

October 9, 2017

To,  
The Corporate Relationship Manager  
Department of Corporate Services  
BSE Limited  
P. J. Towers, Dalal Street,  
Mumbai - 400001

**Ref : Scrip Code – 508918**

Dear Sir,

**Sub : Submission of Annual Report for the financial year 2016-17**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find attached herewith the copy of Annual Report of Greycells Education Limited for the financial year 2016-17 duly approved and adopted by the shareholders at the 34<sup>th</sup> Annual General Meeting of the Company held on September 29, 2017.

Kindly take the same on record and acknowledge receipt.

Thanking you,

Yours faithfully,

For Greycells Education Limited



Dharmesh Parekh  
Company Secretary





**GREYCELLS EDUCATION LIMITED**

**Annual Report  
2016 - 2017**

## CORPORATE INFORMATION

Name of the Company : Greycells Education Limited  
Registered Office : Forum Building, 1<sup>st</sup> Floor, 11/12,  
Raghuvanshi Mills Compound,  
Senapati Bapat Marg,  
Lower Parel (West), Mumbai - 400013  
CIN : L65910MH1983PLC030838  
Website : www.greycellsLtd.com  
E-mail : companysecretary@greycellsLtd.com  
Contact No. : 022-61479918

### BOARD OF DIRECTORS

Mr. Nowshir Engineer : Managing Director  
Ms. Bela Desai : Promoter, Non-executive Director  
Mr. Abbas Patel : Independent, Non-executive Director  
Dr. Anil Naik : Independent, Non-executive Director  
Mr. Dharmesh Parekh : Company Secretary & Compliance Officer

### COMMITTEES OF BOARD

#### AUDIT COMMITTEE

Mr. Abbas Patel : Chairman & Member  
Dr. Anil Naik : Member  
Ms. Bela Desai : Member

#### NOMINATION & REMUNERATION COMMITTEE

Mr. Abbas Patel : Chairman & Member  
Ms. Bela Desai : Member  
Dr. Anil Naik : Member

#### STAKEHOLDERS RELATIONSHIP COMMITTEE

Ms. Bela Desai : Chairperson & Member  
Mr. Abbas Patel : Member  
Mr. Nowshir Engineer : Member

### STATUTORY AUDITORS

Ford, Rhodes, Parks & Co. LLP  
Chartered Accountants

### INTERNAL AUDITORS

P. B. Shetty & Co.  
Chartered Accountants

### BANKERS

The Federal Bank Limited  
Kotak Mahindra Bank Limited

### REGISTRAR & SHARE TRANSFER AGENT

Bigshare Services Pvt. Ltd.  
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis,  
Makwana Road, Marol, Andheri (East), Mumbai - 400 059  
Tel : 022-62638200  
Fax : 022-62638299  
E-Mail : investor@bigshareonline.com

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## NOTICE

NOTICE is hereby given that the Thirty Fourth (34<sup>th</sup>) **ANNUAL GENERAL MEETING (AGM)** of the shareholders of GREYCELLS EDUCATION LIMITED will be held at the Registered office of the Company at Forum Building, 1st Floor, 11/12, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013 on Friday, 29<sup>th</sup> day of September, 2017 at 3.00 p.m. to transact the following business:

### ORDINARY BUSINESS:

- To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2017 together with the Reports of the Board of Directors and Auditors thereon.
- To appoint a Director in place of Ms. Bela Desai (DIN: 00917442), who retires by rotation and being eligible, offers herself for re-appointment.
- To appoint M/s. A. T. Jain & Co., Chartered Accountants as Statutory Auditors of the Company and to fix their remuneration and to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:  
**"RESOLVED THAT** pursuant to the provisions of Section 139, 142 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Companies (Audit and Auditors) Rules, 2014 (the Rules), made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the Company hereby appoints M/s. A. T. Jain & Co., Chartered Accountants, (Firm Registration No. 103886W)) as the Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of this Annual General Meeting till the conclusion of 39<sup>th</sup> Annual General Meeting of the Company, subject to ratification of their appointment by members at every Annual General Meeting as required under the Act, at such remuneration plus applicable taxes and reimbursement of out of pocket expenses as may be determined by the Board of Directors of the Company in consultation with Statutory Auditors."

### SPECIAL BUSINESS:

- To consider and if thought fit, to pass the following Resolution as a **Special Resolution**:  
**"RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Rules made thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association of the Company be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.  
**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to give such directions as it may in its absolute discretion deem necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders of the Company or otherwise to the end and intent that the shareholders of the Company shall be deemed to have given their approval thereto expressly by the authority of this resolution.  
**RESOLVED FURTHER THAT** any one of the Directors or Mr. Dharmesh Parekh, Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds, matters and things and take all such steps as may be necessary, proper or expedient to give effect to this resolution including filing of necessary forms with the Registrar of Companies, Mumbai, Maharashtra, as may be required in this regard."

