.in/notices_disclosure.html

III. Presentations to Institutional Investors/ Analysts

Presentations are made to institutional investors and financial analysts on quarterly financial results of the Company. These presentations are also uploaded to the Company's website http://www.sei.edu.in/notices_disclosure.html and are sent to Stock Exchanges. The schedule of meetings with institutional investors/financial analysts are intimated in advance to the Stock Exchanges and disclosed on Company's website.

IV. Website

The Company's website www.sei.edu.in contains a separate and dedicated section "Investors" where shareholder information is available. Information such as press releases, notice of the Board Meeting, revision in credit rating, clippings of newspaper publications, etc., are uploaded on the website. The Company's Annual Report is also uploaded on the website in a user-friendly and downloadable form.

V. BSE Corporate Compliance & Listing Centre ('Listing Centre')

BSE's Listing Centre is a web based application designed for Corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases are electronically filed on the Listing Centre.

VII. SEBI Complaints Redress System (SCORES)

Investor complaints are processed through a centralized web-based complaints redressal system. Centralised database of all complaints received, online upload of the Action Taken Reports (ATRs) by the Company, online viewing by investors of actions taken on the complaint and the current status are updated/resolved electronically in the SEBI SCORES system.

VI. General Shareholders Information

A. Company Registration Details

The Company is registered in the State of Gujarat, India. The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L80101GJ1988PLC010691.

| | |
|--|--|
| Annual General Meeting Date and Time Venue | Friday, 30th day of August, 2019 at 3.00 P.M. at Shanti Corporate House, Beside Hira Rupa Hall, Opposite Landmark Hotel, Bopal-Ambli Road, Ahmedabad - 380058. |
| Financial Year | April 01, 2018 - March 31, 2019 |
| Record Date | August 02, 2019 |
| Listed on Stock Exchanges | BSE Limited PJ Towers, Dalal Street, Mumbai-400001 |
| Stock Code/Symbol | 539921 |
| International Securities Identification Number | INE440T01010 |
| Payment of Annual listing fees to Stock Exchange | Paid |

Market price data during 2018-19

The monthly high/low closing prices and volume of shares of the Company from April 1, 2018 to March 31, 2019 are given below:

| Month | BSE | | |
|--------|------------|-----------|-------------------------|
| | High Price | Low Price | Volume of Equity Shares |
| Apr-18 | 163.95 | 155.85 | 1,62,400 |
| May-18 | 160 | 155.85 | 59,200 |
| Jun-18 | 159 | 159 | 29,600 |
| Jul-18 | 163 | 158.95 | 24,000 |
| Aug-18 | 170.1 | 160.6 | 16,000 |
| Sep-18 | 190 | 170 | 44,000 |
| Oct-18 | 190 | 160 | 14,400 |
| Nov-18 | 141.55 | 133 | 24,000 |

| | | | |
|--------|-------|-------|----------|
| Dec-18 | 184 | 128 | 5,72,080 |
| Jan-19 | 166.9 | 113.5 | 2,04,607 |
| Feb-19 | 140 | 128 | 20,346 |
| Mar-19 | 155 | 102.1 | 14,803 |

B. Other Disclosures

I. Materially significant related party transactions

During the financial year 2018-19, no materially significant transactions or arrangements were entered into between the Company and its promoters, management, Directors or their relatives, subsidiaries, etc. that may have potential conflict with the interests of the Company at large. The Company has formulated a policy on dealing with Related Party Transactions, which specifies the manner of entering into Related Party Transactions. This policy has also been posted on the website of the company www.sei.edu.in at the following path: Investor Relation>Policies> SEIL- Policy on materiality of related party transactions <http://www.sei.edu.in/policies.html>.

II. Details of non-compliance

During the last three years, there were no instances of non-compliances by the Company related to capital markets and no penalty or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authorities. The Company has also complied with the requirements of Corporate Governance Report and disclosed necessary information as specified under the SEBI LODR.

III. Vigil mechanism and whistle blower policy

The vigil mechanism as envisaged in the Companies Act, 2013 and the SEBI LODR is implemented through the Company's Whistle Blower Policy to provide for adequate safeguards against victimization of persons who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee. The address of the Chairperson of the Audit Committee has been given in the policy for the employees, Directors, vendors, suppliers or other stakeholders associated with the Company to report any matter of concern. Whistle blower policy of the Company is available on the website of the Company www.sei.edu.in at the following path: Investor Relation>Policies>Whistle Blower Policy <http://www.sei.edu.in/policies.html>.

IV. Compliance with non-mandatory requirements

Apart from complying with mandatory requirements prescribed by the SEBI LODR, the Company has complied with a few non-mandatory requirements, such as:

- During the financial year under review, there is no audit qualification in your Company's financial statements. Your Company continues to adopt best practices to ensure regime of unqualified financial statements.
- Internal Auditors report directly to the Audit Committee

V. Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013

| Particulars | Numbers |
|---|---------|
| a. Number of complaints filed during the financial year | 0 |
| b. Number of complaints disposed of during the financial year | 0 |
| c. Number of complaints pending as on end of the financial year | 0 |

VI. Disclosures with respect to demat suspense account/unclaimed suspense account:

The Company does not have any securities in the demat suspense account/unclaimed suspense account.

VII. Code of Conduct

The Code of Conduct (“the Code”) for Board Members and senior management personnel as adopted by the Board, is a comprehensive Code applicable to Directors and senior management personnel. The Code lays down in detail, the standards of business conduct, ethics and strict governance norms for the Board and senior management personnel. A copy of the Code is available on the Company’s website www.sei.edu.in. The Code has been circulated to Directors and senior management personnel and its compliance is affirmed by them annually. A declaration signed by the Whole-Time Director to this effect is published in this Report.

VIII. Code for prevention of insider trading practices

The Company has formulated a comprehensive Code of Conduct for Prevention of Insider Trading for its designated persons, in compliance with the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, as amended from time to time. The Directors, officers, designated persons and other connected persons of the Company are governed by the Code. The Code is also posted on the website of the Company www.sei.edu.in at the following path: Investor Relation>Codes>Code of Conduct for Board and Senior Management <http://www.sei.edu.in/codes.html>.

IX. Disclosure by senior management personnel

The senior management of your Company have made disclosures to the Board confirming that there are no material, financial and commercial transactions where they have personal interest that may have a potential conflict of interest with the Company at large.

X. CFO certification

The Chief Financial Officer (CFO) of the Company has furnished to the Board, the requisite compliance certificate under the relevant provisions of the SEBI LODR for the financial year ended March 31, 2019.

XI. Secretarial audit

The Secretarial Audit Report of the Company for the year ended March 31, 2019, issued by Mr. Keyur J Shah, Partner of M/s. Keyur J. Shah & Associates, Practising Company Secretaries is attached to the Board’s Report as Annexure-V. As on March 31, 2019, none of the subsidiaries of the Company qualified to be material unlisted subsidiaries.

XII. Agreement on compensation of profit sharing in connection with dealings in securities of the Company

During the financial year under review, no employee including Key Managerial Personnel or Director or Promoter of the Company had entered into any agreement, either for themselves or on behalf of any other person, with any shareholder or any other third party with regard to compensation or profit sharing in connection with dealings in securities of the Company.

DECLARATION ON CODE OF CONDUCT

As required under Schedule V (D) to the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, it is hereby affirmed that all the Board Members and Senior Management personnel have complied with the Code of Conduct of the Company. It is also confirmed that the Code of Conduct has already been posted on the website of the Company.

Place: Ahmedabad

Date: 31.07.2019

For Shanti Educational Initiatives Limited

**Sd/-
Darshan Vayeda
Whole-Time Director
DIN:07788073**

CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

I, Jayesh Patel, Chief Financial Officer of Shanti Educational Initiatives Limited, certify that –

- A. I have reviewed financial statement for the year ended 31st March 2019, and that to the best of my knowledge and belief:
 1. The statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 2. The statement presents a true and fair view of the Company's affairs and is in compliance with applicable Accounting Standards, applicable laws and regulations.
- B. There are, to the best of my knowledge and belief, no transactions entered into by Company during the year ending 31st March 2019 which are fraudulent, illegal or violative of the Company's code of conduct.
- C. I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditor and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps have been taken to rectify these deficiencies.
- D. I have indicated to the Auditors and Audit Committee:
 1. There has not been any significant change in internal control over financial reporting during the year ending 31st March 2019;
 2. There has been no change in Accounting Policies other than required due to applicable statutory rules and regulations, if any and the same has been disclosed in the notes to the financial statement; and
 3. I am not aware of any instance during the year ending 31st March 2019, of significant fraud with involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**Place: Ahmedabad
Date: 31.07.2019**

**Sd/-
Jayesh Patel
Chief Financial Officer**

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: 84
- ii. The percentage increase in the median remuneration of employees in F.Y. 2019 stood at 10%
- iii. Ratio of the remuneration of each director to the median remuneration of the Employees of the Company for the financial year 2018-19:

| Sr. No. | Name | Category | Ratio |
|---------|--------------------|---------------------|--------|
| 1. | Mr. Darshan Vayeda | Whole Time Director | 4.76:1 |

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 2018-19:

| Sr. No. | Name | Category | % |
|---------|--------------------|-------------------------|-------|
| 1. | Mr. Darshan Vayeda | Whole Time Director | 8.33 |
| 3. | Mr. Jayesh Patel | Chief Financial Officer | 16.67 |
| 4. | Ms. Bhavya Bajpai | Company Secretary | 25 |

- v. The explanation on the relationship between average increase in remuneration and Company's performance: Company's Profit before Tax was Rs. 226.14 Lakhs during 2017-18, Rs. 90.93 Lakhs against which the increase in Employee expense is 90.93%.
- vi. Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company (PAT):

| Sr. No. | Name | Category | % |
|---------|--------------------|-------------------------|------|
| 1. | Mr. Jayesh Patel | Chief Financial Officer | 1.71 |
| 2. | Ms. Dimple Padhiar | Company Secretary | 1.10 |

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

| Particulars | 31.03.2019 | 31.03.2018 |
|---|------------|------------|
| *Market Capitalization of the Company | 1964200000 | 2576000000 |
| Issued Capital (in Nos.) | 16100000 | 16100000 |
| *Closing Price at BSE Ltd (in Rs.) | 122 | 160 |
| Earnings Per Share (in Rs.) | 0.30 | 0.98 |
| Price Earnings Ratio as at the closing date | 406.66 | 163.26 |

- viii. Average percentage increase already made in the salaries of employees other than the managerial remuneration in comparison with the last financial year: -13.02%
- 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: 1:6.73
- 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.

**ANNEXURE V
FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31st March, 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Members,
SHANTI EDUCATIONAL INITIATIVES LIMITED
CIN: L80101GJ1988PLC010691

We are appointed by the Board of Directors of Shanti Educational Initiatives Limited (hereinafter called “the Company”) to conduct Secretarial Audit for the financial year ended 31st March, 2019.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Shanti Educational Initiatives Limited. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Management's Responsibility for Secretarial Compliances

The Company's Management is responsible for preparation and maintenance of secretarial records and for devising proper systems to ensure compliance with the provisions of applicable laws and regulations. Our responsibility is to express an opinion on the Secretarial records, Standards and procedures followed by the Company with respect to Secretarial Compliances.

Based on our 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 authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 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 reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Shanti Educational Initiatives Limited (“the Company”) for the financial year ended on 31st March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under. During the Audit exercise, we noted that the Company has maintained statutory registers, minutes books and has entered the transactions in the statutory registers maintained. The Company has also established the whistle blower policy and has formed required sub committees as required under the Companies Act, 2013 and the listing agreement with the stock exchange (BSE).
- (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the rules made thereunder; we have noted that the Company has complied with the continuous listing requirements under Rule 19A of the SCRA and other compliance under Rule 19 (2) (b) of the SCRA.

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder; The Company has duly executed the tri partite agreement with NSDL and CDSL and complied with the requirements under Clause 55A of SEBI (Depositories and Participants) Regulations, 1996.
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - As informed to us by the management, *there was no Foreign Direct Investment or Overseas Direct Investment or ECB in the Company during the reporting year.*
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Continuous and event based reporting was duly made to the Stock Exchanges on dealing of securities beyond the prescribed limits.
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992/2015; The Company had duly closed the trading windows under Regulations 12 and made reporting under Regulation 13 for dealing in securities beyond prescribed limits.
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; *Not Applicable to the company during the reporting period*
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; *Not Applicable to the company during the reporting period*
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; *Not Applicable to the company during the reporting period*
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; *Not Applicable to the company during the reporting period*
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; *Not Applicable to the company during the reporting period*
- (vi) Direct and Indirect Tax laws including The Income Tax Act, 1961 and the rules made there under, Service Tax etc. The Company has obtained the required registrations under various acts of direct and indirect tax laws and was generally regular in filing the returns with the authorities.

We have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards with regard to Meeting of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India and made effective from 1st July, 2015;
- ii. The Listing Agreements entered into by the Company with BSE Limited and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 made effective from 1st December, 2015

We 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 and agenda items were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as per Company policy. However, there were no dissenting members' views noticed in the board minutes for the reporting period.

We 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. The Company has accordingly appointed the internal auditors to take care of internal systems and processes.

Disclaimers:

- a. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.*
- b. We 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 test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.*
- c. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.*
- d. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.*
- e. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.*
- f. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.*

Place: Ahmedabad**Date: 31.07.2019****Keyur J. Shah****Keyur J. Shah & Associates****FCS No.: 9559****C P No.: 8814**

Independent Auditor's Report

To the Members of

M/S. SHANTI EDUCATIONAL INITIATIVES LIMITED

Report on the Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of M/S. SHANTI EDUCATIONAL INITIATIVES LTD. ("the Company"), which comprises the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the statement of Changes in Equity and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

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 Companies Act, 2013 in the manner so required and give a true and fair view in conformity with the Indian accounting Standards prescribed under section 133 of the Act read with the companies (Indian Accounting standards)Rule, 2015, as amended ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31' March 2019 and its profit & total Comprehensive Income ,Changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics, We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide separate opinion on these matters.

Responsibility of Management for 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 and presentation 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 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 judgements and estimates that are responsible 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statement

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the financial statements is included in Annexure A. This description forms part of our auditor's report.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("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 B, statement on the matters specified in paragraphs 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 purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The balance sheet, the statement of profit and loss including Other Comprehensive Income, statement of changes in equity 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 written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act; and
 - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our Separate Report in "Annexure-C". Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls 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:
- 1) The Company does not have any pending litigations for which provision have not been made which would impact its financial position.
 - 2) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any.
 - 3) The Provisions of transfer of funds to Investor Education and Protection Fund not applicable to the Company.

Date:30/05/2019
Place: Ahmedabad

As per our Report of Even Date
For and on Behalf of
For, Nahta Jain & Associates
Chartered Accountants
FRN 106801W
Sd/-
(CA I. C. Nahta)
Partner
M. No. 070023

***Annexure "A" to the Independent Auditor's Report
Responsibilities for Audit of Financial Statement***

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(1) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to Financial Statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other *matters*, the planned scope and timing of the audit and significant audit findings, including any *significant* deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

Date:30/05/2019
Place: Ahmedabad

As per our Report of Even Date
For and on Behalf of
For, Nahta Jain & Associates
Chartered Accountants
FRN 106801W
Sd/-
(CA I. C. Nahta)
Partner
M. No. 070023

Annexure "B" to the Independent Auditor's Report

The Annexure referred to in our Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2019, 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 the information and explanations given to us, all the assets have not been physically verified by the management during the year but there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except in one case the land amounting Rs. 2,77,61, 160/- the deed is in the form of Banakhat Right, as at the balance sheet date.

(ii) In respect of Inventory:

- (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion, the frequency of verification is reasonable. As informed to us there were no material discrepancies noticed on verification between the physical stocks and the book records and any discrepancies found has been properly dealt within the books of accounts.

(iii) In respect of the loans, secured or unsecured, granted by the company to companies, firms or other parties covered in the register maintained u/s. 189 of the Companies Act, 2013:

- (a) During the year under audit, the Company has not granted any loans, secured or unsecured, to the companies, firms and other parties covered in the register maintained under section 189 of the Companies Act, 2013 hence clause 3 (iii) (a), (iii) (b) and (iii) (c) of the Companies (Auditor's Report) Order, 2019 are not applicable.

iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of section 185 and 186 of the Act, with respect to the loans and investments made.

v) According to the information and explanation given to us, the company has not accepted any deposit from the public during the year. Therefore the provisions of clause (v) of paragraph 3 of the order are not applicable to the company.

vi) We are informed that maintenance of cost records under section 148 (1) of the Companies Act, 2013 are not required for the company.

vii)

(a) The company is generally regular in depositing the undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Wealth Tax, Sales Tax, Goods & Service Tax, Custom

Duty, Excise Duty, Service Tax, Value Added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanation given to us no undisputed amounts payable in respect of aforementioned dues were outstanding as at 31st March, 2019 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no material dues of Income Tax, Wealth Tax, Sales Tax, Goods & Service Tax, Custom Duty, Excise Duty, Service Tax, Value Added Tax, Cess and any other statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions or banks. As there are no debentures, the question of repayment does not arise.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and in our opinion and according to the information and explanations given to us, the Term loans have been applied for the purpose for which they were obtained. Further According to the information and explanations given by the management, the company has raised money by way of SME property term loan amounting to Rs. 5.00 Crores from Dewan Housing Finance Corporation Ltd. in the earlier year and utilized for short term working capital purpose.
- (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 our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with. the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made preferential allotment/private placement of shares during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(XV) of the Order is not applicable.

