

DIRECTOR'S REPORT

To,
The Members,

Your Directors have pleasure in presenting the 13th Annual Report on the business and operations of the Company, together with the audited financial statements for the financial year ended March 31, 2018.

Financial Performance

The Company's financial performance, for the year ended March 31, 2018 is summarized below:

Amount in Rupees

Particulars	Year ended March 31, 2018		Year ended March 31, 2017	
	Consolidated	Standalone	Consolidated	Standalone
Total Revenue	126,131,564	102,461,661	52,299,167	49,469,470
Less:- Total Expenses	82,082,276	67,240,735	36,821,479	34,715,215
Profit before exceptional and extraordinary items and tax	44,049,288	35,220,926	15,477,688	14,754,255
Less: Exceptional items	NIL	NIL	NIL	NIL
Profit before extraordinary items and tax	44,049,288	35,220,926	15,477,688	14,754,255
Less:- Extraordinary Items				
Share of Minority Interest in Profit	8,828,363	NIL	723,433	NIL
Profit Before Tax	35,220,926	35,220,926	14,754,255	14,754,255
Less: Tax Expenses				
Current Tax	2,052,944	2,052,944	4,400,000	4,400,000
Deferred Tax	139,137	139,137	17,331	17,331
Prior Period Income Tax w/o	3,300,142	3,300,142	NIL	NIL
Net Profit/Loss After Tax	29,728,703	29,728,704	10,336,924	10,336,924

Summary of Operations

During the year ended March 31, 2018 the Company's total revenue is Rs. 102,461,661 as against Rs. 49,469,470 in the previous period.

During the year under review, the Net Profit of the Company has increased to Rs. **2,97,28,704** as against Rs. **10,336,924** earned in the previous period.

Change in the Nature of Business:

There is no such changes occurred in the nature of business during the financial year under review.

Dividend:

In order to conserve the reserves for future, your Board of Directors of the Company does not propose any dividend for the financial year ended 31st March 2018.

Directors / Key Managerial Personnel:

Pursuant to sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, one-third of such of the Directors are liable to retire by rotation and shall retire every year and, if eligible, offer themselves for re-appointment at every AGM. Consequently Mrs. Reena Vinay Bhagwat (DIN: 07883432), Director will retire by rotation at the ensuing AGM, and being eligible, offer herself for re-appointment in accordance with the provisions of the Companies Act, 2013.

The Board pursuant to section 149, 152 and other applicable provisions, if any, of the Companies Act, 2013) and the Rules made thereunder, as amended from time to time, read with Schedule IV to the Act, has recommended the appointment of Mr. Ajit K. Sharma (DIN: 03223934) and Mr. Sujay Shripad Godse (DIN: 07050882) as Non-Executive Independent Director of the Company, not subject to retirement by rotation, who has submitted a declaration that they meets the criteria for independence as provided in Section 149(6) of the Act and who in the

opinion of the Board of Directors of the Company fulfills the conditions specified in the act and is eligible for appointment. The Company has also received a notice in writing from a member proposing their candidature for the office of Director along with a deposit of Rupees One lakh in accordance with the provision of the Companies Act, 2013.

During the year under review, Mr. Ramdas Trimbak Rajguroo (DIN -00001424) has resigned from the Directorship of the Company w.e.f. September 09, 2017. The Board places on record its appreciation to the resigned directors, for their valuable guidance provided during their tenure as Director of the Company.

Declaration By Independent Directors: {SECTION 134 (3)(D)}

The Independent Directors of the Company are not associated with the Company in any manner as stipulated under section 149(6) of Companies Act, 2013 and at same time possess relevant expertise and experience that are additive to the Board of the Company for delivering higher growth and higher value.

The brief resume of the Directors being appointed/ reappointed, the nature of their expertise in specific functional areas, names of companies in which they have held Directorships, Committee Memberships/ Chairmanships, their shareholding etc., are furnished in the explanatory statement to the notice of the ensuing AGM.

The Directors recommend their appointment/re-appointment at the ensuing AGM.

Pursuant to the provisions under Section 134(3)(d) of the Companies Act, 2013, with respect to statement on declaration given by Independent Directors under Section 149(6) of the Act, the Board hereby confirms that all the Independent Directors of the Company have given a declaration and have confirmed that they meet the criteria of independence as provided in the said Section 149(6).