**By Order of the Board of Directors of  
 Greycells Education Limited  
 Dharmesh Parekh  
 Company Secretary**

**Place : Mumbai  
 Date : 17<sup>th</sup> August, 2017**

**Registered Office :**  
 Forum Building, 1st Floor  
 11/12, Raghuvanshi Mills Compound  
 Senapati Bapat Marg  
 Lower Parel (West), Mumbai - 400 013.  
 CIN No.: L65910MH1983PLC030838  
 E-mail : [companysecretary@greycellsltd.com](mailto:companysecretary@greycellsltd.com)  
 Website: [www.greycellsltd.com](http://www.greycellsltd.com)

## NOTES:

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF / HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY SO APPOINTED SHALL NOT HAVE ANY RIGHT TO SPEAK AT THE MEETING.**

**A person can act as a proxy on behalf of not more than fifty members 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.**

**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.**

- All documents referred to in the accompanying Notice are available for inspection at the registered office of the Company during office hours on all days except Saturdays, Sundays and public holidays, up to the date of this 34<sup>th</sup> AGM.
- A Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to the Special Business to be transacted at the meeting is annexed hereto.
- Members are requested to bring their copy of the Annual Report at the time of attending the meeting.
- In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- Only bonafide members of the Company whose names appear on the Register of Members/proxy holder in possession of valid attendance slips duly filled and signed will be permitted to attend the meeting. The Company reserves the right to take all steps as may be deemed necessary to restrict non-members from attending the meeting.
- The Register of Members & Share Transfer Books of the Company will remain closed from 25<sup>th</sup> September, 2017 to 29<sup>th</sup> September, 2017 (both days inclusive).
- The details of the Director seeking re-appointment under item no. 2 of this notice, as stipulated under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and as per the Secretarial Standard (SS-2) issued by ICSI, is annexed to this notice.
- Members desirous of asking any questions at 34<sup>th</sup> AGM are requested to send their questions so as to reach the Company's registered office at least seven days before the date of the AGM, so that the same can be suitably replied to.
- In accordance with the provisions of Section 72 of the Companies Act, 2013, members are entitled to make nominations in respect of the equity shares held by them, in physical form. Members desirous of making nominations may procure the prescribed form from the Registrar & Share Transfer Agents, M/s. Bigshare Services Private Limited and have it duly filled and sent back to them.

11. Members are requested to intimate change of address, if any, in case of shares held in electronic form to the concerned depository participant quoting their DP Id number and in case of shares held in physical form to the Registrar & Share Transfer Agent, M/s. Bigshare Services Private Limited at 1<sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400059.
12. Corporate Members intended to attend the AGM through their authorized representative are requested to send a duly certified copy of the board resolution authorizing their representatives to attend and vote on their behalf at the meeting.
13. Attendance Slip is annexed to the Proxy Form. Members are requested to fill up the particulars of the attendance slip, affix their signature in the appropriate place and hand it over to the Company's officials/Registrars at the entrance of the Meeting venue.
14. To promote green initiative, members are requested to register their email addresses through their Depository Participants for sending the future communications by e-mail. Members holding the shares in physical form may register their e-mail addresses through the RTA, giving reference to their Folio Number.
15. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with Rule 18 of the Companies (Management and Administration Rules), 2014, the Annual Report for 2016-17 is being sent through the electronic mode to all the Members whose e-mail ID's are registered with the Company/Depository Participants for communication purposes, unless any member has requested for physical copy of the same. For Members who have not registered their E-mail Ids with the Company/Depository Participants, a physical copy of the Annual Report for 2016-17 is being sent by the permitted mode. Members who have not registered their e-mail address with the Company are requested to submit their request with their valid e-mail address to Bigshare Services Private Limited. Members holding shares in demat form are requested to register/update their e-mail address with their Depository Participant(s) directly. Members of the Company, who have requested their e-mail address for register/update, are entitled to receive such communication in physical form upon request.
16. The Annual Report for FY 2016-17 of the Company is available on the Company's website [www.greycellsltd.com](http://www.greycellsltd.com) for download.
17. **E-voting**  

In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulations, the Company is pleased to provide its members facility of 'remote e-voting' (e-voting from a place other than venue of the AGM) to exercise their right to vote at the Annual General Meeting by electronic means and all the business may be transacted through e-voting services provided by Central Depository Services (India) Limited (CDSL).

The facility for voting, either through electronic voting system or through ballot/polling paper shall also be made available at the venue of the AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The remote e-voting period for all items of business contained in this Notice shall commence from Tuesday, 26<sup>th</sup> September, 2017 at 9.00 a.m. and will end on Thursday, 28<sup>th</sup> September, 2017 at 5.00 p.m. During this period, members holding equity shares of the Company either in physical form or in dematerialized form as on the cut-off date i.e. 22<sup>nd</sup> September, 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by any member, he/she shall not be allowed to change it subsequently. A person who is not a member as on the cut-off date should treat this notice for information purpose only.

The voting rights of members shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on 22<sup>nd</sup> September, 2017.
18. The Board of Director has appointed Mr. Ashish Kumar Jain of A. K. Jain & Co, Company Secretaries (holding CP No. 6124), to act as Scrutinizer to conduct e-voting and voting at the AGM in fair and transparent manner.
19. The facility for voting through Ballot Paper shall be made available at the venue of the meeting and the members attending the meeting who have not cast their vote through remote e-voting shall be able to vote at the meeting through above voting system.
20. The Scrutinizer shall within a period not exceeding three (3) days from the conclusion of the e-voting period unblock the votes in the presence of at least two (2) witnesses not in the employment of the Company and shall make a Scrutinizer's Report of the votes cast in favour or against, if any, and forward it to the Chairman of the Company.
21. In case of Members who are entitled to vote but have not exercised their right to vote by electronic means, the Company will offer an opportunity to such Members to vote at the Meeting for all businesses specified in the accompanying Notice. For abundant clarity, please note that the Members who have exercise their right to vote by electronic means may attend the AGM but shall not be entitled to vote at the Meeting. A Member can opt for only single mode of voting i.e. either through remote e-voting or voting at the AGM. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
22. The scrutinizer, after scrutinizing the votes cast at the AGM and through remote e-voting, make a consolidated scrutinizers report and submit to the Chairman or Director. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company [www.greycellsltd.com](http://www.greycellsltd.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com). The results shall simultaneously be communicated to the BSE Limited.
23. Subject to receipt of requisite number of votes, the Resolutions shall be deemed to be passed on the date of the meeting i.e. 29<sup>th</sup> September, 2017.
24. Route map showing directions to reach venue of the AGM is given at the end of the Notice.
25. **The instructions for shareholders voting electronically are as under:**
  - (i) The remote e-voting period begins on 26<sup>th</sup> September, 2017 at 9.00 a.m. and ends on 28<sup>th</sup> September, 2017 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.  
 Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
  - (ii) Click on Shareholders / Members
  - (iii) 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.