- (xvi) The Company is not required to be registered under section 46-IA of the Reserve Bank of India Act, 1934.

Date:30/05/2019
Place: Ahmedabad

As per our Report of Even Date
For and on Behalf of
For, Nahta Jain & Associates
Chartered Accountants
FRN 106801W
Sd/-
(CA I. C. Nahta)
Partner
M. No. 070023

Annexure "C" to the Auditors' Report

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 MIS. SHANTI EDUCATIONAL INITIATIVES LTD. ("the Company"), as of 31 March, 2019, in conjunction with our audit of the standalone financial statements of the Company for the year ended 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 controls 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 (ICAI). These responsibility 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 the 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.

Auditor's 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 of Accounting, 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, 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 were 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 or 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 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 the 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 31st March 2019, 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.

Date:30/05/2019
Place: Ahmedabad

As per our Report of Even Date
For and on Behalf of
For, Nahta Jain & Associates
Chartered Accountants
FRN 106801W
Sd/-
(CA I. C. Nahta)
Partner
M. No. 070023

SHANTI EDUCATIONAL INITIATIVES LIMITED

CIN : L80101GJ1988PLC010691

Balance Sheet as at March 31, 2019

(Amount in ₹)

| Particulars | Notes | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|--|--------|-------------------------|-------------------------|------------------------|
| I ASSETS | | | | |
| 1 Non-Current Assets | | | | |
| (a) Property, Plant and Equipment | 2 | 12,99,03,132 | 7,80,71,661 | 7,78,58,525 |
| Intangible Assets | 2A | 1,47,307 | 1,44,419 | 2,09,590 |
| (b) Capital Work-in-Progress | 2 | 5,10,98,871 | 8,97,82,293 | 5,75,87,690 |
| (c) Investment Property | 3 | 5,11,98,182 | 5,11,98,182 | 5,08,10,542 |
| (d) Financial Assets | | | | |
| (i) Investments | 4 | 3,25,66,070 | 3,25,66,070 | 3,25,66,070 |
| (ii) Loans | 5 | 1,88,38,582 | 4,49,89,006 | 10,74,02,161 |
| (iii) Other Financial Assets | 6 | 18,29,540 | 11,71,200 | 53,58,230 |
| (e) Deferred tax assets (Net) | 15 | - | 3,17,973 | 2,70,995 |
| (f) Other Non-Current Assets | 7 | 22,22,10,974 | 21,32,07,381 | 22,22,35,932 |
| Total Non-Current Assets | | 50,77,92,658 | 51,14,48,185 | 55,42,99,735 |
| 2 Current Assets | | | | |
| (a) Inventories | 8 | 1,49,27,423 | 1,53,12,184 | 1,47,93,537 |
| (b) Financial Assets | | | | |
| (i) Trade Receivables | 9 | 2,78,50,511 | 2,27,35,462 | 1,60,10,112 |
| (ii) Cash and Cash Equivalents | 10 | 78,92,276 | 44,86,090 | 51,26,922 |
| (iii) Bank Balances other than (ii) above | 10 | - | 10,00,000 | 10,00,000 |
| (iv) Other financial Assets | 6 | 4,78,547 | 4,47,256 | 20,95,113 |
| (c) Other Current Assets | 7 | 2,43,79,360 | 1,75,72,599 | 2,40,14,144 |
| Total Current Assets | | 7,55,28,117 | 6,15,53,591 | 6,30,39,828 |
| Total Assets | | 58,33,20,775 | 57,30,01,776 | 61,73,39,563 |
| II EQUITY AND LIABILITIES | | | | |
| 1 EQUITY | | | | |
| (a) Equity Share Capital | 11 | 16,10,00,000 | 16,10,00,000 | 16,10,00,000 |
| (b) Other Equity | 12 | 31,94,08,246 | 31,47,93,307 | 29,98,98,966 |
| Total Equity | | 48,04,08,246 | 47,57,93,307 | 46,08,98,966 |
| 2 LIABILITIES | | | | |
| (i) Non-Current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 13 | 3,76,81,883 | 4,25,49,454 | 11,17,79,993 |
| (ii) Other Financial Liability | 14 | 73,61,996 | 93,72,245 | 54,15,662 |
| (b) Deferred Tax Liabilities (Net) | 15 | 11,71,439 | - | - |
| (c) Other Long Term Provisions | 16 | 24,74,381 | 23,36,189 | 20,09,574 |
| Total Non-Current Liabilities | | 4,86,89,699 | 5,42,57,888 | 11,92,05,229 |
| (ii) Current Liabilities | | | | |
| (a) Financial Liabilities | | | | |
| (i) Borrowings | 13 | 49,83,000 | - | - |
| (ii) Trade Payables | | | | |
| Total outstanding dues of micro enterprise and small enterprises | | - | - | - |
| Total outstanding dues of creditors other than micro enterprises and small enterprises | 17 | 76,79,360 | 83,63,082 | 64,80,140 |
| (iii) Other Financial Liabilities | 18 | 1,38,69,803 | 1,09,50,251 | 72,97,409 |
| (b) Other Current Liabilities | 19 | 1,91,10,359 | 1,39,67,247 | 93,47,512 |
| (c) Provisions | 16 | 59,80,308 | 68,81,161 | 43,49,685 |
| (d) Current Tax Liabilities (Net) | 20 | 26,00,000 | 27,88,840 | 97,60,622 |
| Total Current Liabilities | | 5,42,22,830 | 4,29,50,581 | 3,72,35,368 |
| Total Liabilities | | 10,29,12,529 | 9,72,08,469 | 15,64,40,597 |
| Total Equity and Liabilities | | 58,33,20,775 | 57,30,01,776 | 61,73,39,563 |
| Significant Accounting Policies | 1 | - | - | - |
| See accompanying notes to the Financial Statements | 2 - 40 | | | |

As per our report of even date attached

For Nahta Jain & Associates

Chartered Accountants

Firm Regn. No. 106801 W

(CA. I. C. Nahta)

Partner

M.No. 070023

Place: Ahmedabad

Date: May 30, 2019

For and on behalf of the Board of Directors of

RONAK B. AGARWAL

DIRECTOR

DIN - 05002292

Jayesh Patel

Chief Financial Officer

Place: Ahmedabad

Date: May 30, 2019

DARSHAN VAYEDA

WHOLE-TIME DIREC

DIN - 07788073

Bhavya Bajpai

Company Secretary

SHANTI EDUCATIONAL INITIATIVES LIMITED

CIN : L80101GJ1988PLC010691

Statement of Profit & Loss for the Year Ended March 31, 2019**(Amount in ₹)**

| Particulars | Notes | Year Ended March 31, 2019 | Year Ended March 31, 2018 |
|---|--------|------------------------------|------------------------------|
| 1 Income | | | |
| Revenue from Operations | 21 | 13,88,72,588 | 21,94,58,368 |
| Other Income | 22 | 61,59,822 | 2,59,49,152 |
| Total Income | | 14,50,32,410 | 24,54,07,520 |
| 2 Expenses | | | |
| Purchase of Stock-in-Trade | 23 | 4,31,16,717 | 13,07,37,891 |
| Change in inventories of Finished Goods, Work-in-Progress and Stock-in- | 24 | 10,06,728 | -5,18,648 |
| Employee Benefit Expenses | 25 | 4,12,45,286 | 4,54,06,976 |
| Finance Costs | 26 | 48,97,630 | 39,37,756 |
| Depreciation | 2 | 31,75,636 | 34,35,027 |
| Other Expenses | 27 | 4,24,97,168 | 3,89,88,588 |
| Total Expenses | | 13,59,39,165 | 22,19,87,590 |
| 3 Profit before tax (1-2) | | 90,93,245 | 2,34,19,930 |
| 4 Tax Expense | | | |
| (1) Current Tax | | 26,00,000 | 70,00,000 |
| (2) Earlier Year Tax | | - | -1,26,419 |
| (3) Deferred Tax | | 15,97,602 | 21,192 |
| Total Tax Expense | | 41,97,602 | 68,94,773 |
| 5 Profit for the Year (3-4) | | 48,95,643 | 1,65,25,157 |
| 6 Other Comprehensive Income | | | |
| (i) Remeasurements of defined benefit plans | | -3,88,894 | -2,47,445 |
| (ii) Income tax relating to above items | | 1,08,190 | 68,171 |
| Total Other Comprehensive Income (i + ii) | | -2,80,704 | -1,79,274 |
| 7 Total Comprehensive Income for the Year (5 + 6) | | 46,14,939 | 1,63,45,883 |
| Earnings per equity Share (Face value of ₹ 10 each) | 32 | | |
| (1) Basic (in ₹) | | 0.30 | 1.03 |
| (2) Diluted (in ₹) | | 0.30 | 1.03 |
| Significant Accounting Policies | 1 | | |
| See accompanying notes to the Financial Statements | 2 - 40 | | |

As per our report of even date attached

For and on behalf of the Board of Directors of

For Nahta Jain & Associates

Chartered Accountants

Firm Regn. No. 106801 W

RONAK B. AGARWAL
DIRECTOR
DIN - 05002292

DARSHAN VAYEDA
WHOLE-TIME DIRECTOR
DIN -07788073

(CA. I. C. Nahta)

Partner

M.No. 070023

Jayesh Patel
Chief Financial Officer

Bhavya Bajpai
Company Secretary

Place: Ahmedabad

Place: Ahmedabad

SHANTI EDUCATIONAL INITIATIVES LIMITED

CIN : L80101GJ1988PLC010691

Statement of Cash Flow for the Year Ended March 31, 2019

| Particulars | (₹ in Lakhs) | |
|--|------------------------------------|------------------------------|
| | Year ended March 31, 2019 | Year ended March 31, 2018 |
| Cash Flow From Operating Activities | | |
| Profit Before Tax | 90,93,245 | 2,34,19,930 |
| Adjustment for: | | |
| Depreciation | 31,75,636 | 34,35,027 |
| Finance Costs | 48,97,630 | 39,37,756 |
| Interest Income | -14,51,068 | -1,80,32,346 |
| Operating Profit before Working Capital changes | 1,57,15,443 | 1,27,60,367 |
| Changes in Working Capital | | |
| Adjustment for: | | |
| (Increase) in Trade Receivables | -51,15,049 | -67,25,350 |
| (Increase) / Decrease in Other Financial Assets | -31,291 | 16,47,857 |
| (Increase) In Inventories | 3,84,761 | -5,18,647 |
| (Increase) / Decrease in other Current Assets | -68,06,761 | 64,41,545 |
| Increase in Trade Payable | -6,83,722 | 18,82,942 |
| Increase in Other Financial Liabilities | 27,07,440 | -11,13,785 |
| Increase / (Decrease) in Other Liabilities | 51,43,112 | 31,68,193 |
| Increase in Provisions | -11,51,555 | 26,10,646 |
| Cash generated from operations Before Income Tax Paid | 1,01,62,378 | 2,01,53,768 |
| Direct Taxes Paid | -27,88,840 | -1,38,45,362 |
| Net Cash Generated From Operating Activities | [A] 73,73,538 | 63,08,406 |
| Cash Flow From Investing Activities : | | |
| Payments for purchase of Property, Plant & Equipment | -1,63,26,573 | -3,57,77,595 |
| Proceeds from sales of Property, Plant & Equipment | | |
| Increase / (Decrease) in Investment Properties | - | -3,87,640 |
| Increase / (Decrease) in Loans Given | 2,61,50,424 | 6,24,13,155 |
| Increase / (Decrease) in Other Financial Assets & Non Current Assets | -96,61,933 | 1,32,15,581 |
| Proceeds from Maturity of term deposits | 10,00,000 | - |
| Interest Income | 14,51,068 | 1,80,32,346 |
| Net Cash Used In Investing Activities | [B] 26,12,986 | 5,74,95,847 |
| Cash Flow From Financing Activities : | | |
| Increase/ (Decrease) in Long term Borrowings | -43,73,358 | -6,47,46,013 |
| Increase/ (Decrease) in Short term Borrowings | 49,83,000 | - |
| Increase/ (Decrease) in Other Financial Liabilities | -20,10,249 | 39,56,583 |
| Finance Costs paid | -51,79,731 | -36,55,655 |
| Net Cash Used In Financing Activities | [C] -65,80,338 | -6,44,45,085 |
| Net Increase in cash and cash equivalents during the year | [A+B+C] 34,06,186 | -6,40,832 |
| Add: Cash and cash equivalents at the beginning for the year | 44,86,090 | 51,26,922 |
| Cash and cash equivalents at the end for the year (Refer Note 10) | 78,92,276 | 44,86,090 |

SHANTI EDUCATIONAL INITIATIVES LIMITED

Statement of Cash Flow for the Year Ended March 31, 2019 (Cont..)

Notes:

i) Components of Cash & Cash Equivalents

| Particulars | As at | |
|-------------------|---------------------|---------------------|
| | March 31, 2019 | March 31, 2018 |
| Cash On Hand | 3,66,197.00 | 4,02,362.00 |
| Balance with Bank | 75,26,079.00 | 40,83,728.00 |
| Total | 78,92,276.00 | 44,86,090.00 |

ii) Reconciliation of liabilities arising from financing activities

| As at March 31, 2019 | Opening Balance | Cash Flows | Non Cash Changes | Closing Balance |
|--|-----------------------|--------------------|------------------|-----------------------|
| Long term Borrowings (Incl. Current maturity) | 4,70,33,980.00 | (43,73,358.00) | - | 4,26,60,622.00 |
| Short term Borrowings | - | 49,83,000.00 | - | 49,83,000.00 |
| Total liabilities from financing activities | 4,70,33,980.00 | 6,09,642.00 | - | 4,76,43,622.00 |

| As at March 31, 2018 | Opening Balance | Cash Flows | Non Cash Changes | Closing Balance |
|--|------------------------|-------------------------|------------------|-----------------------|
| Long term Borrowings (Incl. Current maturity) | 11,17,79,993.00 | (6,47,46,013.00) | - | 4,70,33,980.00 |
| Short term Borrowings | - | - | - | - |
| Total liabilities from financing activities | 11,17,79,993.00 | (6,47,46,013.00) | - | 4,70,33,980.00 |

iii) The above Statement of Cash Flows has been prepared under the 'Indirect Method' as set out in the Ind AS 7 on Statement of Cash Flows as notified under Companies (Accounts) Rules, 2015.