Key Managerial Personnel

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:-

Mrs. Reena Bhagwat*	Managing Director
Ms. Radha Sharma*	Company Secretary and Compliance Officer
Mr. Pradeep Jha*	Chief Financial Officer

***Appointed w.e.f July 31, 2018.**

Material changes and commitments, if any, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report

There are no such changes or commitments occurred, affecting the financial position of the Company between the end of the financial year of the company to which the financial statements relate and the date of the report.

Board Meetings:

During the financial year 2017-2018, the Board of Directors met Twelve times and the date of Board Meeting were April 05, 2017, May 03, 2017, July 01, 2017, July 05, 2017, July 07, 2017, July 20, 2017, August 01, 2017, August 02, 2017, September 05, 2017, October 10, 2017, December 05, 2017 and March 05, 2018. The gap between any two meetings has been less than 120 days.

Details of the Board of Directors and Attendance Record of Directors during the financial year ended March 31, 2018 is as under:

Name of Directors	Board Meeting Held	Board Meeting attended
Mr. Vinay Bhagwat	8	8
*Mrs. Reena Vinay Bhagwat	8	4
Mr. Prasad Moreshwar Sahasrabudhe	8	8
#Mr. Ramdas Trimbak Rajguroo	8	6
\$Mr. Ajit Kamal Sharma	8	3

***Mrs. Reena Vinay Bhagwat is appointed as the Managing Director w.e.f. July 31, 2017.**

#Mr. Ramdas Trimbak Rajguroo has resigned from the Directorship of the Company w.e.f. September 09, 2017.

\$Mr. Ajit Sharma is appointed as Non-Executive Independent w.e.f. September 9, 2017

Share Capital:-**A. Issue of equity shares with differential rights:**

During the year, company has not issued any equity shares with differential rights.

B. Issue of sweat equity shares:-

During the year, company has not issue any Sweat equity shares.

C. Issue of employee stock options:-

During the year, company has not issued employee stock options.

D. Provision of money by company for purchase of its own shares by employees or by trustees for the benefit of employees:-

During the year, company has not made any Provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

E. Bonus Shares:-

During the year under review, the Company has issued Bonus of 42,45,750 equity shares of Rs. 10/- each out of its Free Reserves and Securities Premium Account of the Company amongst the member of the Company whose name appeared in the Register of Members as on the Record Date i.e. August 1, 2017 in a proportion of 1 (One) Bonus Equity Shares of Rs. 10/- (Rupees Ten only) each, for every 1 (One) fully paid up Equity shares of Rs. 10/- (Rupees Ten only) each.

F. Rights Issue of Shares:

During the year under review, the Company has issued 10,39,100 (Ten Lakhs Thirty Nine Thousand and One Hundred) Equity shares of Rs. 10/- each at Rs. 30/- (including a premium of Rs. 20/- per share).

Extract of the annual return (MGT-9):

An extract of the Annual Return for the year ended March 31, 2018 as provided under sub-section (3) of Section 92 and prescribed under Rule 12 of Companies (Management & Administration) Rules, 2014 will be available at the * website of the Company viz. www.siddharthacademy.in

(*Vide MCA Notification dated May 07, 2018, in Section 92 of Companies Act, 2013 sub-section (3) is substituted namely "Every company shall place a copy of the annual return on the website of the company, if any, and the web-link of such annual return shall be disclosed in the Board's report". Hence, by virtue of this, the Extract of the Annual Return is available on the website of the Company.)

Corporate Social Responsibility (CSR):

In terms of section 135(1) of the Companies Act, 2013, the provisions of Corporate Social Responsibility are not applicable to the Company.

Auditors:

In accordance with the provisions of Section 139(1) of the Companies Act, 2013, the members had at the 12th Annual General Meeting held on July 31, 2017 appointed M/s. Doshi Maru & Associates, Chartered Accountants, the Statutory Auditors of the Company (Firm Registration No. 0112187W) for five consecutive financial years, i.e. from the conclusion of the 12th Annual General Meeting till the conclusion of the 16th Annual General Meeting subject to ratification of re-appointment by the members at every Annual General Meeting.

You are requested to ratify the re-appointment of Auditors and to authorize the Board to fix their remuneration. The auditors M/s. Doshi Maru & Associates, Chartered Accountants, (Firm Registration No. 0112187W) are eligible for re-appointment. A certificate from the auditors has been received to the effect that their re-appointment, if made, would be within the prescribed limits. The Auditor's Report for the Financial Year ended on 2017-18 does not contain any qualification, reservations, adverse remark or disclaimer. Further, the notes to accounts referred to in the Auditor's Report are self-explanatory.*

(*Vide MCA Notification dated May 07, 2018, provision for ratification of Auditor at every Annual General Meeting of the company is omitted in Sec. 139 (1) of the Companies Act, 2013,)

Qualifications in Audit Reports:

There are no adverse remarks or any disclaimer remark against the Company by the statutory auditor in his report is self explanatory and does not any comment from the Board of Directors.