- (iv) 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](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

- (v) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (Serial No. on the Address Sticker / Postal Ballot Form / Email) in the PAN field.</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>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.</p> <p>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)</p>

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN of "Greycells Education Limited" on which you choose to vote.
- (xi) 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.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) 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.

- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the voting page.
- (xvi) If Demat account holder has forgotten the changed 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.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) **Note for Non – Individual Shareholders and Custodians**

Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.

They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xv) above to cast vote.
- (B) The voting period begins on 26<sup>th</sup> September, 2017 at 9.00 a.m. and ends on 28<sup>th</sup> September, 2017 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> September, 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

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](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).



**ANNEXURE TO THE NOTICE**
**INFORMATION PURSUANT TO REGULATION 36(3) OF THE SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 AND AS PER SECRETARIAL STANDARD (SS-2) REGARDING RE-APPOINTMENT OF DIRECTOR**

Ms. Bela Desai (DIN: 00917441), aged 52 years, is a Fellow member of the Institute of Company Secretaries of India and holds a Degree in Law. With a career spanning over 20 years in Corporate India, her expertise is in areas of corporate structuring, mergers and acquisitions, fund raising etc.

She is a non-independent, non-executive Director on the Company's Board. She is also a member of Audit Committee and Nomination & Remuneration Committee. She is a Chairperson of Stakeholders Relationship Committee of the Company. She holds 8,84,100 equity shares (being 11.18%) in the Company. She is also on the Board of Value Line Advisors Private Limited. She is not a relative of any other Directors, Manager and other Key Managerial Personnel.

**STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**
**Item No. 3**

In terms of the provisions of Section 139 of Companies Act, 2013 (the "Act") and rules made thereunder, no listed company can appoint or re-appoint an audit firm as an auditor for more than two terms of five consecutive years. M/s. Ford, Rhodes, Parks & Co. LLP, Chartered Accountants, existing Statutory Auditors of the Company have been in office for more than 10 years and in compliance with the provisions of the Act, the Company has to appoint a new auditor in their place. Accordingly, the Board of Directors has, based on the recommendation of the Audit Committee, at its meeting held on 17<sup>th</sup> August, 2017, have, subject to approval of shareholders in the forthcoming Annual General Meeting, approved the appointment of M/s. A. T. Jain & Co., Chartered Accountants, as the Statutory Auditors of the Company for a period of five years, to hold office from the conclusion of this Annual General Meeting till the conclusion of 39<sup>th</sup> Annual General Meeting of the Company, subject to ratification of their appointment by the members at every Annual General Meeting of the Company.

M/s. A. T. Jain & Co. have consented to their appointment as Statutory Auditors of the Company and have confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

None of the Directors or Key Managerial Personnel of the Company including their relatives is concerned or interested, financial or otherwise, in the said resolution.

The Board of Directors recommends the ordinary resolution as set out in item no. 3 of the Notice for approval of members

**Item No. 4**

The existing Articles of Association ("AoA") are based on the Companies Act, 1956 and several regulations in the existing AoA contain references to specific sections of the Companies Act, 1956 and some regulations in the existing AoA are no longer in conformity with the Companies Act.

With the coming into force of the new Companies Act, 2013 several regulations of the existing AoA of the Company require alteration or deletions in several articles. Considering number of alteration required to be made it is expedient to wholly replace the existing AoA by a new set of Articles.

The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares.

The proposed new draft AoA is being uploaded on the Company's website for perusal by the shareholders.

None of the Directors or Key Managerial Personnel of the Company including their relatives is concerned or interested, financial or otherwise, in the said resolution.

The Board of Directors recommends the Special Resolution set out in item no. 4 of the Notice for approval of members

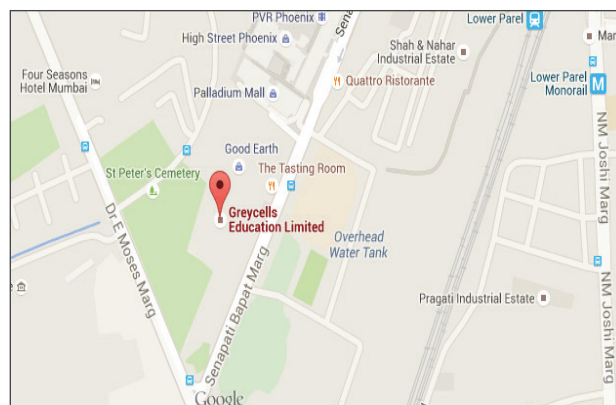
**By Order of the Board of Directors of  
Greycells Education Limited**

**Place: Mumbai  
Date: 17<sup>th</sup> August, 2017**

**Dharmesh Parekh  
Company Secretary**

**Registered Office:**

Forum Building, 1st Floor,  
11/12, Raghuvanshi Mills Compound,  
Senapati Bapat Marg,  
Lower Parel (West), Mumbai - 400 013.  
CIN No.: L65910MH1983PLC030838  
E-mail : [companysecretary@greycellsindia.com](mailto:companysecretary@greycellsindia.com)  
Website: [www.greycellsindia.com](http://www.greycellsindia.com)

**Route Map to the venue of the AGM**


## DIRECTORS' REPORT

Dear Shareholders,

Your Directors present the 34<sup>th</sup> Annual Report of the Company along with the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2017.