Significant Accounting Policies

See accompanying notes to the financial statements

1

2 - 40

As per our report of even date attached

For and on behalf of the Board of Directors of

For Nahta Jain & Associates

Chartered Accountants

Firm Regn. No. 106801 W

RONAK B. AGARWAL

DIRECTOR

DIN - 05002292

DARSHAN VAYEDA

WHOLE-TIME DIRECTOR

DIN -07788073

(CA. I. C. Nahta)

Partner

M.No. 070023**Place: Ahmedabad****Date: May 30, 2019****Jayesh Patel**

Chief Financial Officer

Place: Ahmedabad**Date: May 30, 2019****Bhavya Bajpai**

Company Secretary

SHANTI EDUCATIONAL INITIATIVES LIMITED

CIN : L80101GJ1988PLC010691

Statement of Changes in Equity for the Year Ended March 31, 2019

| Particulars | (Amount in ₹) | | |
|---|-------------------------|-------------------------|------------------------|
| | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
| Balance as the beginning of the year | 16,10,00,000 | 16,10,00,000 | 15,30,00,000 |
| Changes in Equity share capital during the year | - | - | 80,00,000 |
| Balance as the closing of the year | 16,10,00,000 | 16,10,00,000 | 16,10,00,000 |

| Particulars | (Amount in ₹) | | | |
|--|---------------------|-----------------|---------------------|---------------------|
| | Reserves & Surplus | | | Total |
| | Security Premium | General Reserve | Retained Earnings | |
| Balance as at April 1, 2016 | 15,14,56,000 | 1,45,000 | 6,40,15,318 | 21,56,16,318 |
| Profit for the year | - | - | 2,02,82,648 | 2,02,82,648 |
| Addition During the year | 6,40,00,000 | - | - | 6,40,00,000 |
| Other Comprehensive Income for the year | - | - | - | - |
| Total Comprehensive Income for the year | 6,40,00,000 | - | 2,02,82,648 | 8,42,82,648 |
| Balance as at April 1, 2017 | 21,54,56,000 | 1,45,000 | 8,42,97,966 | 29,98,98,966 |
| Profit for the year | - | - | 1,65,25,157 | 1,65,25,157 |
| Adjustment during the year pursuant to IPO | -14,51,542 | - | - | -14,51,542 |
| Other Comprehensive Income for the year | - | - | -1,79,274 | -1,79,274 |
| Total Comprehensive Income for the year | -14,51,542 | - | 1,63,45,883 | 1,48,94,341 |
| Balance as at March 31, 2018 | 21,40,04,458 | 1,45,000 | 10,06,43,849 | 31,47,93,307 |
| Profit for the year | - | - | 48,95,643 | 48,95,643 |
| Other Comprehensive Income for the year | - | - | -2,80,704 | -2,80,704 |
| Total Comprehensive Income for the year | - | - | 46,14,939 | 46,14,939 |
| Balance as at March 31, 2019 | 21,40,04,458 | 1,45,000 | 10,52,58,788 | 31,94,08,246 |

Significant Accounting Policies

1

See accompanying notes to the Financial Statements

2 - 40

As per our report of even date attached

For and on behalf of the Board of Directors of

For Nahta Jain & Associates

Chartered Accountants

Firm Regn. No. 106801 W

RONAK B. AGARWAL
DIRECTOR
DIN - 05002292

DARSHAN VAYEDA
WHOLE-TIME DIRECTOR
DIN -07788073

(CA. I. C. Nahta)

Partner

Membership No.-100116

Place: Ahmedabad

Date: May 30, 2019

Jayesh Patel
Chief Financial Officer
Place: Ahmedabad
Date: May 30, 2019

Bhavya Bajpai
Company Secretary

PART I –BALANCE SHEET

Effect of Ind AS adoption on the standalone balance sheet as at March 31,2018 and April 1, 2017

(Amount in INR)

| Particulars | Notes | As at March 31, 2018 | | | | As at April 01, 2017 | | | |
|--|-------|----------------------|------------------|--------------------------------|---------------------|----------------------|------------------|--------------------------------|---------------------|
| | | Previous GAAP | Reclassification | Effect of transition to Ind AS | IND AS | Previous GAAP | Reclassification | Effect of transition to Ind AS | IND AS |
| I ASSETS | | | | | | | | | |
| Non-current assets | | | | | | | | | |
| (a) Property, Plant and Equipment | | 7,80,71,661 | - | - | 7,80,71,661 | 7,78,58,525 | - | - | 7,78,58,525 |
| Intangible Assets | | 1,44,419 | - | - | 1,44,419 | 2,09,590 | - | - | 2,09,590 |
| (b) Capital Work-in-Progress | | 8,97,82,293 | - | - | 8,97,82,293 | 5,75,87,690 | - | - | 5,75,87,690 |
| (c) Investment Property | A | | 5,11,98,182 | | 5,11,98,182 | | 5,08,10,542 | | 5,08,10,542 |
| (d) Financial Assets | | | | | | | | | |
| (i) Investments | A | 8,37,64,252 | -5,11,98,182 | - | 3,25,66,070 | 8,33,76,612 | -5,08,10,542 | - | 3,25,66,070 |
| (ii) Loans | A | - | 4,49,89,006 | - | 4,49,89,006 | - | 10,74,02,161 | - | 10,74,02,161 |
| (iii) Other Financial Assets | A | - | 11,71,200 | - | 11,71,200 | - | 53,58,230 | - | 53,58,230 |
| (e) Deferred tax assets (Net) | | 3,17,973 | - | - | 3,17,973 | 2,70,995 | - | - | 2,70,995 |
| (f) Long-term loans and advances | A | 25,49,33,150 | -25,49,33,150 | - | - | 32,54,42,240 | -32,54,42,240 | - | - |
| (g) Other Non-Current Assets | A | 44,34,437 | 20,87,72,944 | - | 21,32,07,381 | 95,54,083 | 21,26,81,849 | - | 22,22,35,932 |
| Total non-current assets | | 51,14,48,185 | - | - | 51,14,48,185 | 55,42,99,735 | - | - | 55,42,99,735 |
| Current assets | | | | | | | | | |
| (a) Inventories | | 1,53,12,184 | - | - | 1,53,12,184 | 1,47,93,537 | - | - | 1,47,93,537 |
| (b) Financial Assets | | | | | | | | | |
| (i) Trade Receivables | | 2,27,35,462 | - | - | 2,27,35,462 | 1,60,10,112 | - | - | 1,60,10,112 |
| (ii) Cash and Cash Equivalents | A | 54,86,090 | -10,00,000 | - | 44,86,090 | 61,26,922 | -10,00,000 | - | 51,26,922 |
| (iii) Bank Balances other than (ii) above | A | | 10,00,000 | - | 10,00,000 | | 10,00,000 | - | 10,00,000 |
| (iv) Other financial Assets | A | | 4,47,256 | - | 4,47,256 | | 20,95,113 | - | 20,95,113 |
| (c) Other Current Assets | A | 1,17,09,601 | 58,62,998 | - | 1,75,72,599 | 86,68,279 | 1,53,45,865 | - | 2,40,14,144 |
| (d) Short-term loans and advances | A | 63,10,254 | -63,10,254 | - | - | 1,74,40,978 | -1,74,40,978 | - | - |
| Total current assets | | 6,15,53,591 | - | - | 6,15,53,591 | 6,30,39,828 | - | - | 6,30,39,828 |
| Total assets | | 57,30,01,776 | - | - | 57,30,01,776 | 61,73,39,563 | - | - | 61,73,39,563 |
| II EQUITY AND LIABILITIES | | | | | | | | | |
| Equity | | | | | | | | | |
| (a) Equity share capital | | 16,10,00,000 | - | - | 16,10,00,000 | 16,10,00,000 | - | - | 16,10,00,000 |
| (b) Other equity | C | 31,42,34,749 | - | 5,58,558 | 31,47,93,307 | 29,98,91,421 | 7,545 | - | 29,98,98,966 |
| Total equity | | 47,52,34,749 | - | 5,58,558 | 47,57,93,307 | 46,08,91,421 | 7,545 | - | 46,08,98,966 |
| Liabilities | | | | | | | | | |
| Non-current liabilities | | | | | | | | | |
| (a) Financial liabilities | | | | | | | | | |
| (i) Borrowings | C | 4,31,08,012 | - | -5,58,558 | 4,25,49,454 | 11,17,79,993 | - | - | 11,17,79,993 |
| (ii) Other Financial Liability | A | - | 93,72,245 | - | 93,72,245 | - | 54,15,662 | - | 54,15,662 |
| (b) Deferred Tax Liabilities (Net) | | | | | | | | | |
| (c) Other Long Term Provisions | A | 27,30,331 | -3,94,142 | - | 23,36,189 | 20,09,574 | - | - | 20,09,574 |
| (d) Other Long term liabilities | A | 93,72,245 | -93,72,245 | - | - | 54,15,662 | -54,15,662 | - | - |
| Total non-current liabilities | | 5,52,10,588 | -3,94,142 | -5,58,558 | 5,42,57,888 | 11,92,05,229 | - | - | 11,92,05,229 |
| Current liabilities | | | | | | | | | |
| (a) Financial liabilities | | | | | | | | | |
| (i) Borrowings | | - | - | - | - | - | - | - | - |
| (ii) Trade payables | | | | | | | | | |
| Total outstanding dues of micro enterprise and small enterprises | | - | - | - | - | - | - | - | - |
| Total outstanding dues of creditors other than micro enterprises and small | A | 83,63,082 | - | - | 83,63,082 | 64,87,685 | -7,545 | - | 64,80,140 |
| (iii) Other financial liabilities | A | - | 1,09,50,251 | - | 1,09,50,251 | - | 72,97,409 | - | 72,97,409 |
| (b) Other current liabilities | A | 2,46,35,398 | -1,06,68,151 | - | 1,39,67,247 | 1,66,44,921 | -72,97,409 | - | 93,47,512 |
| (c) Provisions | A | 95,57,959 | -26,76,798 | - | 68,81,161 | 1,41,10,307 | -97,60,622 | - | 43,49,685 |
| (d) Current Tax Liabilities (Net) | A | | 27,88,840 | - | 27,88,840 | | 97,60,622 | - | 97,60,622 |
| Total current liabilities | | 4,25,56,439 | 3,94,142 | - | 4,29,50,581 | 3,72,42,913 | -7,545 | - | 3,72,35,368 |
| Total liabilities | | 9,77,67,027 | - | -5,58,558 | 9,72,08,469 | 15,64,48,142 | -7,545 | - | 15,64,40,597 |
| Total equity and liabilities | | 57,30,01,776 | - | - | 57,30,01,776 | 61,73,39,563 | - | - | 61,73,39,563 |

SHANTI EDUCATIONAL INITIATIVES LIMITED

Effect of Ind AS adoption on the Standalone Statement of profit and loss for the year ended March 31, 2018

(Amount in INR)

| Particulars | Notes | For the year ended March 31, 2018 | | |
|---|-------|--------------------------------------|--------------------------------------|---------------------|
| | | Previous GAAP | Effect of transition to Ind AS | Ind AS |
| I Revenue from operations | B | 22,21,22,713 | (26,64,345) | 21,94,58,368 |
| II Other income | | 2,59,49,152 | - | 2,59,49,152 |
| III Total Income (I + II) | | 24,80,71,865 | (26,64,345) | 24,54,07,520 |
| Expenses: | | | | |
| a) Purchases of stock-in-trade | | 13,07,37,891 | - | 13,07,37,891 |
| b) Changes in inventories of finished goods and work-in- progress | | -5,18,648 | - | (5,18,648) |
| c) Employee benefits expense | | 4,56,54,421 | (2,47,445) | 4,54,06,976 |
| d) Finance costs | C | 44,96,314 | (5,58,558) | 39,37,756 |
| e) Depreciation and amortisation expense | | 34,35,027 | - | 34,35,027 |
| f) Other expenses | B | 4,16,52,933 | (26,64,345) | 3,89,88,588 |
| IV Total expenses | | 22,54,57,938 | (34,70,348) | 22,19,87,590 |
| V Profit before exceptional items and tax (III- IV) | | 2,26,13,927 | 8,06,003 | 2,34,19,930 |
| VI Profit before tax (IV-V) | | 2,26,13,927 | 8,06,003 | 2,34,19,930 |
| VII Tax expense: | | | | |
| a) Current tax | | 70,00,000 | - | 70,00,000 |
| b) Deferred tax | | -1,26,419 | - | (1,26,419) |
| c) Deferred tax (credit)/charge | | -46,979 | 68,171 | 21,192 |
| | | 68,26,602 | 68,171 | 68,94,773 |
| VIII Profit for the year (VI-VII) | | 1,57,87,325 | 7,37,832 | 1,65,25,157 |
| Other comprehensive income | | | | |
| A (i) Items that will not be reclassified to profit or loss | | - | (2,47,445) | (2,47,445) |
| (ii) Income tax relating to items that will not be reclassified to profit or loss | | - | 68,171 | 68,171 |
| B (i) Items that will be reclassified to profit or loss | | - | - | - |
| (ii) Income tax relating to items that will be reclassified to profit or loss | | - | - | - |
| IX Total other comprehensive income/(loss) (A (i-ii)+B(i-ii)) | | - | (1,79,274) | (1,79,274) |
| X Total comprehensive income for the year (VIII+IX) | | 1,57,87,325 | 5,58,558 | 1,63,45,883 |

Notes to the reconciliations

A Reclassification

In the preparation of these Ind-AS Financial Statements, the Company has made several presentation differences between previous GAAP and Ind- AS. These differences have no impact on reported profit or total equity. Accordingly, some assets and liabilities have been reclassified into another line item under Ind- AS at the date of transition. Further, in these Financial Statements some line items are described differently under Ind AS compared to previous GAAP, although the assets and liabilities included in these line items are unaffected.

B Excise duty and sales commission

Under previous GAAP, revenue from sale of products was presented net of excise duty under revenue form operations. Whereas, under Ind AS, revenue form sale of products including excise duty. The corresponding excise duty expense is presented in Other expenses in the Statement of profit and loss. The change does not affect total equity as at April 01, 2017 and March 31, 2018, profit before tax or total profit for the year ended March 31, 2018. Moreover, revenue from sale of products was presented net of sale commission under Ind AS.

C Borrowings classified at amortised cost

Terms loans from banks and financial institution are carried at amortised cost under Ind AS and the interest expense has been recognised based on effective interest method.

SHANTI EDUCATIONAL INITIATIVES LIMITED

Reconciliation of total equity as at March 31, 2018 and April 01, 2017

(Amount in INR)

| Particulars | As at March 31, 2018 | As at April 01, 2017 |
|--|----------------------|----------------------|
| Total equity (shareholders' funds) under previous GAAP | 47,52,34,749 | 46,08,91,421 |
| Impact on finance cost under Ind AS under effective interest rate method | 5,58,558 | 7,545 |
| Total adjustment to equity | 4,90,387 | 7,545 |
| Total equity under Ind AS | 47,57,25,136 | 46,08,98,966 |

Reconciliation of total comprehensive income for the year ended March 31, 2018

(Amount in INR)

| Particulars | For the year ended March 31, 2018 |
|---|--------------------------------------|
| Profit as per previous GAAP | 1,57,87,325 |
| Adjustments: | |
| Impact on finance cost due to interest calculation as per effective interest method | 5,58,558 |
| Remesaurment benefit of net defined benefit plans | 2,47,445 |
| Deferred tax on Ind-AS adjustment | -68,171 |
| Total effect of transition to Ind AS | 7,37,832 |
| Net Profit for the year as per Ind AS | 1,65,25,157 |
| Other Comprehensive Income (Net of Tax) | -2,47,445 |
| Effect of measuring equity instruments at fair value through OCI | 68,171 |
| Total comprehensive income under Ind AS | 1,63,45,883 |

Note: Under previous GAAP, total comprehensive income was not reported. Therefore, the above reconciliation starts with profit under the previous GAAP.

SHANTI EDUCATIONAL INITIATIVES LIMITED

1. NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31st MARCH, 2019

A. General Information

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

B. Significant Accounting policies

I. Statement of compliance

The financial statements have been prepared in accordance with Ind AS specified under the section 133 of the Companies Act, 2013 read with rule 3 of the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Accounting Standards) Amendment Rules, 2016.

Upto the year ended March 31, 2018, the Company prepared its financial statements in accordance with the requirements of previous GAAP, which includes Standards notified under the Companies (Accounting Standards) Rules, 2006. These are the Company’s first Ind AS financial statements. The date of transition to Ind AS is April 1, 2017. Refer the Basis of preparation and presentation as well as details of first-time adoption exemptions availed by the Company mentioned hereunder.

II. Basis of preparation and presentation

The financial statements have been prepared on the historical cost basis except for certain financial instruments that are measured at fair values at the end of each reporting period, as explained in the accounting policies below.

Historical cost is generally based on the fair value of the consideration given in exchange for goods and services.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Company takes in to account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date.

In addition, for financial reporting purposes, fair value measurements are categorized into Level 1, 2, or 3 based on the degree to which the inputs to the fair value measurements are observable and the significance of the inputs to the fair value measurements in its entirety, which are described as follows:

- Level 1 inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 inputs are inputs other than quoted prices included within Level 1, that are observable for the asset or liability, either directly or indirectly; and
- Level 3 inputs are unobservable inputs for the asset or liability.

III. Revenue recognition

Revenue from sale of goods and services is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

SHANTI EDUCATIONAL INITIATIVES LIMITED

Revenue is measured based on the transaction price as specified in the contract with the customer. It excludes discounts, incentives, volume rebates, goods & services tax and amounts collected on behalf of third parties. In determining the transaction price, the Company considers below, if any:

Variable consideration:

This includes discounts, incentives, volume rebates, etc. It is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.

Significant financing component:

Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good to the customer and when the customer pays for that good or service will be one year or less.

Consideration payable to a customer:

Such amounts are accounted as reduction of transaction price and therefore, of revenue unless the payment to the customer is in exchange for a distinct good that the customer transfers to the Company. Further, in accordance with Ind AS 37, the Company recognises a provision for onerous contract when the unavoidable costs of meeting the obligations under a contract exceed the economic benefits to be received.

Contract balances:

Trade receivables: A receivable represents the Company's right to an amount of consideration that is unconditional i.e. only the passage of time is required before payment of consideration is due.

Contract liabilities: A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Contract liabilities are recognised as revenue when the Company performs under the contract.