Conservation of energy, technology absorption, adaptation and innovation:

As the Company is not carrying out any manufacturing activity or any operations the particulars prescribed under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with rules made there under is not Applicable.

However the Company is making continuous efforts to keep the employees informed of all emerging technologies and developments which are relevant to Business of the Company.

<u>Particulars</u>	<u>Current year</u>	<u>Previous Year</u>
Foreign Exchange earnings	Nil	Nil
Foreign Exchange Out go	Nil	NI

Deposits:

Your Company has not accepted any deposits from the public in terms Chapter V, Section 73 of the Companies Act, 2013 during the year under review.

Listing of the Company on BSE-SME Platform:

Your Directors wish to inform you that pursuant to chapter XB of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2009. The Company has issued its specified securities to public shareholders by the way of an IPO, further the Company has received the Listing and Trading Permission from BSE Limited for getting its shares listed on BSE-SME platform.

Directors' Responsibility Statement:

As per Section 134 (3) (c) of the Companies Act, 2013 the Board of Directors makes the following statement:

- (a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and for the profit for that year.
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis; and
- (e) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Significant & material orders passed by the regulators:

The Company has not received any significant/material orders from the statutory regulatory bodies/courts/tribunals which affect the operations/status of the Company.

Details of adequacy of internal financial controls:

The Company is well equipped with adequate internal financial controls. The Company has a continuous monitoring mechanism which enables the organisation to maintain with the same standard of the control systems and helps them in managing any default on timely basis because of strong reporting mechanisms followed by the company. The Board of Directors have appointed M/s. Kunder D'mello & Associates as its internal auditor for maintaining the adequate internal financial controls.

Particulars of loans, guarantees or investments:

During the financial year under review the Company has not given any Loan, guarantees and make any Investment covered under the provision of Section 186 of the Companies Act, 2013.

Committees of the Board

Pursuant to requirement of Companies Act, 2013 along with rules made thereunder and SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, Company has already formed following committees:

*Audit Committee

* Stakeholders Relationship Committee

*Nomination and Remuneration Committee

Secretarial Audit Report

In terms of Section 204(1) of the Companies Act, 2013 and the rules made thereunder, M/s. Sawant & Associates was appointed as the Secretarial Auditor to undertake the Secretarial Audit of the Company for the F.Y. 2017-18. The report of the Secretarial Audit in Form No. MR -3 is annexed to and forms part of this Report as per **Annexure – A.**

There are no qualifications, reservations, adverse remarks or disclaimers given by the Secretarial Auditor in the Report.

Details of Subsidiary/Joint Ventures/Associate Companies

The Company has One Subsidiary Partnership Firm Namely M/s. Bageshree Firms. The Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures is attached as per **Annexure – B.**

Related Party Transactions:

All the transactions with related parties are in the ordinary course of business and on arm's length basis. The details of the transactions entered into between the Company and the related parties are given in AOC-2 as **Annexure- C** to this report.

Corporate Governance

Your Company complies with the various provisions of the Listing Agreement diligently. However, since the paid up capital of the Company is much beyond less than the limits prescribed under Regulation 15 of the SEBI Listing Regulations, 2015, the provisions of Regulation 27 of the SEBI Listing Regulations, 2015 and other Regulations related to Corporate Governance are not applicable to the Company.

Corporate Governance Report forming part of annual Report is attach as per **Annexure – D.**

Constitution of Internal Complaints Committee on Sexual Harassment

Your Directors wish to bring to your kind attention that your company has complied with provisions of constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and redressal) Act, 2013.

Acknowledgements:

Your Directors wish to place on record their sincere appreciation and acknowledge with gratitude the support and consideration extended by the Bankers, Shareholders and employees and look forward for their continued support and cooperation.

For and on behalf of the Board
Siddharth Education Services Limited

Sd/-
Mrs. Reena Bhagwat
Managing Director
DIN: 07883432

Sd/-
Mr. Vinay Shantaram
Director
DIN:- 00026243

Date: September 06, 2018

Place: Thane