### Financial Results/State of Company's Affairs

During the year under review, the Company earned total consolidated revenue of ₹ 812.18 lacs for the year as against ₹ 847.40 lacs in the previous year. Standalone revenues during the year stood at ₹ 376.12 lacs as against ₹ 373.50 lacs in the previous year.

The consolidated loss for the year stood at ₹ 61.21 lacs as against the consolidated profit before tax ₹ 62.37 lacs in the previous year. The standalone loss for the year was ₹ 26.92 lacs as against the standalone profit before tax of ₹ 7.17 lacs in the previous year.

### Dividend

The Directors have refrained from recommending dividend for the year under review.

### Transfer to Reserves

Your Company does not transfer any amount to reserves for the financial year 2016-17.

### Share Capital and changes therein

There was no change in Share Capital of the Company during the year under review.

### Change in the Nature of Business

During the year under review there was no change in the nature of business of the Company.

### Operations

The Company is currently engaged in Vocational training in media and entertainment sectors under the brand name "EMDI Institute of Media & Communication" (EMDI) - a leader in Event Management, Advertising, PR and Journalism. This year EMDI enters its 16<sup>th</sup> year of pioneering training. The Company is currently offering courses of EMDI at Mumbai, Delhi, Bengaluru and Dubai. EMDI - Dubai courses are accredited by EDEXCEL ASSURED CENTRE, UK's largest vocational accreditation board and EMDI Dubai is probably the only Institute offering industry relevant specialised courses in Dubai.

The Company also offers industry relevant Post Graduate Diploma in Global Sports Management courses under the brand "IRONWOOD SPORTS MANAGEMENT GLOBAL ACADEMY" (ISMGA). ISMGA is perhaps India's only Academy to offer a Global offering in Sports Management across India and Dubai. ISMGA aims to train candidates with the right talent that can help grow sports businesses. With a panel of experienced faculty and a rich exposure to the global sports industry through an internship abroad, ISMGA provides tailor-made courses to suit the requirements of the industry. ISMGA offers job oriented course for candidates interested in sports management.

The Company offers specialized course in Wedding Planning with an in-depth knowledge in the fields of creativity, customs & rituals, floral and stage design, venue and catering, besides other aspects such as entertainment, technology and international best practices through its LLP venture under the brand name "The Wedding Academy" (TWA).

The Company also offers industry relevant courses in Digital Marketing & E-commerce that encompass Internet Marketing, Search Engine Marketing, Social Media Marketing, E-mail Marketing, Mobile Marketing, E-Commerce and Web & Social Media Analytics under the brand name "World Media Academy" (WMA).

The Company formed an Advisory Board with Industry stalwarts like: Mr. Ashok Advani founder publisher of the Business India Group of Publications, Mr. Ravi Shastri cricket legend and Team India Cricket Coach, Mr. Brian Tellis founder of Fountainhead Promotions & Events and Mr. Nagesh Alai, Former Group Chairman of FCB Ulka Group as member of Advisory Board.

### Directors and Key Managerial Personnel

In accordance with the provisions of the Companies Act, 2013 (the Act) and Articles of Association of the Company, Ms. Bela Desai will retire by rotation as Director at the ensuing Annual General Meeting and being eligible, offers herself for re-appointment. Brief profile of Ms. Bela Desai is annexed to the

Notice of Annual General Meeting as stipulated under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations).

Based on the confirmation / disclosures received from the Directors and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of Section 149(6) of the Companies Act, 2013 and the requirements of Listing Regulations:

1. Mr. Abbas Patel
2. Dr. Anil Naik

The Independent Directors of the Company has given declaration of independence as provided under Section 149(7) of the Companies Act, 2013 confirming that they meet the criteria of independence under Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (the Listing Regulations).

The tenure of Mr. Nowshir Engineer as a Managing Director of the Company has expired on closure of business hours on June 30, 2017. Therefore, he ceases as a Managing Director however continued as a Director of the Company. The Board places on record its appreciation for the valuable contribution made by him during his tenure as a Managing Director of the Company. Mr. Samkeet Patel has resigned as a Chief Financial Officer of the Company with effect from closing of business hours as on July 24, 2017.

### Details of Remuneration to Directors

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Companies Act and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 has been appended as **ANNEXURE A** to this Report.

### Particulars of Employees

There were no such employees of the Company for which the information required to be disclosed pursuant to Section 197 of the Companies Act read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016.

### Number of Meetings of the Board

During the financial year ended on 31<sup>st</sup> March, 2017 the Board of Directors of your Company have met 4 (Four) times viz. 19<sup>th</sup>, May, 2016, 10<sup>th</sup> August, 2016, 11<sup>th</sup> November, 2016 and 9<sup>th</sup> February, 2017. For further details, please refer Report on Corporate Governance of this Annual Report.