Transition to New Standards

Ind AS 115, Revenue from contracts with customers was issued on 28 March 2018 and supersedes Ind AS 11, Construction Contracts and Ind AS 18, Revenue and it applies, with limited exception, to all revenue arising from contracts with its customers. Under Ind AS 115, revenue is recognised when a customer obtains control of goods or services. The Company has adopted Ind AS 115 using the cumulative effect method (without practical expedients) with the effect of initially applying this standard recognised at the date of initial application i.e. April 1, 2018. Accordingly, the comparative information i.e. information for the year ended 31 March 2018, has not been restated. Further, the Company did not have any impact on adoption of new standard Ind AS 115 on the transition date April 1, 2018 and for the year ended March 31, 2019.

Sale of services

Income from service rendered is recognised on accrual basis based on the terms of agreements and when services are rendered.

Dividend and interest income

Dividend income from investments is recognised when the shareholder's right to receive payment has been established (provided that it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably).

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

SHANTI EDUCATIONAL INITIATIVES LIMITED

Sale of Franchisee and other material traded are recognized net of refunds/returns and discounts, if any, if significant risk and rewards of ownership of products are passed on to customers but excluding value added tax and service tax till 30-06-2017 and w.e.f. 01.7.2017 excluding GST, wherever, applicable.

Revenue from Franchisee constitute one time franchisee fees (non-refundable) is recognized upon receipt of fee from franchisee. The recurring revenue from franchisee and royalty is recognized on accrual basis but excluding service tax and GST wherever applicable.

IV. Leasing

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

The Company as a lessor

Amount due from the lessees under finance leases are recognised as receivables at the amount of the Company's net investment in the leases. Finance lease income is allocated to the accounting periods so as to reflect a constant periodic rate of return on the Company's net investment outstanding in respect of the leases.

Rental income from operating leases is recognised on straight-line basis over the term of the relevant lease. Initial direct cost incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised on straight-line basis over the lease term.

The Company as a lessee

Assets held under finance leases are initially recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's general policy on borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

Lease payments under an operating lease shall be recognised as an expense on a straight-line basis over the lease term unless either:

- a. another systematic basis is more representative of the time pattern of the user's benefit even if the payments to the lessors are not on that basis; or
- b. the payments to the lessor are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. If payments to the lessor vary because of factors other than general inflation, then this condition is not met.

V. Foreign currency translations

The functional currency of the Company has been determined on the basis of the primary economic environment in which it operates. The functional currency of the Company is INR.

In preparing the financial statements of the Company, transactions in currencies other than the Company's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in Statement of Profit and Loss in the period in which they arise except for:

- exchange differences on foreign currency borrowings relating to assets under construction for future productive use, which are included in the cost of those assets when they are regarded as an adjustment to interest costs on those foreign currency borrowings;

SHANTI EDUCATIONAL INITIATIVES LIMITED

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to Statement of Profit and Loss on repayment of the monetary items.

VI. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognised in the Statement of Profit and Loss in the period in which they are incurred.

VII. Employee Benefits

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service.

Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

Post employment and other long term employee benefits are recognized as an expense in the profit & loss account for the year in which the liabilities are crystallized

VIII. Taxation

Income tax expense represents the sum of the tax currently payable and deferred tax.

Current tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the applicable tax rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is highly probable that future economic benefit associated with it will flow to the Company.

Deferred tax

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Such deferred tax assets and liabilities are not recognised if the temporary difference arises from the initial recognition (other than in a business combination) of assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit. In addition, deferred tax liabilities are not recognised if the temporary difference arises from the initial recognition of goodwill.

Deferred tax liabilities are recognised for taxable temporary differences associated with investments in subsidiaries, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future. Deferred tax assets arising from deductible temporary differences associated with such investments and interests are only recognised to the extent that it is probable that there will be sufficient taxable profits against which to utilise the benefits of the temporary differences and they are expected to reverse in the foreseeable future.

SHANTI EDUCATIONAL INITIATIVES LIMITED

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period.

The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

For the purposes of measuring deferred tax liabilities and deferred tax assets on non-depreciable assets the carrying amounts of such properties are presumed to be recovered entirely through sale.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Current and deferred tax for the year

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the current and deferred tax are also recognised in other comprehensive income or directly in equity respectively.

IX. Property, plant and equipment

The cost of property, plant and equipment comprises its purchase price net of any trade discounts and rebates, any import duties and other taxes (other than those subsequently recoverable from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, including relevant borrowing costs for qualifying assets and any expected costs of decommissioning. Expenditure incurred after the property, plant and equipment have been put into operation, such as repairs and maintenance, are charged to the Statement of Profit and Loss in the period in which the costs are incurred. Major shut-down and overhaul expenditure is capitalised as the activities undertaken improves the economic benefits expected to arise from the asset.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss.

Assets in the course of construction are capitalised in the assets under construction account. At the point when an asset is operating at management's intended use, the cost of construction is transferred to the appropriate category of property, plant and equipment and depreciation commences. Costs associated with the commissioning of an asset and any obligatory decommissioning costs are capitalised where the asset is available for use but incapable of operating at normal levels until a period of commissioning has been completed. Revenue generated from production during the trial period is capitalised.

Property, plant and equipment are stated in the balance sheet at cost less accumulated depreciation and accumulated impairment losses, if any. Property, plant and equipment retired from active use are stated at the lower of their net book value and net realisable value and are disclosed separately. Freehold land is not depreciated.

X. Depreciation and amortisation

All fixed assets, except building, are depreciated on a written down value method. Depreciation is provided on SLM Method in case of building. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013. Depreciation on additions to / deletions from fixed assets made during the period is provided on pro-rata basis from / up to the date of such addition / deletion as the case may be. Useful life is as under:

The Company reviews the residual value, useful lives and depreciation method annually and, if expectations differ from previous estimates, the change is accounted for as a change in accounting estimate on a prospective basis.

SHANTI EDUCATIONAL INITIATIVES LIMITED

XI. Intangible assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives (10 Years). The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Derecognition of intangible assets

An intangible asset is derecognised on disposal, or when no future economic benefits are expected from use or disposal. Gains or losses arising from derecognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset are recognised in the Statement of Profit and Loss when the asset is derecognised.

XII. Impairment of assets

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. Where a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets with indefinite useful lives and intangible assets not yet available for use are tested for impairment at least annually, and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

Where an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss, unless the relevant asset is carried at a revalued amount, in which case the reversal of the impairment loss is treated as a revaluation increase.

XIII. Inventories

Inventories are measured at lower of cost and net realizable value. In determining the cost of franchise materials/goods, weighted average method is used.

XIV. Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive), as a result of past events, and it is probable that an outflow of resources, that can be reliably estimated, will be required to settle such an obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation. When a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows (when the effect of the time value of money is material).

SHANTI EDUCATIONAL INITIATIVES LIMITED

When some or all of the economic benefits required to settle a provision are expected to be recovered from a third party, a receivable is recognized as an asset if it is virtually certain that reimbursement will be received and the amount of the receivable can be measured reliably.

XV. Financial Instruments

Financial assets and financial liabilities are recognised when a Company entity becomes a party to the contractual provisions of the instrument.

Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through Statement of Profit and Loss) are added to or deducted from the fair value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at fair value through Profit and Loss are recognised immediately in Statement of Profit and Loss.

A. Financial assets

a) Recognition and initial measurement

- i) The Company initially recognises loans and advances, deposits, debt securities issues and subordinated liabilities on the date on which they originate. All other financial instruments (including regular way purchases and sales of financial assets) are recognised on the trade date, which is the date on which the Company a party to the contractual provisions of the instrument. A financial asset or liability is initially measured at fair value plus, for an item not at FVTPL, transaction costs that are directly attributable to its acquisition or issue.

b) Classification

On initial recognition, a financial asset is classified as measured at; amortised cost, FVOCI or FVTPL.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated at FVTPL:

- The asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

This category is the most relevant to the Company. After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in finance income in the profit or loss. The losses arising from impairment are recognised in the profit or loss. This category generally applies to trade and other receivables. For more information on receivables, refer to Note 9. A debt instrument is classified as FVOCI only if it meets both the of the following conditions and is not recognised at FVTPL;

- The asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value. Fair value movements are recognized in the other comprehensive income (OCI). However, the Company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the P&L. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to P&L. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 applies are classified as at FVTPL. For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

SHANTI EDUCATIONAL INITIATIVES LIMITED

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to P&L, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the P&L.

All other financial assets are classified as measured at FVTPL.

In addition, on initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI as at FVTPL if doing so eliminates or significantly reduces the accounting mismatch that would otherwise arise.

c) Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a similar financial assets) is primarily derecognised (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset or has entered into a pass-through arrangement, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

d) Impairment

Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

- a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance
- b) Financial assets that are debt instruments and are measured as at FVTOCI
- c) Lease receivables under Ind AS 17
- d) Trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 11 and Ind AS 18 (referred to as 'contractual revenue receivables' in these illustrative financial statements)
- e) Loan commitments which are not measured as at FVTPL
- f) Financial guarantee contracts which are not measured as at FVTPL

The Company follows 'simplified approach' for recognition of impairment loss allowance on:

- I) Trade receivables or contract revenue receivables; and
- II) All lease receivables resulting from transactions within the scope of Ind AS 17

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly,

SHANTI EDUCATIONAL INITIATIVES LIMITED

lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

- i) All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument
- ii) Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

- i) Financial assets measured as at amortised cost, contractual revenue receivables and lease receivables: ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.
- ii) Loan commitments and financial guarantee contracts: ECL is presented as a provision in the balance sheet, i.e. as a liability.
- iii) Debt instruments measured at FVTOCI: Since financial assets are already reflected at fair value, impairment allowance is not further reduced from its value. Rather, ECL amount is presented as 'accumulated impairment amount' in the OCI.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase/ origination.

e) Effective interest method

The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the debt instrument, or, where appropriate, a shorter period, to the net carrying amount on initial recognition.

Income is recognised on an effective interest basis for debt instruments other than those financial assets classified as at FVTPL.

B. Financial liabilities and equity instruments

a) Classification as debt or equity

Debt and equity instruments issued by a Company entity are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of a financial liability and an equity instrument.

b) Equity instruments

SHANTI EDUCATIONAL INITIATIVES LIMITED

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

c) Financial liabilities

Financial liabilities are classified as either financial liabilities 'at FVTPL' or 'other financial liabilities'.

Financial liabilities at FVTPL:

Financial liabilities are classified as at FVTPL when the financial liability is either held for trading or it is designated as at FVTPL.

Financial liabilities at FVTPL are stated at fair value, with any gains or losses arising on remeasurement recognised in Statement of Profit and Loss. The net gain or loss recognised in Statement of Profit and Loss incorporates any interest paid on the financial liability and is included in the 'other gains and losses' line item in the [Statement of comprehensive income/Statement of Profit and Loss].

The Company derecognises financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in Statement of Profit and Loss.

d) Reclassification of financial assets

The Company determines classification of financial assets and liabilities on initial recognition. After initial recognition, no reclassification is made for financial assets which are equity instruments and financial liabilities. For financial assets which are debt instruments, a reclassification is made only if there is a change in the business model for managing those assets. Changes to the business model are expected to be infrequent. The Company's senior management determines change in the business model as a result of external or internal changes which are significant to the Company's operations. Such changes are evident to external parties. A change in the business model occurs when the Company either begins or ceases to perform an activity that is significant to its operations. If the Company reclassifies financial assets, it applies the reclassification prospectively from the reclassification date which is the first day of the immediately next reporting period following the change in business model. The Company does not restate any previously recognised gains, losses (including impairment gains or losses) or interest.

The following table shows various reclassification and how they are accounted for:

| Original classification | Revised classification | Accounting treatment |
|-------------------------|------------------------|--|
| Amortised cost | FVTPL | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in P&L. |
| FVTPL | Amortised Cost | Fair value at reclassification date becomes its new gross carrying amount. EIR is calculated based on the new gross carrying amount. |
| Amortised cost | FVTOCI | Fair value is measured at reclassification date. Difference between previous amortised cost and fair value is recognised in OCI. No change in EIR due to reclassification. |
| FVTOCI | Amortised cost | Fair value at reclassification date becomes its new amortised cost carrying amount. However, cumulative gain or loss in OCI is adjusted against fair value. Consequently, the asset is measured as if it had always been measured at amortised cost. |
| FVTPL | FVTOCI | Fair value at reclassification date becomes its new carrying amount. No other adjustment is required. |
| FVTOCI | FVTPL | Assets continue to be measured at fair value. Cumulative gain or loss |

| | | |
|--|--|---|
| | | previously recognized in OCI is reclassified to P&L at the reclassification date. |
|--|--|---|

XVI. Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short term highly liquid investments with original maturities of three months or less, and bank overdrafts.

XVII. Earnings per share

Basic earnings per share is computed by dividing net income by the weighted average number of common shares outstanding. Diluted earnings per share is computed by dividing income available to shareholders and assumed conversion by the weighted average number of common shares.

XVIII. First time adoption – mandatory exceptions, optional exemptions

a. Overall principle

The Company has prepared the balance sheet as per Ind AS as on the transition date by recognising all assets and liabilities whose recognition is required by Ind AS, not recognising items of assets or liabilities which are not permitted by Ind AS, by reclassifying items from previous GAAP to Ind AS as required under Ind AS, and applying Ind AS in measurement of recognised assets and liabilities. However, this principle is subject to certain exception and certain optional exemptions availed by the Company as detailed below.

b. Derecognition of financial assets and financial liabilities

The Company has applied the derecognition requirements of financial assets and financial liabilities prospectively for transactions occurring on or after the transition date.

c. Classification of debt instruments

The Company has determined the classification of debt instruments in terms of whether they meet the amortised cost criteria or the FVTOCI criteria based on the facts and circumstances that existed as of the transition date.

d. Impairment of financial assets

The Company has applied the impairment requirements of Ind AS 109 retrospectively; however, as permitted by Ind AS 101, it has used reasonable and supportable information that is available without undue cost or effort to determine the credit risk at the date that financial instruments were initially recognised in order to compare it with the credit risk at the transition date. Further, the Company has not undertaken an exhaustive search for information when determining, at the date of transition to Ind ASs, whether there have been significant increases in credit risk since initial recognition, as permitted by Ind AS 101.

e. Assessment of embedded derivatives

The Company has assessed whether an embedded derivative is required to be separated from the host contract and accounted for as a derivative on the basis of the conditions that existed at the later of the date it first became a party to the contract and the date when there has been a change in the terms of the contract that significantly modifies the cash flows that otherwise would be required under the contract.

f. Deemed cost for property, plant and equipment and intangible assets

The Company has elected to continue with the carrying value of all of its property, plant and equipment and intangible assets recognised as of transition date measured as per the previous GAAP and use that carrying value as its deemed cost as of the transition date.

XIX. Standard issued not yet effective

Following are the new standards and amendments to existing standards (as notified by Ministry of Corporate Affairs (MCA) on 30th March, 2019) which are effective for annual period beginning after 1st April, 2019. The Company intends to adopt these standards or amendments from the effective date.

Ind AS 116 – Leases:

Ind AS 116 Leases replaces existing lease accounting guidance i.e. Ind AS 17 Leases. It sets out principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases, except short-term leases and leases for low-value items, under a single on-balance sheet lease accounting model. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. Lessor accounting largely unchanged from the existing standard – i.e. lessors continue to classify leases as finance or operating leases.

Based on the preliminary assessment, the Company does not expect any significant impacts on transition to Ind AS 116. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information when the standard will be adopted. The quantitative impacts would be finalised based on a detailed assessment which has been initiated to identify the key impacts along with evaluation of appropriate transition options.

There are no other standards, changes in standards and interpretations that are not in force up to reporting period that the Company expects to have a material impact arising from its application in its financial statements.

Amendments to existing Ind AS

The following amendments to existing standards are not expected to have a significant impact on the Company's financial statements. This assessment is based on currently available information and may be subject to changes arising from further reasonable and supportable information being made available to the Company when it will adopt the respective amended standards.