### Directors' Responsibility Statement

In terms of Section 134(5) of the Companies Act, 2013 in relation to financial statements for the year ended 31<sup>st</sup> March, 2017, the Board of Directors to the best of their knowledge and ability, confirm/state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departure;
- b) the Directors have 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 as at March 31, 2017 and of the loss of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the Directors have prepared the annual accounts on a 'going concern' basis;
- e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### Details of Committees of the Board of the Directors

Composition of Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, number of meetings held of each Committee during the financial year 2016-17 and meetings attended by each member of the Committee as required under the Companies Act,



2013 are provided in Corporate Governance Report forming part of this report.

The Recommendation by the Audit Committee as and when made to the Board has been accepted by it.

#### **Material Changes and Commitment affecting the Financial Position of the Company**

There have been no material changes and commitments affecting the financial position of the Company which have occurred between 31<sup>st</sup> March, 2017 and the date of this report other than those disclosed in this report.

#### **Significant and Material Orders passed by the Regulators or Courts or Tribunals**

There are no significant material orders passed by the Regulators or Courts or Tribunal which would impact the going concern status of your Company and its future operations.

#### **Subsidiary Companies and Joint Ventures**

Your Company has one subsidiary company viz., EMDI (Overseas) FZ LLC, a wholly owned subsidiary. The Company is also one of the partners in EMDI Wedding Academy LLP (50% share).

There are no associate companies within the meaning of Section 2(6) of the Companies Act, 2013. Further there has been no material change in the nature of business of the subsidiaries.

The gross revenue of subsidiary for the financial year ended March 2017 stood at AED 2,389,111 (Previous Year: AED 2,697,685). During the year, the Subsidiary Company's loss stood at AED 146,666 (Previous year profit: AED 363,236).

The gross revenue of joint venture partnership for the financial year ended March 2017 stood at ₹ 21.86 lacs as against ₹ 27.67 lacs in the previous year. The profit before tax for the financial year ended March 2017 was ₹ 0.18 lacs as against profit of ₹ 1.33 lacs in the previous year.

#### **Consolidated Financial Statements**

Pursuant to provisions of Section 129(3) of the Act, a statement containing salient features of the financial statements of subsidiary company and joint venture partnership for the year ended 31<sup>st</sup> March, 2017 in Form AOC – 1 is attached to the financial statements of the Company. As required under the Companies Act, 2013 and the Listing Regulations, the Company has prepared the Consolidated Financial Statements of the Company along with its subsidiary and joint venture partnership as per Accounting Standard which form part of the Annual Report and Accounts.

The Annual Accounts of the subsidiary company and joint venture partnership along with related detailed information will be made available to the shareholders of the Company seeking such information. The Annual Accounts of the subsidiary company and joint venture partnership are also kept for inspection by any members at the Registered Office of the Company on all working days except Saturdays, during business hours upto the date of the meeting.

#### **Whistle Blower Policy/Vigil Mechanism**

Your Company has framed Whistle Blower Policy to deal with instances of fraud and mismanagement, if any in compliance with the provisions of Section 177(10) of the Companies Act, 2013 and Regulation 22 of the Listing Regulations. The details of the policy are given in Corporate Governance Report and policy is available on the Company's website [www.greycellsld.com](http://www.greycellsld.com).

#### **Business Risk Management**

Your Company has approved Risk Management Policy wherein all material risks faced by the Company are identified and assessed. For each of the risks identified, corresponding controls are assessed and policies and procedure are put in place for monitoring, mitigating and reporting risk on a periodic basis.

#### **Nomination and Remuneration Policy**

As required under Section 178 of the Companies Act, 2013 the Board of Directors has approved the Nomination and Remuneration Policy, which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the Company. This policy also lays down criteria for determining qualifications, positive

attributes, independence of Directors and other matters provided under sub-section (3) of Section 178 of the Companies Act, 2013. Gist of this policy are given in **Annexure - B** to this report. The detailed policy is available on the Company's website [www.greycellsld.com](http://www.greycellsld.com).

#### **Disclosure under the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the workplace (Prevention, Prohibition and Redressal) Act, 2013. Complaint Redressal Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The policy is available on the Company's website [www.greycellsld.com](http://www.greycellsld.com).

The following is summary of sexual harassment complaints received and disposed off during the calendar year:

No. of complaints received	Nil
No. of complaints disposed off	Nil

#### **Extract of Annual Report**

The details forming part of the Extract of Annual Return in Form MGT – 9 as required under Section 92 of the Companies Act, 2013 is included in this report as **Annexure - C** and form integral part of this Report.

#### **Auditors and Auditors' Report**

##### **Statutory Auditors**

Pursuant to the provisions of Section 139 of the Companies Act, 2013, the tenure of current auditors - M/s. Ford, Rhodes, Parks & Co. LLP, Chartered Accountants, shall come to an end at the conclusion of forthcoming Annual General Meeting. Accordingly, on recommendation of the Audit Committee, the Board has appointed M/s. A. T. Jain & Co., Chartered Accountants, (Firm Registration No. 033809) as Statutory Auditors of the Company for a term of five consecutive years, to hold office from the conclusion of this Annual General Meeting till the conclusion of 39th Annual General Meeting of the Company, subject to ratification of their appointment by members at every Annual General Meeting, at such remuneration as may be decided by the Board of Directors of the Company in consultation with Statutory Auditors. They have consented and offered themselves for appointment as statutory auditors for term of five years. Pursuant to Section 139 and 141 of the Companies Act, 2013 and rules made thereunder, the Company has obtained a certificate from the Auditors to the effect, inter-alia, that their appointment, if made, would be within the limits and in accordance with the conditions prescribed under the Act, that they are not disqualified for such appointment under the provisions of applicable laws and also that the list of proceedings against them or any of their partners pending with respect to professional matter of conduct, as disclosed in the certificate, is true and correct. The Auditors have also confirmed that they have subjected themselves to the peer review process of Institute of Chartered Accountants of India (ICAI) and hold a valid certificate issued by the Peer Review Board of the ICAI.

The notes on accounts referred to in the Auditors' Report are self-explanatory and do not require further clarifications by the Board except the Auditors has given one qualified opinion that is "No provision for other than temporary diminution, if any, in the carrying value of investment in one of the associate company - AAT Academy India Limited has been recognized in the standalone and consolidated financial statements."

The reply of your Directors with respect to it as "The Company has made strategic investment in equity shares of AAT Academy India Ltd in earlier years. However, the Company is presently unable to ascertain whether there is any indication of other than temporary diminution, if any, in the value of this investment due to non-availability of latest financial statements and other data."

##### **Secretarial Auditor**

The Board has appointed M/s. A K Jain & Co., Company Secretaries, to conduct Secretarial Audit for the financial year 2016-17. The Secretarial Audit Report for the financial year ended March 31, 2017 is annexed herewith marked as **Annexure - D** to this Report.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks or disclaimer.

**Instances of fraud, if any reported by the Auditors**

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

**Adequacy of Internal Financial Control with reference to the financial statements**

The Company has an Internal Financial Control System commensurate with the size, scale and complexity of its operations. Your Company has in place a mechanism to identify, assess, monitor and mitigate various risks to key business objectives. Major risks identified by the businesses and functions are systematically addressed through mitigating action on continuing basis. The Internal Financial Control System has been routinely tested and certified by Statutory as well as Internal Auditors. Significant Audit observations and follow up actions thereon are reported to the Audit Committee.

**Deposit from Public**

The Company has not accepted any deposits from public within the purview of Chapter V of the Companies Act, 2013 during the year under review and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of the balance sheet.

**Particulars of Loans, Guarantees or Investments by Company**

Details of Loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to Financial Statements forms part of this report.

**Related Party Transaction**

All Related Party Transactions entered during the year were in ordinary course of the business and on arm's length basis. No material related party transactions, i.e. transactions exceeding ten percent of the annual consolidated turnover as per the last audited financial statements, were entered during the year by your Company. Accordingly, the disclosure of related party transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC – 2 is not applicable.

All related party transactions are placed before the Audit Committee and also before the Board for approval on quarterly basis. Prior omnibus approval of the Audit Committee is obtained for the transactions which are of a foreseen and repetitive nature.

The details of the related party transactions as required under Accounting Standard - 18 are set out in Note No. 31 to the standalone financial statements forming part of this Annual Report.

**Board Evaluation**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board of Directors of the Company has carried out annual evaluation of its own performance, its Committees and individual directors, the Board as a whole and that of Chairman after taking into consideration of the various aspects of the Board's functioning, composition of the Board and its Committees, culture, execution and performance of specific duties, obligations and governance.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking in to account the views of Executive Director and Non-executive Directors, performance evaluation of Independent Directors being evaluated.

**Particulars of conservation of energy, technology absorption and foreign exchange earnings and outgo****a) Conservation of Energy**

The Company is not involved in any manufacturing activity and hence has low energy consumption levels. Nevertheless, the Company makes all efforts to conserve and optimize the use of energy by using energy – efficient infrastructure, computers and equipments with latest technologies.

**b) Technology Absorption and Research and Development**

The Company's research and development focus is on developing new frameworks, processes and methodologies to improve the speed and quality of service delivery.

**c) Foreign Exchange Earnings and Outgo**

The earnings and expenditure in foreign exchange were as under:

Earning	₹ 1.67 lacs
Expenditure	₹ 4.01 lacs

**Corporate Governance Report and Management's Discussion and Analysis Report**

A separate section on Corporate Governance along with the Management Discussion & Analysis forming part of Directors' Report and certificate from the company secretary in whole time practice regarding compliance of conditions of Corporate Governance stipulated as per Part B and C of Schedule V of the Listing Regulations is annexed to and forms part of the Director's Report.

Pursuant to the provisions of the Listing Regulations, your Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under the Listing Regulations are complied with.

**Acknowledgements**

Your Directors wish to thank all Employees, Bankers, Investors, Business Associates, Advisors etc. for their continued support during the year.

By order of the Board of Directors of  
 Greycells Education Limited

Place : Mumbai  
 Date : 17<sup>th</sup> August, 2017

Abbas Patel  
 Chairman

**Annexure – A****Details of Remuneration of Director**

**Details Pertaining to Remuneration as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Amended Rules, 2016**

- i) The percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2016-17, ratio of remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and are as under :

Sr. No.	Name of Director / KMP and Designation	% increase in Remuneration in the Financial Year 2016-17	Ratio of remuneration of each Director / to median remuneration of employees
1.	Nowshir Engineer, Managing Director	N.A.	N.A.
2.	Dharmesh Parekh, Company Secretary	16.73%	N.A.
3.	Samkeet Patel, Chief Financial Officer	22.80%	N.A.

**Notes :**

1. *Mr. Nowshir Engineer, Managing Director of the Company receives remuneration from EMDI (Overseas) FZ LLC, wholly owned subsidiary of the Company.*
  2. *None of the Non-Executive Directors has received any remuneration other than sitting fees during the financial year 2016-17.*
- ii) During the financial year, there was an abatement of 14.03% in the median remuneration of employees.
- iii) There were 11 permanent employees on the rolls of the Company during the financial year.
- iv) Average percentage increase made in the salaries of the employees other than the managerial personnel (Managing Director, CEO and Whole-time Director) in the FY 2016-17 is 15.67%.
- v) It is hereby affirmed that the remuneration paid during the year ended 31<sup>st</sup> March, 2017 is as per the Nomination & Remuneration Policy of the Company.