- 1) Amendment to Ind AS 23 Borrowing Costs
- 2) Amendment to Ind AS 28 Investments in Associate and Joint Ventures
- 3) Amendment to Ind AS 23 Borrowing Costs
- 4) Amendment to Ind AS 28 Investments in Associate and Joint Ventures
- 5) Amendment to Ind AS 103 Business Combinations
- 6) Amendment to Ind AS 109 Financial Instruments
- 7) Amendment to Ind AS 111 Joint Arrangements

C. Critical Judgements in applying accounting policies and key sources of estimation uncertainty

The preparation and presentation of financial statements requires management to make certain judgments, estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Such estimates and assumptions are based on management's evaluation of relevant facts and circumstances as on the date of financial statements. The actual outcome may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to the accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognized in the financial statements are as below:

- Useful lives of property, plant and equipment and intangible assets
- Measurement of Defined Benefit Obligations
- Provisions and contingencies
- Expected credit loss for receivables
- Impairment testing of intangible assets and goodwill
- Fair value measurement and valuation techniques
- Current tax and Deferred tax asset / liabilities recognition and recognition of MAT credit and evaluation of recoverability of deferred tax assets.
- Fair valuation of Investments

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

2 Property, plant and equipment

(Amount in ₹)

| Particulars | Land | Building | Plant & Equipment | Furniture & Fixtures | Office Equipment | Vehicles | Computers | Total | Capital Work-in-Progress |
|---------------------------------|--------------------|--------------------|-------------------|----------------------|------------------|------------------|------------------|---------------------|--------------------------|
| Cost / Deemed cost | | | | | | | | | |
| As at April 1, 2017 | 6,17,09,655 | 1,42,48,269 | 9,04,393 | 1,22,78,051 | 18,13,920 | - | 24,34,154 | 9,33,88,442 | 5,75,87,690 |
| Additions | - | - | - | 21,15,557 | 1,92,035 | 12,43,449 | 4,19,590 | 39,70,631 | 3,21,94,603 |
| Deductions | -3,87,640 | - | - | - | - | - | - | -3,87,640 | - |
| As at March 31, 2018 | 6,13,22,015 | 1,42,48,269 | 9,04,393 | 1,43,93,608 | 20,05,955 | 12,43,449 | 28,53,744 | 9,69,71,433 | 8,97,82,293 |
| Additions | - | 5,45,06,338 | - | 90,560 | 1,47,057 | - | 2,78,074 | 5,50,22,029 | 1,53,67,677 |
| Deductions | -65,000 | - | - | - | - | - | - | -65,000 | -5,40,51,099 |
| As at March 31, 2019 | 6,12,57,015 | 6,87,54,607 | 9,04,393 | 1,44,84,168 | 21,53,012 | 12,43,449 | 31,31,818 | 15,19,28,462 | 5,10,98,871 |
| Accumulated depreciation | | | | | | | | | |
| As at April 1, 2017 | - | 29,74,307 | 6,43,646 | 88,70,205 | 9,43,853 | - | 20,97,906 | 1,55,29,917 | - |
| Depreciation for the year | - | 2,29,599 | 41,905 | 19,76,457 | 3,23,416 | 3,88,329 | 4,10,149 | 33,69,855 | - |
| Deductions | - | - | - | - | - | - | - | - | - |
| As at March 31, 2018 | - | 32,03,906 | 6,85,551 | 1,08,46,662 | 12,67,269 | 3,88,329 | 25,08,055 | 1,88,99,772 | - |
| Depreciation for the year | - | 9,89,798 | 35,170 | 12,27,347 | 2,80,784 | 2,67,054 | 3,25,405 | 31,25,558 | - |
| Deductions | - | - | - | - | - | - | - | - | - |
| As at March 31, 2019 | - | 41,93,704 | 7,20,721 | 1,20,74,009 | 15,48,053 | 6,55,383 | 28,33,460 | 2,20,25,330 | - |
| Net Block | | | | | | | | | |
| As at March 31, 2019 | 6,12,57,015 | 6,45,60,903 | 1,83,672 | 24,10,159 | 6,04,959 | 5,88,066 | 2,98,358 | 12,99,03,132 | 5,10,98,871 |
| As at March 31, 2018 | 6,13,22,015 | 1,10,44,363 | 2,18,842 | 35,46,946 | 7,38,686 | 8,55,120 | 3,45,689 | 7,80,71,661 | 8,97,82,293 |
| As at April 1, 2017 | 6,17,09,655 | 1,12,73,962 | 2,60,747 | 34,07,846 | 8,70,067 | - | 3,36,248 | 7,78,58,525 | 5,75,87,690 |

Note:

For information on property Plant and equipment pledged as a security by the Company Refer Note 13.

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

2A Intangible Assets

| Particulars | Trademark | Software | Total |
|---------------------------------|------------------|-----------------|------------------|
| Cost / Deemed cost | | | |
| As at April 1, 2017 | 2,49,000 | 8,53,889 | 11,02,889 |
| Additions | - | - | - |
| Deductions | - | - | - |
| As at March 31, 2018 | 2,49,000 | 8,53,890 | 11,02,890 |
| Additions | - | 52,966 | 52,966 |
| Deductions | - | - | - |
| As at March 31, 2019 | 2,49,000 | 9,06,856 | 11,55,856 |
| Accumulated depreciation | | | |
| As at April 1, 2017 | 1,23,253 | 7,70,046 | 8,93,299 |
| Depreciation for the year | 24,022 | 41,150 | 65,172 |
| Deductions | - | - | - |
| As at March 31, 2018 | 1,47,275 | 8,11,196 | 9,58,471 |
| Depreciation for the year | 16,625 | 33,453 | 50,078 |
| Deductions | - | - | - |
| As at March 31, 2019 | 1,63,900 | 8,44,649 | 10,08,549 |
| Net Block | | | |
| As at March 31, 2019 | 85,100 | 62,207 | 1,47,307 |
| As at March 31, 2018 | 1,01,725 | 42,694 | 1,44,419 |
| As at April 1, 2017 | 1,25,747 | 83,843 | 2,09,590 |

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

| 3 Investment Property | | (Amount in ₹) |
|---------------------------------|-----------------------|------------------------|
| Particulars | Amount | |
| Cost / Deemed cost | | |
| As at April 1, 2017 | 5,08,10,542.00 | |
| Additions | 3,87,640.00 | |
| Deductions | - | |
| As at March 31, 2018 | 5,11,98,182.00 | |
| Additions | - | |
| Deductions | - | |
| As at March 31, 2019 | 5,11,98,182.00 | |
| Accumulated depreciation | | |
| As at April 1, 2017 | - | |
| Depreciation for the year | - | |
| Deductions | - | |
| As at March 31, 2018 | - | |
| Depreciation for the year | - | |
| Deductions | - | |
| As at March 31, 2019 | - | |
| Net Block | | |
| As at March 31, 2019 | 5,11,98,182.00 | |
| As at March 31, 2018 | 5,11,98,182.00 | |
| As at April 1, 2017 | 5,08,10,542.00 | |

Notes:

- There are no amounts pertaining to these investment properties recognised in the statement of profit and Loss, since company does not receive any rental Income and does not incur any depreciation or other operating expenses.
- The Company does not have any contractual obligation to purchase, construct or develop for maintenance or enhancement of investment property.
- The Company has no restrictions on the realisability of it's investment property.
- Fair Value of investment property:

(Amount in ₹)

| Particulars | As at | | As at | | As at | |
|--------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|-----------------------|
| | March 31, 2019 | March 31, 2018 | April 1, 2017 | March 31, 2019 | March 31, 2018 | March 31, 2018 |
| Free hold - Land | 1,01,54,000.00 | 1,01,54,000.00 | 1,01,54,000.00 | | | |
| Total | 1,01,54,000.00 | 1,01,54,000.00 | 1,01,54,000.00 | - | - | - |

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

4 Investments

(Amount in ₹)

| Particulars | March 31, 2019 | March 31, 2018 | April 1, 2017 |
|---|-----------------------|-----------------------|-----------------------|
| Non-Current Investments | | | |
| Investment in Equity Instruments - Quoted | 5,66,790.00 | 5,66,790.00 | 5,66,790.00 |
| Investment in Equity Instruments - Unquoted | 3,19,99,280.00 | 3,19,99,280.00 | 3,19,99,280.00 |
| Total | 3,25,66,070.00 | 3,25,66,070.00 | 3,25,66,070.00 |

(Amount in ₹)

| Particulars | Face Value | As at March 31, 2019 | | As at March 31, 2018 | | As at April 1, 2017 | |
|--|------------|----------------------|-----------------------|----------------------|-----------------------|---------------------|-----------------------|
| | | No. of Shares | ₹ | No. of Shares | ₹ | No. of Shares | ₹ |
| Investments in Equity Instruments (measured at cost, Refer Note 29) | | | | | | | |
| A) Quoted | | | | | | | |
| i) Equity Shares of GSL Nova Petrochemicals Ltd. | 8.12 | 34,900 | 2,83,395 | 34,900 | 2,83,395 | 34,900 | 2,83,395 |
| ii) Equity Shares of CIL Nova Petrochemicals Ltd. | 5.92 | 47,850 | 2,83,395 | 47,850 | 2,83,395 | 47,850 | 2,83,395 |
| Total (A) | | | 5,66,790 | | 5,66,790 | | 5,66,790 |
| B) Unquoted | | | | | | | |
| i) Equity shares of Kautilya Traders Pvt.Ltd | | | | | | | |
| Equity Shares of Navsarjan Proj. Pvt. Ltd | 10.00 | 3,83,828 | 38,38,280 | 3,83,828 | 38,38,280 | 3,83,828 | 38,38,280 |
| Equity shares of Dindayal Prcessors Pvt Ltd | 25.00 | 9,60,000 | 2,40,00,000 | 9,60,000 | 2,40,00,000 | 9,60,000 | 2,40,00,000 |
| Equity Shares of Dindayal Processors Private Limited | 45.00 | 25,000 | 11,25,000 | 25,000 | 11,25,000 | 25,000 | 11,25,000 |
| Equity Shares of Quality Exim Private Limited | 10.00 | 25,000 | 2,50,000 | 25,000 | 2,50,000 | 25,000 | 2,50,000 |
| Equity Shares of Vijay Shubham Contrade Private | 50.00 | 5,000 | 2,50,000 | 5,000 | 2,50,000 | 5,000 | 2,50,000 |
| Equity Shares of Bhushan Petrofils Private Limited | 10.00 | 1,09,100 | 10,91,000 | 1,09,100 | 10,91,000 | 1,09,100 | 10,91,000 |
| Equity shares of Quality Exim Private Limited | 7.80 | 25,000 | 1,95,000 | 25,000 | 1,95,000 | 25,000 | 1,95,000 |
| | | | 12,50,000 | | 12,50,000 | | 12,50,000 |
| Sub Total (i) | | | 3,19,99,280 | | 3,19,99,280 | | 3,19,99,280 |
| Sub Total (ii) | | | - | | - | | - |
| Total (B) (i + ii) | | | 3,19,99,280.00 | | 3,19,99,280.00 | | 3,19,99,280.00 |
| Grand Total (A + B) | | | 3,25,66,070.00 | | 3,25,66,070.00 | | 3,25,66,070.00 |

| Particulars | As at March 31, 2019 | | As at March 31, 2018 | | As at April 1, 2017 | |
|----------------------------|----------------------|--------------|----------------------|--------------|---------------------|--------------|
| | Book Value | Market Value | Book Value | Market Value | Book Value | Market Value |
| Total Quoted Investments | 5,66,790 | 9,06,757.50 | 5,66,790.00 | 15,28,807.50 | 5,66,790.00 | 10,93,372.50 |
| Total Unquoted Investments | 3,19,99,280 | - | 3,19,99,280.00 | - | 3,19,99,280.00 | - |

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

| 5 Loans | | (Amount in ₹) | | (Amount in ₹) |
|--|-------------------------|-------------------------|------------------------|----------------|
| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 | |
| Non-Current | | | | |
| Loans to Related Parties | 1,30,40,182 | 3,73,48,021 | 7,27,95,635 | |
| Loans to Others | 57,98,400 | 76,40,985 | 3,46,06,526 | |
| Total | 1,88,38,582 | 4,49,89,006 | 10,74,02,161 | |
| Breakup: | | | | |
| Loans considered good - Secured | - | - | - | |
| Loans considered good - Unsecured | 1,88,38,582 | 4,49,89,006 | 10,74,02,161 | |
| Loans which have significant increase in credit risk | - | - | - | |
| Loans - Credit impaired | - | - | - | |
| Less: Allowance for doubtful Loans | - | - | - | |
| Total | 1,88,38,582 | 4,49,89,006 | 10,74,02,161 | |
| 6 Other Financial Assets | | (Amount in ₹) | | |
| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 | |
| Non-Current | | | | |
| Security and Other Deposits | 18,29,540 | 11,71,200 | 53,58,230 | |
| | 18,29,540 | 11,71,200 | 53,58,230 | |
| Current | | | | |
| Security and Other Deposits | 4,78,547 | 4,47,256 | 20,95,113 | |
| Total | 4,78,547 | 4,47,256 | 20,95,113 | |
| 7 Other Assets | | (Amount in ₹) | | |
| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 | |
| Non-Current | | | | |
| Capital Advance | 22,08,16,368 | 20,99,44,144 | 21,80,40,079 | |
| Others | 2,25,295 | 27,00,908 | 37,65,224 | |
| Advances to Related Parties | 11,69,311 | 5,62,329 | 4,30,629 | |
| Total | 22,22,10,974 | 21,32,07,381 | 22,22,35,932 | |
| Current | | | | |
| Balances with Government Authorities | 37,99,839 | 11,64,327 | 2,83,149 | |
| Advances to Related Parties | 1,49,13,600 | 1,04,13,600 | 36,94,500 | |
| Advances to Suppliers | 53,64,295 | 48,37,384 | 1,85,64,034 | |
| Prepaid Expenses | 3,01,626 | 10,78,444 | 14,57,771 | |
| Intrest on FD Receivable | - | 78,844 | 14,690 | |
| Total | 2,43,79,360 | 1,75,72,599 | 2,40,14,144 | |

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

| 8 Inventories | | (Amount in ₹) | | |
|----------------------|--|-------------------------|-------------------------|------------------------|
| Particulars | | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
| Stock in Trade | | 1,49,27,423 | 1,53,12,184 | 1,47,93,537 |
| Total | | 1,49,27,423 | 1,53,12,184 | 1,47,93,537 |

| 9 Trade Receivables | | (Amount in ₹) | | |
|--|--|-------------------------|-------------------------|------------------------|
| Particulars | | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
| Receivables from Others | | 1,69,38,446 | 65,95,577 | 1,55,05,261 |
| Receivables from Related Parties (Refer Note 33) | | 1,09,12,065 | 1,61,39,885 | 5,04,851 |
| Total | | 2,78,50,511 | 2,27,35,462 | 1,60,10,112 |
| Breakup: | | | | |
| Trade Receivables considered good - Secured | | - | - | - |
| Trade Receivables considered good - Unsecured | | 2,78,50,511 | 2,27,35,462 | 1,60,10,112 |
| Trade Receivables which have significant increase in credit risk | | - | - | - |
| Trade Receivables - Credit impaired | | - | - | - |
| Less: Allowance for Expected Credit Loss | | - | - | - |
| Total | | 2,78,50,511 | 2,27,35,462 | 1,60,10,112 |

| 10 Cash and Bank Balances | | (Amount in ₹) | | |
|---|--|-------------------------|-------------------------|------------------------|
| Particulars | | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
| Cash and Cash Equivalents | | | | |
| Cash on Hand | | 3,66,197 | 4,02,362 | 5,23,648 |
| Balances with Banks | | | | |
| In Current Accounts | | 75,26,079 | 40,83,728 | 46,03,274 |
| Total | | 78,92,276 | 44,86,090 | 51,26,922 |
| Other Balances with Banks | | | | |
| In Term Deposit Accounts with Original Maturity more than 3 months but less than 12 months* | | - | 10,00,000 | 10,00,000 |
| Total | | - | 10,00,000 | 10,00,000 |

* It includes deposits given to bank for margin requirements against Bank Guarantee and Letter of Credit facilities.

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

11 Equity Share Capital

| Particulars | (Amount in ₹) | | |
|--|-------------------------|-------------------------|------------------------|
| | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
| Authorised | | | |
| 3,00,00,000 Equity Shares of ₹ 10/- each (as at 31-03-2018 & 01-04-2017 - 3,00,00,000) Equity Shares of ₹ 10 Each | 30,00,00,000.00 | 30,00,00,000.00 | 30,00,00,000.00 |
| Issued, Subscribed and Paid up | | | |
| 1,61,00,000 Equity Shares of ₹ 10/- Each fully Paid up (as at 31-03-2018 & 01-04-2017 - 1,61,00,000) Equity Shares of ₹ 10 Each | 16,10,00,000.00 | 16,10,00,000.00 | 16,10,00,000.00 |
| Total | 16,10,00,000.00 | 16,10,00,000.00 | 16,10,00,000.00 |

11.1 Reconciliation of shares outstanding at the end of the year

(Amount in ₹)

| Particulars | As at March 31, 2019 | | As at March 31, 2018 | | As at April 1, 2017 | |
|-------------------------------|----------------------|------------------------|----------------------|------------------------|---------------------|------------------------|
| | No. of Shares | ₹ | No. of Shares | ₹ | No. of Shares | ₹ |
| At the beginning of the year | 1,61,00,000 | 16,10,00,000.00 | 1,61,00,000 | 16,10,00,000.00 | 1,53,00,000 | 15,30,00,000.00 |
| Add: Issued during the year | - | - | - | - | 8,00,000 | 80,00,000.00 |
| At the end of the year | 1,61,00,000 | 16,10,00,000.00 | 1,61,00,000 | 16,10,00,000.00 | 1,61,00,000 | 16,10,00,000.00 |

11.2 During the previous 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 Rs. 3240.00 lakhs and fresh issue of 8,00,000 equity shares aggregating to Rs. 720.00 lakhs listed at BSE.

11.3 Terms/Rights attached to Equity shares

The Company has one class of shares referred to as Equity shares having face value of ₹ 10.

(a) Equity Shares

In the event of liquidation of the Company, the holders of Equity shares will be entitled to receive any of the residual assets of the Company, after distribution of all preferential amounts and Preference shares. The distribution will be in proportion to the number of Equity shares held by the Shareholders. Each holder of Equity shares is entitled to one vote per share.

11.4 Details of Shareholders holding more than 5% of Equity shares

| Particulars | As at March 31, 2019 | | As at March 31, 2018 | | As at April 1, 2017 | |
|--------------------------------|----------------------|-------|----------------------|-------|---------------------|-------|
| | No. of Shares | % | No. of Shares | % | No. of Shares | % |
| Vedprakash D Chiripal | 9,09,200 | 5.65% | 9,09,200 | 5.65% | 8,50,000 | 5.28% |
| Ronak Agrawal | 10,00,000 | 6.21% | 10,00,000 | 6.21% | 10,00,000 | 6.21% |
| Vansh J Chiripal | 10,00,000 | 6.21% | 10,00,000 | 6.21% | 10,00,000 | 6.21% |
| Chiripal Exim LLP | 11,53,700 | 7.17% | 11,53,700 | 7.17% | 12,98,500 | 8.07% |
| Albula Investment Fund Limited | 15,82,400 | 9.83% | 15,82,400 | 9.83% | 13,00,000 | 8.07% |

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

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

12 Other Equity

(Amount in ₹)

| Particulars | Reserves & Surplus | | | Total |
|--|---------------------|-----------------|---------------------|---------------------|
| | Security Premium | General Reserve | Retained Earnings | |
| Balance as at April 1, 2016 | 15,14,56,000 | 1,45,000 | 6,40,15,318 | 21,56,16,318 |
| Profit for the year | - | - | 2,02,82,648 | 2,02,82,648 |
| Addition During the year | 6,40,00,000 | - | - | 6,40,00,000 |
| Other Comprehensive Income for the year | | | | |
| Total Comprehensive Income for the year | 6,40,00,000 | - | 2,02,82,648 | 8,42,82,648 |
| Balance as at April 1, 2017 | 21,54,56,000 | 1,45,000 | 8,42,97,966 | 29,98,98,966 |
| Profit for the year | - | - | 1,65,25,157 | 1,65,25,157 |
| Adjustment during the year pursuant to IPO | -14,51,542 | - | - | -14,51,542 |
| Other Comprehensive Income for the year | - | - | -1,79,274 | -1,79,274 |
| Total Comprehensive Income for the year | -14,51,542 | - | 1,63,45,883 | 1,48,94,341 |
| Balance as at March 31, 2018 | 21,40,04,458 | 1,45,000 | 10,06,43,849 | 31,47,93,307 |
| Profit for the year | - | - | 48,95,643 | 48,95,643 |
| Other Comprehensive Income for the year | - | - | -2,80,704 | -2,80,704 |
| Total Comprehensive Income for the year | - | - | 46,14,939 | 46,14,939 |
| Balance as at March 31, 2019 | 21,40,04,458 | 1,45,000 | 10,52,58,788 | 31,94,08,246 |

12.1 Nature and purpose of other reserves:
(a) Securities premium

Securities premium is used to record the premium on issue of shares. The reserve will be utilised in accordance with the provisions of the Companies Act, 2013.

(b) General Reserve

General Reserve is created from time to time by way of transfer profits from retained earnings for appropriation purposes.

(c) Retained Earnings

The amount of retained earning includes the component of other comprehensive income, which cannot be distributed by the Company as dividends to its equity shareholders. Balance amount is available for distribution to equity share holders.

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

| 13 Borrowings | Particulars | (Amount in ₹) | | (Amount in ₹) |
|--|------------------------------|-------------------------|-------------------------|------------------------|
| | | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
| Non current Borrowings | | | | |
| (measured at amortised cost, Refer Note 29) | | | | |
| Secured | | | | |
| Term Loans | | | | |
| | -From Financial Institutions | 4,26,60,622 | 4,70,33,980 | - |
| Unsecured | | | | |
| Term Loans | | | | |
| | -From Related Party | - | - | 2,17,79,993 |
| | -From Others | - | - | 9,00,00,000 |
| | Sub-Total (A) | 4,26,60,622 | 4,70,33,980 | 11,17,79,993 |
| Current Maturities of Borrowings | | | | |
| Secured | | | | |
| Term loan from Financial Institutions | | | | |
| | | 49,78,739 | 44,84,526 | - |
| | Sub-Total (B) | 49,78,739 | 44,84,526 | - |
| | Total (A-B) | 3,76,81,883 | 4,25,49,454 | 11,17,79,993 |
| Current Borrowings | | | | |
| Working Capital Loans | | | | |
| | | 49,83,000 | - | - |
| | | 49,83,000 | - | - |

- a) Secured loan Rs. 4,26,60,622 (P.Y - 4,70,33,820) is secured by way of first charge of equitable mortgage of the immovable property of the company situated at village Vastral , School Building Shanti Asiatic School, and additionally secured by personal guarantee of Shri. Brojmohan Chiripal, Shri. Ronak B. Agrawal and Agrawal Education Trust .

| Maturity Profile and Rate of Interest of Term Loans | | | | | | (Amount in ₹) |
|---|--------------------|--------------|------------------|---------------------|--------------------------------|--------------------------------|
| Type of Loan | Terms of Repayment | Maturity | Rate of Interest | No. of Installments | Outstanding at 31st March 2019 | Outstanding at 31st March 2018 |
| DHFL - Term Loan | Monthly | August, 2025 | 10.50% | 96 | 3,76,81,883.00 | 4,25,49,454.00 |

| 14 Other Long Term Liabilities | | (Amount in ₹) | | |
|--------------------------------|--------------|-------------------------|-------------------------|------------------------|
| Particulars | | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
| Payable against Capital Goods | | 73,61,996.00 | 93,72,245.00 | 54,15,662.00 |
| | Total | 73,61,996.00 | 93,72,245.00 | 54,15,662.00 |

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

15 Deferred Tax Liabilities (Net)

(Amount in ₹)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|-----------------------------|-------------------------|-------------------------|------------------------|
| i) Deferred Tax Liabilities | 20,19,093 | - | - |
| ii) Deferred Tax Assets | 8,47,654 | 3,17,973 | 2,70,995 |
| Total (i - ii) | 11,71,439 | -3,17,973 | -2,70,995 |

15.1 Movements in Deferred Tax

(Amount in ₹)

| Particulars | As at April 1, 2017 | Charged/ (Credited) to Profit or Loss | Charged/ (Credited) to OCI | As at March 31, 2018 | Charged/ (Credited) to Profit or Loss | Charged/ (Credited) to OCI | As at March 31, 2019 |
|---------------------------------------|------------------------|--|----------------------------------|----------------------------|---|-------------------------------|-------------------------|
| Deferred Tax Liability | | | | | | | |
| Property, Plant & Equipment | - | - | - | - | 20,19,093 | - | 20,19,093 |
| Sub Total (A) | - | - | - | - | 20,19,093 | - | 20,19,093 |
| Deferred Tax Assets | | | | | | | |
| Provision for Employee Benefits | 2,70,995 | - | 46,978 | 3,17,973 | 5,29,681 | - | 8,47,654 |
| Sub Total (B) | 2,70,995 | - | 46,978 | 3,17,973 | 5,29,681 | - | 8,47,654 |
| Deferred Tax (Net) (A - B) | -2,70,995 | - | -46,978 | -3,17,973 | 14,89,412 | - | 11,71,439 |

15.2 Reconciliation of tax expenses and the profit before tax multiplied by India's tax rate:

(Amount in ₹)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|--|-------------------------|-------------------------|------------------------|
| Profit before tax | 90,93,245 | 2,34,19,930 | 3,39,35,440 |
| Enacted tax rate in India | 29.49% | 29.49% | 29.49% |
| Expected income tax benefit/(expense) at statutory tax rate | 26,81,598 | 69,06,537 | 1,00,07,561 |
| Effect of: | | | |
| Others | -81,598 | 93,463 | 24,92,439 |
| Short Provision for tax of earlier years | - | -1,26,419 | 11,34,172 |
| Income taxes credit/ (expenses) recognised in the statement of income | 26,00,000 | 68,73,581 | 1,36,34,172 |

16 Provisions

(Amount in ₹)

| Particulars | As at March 31, 2019 | As at March 31, 2018 | As at April 1, 2017 |
|--|-------------------------|-------------------------|------------------------|
| Non- Current | | | |
| Provision for Employee Benefits | | | |
| Provision for Gratuity | 24,74,381.00 | 23,36,189.00 | 20,09,574.00 |
| Total | 24,74,381.00 | 23,36,189.00 | 20,09,574.00 |
| Current | | | |
| Provision for Gratuity | - | 3,94,142.00 | - |
| Other Payable | 59,80,308.00 | 64,87,019.00 | 43,49,685.00 |
| Total | 59,80,308.00 | 68,81,161.00 | 43,49,685.00 |

| 17 Trade Payables | | (Amount in ₹) | | |
|---|-----------------------|-----------------------|----------------------|--|
| Particulars | As at | As at | As at | |
| | March 31, 2019 | March 31, 2018 | April 1, 2017 | |
| Due to Micro and Small enterprises (Refer Note 35) | - | - | - | |
| Due to Others (Including Acceptances)* | 76,79,364 | 83,63,082 | 64,80,140 | |
| Due to Related Parties (Refer Note 33) | | | | |
| Total | 76,79,364 | 83,63,082 | 64,80,140 | |
| In absence of required information regarding suppliers / buyers fall within definition of section 16 of Micro, Small and Medium | | | | |
| * Acceptances includes arrangement where operational suppliers of goods are initially paid by banks | | | | |
| while the company continue to recognize the liability till settlement with banks which are normally | | | | |
| affected within a period of 90 days. | | | | |
| 18 Other Financial Liabilities | | (Amount in ₹) | | |
| Particulars | As at | As at | As at | |
| | March 31, 2019 | March 31, 2018 | April 1, 2017 | |
| Non- Current | | | | |
| Current maturities of long term debt | 49,78,739.00 | 44,84,526.00 | 0.00 | |
| Others | 88,91,064.00 | 64,65,725.00 | 72,97,409.00 | |
| Total | 1,38,69,803.00 | 1,09,50,251.00 | 72,97,409.00 | |
| 19 Other Current Liabilities | | (Amount in ₹) | | |
| Particulars | As at | As at | As at | |
| | March 31, 2019 | March 31, 2018 | April 1, 2017 | |
| Current | | | | |
| Advance Received from Customers | 1,66,97,483 | 1,04,83,889 | 87,72,455 | |
| Statutory Liabilities | 16,00,701 | 13,97,692 | 5,75,057 | |
| Others | 8,12,175 | 20,85,666 | - | |
| Total | 1,91,10,359 | 1,39,67,247 | 93,47,512 | |
| 20 Current Tax Liability (Net) | | (Amount in ₹) | | |
| Particulars | As at | As at | As at | |
| | March 31, 2019 | March 31, 2018 | April 1, 2017 | |
| Current Tax Liabilities (Net) | 26,00,000 | 27,88,840 | 97,60,622 | |
| Total | 26,00,000 | 27,88,840 | 97,60,622 | |

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

| 21 Revenue From Operations | | (Amount in ₹) | |
|---------------------------------|------------------------------|------------------------------|--|
| Particulars | Year ended March 31, 2019 | Year ended March 31, 2018 | |
| Sale of Services | 6,26,02,212 | 17,89,45,716 | |
| Other Operating Revenues | | | |
| Training Income | 99,36,995 | 88,580 | |
| Royalty | - | 1,99,87,907 | |
| Education Services | 5,24,29,827 | - | |
| Franchisee Income | 1,39,03,554 | 2,04,36,165 | |
| | 7,62,70,376 | 4,05,12,652 | |
| Total | 13,88,72,588 | 21,94,58,368 | |

Reconciliation of the amount of revenue recognised in the statement of profit and loss with the contracted price

| Particulars | Year ended March 31, 2019 | Year ended March 31, 2018 |
|---------------------------------------|------------------------------|------------------------------|
| Revenue as per contract price | 13,88,72,588 | 21,94,58,368 |
| Less: Discounts | - | - |
| Revenue as per profit and loss | 13,88,72,588 | 21,94,58,368 |

| 22 Other Income | | (Amount in ₹) | |
|-----------------------|------------------------------|------------------------------|--|
| Particulars | Year ended March 31, 2019 | Year ended March 31, 2018 | |
| Interest Income | 14,51,068 | 1,80,32,346 | |
| Rental Income | 36,00,000 | 75,20,000 | |
| Balances Written Back | 5,20,184 | 43,267 | |
| Miscellaneous Income | 5,88,570 | 3,53,539 | |
| Total | 61,59,822 | 2,59,49,152 | |

| 23 Purchase of Stock-In-Trade | | (Amount in ₹) | |
|-------------------------------|------------------------------|------------------------------|--|
| Particulars | Year ended March 31, 2019 | Year ended March 31, 2018 | |
| Purchase of Stock-In-Trade | 4,31,16,717 | 13,07,37,891 | |
| Total | 4,31,16,717 | 13,07,37,891 | |

| 24 Change In Inventories of Stock-In-Trade | | (Amount in ₹) | |
|--|------------------------------|------------------------------|--|
| Particulars | Year ended March 31, 2019 | Year ended March 31, 2018 | |
| Inventories at the beginning of the year | | | |
| Stock-in-Trade | 1,53,12,184 | 1,47,93,537 | |
| Total (A) | 1,53,12,184 | 1,47,93,537 | |
| Inventories at the end of the year | | | |
| Stock-in-Trade | 1,43,05,456 | 1,53,12,185 | |
| Total (B) | 1,43,05,456 | 1,53,12,185 | |
| Total of Change In Inventories of Finished Goods, Work-In-Progress and Stock-In-Trade (A - B) | 10,06,728 | -5,18,648 | |

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

| 25 Employee Benefit Expenses | | (Amount in ₹) | |
|--|--------------------------------------|--------------------------------------|--|
| Particulars | Year ended March 31, 2019 | Year ended March 31, 2018 | |
| Salaries and Wages (Incl. Managerial Remuneration) | 4,11,01,568 | 4,38,35,999 | |
| Contribution to Provident and Other Funds | - | 12,14,289 | |
| Staff Welfare Expenses | 1,43,718 | 3,56,688 | |
| Total | 4,12,45,286 | 4,54,06,976 | |

| 26 Finance Costs | | (Amount in ₹) | |
|-------------------------|--------------------------------------|--------------------------------------|--|
| Particulars | Year ended March 31, 2019 | Year ended March 31, 2018 | |
| Interest Expenses on: | | | |
| - Term Loans | 48,70,060 | 29,44,595 | |
| Other Borrowing Costs | 27,570 | 9,93,161 | |
| Total | 48,97,630 | 39,37,756 | |

| 27 Other Expenses | | (Amount in ₹) | |
|--|--------------------------------------|--------------------------------------|--|
| Particulars | Year ended March 31, 2019 | Year ended March 31, 2018 | |
| Electricity Expense | 5,31,497 | 5,58,609 | |
| Freight / Jobwork Expense | 4,05,901 | 4,30,843 | |
| Rent, Rates & Taxes | 51,10,911 | 40,39,489 | |
| Repairs & Maintenance | 1,54,321 | 3,37,450 | |
| Communication Expenses | 8,17,812 | 15,34,556 | |
| Printing & Stationery | 2,55,914 | 3,64,894 | |
| Legal & Professional | 39,41,058 | 15,00,538 | |
| Auditor's Remuneration (Refer Note 28) | 4,56,750 | 1,75,000 | |
| Directors' Sitting Fees | 1,20,000 | 66,000 | |
| Insurance | 43,188 | 90,734 | |
| Travelling & Conveyance | 52,91,320 | 30,94,894 | |
| Advertisement Expense | 2,00,44,651 | 2,32,42,059 | |
| Training and Academic Development | 23,94,816 | 91,495 | |
| Discount on Fees | 2,82,980 | 2,27,722 | |
| Sundry Balance Written off | 2,09,951 | 3,14,230 | |
| Donation | 33,750 | - | |
| Interest | 36,990 | 1,23,696 | |
| Miscellaneous Expenses | 23,65,358 | 27,96,379 | |
| Net Foreign Exchange (Gain) / Loss | - | - | |
| Total | 4,24,97,168 | 3,89,88,588 | |

| 28 Payment to Auditors (Excluding Taxes) | | (Amount in ₹) | |
|---|--------------------------------------|--------------------------------------|--|
| Particulars | Year ended March 31, 2019 | Year ended March 31, 2018 | |
| Statutory Audit Fees | 4,56,750 | 1,75,000 | |
| Total | 4,56,750 | 1,75,000 | |