**Annexure – B****Gist of Nomination and Remuneration Policy****1. Policy for appointment and removal of Director, KMP and Senior Management****(A) Appointment criteria and qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his/her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he/she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient/satisfactory for the concerned position.
- c) The Committee shall devise a policy on Board diversity after reviewing the structure, size and composition (including the skills, knowledge and experience) of the Board which will facilitate the Committee to recommend on any proposed changes to the Board to complement the Company's corporate strategy.

**(B) Removal**

Due to reasons for any disqualification mentioned in the Act or under any other applicable Act, rules and regulations thereunder, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**(C) Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**(D) Evaluation**

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).

**2. Policy relating to the remuneration for the Whole-time Director, KMP and Senior Management Personnel****(A) General:**

- a) The remuneration/compensation/commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- b) The remuneration and commission to be paid to the Whole-time Director shall be in accordance with the percentage/ slabs/conditions laid down in the provisions of the Act.
- c) Term/Tenure of the Directors shall be as per company's policy and subject to the provisions of the Act.

- d) Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**(B) Remuneration to Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:****a) Fixed pay:**

The Whole-time Director, KMP and Senior Management Personnel shall be eligible for a monthly remuneration as may be approved by the Board. The breakup of the pay scale and quantum of perquisites shall be decided and approved by the Board/the Person authorized by the Board and approved by the shareholders and Central Government, wherever required.

**b) Minimum Remuneration:**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Director in accordance with the provisions of Schedule V of the Act and if it is not able to comply with such provisions, with the previous approval of the Central Government.

**c) Provisions for excess remuneration:**

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the prior sanction of the Central Government, where required, he/she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

**(C) Remuneration to Non- Executive / Independent Director:****a) Remuneration / Commission:**

The remuneration / commission shall be fixed as per the slabs and conditions mentioned in the Act.

**b) Sitting Fees:**

The Non-Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall be decided by the Board and subject to the limit as provided in the Act.

**c) Commission:**

Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the profits of the Company computed as per the applicable provisions of the Act.

**Annexure - C**

**Form No. MGT – 9**  
**EXTRACT OF ANNUAL RETURN**  
**as on the financial year ended on 31<sup>st</sup> March, 2017**

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

**I. REGISTRATION AND OTHER DETAILS**

i)	CIN	L65910MH1983PLC030838
ii)	Registration Date	14/09/1983
iii)	Name of the Company	Greycells Education Limited
iv)	Category / Sub – Category of the Company	Company limited by shares / Indian Non-Government Company
v)	Address of the Registered office and contact details	Forum Building, 1 <sup>st</sup> Floor, 11/12, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013 Tel : 022-61479918
vi)	Whether listed company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Bigshare Services Private Limited 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400059 Tel : 022-62638200 Fax : 022-62638299

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

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

Sl. No.	Name and Description of main services	NIC Code of the service	% to total turnover of the company
1.	Education	85499	78.14

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

SI No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
1	EMDI (Overseas) FZ LLC Block 13, 1 <sup>st</sup> Floor, Office F15, Dubai Knowledge Village, Dubai, UAE, PO Box 500499	N.A.	Wholly Owned Subsidiary	100%	2(87)
2	EMDI Wedding Academy LLP Forum Building, 1 <sup>st</sup> Floor, 11/12, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013	AAB-7212	Joint Venture Partner	50%	-

**IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)****i) Category – wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2016)				No. of Shares held at the end of the year (As on 31st March, 2017)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	925750	0	925750	11.71	1085750	0	1085750	13.73	2.02
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp	2858841	0	2858841	36.15	2858841	0	2858841	36.15	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any other..	0	0	0	0	0	0	0	0	0
Sub – total (A)(1):	3784591	0	3784591	47.86	3944591	0	3944591	49.88	2.02
<b>(2) Foreign</b>									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other – Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other..	0	0	0	0	0	0	0	0	0
Sub –total (A)(2):	0	0	0	0	0	0	0	0	0
<b>Total Shareholding of Promoter (A) = (A)(1) + (A)(2)</b>	<b>3784591</b>	<b>0</b>	<b>3784591</b>	<b>47.86</b>	<b>3944591</b>	<b>0</b>	<b>3944591</b>	<b>49.88</b>	<b>2.02</b>

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2016)				No. of Shares held at the end of the year (As on 31st March, 2017)				% Change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	260479	0	260479	3.29	399318	0	399318	5.05	1.76
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub – total (B)(1):	260479	0	260479	3.29	399318	0	399318	5.05	1.76
<b>2. Non – Institutions</b>									
a) Bodies Corp.									
i) Indian	1075392	8100	1083492	13.70	1085347	8100	1093447	13.83	0.13
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	512048	8609	520657	6.58	448891	8609	457500	5.79	(0.80)
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	664928	0	664928	8.41	602884	0	602884	7.62	(0.78)
c) Others (NBFC registered with RBI)	0	0	0	0	81	0	81	0.00	0.00
Clearing Member	77348	0	77348	0.98	13450	0	13450	0.17	(0.81)
Non Resident Indians (NRI)	1516220	0	1516220	19.17	1396444	0	1396444	17.66	(1.51)
Sub – total (B)(2):-	3845936	16709	3862645	48.85	3547097	16709	3563806	45.07	(3.78)
<b>Total Public Shareholding (B)=(B) (1)+(B)(2)</b>	<b>4106415</b>	<b>16709</b>	<b>4123124</b>	<b>52.14</b>	<b>3946415</b>	<b>16709</b>	<b>3963124</b>	<b>50.12</b>	<b>(2.02)</b>
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>7891006</b>	<b>16709</b>	<b>7907715</b>	<b>100</b>	<b>7891006</b>	<b>16709</b>	<b>7907715</b>	<b>100</b>	<b>0</b>