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

29 Fair Value Measurements
a) Accounting classification and fair values
As at March 31, 2019
(Amount in ₹)

| Particulars | Carrying Value | | | Fair Value | | | |
|------------------------------------|--------------------|--------------------|--------------------|------------|---------|---------|-------|
| | At Cost | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| (a) Non - Current Assets | | | | | | | |
| Investments | 3,25,66,070 | - | 3,25,66,070 | - | - | - | - |
| Loans | - | 1,88,38,582 | 1,88,38,582 | - | - | - | - |
| Other Financial Assets | - | 18,29,540 | 18,29,540 | - | - | - | - |
| (b) Current Assets | | | | | | | |
| Trade Receivables | - | 2,78,50,511 | 2,78,50,511 | - | - | - | - |
| Cash and Cash Equivaler | - | 78,92,276 | 78,92,276 | - | - | - | - |
| Other Bank Balances | - | - | - | - | - | - | - |
| Other Financial Assets | - | 4,78,547 | 4,78,547 | - | - | - | - |
| Total Financial Assets | 3,25,66,070 | 5,68,89,456 | 8,94,55,526 | - | - | - | - |
| Non-Current Liabilities | | | | | | | |
| Borrowings | - | 3,76,81,883 | 3,76,81,883 | - | - | - | - |
| Other Financial Liabilities | - | 73,61,996 | 73,61,996 | - | - | - | - |
| Current Liabilities | | | | | | | |
| Borrowings | - | 49,83,000 | 49,83,000 | - | - | - | - |
| Trade Payable | - | 76,79,360 | 76,79,360 | - | - | - | - |
| Other Financial Liabilities | - | 1,38,69,803 | 1,38,69,803 | - | - | - | - |
| Total Financial Liabilities | - | 7,15,76,042 | 7,15,76,042 | - | - | - | - |

As at March 31, 2018
(Amount in ₹)

| Particulars | Carrying Value | | | Fair Value | | | |
|------------------------------------|--------------------|--------------------|---------------------|------------|---------|---------|-------|
| | At Cost | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| (a) Non - Current Assets | | | | | | | |
| Investments | 3,25,66,070 | - | 3,25,66,070 | - | - | - | - |
| Loans | - | 4,49,89,006 | 4,49,89,006 | - | - | - | - |
| Other Financial Assets | - | 11,71,200 | 11,71,200 | - | - | - | - |
| (b) Current Assets | | | | | | | |
| Trade Receivables | - | 2,27,35,462 | 2,27,35,462 | - | - | - | - |
| Cash and Cash Equivaler | - | 44,86,090 | 44,86,090 | - | - | - | - |
| Other Bank Balances | - | 10,00,000 | 10,00,000 | - | - | - | - |
| Other Financial Assets | - | 4,47,256 | 4,47,256 | - | - | - | - |
| Total Financial Assets | 3,25,66,070 | 7,48,29,014 | 10,73,95,084 | - | - | - | - |
| Non-Current Liabilities | | | | | | | |
| Borrowings | - | 4,25,49,454 | 4,25,49,454 | - | - | - | - |
| Other Financial Liabilities | - | 93,72,245 | 93,72,245 | - | - | - | - |
| Current Liabilities | | | | | | | |
| Borrowings | - | - | - | - | - | - | - |
| Trade Payable | - | 83,63,082 | 83,63,082 | - | - | - | - |
| Other Financial Liabilities | - | 1,09,50,251 | 1,09,50,251 | - | - | - | - |
| Total Financial Liabilities | - | 7,12,35,032 | 7,12,35,032 | - | - | - | - |

As at April 1, 2017

(Amount in ₹)

| Particulars | Carrying Value | | | Fair Value | | | |
|------------------------------------|--------------------|---------------------|---------------------|------------|---------|---------|-------|
| | At Cost | Amortised Cost | Total | Level 1 | Level 2 | Level 3 | Total |
| (a) Non - Current Assets | | | | | | | |
| Investments | 3,25,66,070 | - | 3,25,66,070 | - | - | - | - |
| Loans | - | 10,74,02,161 | 10,74,02,161 | - | - | - | - |
| Other Financial Assets | - | 53,58,230 | 53,58,230 | - | - | - | - |
| (b) Current Assets | | | | | | | |
| Trade Receivables | - | 1,60,10,112 | 1,60,10,112 | - | - | - | - |
| Cash and Cash Equivaler | - | 51,26,922 | 51,26,922 | - | - | - | - |
| Other Bank Balances | - | 10,00,000 | 10,00,000 | - | - | - | - |
| Other Financial Assets | - | 20,95,113 | 20,95,113 | - | - | - | - |
| Total Financial Assets | 3,25,66,070 | 13,69,92,538 | 16,95,58,608 | - | - | - | - |
| Non-Current Liabilities | | | | | | | |
| Borrowings | - | 11,17,79,993 | 11,17,79,993 | - | - | - | - |
| Other Financial Liabilities | - | 54,15,662 | 54,15,662 | - | - | - | - |
| Current Liabilities | | | | | | | |
| Borrowings | - | - | - | - | - | - | - |
| Trade Payable | - | 64,80,140 | 64,80,140 | - | - | - | - |
| Other Financial Liabilities | - | 72,97,409 | 72,97,409 | - | - | - | - |
| Total Financial Liabilities | - | 13,09,73,204 | 13,09,73,204 | - | - | - | - |

b) Measurement of fair values:**(i) Financial Instrument measured at Amortised Cost:**

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are reasonable approximation of their fair values since the company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

(ii) Levels 1, 2 and 3

Level 1 : It includes Investment in equity shares and mutual fund that has a quoted price and which are actively traded on the stock exchanges. It is been valued using the closing price as at the reporting period on the stock exchanges.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

(iii) There have been no transfers between Level 1 and Level 2 during the years.

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

30 Earnings Per Share

| Particulars | Units | Year ended March 31, 2019 | Year ended March 31, 2018 |
|---|----------------|------------------------------|------------------------------|
| Basic & Diluted Earning Per Share (EPS) | | | |
| (a) Profit attributable to equity shareholders of the Company | (Amount in ₹) | 48,95,643.00 | 1,65,25,157.00 |
| (b) Weighted average number of equity shares | (in Nos.) | 1,61,00,000 | 1,61,00,000 |
| (c) Earning per Share (Basic and Diluted) | ₹ | 0.30 | 1.03 |
| (d) Face value per Share | ₹ | 10.00 | 10.00 |

31 Financial Risk Management

The Company's financial liabilities comprise mainly of borrowings, trade, other payables and financial assets comprise mainly of investments, cash and cash equivalents, other balances with banks, loans, trade receivables and other receivables.

The Company is exposed to Market risk, Credit risk and Liquidity risk. The Board of the Company monitors the risk as per risk management policy. Further The Audit Committee has additional oversight in the area of financial risks and controls.

The following disclosures summarize the Company's exposure to financial risks and information regarding use of derivatives employed to manage exposures to such risks. Quantitative sensitivity analysis have been provided to reflect the impact of reasonably possible changes in market rates on the financial results, cash flows and financial position of the Company.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk for the Company comprises two types of risks: interest rate risk and currency risk. Financial instruments affected by market risk includes borrowings, investments, trade payables, trade receivables and loans.

Within the various methodologies to analyze and manage risk, Company has implemented a system based on "sensitivity analysis" on symmetric basis. This tool enables the risk managers to identify the risk position of the entities. Sensitivity analysis provides an approximate quantification of the exposure in the event that certain specified parameters were to be met under a specific set of assumptions.

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

31 Financial Risk Management (Cont...)

The potential economic impact, due to these assumptions, is based on the occurrence of adverse / inverse market conditions and reflects estimated changes resulting from the sensitivity analysis. Actual results that are included in the Statement of profit and loss may differ materially from these estimates due to actual developments in the global financial markets.

The analyses exclude the impact of movements in market variables on the carrying values of gratuity, pension and other post-retirement obligations and provisions.

The following assumption has been made in calculating the sensitivity analysis:

The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at March 31, 2019 and March 31, 2018.

(i) Interest rate risk

The Company is exposed to interest rate risk because funds are borrowed at both fixed and floating interest rates. Interest rate risk is measured by using the cash flow sensitivity for changes in variable interest rate. The Company has exposure to interest rate risk, arising principally on changes in interest rates. The Company uses a mix of interest rate sensitive financial instruments to manage the liquidity and fund requirements for its day to day operations like long term and short term loans. The risk is managed by the Company by maintaining an appropriate mix between fixed and floating rate borrowings. Hedging activities are evaluated regularly to align with interest rate views and defined risk appetite, ensuring the most cost-effective hedging strategies are applied.

(a) Interest rate sensitivity

The sensitivity analyses below have been determined based on the exposure to interest rates for both derivatives and non-derivative instruments at the end of the reporting period. For floating rate liabilities, the analysis is prepared assuming the amount of the liability outstanding at the end of the reporting period was outstanding for the whole year. A 50 basis point increase or decrease is used when reporting interest rate risk internally to key management personnel and represents management's assessment of the reasonably possible change in interest rates.

The following table provides a break-up of the Company's fixed and floating rate borrowings and interest rate sensitivity analysis.

(Amount in ₹)

As at 31-03-2019

| Particulars | Gross amount | Interest rate sensitivity @0.50% |
|---------------|--------------|----------------------------------|
| Fixed Loan | - | - |
| Variable Loan | 4,76,43,622 | 2,38,218 |

As at 31-03-2018

| Particulars | Gross amount | Interest rate sensitivity @0.50% |
|---------------|--------------|----------------------------------|
| Fixed Loan | - | - |
| Variable Loan | 4,70,33,980 | 2,35,170 |

As at 01-04-2017

| Particulars | Gross amount | Interest rate sensitivity @0.50% |
|---------------|--------------|----------------------------------|
| Fixed Loan | - | - |
| Variable Loan | 11,17,79,993 | 5,58,900 |

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company does not transacts business in foreign currencies.

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

31 Financial Risk Management (Cont...)

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk primarily trade receivables and other financial assets including deposits with banks. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management.

Other financial assets

This comprises mainly of deposits with banks and other intercompany receivables. Credit risk arising from these financial assets is limited.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy and procedures. Trade receivables are non-interest bearing and generally have a credit period not exceeding 90 days. Concentrations of credit risk with respect to trade receivables are limited, due to the customer base being large and diverse. All trade receivables are reviewed and assessed for default on a quarterly basis. Historical experience of collecting receivables of the Company is supported by low level of past default and hence the credit risk is perceived to be low.

Reconciliation of loss allowance provision – Trade receivables

(Amount in ₹)

| Particulars | As at | As at | As at |
|--|----------------|----------------|---------------|
| | March 31, 2019 | March 31, 2018 | April 1, 2017 |
| Loss allowance as at beginning of the year | - | - | - |
| Changes in Loss allowance | - | - | - |
| Loss allowances as at end of the year | - | - | - |

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's finance department in accordance with the Company's policy. Investments of surplus funds are made only with approved counterparties.

(c) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in raising funds to meet commitments associated with financial instruments that are settled by delivering cash or another financial asset. Liquidity risk may result from an inability to sell a financial asset quickly at close to its fair value. The Company's objective is to, at all times maintain optimum levels of liquidity to meet its cash and collateral requirements. The Company closely monitors its liquidity position and deploys a robust cash management system. It maintains adequate sources of financing from both banks and financial institutions at an optimised cost.

The table below analysis non-derivative financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed under the ageing buckets are the contractual undiscounted cash flows and includes contractual interest payments.

SHANTI EDUCATIONAL INITIATIVES LIMITED

Notes to the Financial Statements for the Year Ended March 31, 2019

31 Financial Risk Management (Cont...)

(Amount in ₹)

| Particulars | Carrying amount | Less than 12 months | More than 12 months | Total |
|---------------------------------------|---------------------|---------------------|---------------------|---------------------|
| As at March 31, 2019 | | | | |
| Financial Liabilities | | | | |
| Borrowings (Incl. Current Maturities) | 4,76,43,622 | 99,61,739 | 3,76,81,883 | 4,76,43,622 |
| Trade Payables | 76,79,360 | 76,79,360 | - | 76,79,360 |
| Other Financial Liabilities | 2,12,31,799 | 1,38,69,803 | 73,61,996 | 2,12,31,799 |
| Total | 7,65,54,781 | 3,15,10,902 | 4,50,43,879 | 7,65,54,781 |
| As at March 31, 2018 | | | | |
| Financial Liabilities | | | | |
| Borrowings (Incl. Current Maturities) | 4,70,33,980 | 44,84,526 | 4,25,49,454 | 4,70,33,980 |
| Trade Payables | 83,63,082 | 83,63,082 | - | 83,63,082 |
| Other Financial Liabilities | 2,03,22,496 | 1,09,50,251 | 93,72,245 | 2,03,22,496 |
| Total | 7,57,19,558 | 2,37,97,859 | 5,19,21,699 | 7,57,19,558 |
| As at April 1, 2017 | | | | |
| Financial Liabilities | | | | |
| Borrowings (Incl. Current Maturities) | 11,17,79,993 | - | 11,17,79,993 | 11,17,79,993 |
| Trade Payables | 64,80,140 | 64,80,140 | - | 64,80,140 |
| Other Financial Liabilities | 1,27,13,071 | 72,97,409 | 54,15,662 | 1,27,13,071 |
| Total | 13,09,73,204 | 1,37,77,549 | 11,71,95,655 | 13,09,73,204 |

32 Capital management:

For the purpose of the Company's capital management, capital includes paid-up equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. Management monitors the return on capital, as well as level of dividends to equity share holders.

The Company manages its capital structure and makes adjustments to it in the light of changes in economic conditions and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust the dividend payment to shareholders, return capital to shareholders or issue new shares. The Company monitors capital using Debt-Equity ratio, which is net debt divided by total equity. The Company's policy is to keep the net debt to equity ratio below 2. The Company includes within net debt, interest bearing loans and borrowings, less cash and short-term deposits.

(Amount in ₹)

| Particulars | Year ended | Year ended | Year ended |
|---|---------------------|---------------------|---------------------|
| | March 31, 2019 | March 31, 2018 | April 1, 2017 |
| Interest-bearing loans and borrowings (Note 13) | 4,76,43,622 | 4,70,33,980 | 11,17,79,993 |
| Less: Cash and cash equivalents (Note 10) | 78,92,276 | 54,86,090 | 61,26,922 |
| Adjusted net debt | 5,55,35,898 | 5,25,20,070 | 11,79,06,915 |
| Equity share capital (Note 11) | 16,10,00,000 | 16,10,00,000 | 16,10,00,000 |
| Other equity (Note 12) | 31,94,08,246 | 31,47,93,307 | 29,98,98,966 |
| Total equity | 48,04,08,246 | 47,57,93,307 | 46,08,98,966 |
| Adjusted net debt to total equity ratio | 0.12 | 0.11 | 0.26 |

In order to achieve this overall objective, the Company's capital management, amongst other things, aims to ensure that it meets financial covenants attached to the interest-bearing loans and borrowings that define capital structure requirements. Breaches in meeting the financial covenants would permit the bank to immediately call loans and borrowings. There have been no breaches in the financial covenants of any interest-bearing loans and borrowing in the current period.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2019 and March 31, 2018.

33. Related Party Disclosures

As per Indian Accounting Standard 24 – Related Party Disclosure”, list of related party identified are as follows:

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.
- x. CHIRIPAL CHARITABLE TRUST
- xi. AGRAWAL EDUCATION TRUST
- xii. MILESTONE EDUCOM TRUST
- xiii. S. D. EDUCATION TRUST

b) Key Management Personnel

- i. RONAK B. AGARWAL (W.E.F 07.10.2017)
- ii. JAYESH PATEL
- iii. DIMPLE PADHIAR (RESIGN W.E.F 09.04.2018)
- iv. BHAVYA BAJPAI (W.E.F 30.05.2018)
- v. SURUCHI SOMANI
- vi. CHITRANJAN AJAIB SINGH
- vii. DARSHAN VAYEDA (W.E.F 20.04.2017)

c) Relatives of Key Managerial Personnel

- i. BRIJMOHAN D. CHIRIPAL
- ii. VEDPRAKASH D. CHIRIPAL
- iii. JYOTIPRASAD D. CHIRIPAL
- iv. JAIPRAKASH D. CHIRIPAL
- v. VISHAL V. CHIRIPAL
- vi. AKSHITA AGRAWAL

d) The Related Party Transactions and Closing Balances are under: -

| Particulars | Associate Companies | | Key Managerial Personnel | | Relatives of Key Managerial Personnel | |
|---|---------------------|-----------|--------------------------|---------|---------------------------------------|---------|
| | 2018-19 | 2017-18 | 2018-19 | 2017-18 | 2018-19 | 2017-18 |
| LOAN RECEIVED | | | | | | |
| Vishal Fabrics Ltd | 0 | 0 | - | - | - | - |
| Milestone Educom Trust | 10340000 | 26829987 | | | | |
| Shanti Innovation and Research Foundation | 2771665 | 59944 | | | | |
| Agrawal Educational Trust | 4417500 | 7760 | | | | |
| Vrindavan Furnishing Pvt. Ltd. | 0 | 46000 | | | | |
| Tripoli Management Pvt Ltd | 0 | 100869238 | - | - | - | - |
| Chiripal Charitable Trust | 94503527 | 85018580 | | | | |

| | | | | | | |
|---|----------|-----------|--|--|--|--|
| Kautilya Traders Pvt.Ltd. | 41245309 | 87175424 | | | | |
| Vijay Shubham Contrade Pvt Ltd | 65160656 | 0 | | | | |
| LOAN PAID | | | | | | |
| Milestone Educom Trust | 22549024 | 54218497 | | | | |
| Shanti Innovation and Research Foundation | 3954209 | 7489753 | | | | |
| Agrawal Educational Trust | 3811688 | 3132494 | | | | |
| Vrindavan Furnishing Pvt. Ltd. | 0 | 0 | | | | |
| Tripoli Management Pvt.Ltd. | 0 | 49262511 | | | | |
| Chiripal Charitable Trust | 83815107 | 112164234 | | | | |
| Vijay Shubham Contrade Pvt Ltd | 65160656 | 0 | | | | |
| Kautilya Traders Pvt.Ltd. | 5051410 | 84165183 | | | | |

| | | | | | | |
|--|----------|----------|----------|----------|---|---|
| ADVANCE AGAINST PURCHASE OF PROPERTY | | | | | | |
| Shanti Exports Pvt Ltd | 0 | 8694000 | - | - | - | - |
| Jaiprakash D. Chiripal | 0 | 0 | - | 43395840 | - | - |
| RECEIVED BACK FROM ADVANCES GIVEN PURCHASE OF PORPERTY | 0 | 58694000 | | | | |
| OUTSTANDING BALANCES :- | | | | | | |
| Milestone Educom Trust | 54953219 | 41165212 | | | | |
| Shanti Innovation and Research Foundation | 21734721 | 19179364 | | | | |
| Agrawal Educational Trust | 16948219 | 17554031 | | | | |
| Navsarjan Projects Pvt. Ltd. | 451148 | 447049 | - | - | - | - |
| Vrindavan Furnishing Pvt. Ltd. | 0 | 0 | | | | |
| Tripoli Management Pvt.Ltd | 0 | 0 | | | | |
| Chiripal Charitable Trust | 21206723 | 31895143 | | | | |
| Kautilya Traders Pvt.Ltd.-Loan | 0 | 35974620 | | | | |
| ADVANCE FOR CAPITAL ASSET | | | | | | |
| Shanti Exports Pvt Ltd | 7533400 | 0 | - | - | - | - |
| Jaiprakash D. Chiripal | 0 | 0 | 43395840 | 43395840 | - | - |
| DEBTORS FOR RENT/ ROYALTY | | | - | - | - | - |
| Chiripal Industries Ltd – Rent | 559200 | 535200 | | | | |
| Chiripal Industries Ltd-Rent | 1724200 | 1650200 | | | | |
| Chiripal Polyfilm Ltd-Rent | 1165000 | 1115000 | | | | |
| Nandam Exim Ltd-Rent | 3140200 | 2946200 | | | | |
| Shanti Innov. & Res Found. | 216000 | 216000 | | | | |
| Vishal Fabrics Pvt Ltd-Rent | 4221000 | 3951000 | | | | |
| Milestone Educom Trust-Rent | 1080000 | 1080000 | | | | |
| Agrawal Educ. Trust-Rent | 216000 | 216000 | | | | |
| Chiripal Charitable Trust – Royalty | 0 | 10299222 | - | - | - | - |
| Milestone Educom Trust – Royalty | 0 | 1854690 | - | - | - | - |
| SAS - Kheda-Royalty (SIRF) | 0 | 603385 | - | - | - | - |
| SAS - Vastral-Royalty (AET) | 435470 | 435470 | - | - | - | - |
| | | | | | | |
| | | | | | | |
| RENT INCOME | | | | | | |
| Chiripal Industries Ltd. (Rent) | 0 | 980000 | | | | |
| Chiripal Poly films Ltd (Rent) | 0 | 500000 | | | | |

| | | | | | | |
|---|---------|---------|---------|---------|---|-------|
| Nanan Denim Limited | 0 | 1940000 | | | | |
| Shanti Innovation & Research Foundation | 200000 | 200000 | | | | |
| Vishal Fabrics Pvt Ltd (Rent) | 0 | 2700000 | | | | |
| Milestone Educom Trust-Rent | 1000000 | 1000000 | | | | |
| Agrawal Educational Trust-Rent | 2400000 | 200000 | | | | |
| INTEREST INCOME | | | | | | |
| Navsarjan Projects Pvt Ltd | 13528 | 40990 | | | | |
| SD Education Trust | 1534256 | 0 | | | | |
| Kautilya Traders Pvt.Ltd.-Loan | 243642 | 5909967 | | | | |
| Tripoli Management Pvt.Ltd | 0 | 707872 | | | | |
| Chiripal Charitable Trust | 870468 | 2414547 | | | | |
| Milestone Educom Trust | 1396067 | 1823185 | | | | |
| Agrawal Educational Trust | 519905 | 1513673 | | | | |
| Shanti Inno. & Rese. Foun. | 603405 | 1228710 | | | | |
| ROYALTY INCOME | | | | | | |
| Shanti Asiatic School-Bopal - CCT | 0 | 6359731 | | | | |
| Shanti Business School - CCT | 0 | 2222955 | | | | |
| SAS - Kheda SIRF | 0 | 502821 | | | | |
| Shanti Asiatic School-Surat - MET | 0 | 1545575 | | | | |
| Shanti Asiatic School-Vastra-AET | 0 | 362892 | | | | |
| RENT & MAINTENANCE EXP | | | | | | |
| Pritidevi Chiripal | - | - | - | - | 0 | 0 |
| Jaiprakash D. Chiripal | - | - | - | - | 0 | 90000 |
| Brijmohan D. Chiripal | - | - | - | - | 0 | 90000 |
| Vedprakash D. Chiripal | - | - | - | - | 0 | 90000 |
| Jyotiprasad D. Chiripal | - | - | - | - | 0 | 90000 |
| PURCHASE & EXPENSES | | | | | | |
| Shanti Asiatic School - Vastral | 1454534 | 0 | | | | |
| Chiripal Charitable Trust | 5179497 | 0 | | | | |
| Shanti Asiatic School - Jaipur | | 0 | | | | |
| DIRECTORS SITTING FEES | | | | | | |
| Suruchi Sanchit Saraf | - | - | 60000 | 30000 | - | - |
| Chitranjan Ajaib Singh | - | - | 70000 | 30000 | - | - |
| REMUNERATION | | | | | | |
| Vineeta Chiripal | - | - | 928000 | 5551950 | - | - |
| Jayesh Patel | - | - | 870000 | 720000 | - | - |
| Dimple Padhiar | - | - | 11251 | 432839 | - | - |
| Darshan Vayeda | - | - | 1590000 | 1440000 | - | - |
| Bhavya Bajpai | - | - | 535500 | 0 | - | - |

34 Contingent Liabilities and Commitments

| I. Contingent liabilities | | (Amount in ₹) | |
|--|-----------------------|-----------------------|--|
| Particulars | As at | As at | |
| | March 31, 2019 | March 31, 2018 | |
| (a) Claims against the Company not acknowledged as debts comprise of | | | |
| i) In respect of Pending Consumer/Legal Cases | 25,00,000.00 | - | |
| (b) Bank guarantees for Performance, Earnest Money & Security Deposits | - | - | |
| (c) Corporate Guarantee Given on behalf of subsidiaries | - | - | |
| Total | 25,00,000.00 | - | |

| II. Commitments | | (Amount in ₹) | |
|------------------------|-----------------------|-----------------------|--|
| Particulars | As at | As at | |
| | March 31, 2019 | March 31, 2018 | |
| Commitments | - | - | |
| Total | - | - | |

35 The Company has not received full information from vendors regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 (MEMED Act); disclosure relating to amount unpaid at year end together with interest paid/payable have been given based on the information so far available with the Company/identified by the Company management:

| | | (Amount in ₹) | |
|---|-----------------------|-----------------------|--|
| Particulars | As at | As at | |
| | March 31, 2019 | March 31, 2018 | |
| 1 the principal amount and the interest due thereon remaining unpaid to any supplier at the end of each accounting year; | - | - | |
| 2 the amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year; | - | - | |
| 3 the amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006; | - | - | |
| 4 the amount of interest accrued and remaining unpaid at the end of each accounting year; and | - | - | |
| 5 the amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006. | - | - | |

SHANTI EDUCATIONAL INITIATIVES LIMITED
Notes to the Financial Statements for the Year Ended March 31, 2019

36 Leases

A. Assets given on operating lease

The Company has given various premises under operating lease or leave and license Agreements. These are generally cancellable, having a term between 11 months and 3 years and have no specific obligation for renewal.

B. Assets taken on operating lease

The Company has taken certain assets such as Office space and warehouses on operating lease. The lease rentals are payable by the Company on a monthly basis.

Future minimum lease rentals payable under cancellable lease agreements are as under :

| Particulars | (Amount in ₹) | |
|--|---------------------|--------------------|
| | 2018-19 | 2017-18 |
| (i) Not later than a year | 1,29,487.53 | 53,877.55 |
| (ii) Later than a year but not later than five years | 12,70,420.05 | 8,94,436.30 |
| (iii) More than five years | - | - |
| Total | 13,99,907.58 | 9,48,313.85 |

C. Lease payments recognised in the Statement of Profit and Loss. Such payments are recognised in the Statement of Profit and Loss under 'Rent, Rates & Taxes' in Note 27.

37 Segment Information

The Managing Director/ Chief Executive Officer of the Company allocate resources and assess the performance of the Company, thus are the Chief Operating Decision Maker (CODM). Education Institutions is identified as single operating segment for the purpose of making decision on allocation of resources and assessing its performance.

38 In the opinion of Board of Directors

- (a) Current assets, non-current loans and advances are realizable in the ordinary course of business, at the value at which they are stated.
- (b) The provision for all known liabilities are adequate and not in excess of the amount reasonably necessary. In sample sale, only excise duty payable / GST payable on sample sale value is charged as expenses considering no commercial invoice of samples.

39 Balance of Trade receivables, Trade payables, loans and advances are subject to confirmation from the respective parties.

40 The figures pertaining to previous periods have been regrouped and restated wherever necessary, to make them comparable.

| As per our report of even date attached | For and on behalf of the Board of Directors of | |
|--|--|---|
| For Nahta Jain & Associates Chartered Accountants Firm Regn. No. 106801 W | RONAK B. AGARWAL DIRECTOR DIN - 05002292 | DARSHAN VAYEDA WHOLE-TIME DIRECTOR DIN -07788073 |
| (CA. I. C. Nahta) Partner M.No. 070023 Place: Ahmedabad Date: May 30, 2019 | Jayesh Patel Chief Financial Officer Place: Ahmedabad Date: May 30, 2019 | Bhavya Bajpai Company Secretary |

**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 Member(s) | | No. of Shares | |
| Registered address & Email Id | | Folio No. | |
| | | DP ID | |
| | | Client ID | |

I/We, being the member(s) of _____ Shares of Shanti Educational Initiative Limited, hereby appoint below at Sr. No. 1 or failing him Sr. No. 2 or failing him Sr. No. 3

| Sr. no. | Name of Proxy | Address | E-mail ID | Signature |
|----------------|----------------------|----------------|------------------|------------------|
| 1. | | | | |
| 2. | | | | |
| 3. | | | | |

1. As my/our proxy to attend and vote (on a poll) for me/us and my/our behalf at the 31st Annual General Meeting of the Company held on Friday, 30th August, 2019 at 5:00 P.M. at Shanti Corporate House, Beside Hira rupa Hall, Opposite Landmark Hotel, Bopal-Ambli Road, Ahmedabad - 380058. 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, 2019. (ordinary resolution).
2. To appoint Mr. Ronak Agarwal, who retires by rotation and being eligible, offers himself for re-appointment as a Director (ordinary resolution).
3. Ratification of M/s Nahta & Jain & Associates., Chartered Accountants, as Statutory Auditors of the Company and fixing their remuneration (ordinary resolution).
4. To contribute in charitable and bonafide funds (ordinary resolution).
5. Issue of Warrant on Preferential basis (special resolution).
6. Ratification of Related Party Transactions (ordinary resolution).

| |
|---------------------------------|
| Affix Rs. 1 Revenue Stamp |
|---------------------------------|

Signature of shareholder _____

Signature of Proxy holder(s) _____

NOTES: The form of proxy in order to be effective should be duly completed and deposited at the Registered Office or Corporate office of the Company, not later than 48 hours before the commencement of the Meeting.

SHANTI EDUCATIONAL INITIATIVES LIMITED
(CIN: L80101GJ1988PLC010691)
Regd. Office: 283, New Cloth Market, Raipur, Ahmedabad - 380002
Corporate Office: A Wing, 6th Floor, Mondeal Square, Prahladnagar, Ahmedabad-15
Contact No. : 079-66177266; Fax- 079 - 26768656
Email: info@seil.edu.in ; Website: www.sei.edu.in

ATTENDANCE SLIP

| | |
|--|--|
| Registered Folio No. / DP ID / Client ID: | |
| Name and Address of Shareholder(s) Joint Holder 1 Joint Holder 2 Joint Holder 2 | |

2. I hereby record my presence at the 31st Annual General Meeting of the Company being held on Friday, 30th August, 2019 at 5:00 P.M. at Shanti Corporate House, Beside Hira rupa Hall, Opposite Landmark Hotel, Bopal-Ambli Road, Ahmedabad - 380058.

3. Signature of the Shareholder/Proxy

| |
|--|
| |
|--|

4. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover at the entrance duly signed.

5. Shareholder/Proxy holder desiring to attend the meeting may bring his/her copy of the Annual Report for reference at the meeting.

FORM NO. MGT.12**POLLING PAPER**

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

| S No | Particulars | Details |
|------|---|--------------------------|
| 1. | Name of the Shareholder (In block letters) | |
| 2. | Postal address | |
| 3. | Registered folio No. /*Client ID No. (*Applicable to investors holding shares in dematerialized form) | |
| 4. | Class of Share | Equity Shares of Rs.10/- |

I hereby exercise my vote in respect of Ordinary Resolution enumerated below by recording my assent or dissent to the said resolution in the following manner at the 31st Annual General Meeting of the Company being held on Friday, 30th August, 2019 at 5:00 P.M. at Shanti Corporate House, Beside Hira rupa Hall, Opposite Landmark Hotel, Bopal-Ambli Road, Ahmedabad - 380058

| No | Item No. | No. of shares held by me | I assent to the resolution | I dissent from the resolution |
|--|--|--------------------------|----------------------------|-------------------------------|
| 1. | Adoption of audited financial statements for the financial year ended 31st March, 2019. | | | |
| 2. | To appoint Mr. Ronak Agarwal, who retires by rotation and being eligible, offers himself for re-appointment as a Director. | | | |
| 3. | Ratification of M/s Nahta & Jain & Associates., Chartered Accountants, as Statutory Auditors of the Company and fixing their remuneration. | | | |
| 4. | Issue of Warrant on Preferential basis. | | | |
| 5. | To contribute in charitable and bonafide funds. | | | |
| 6. | Ratification of Related Party Transactions. | | | |
| <p>Date: Place:</p> <p style="text-align: right;">(Signature of the shareholder*)</p> | | | | |

*As per Company records

ROUTE MAP TO THE VENUE OF 31st ANNUAL GENERAL MEETING (“AGM”)

Shanti Corporate House, Beside Hira rupa Hall, Opposite Landmark Hotel, Bopal-Ambli Road,
Ahmedabad - 380058