ii) **Shareholding of Promoters**

SI No	Shareholder's Name	Shareholding at the beginning of the year (As on 1 <sup>st</sup> April, 2016)			Shareholding at the end of the year (As on 31 <sup>st</sup> March, 2017)			% Change in shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged / encumbered to total shares	
1	Krisma Investments Private Limited	2613341	33.05	0	2613341	33.05	0	0
2	Bela Desai	884100	11.18	0	884100	11.18	0	0
3	Sanjiv K Chainani	41650	0.53	0	41650	0.53	0	0
4	Malka Sanjiv Chainani	0	0	0	160000	2.02	0	2.02
5	Value Line Advisors Private Limited	215500	2.73	0	215500	2.73	0	0
6	Systematik Finvest Pvt Ltd	30000	0.38	0	30000	0.38	0	0
	<b>Total</b>	<b>3784591</b>	<b>47.86</b>	<b>0</b>	<b>3944591</b>	<b>49.88</b>	<b>0</b>	<b>2.02</b>



iii) *Change in Promoters' shareholding*

Sl No.	Name of Promoter	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Malka Sanjiv Chainani				
	At the beginning of the year	0	0.00	0	0.00
	Market Purchase as on May 31, 2016	160000	2.02	160000	2.02
	At the End of the year	160000	2.02		

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

Sl No.	Name of Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	<b>Koppara Sajeev Thomas</b>				
	As on 1 <sup>st</sup> April, 2016	784390	9.92	784390	9.92
	No Movement During the year	-	-	-	-
	As on 31 <sup>st</sup> March, 2017	784390	9.92		
2	<b>Nowshir Rusi Engineer</b>				
	As on 1 <sup>st</sup> April, 2016	421000	5.32	421000	5.32
	Market Sale on 15.03.2017	-49850	-0.63	371150	4.69
	Market Sale on 23.03.2017	-50000	-0.63	321150	4.06
	Market Sale on 29.03.2017	-64958	-0.82	256192	3.24
	As on 31 <sup>st</sup> March, 2017	256192	3.24		
3	<b>Popatlal Tolchandji Jain</b>				
	As on 1 <sup>st</sup> April, 2016	249550	3.16	249550	3.16
	Market Sale on 22.04.2016	-7000	-0.09	242550	3.07
	As on 31 <sup>st</sup> March, 2017	242550	3.07		
4	<b>Keynote Fincorp Limited</b>				
	As on 1 <sup>st</sup> April, 2016	199446	2.52	199446	2.52
	No Movement During the year	-	-	-	-
	As on 31 <sup>st</sup> March, 2017	199446	2.52		
5	<b>Religare Finvest Ltd</b>				
	As on 1 <sup>st</sup> April, 2016	197162	2.49	197162	2.49
	No Movement During the year	-	-	-	-
	As on 31 <sup>st</sup> March, 2017	197162	2.49		
6	<b>Prime Broking Company India Ltd</b>				
	As on 1 <sup>st</sup> April, 2016	192101	2.43	192101	2.43
	No Movement During the year	-	-	-	-
	As on 31 <sup>st</sup> March, 2017	192101	2.43		
7	<b>India Max Investment Fund Ltd</b>				
	As on 1 <sup>st</sup> April, 2016	160679	2.03	160679	2.03
	No Movement During the year	-	-	-	-
	As on 31 <sup>st</sup> March, 2017	160679	2.03		
8	<b>Judith Investment Private Limited</b>				
	As on 1 <sup>st</sup> April, 2016	121000	1.53	121000	1.53
	No Movement During the year	-	-	-	-
	As on 31 <sup>st</sup> March, 2017	121000	1.53		
9	<b>Prime India Opportunity Ltd</b>				
	As on 1 <sup>st</sup> April, 2016	99800	1.26	99800	1.26
	No Movement During the year	-	-	-	-
	As on 31 <sup>st</sup> March, 2017	99800	1.26		

<b>10</b>	<b>Arcadia Share &amp; Stock Broker Pvt Ltd*</b>				
	As on 1 <sup>st</sup> April, 2016	74049	0.94	74049	0.94
	Market Purchase on 08.04.2016	8150	0.10	82199	1.04
	Market Sale on 29.04.2016	-15300	-0.19	66899	0.85
	Market Sale on 06.05.2016	-9511	-0.12	57388	0.73
	Market Sale on 13.05.2016	-13502	-0.17	43886	0.55
	Market Sale on 20.05.2016	-13251	-0.17	30635	0.39
	Market Sale on 03.06.2016	-22485	-0.28	8150	0.10
	Market Sale on 02.09.2016	-8150	-0.10	0	0.00
	As on 31 <sup>st</sup> March, 2017	0	0.00		
<b>11</b>	<b>Has Lifestyle Limited**</b>				
	As on 1 <sup>st</sup> April, 2016	11266	0.14	11266	0.14
	Market Purchase on 15.04.2016	27910	0.35	39176	0.50
	Market Purchase on 22.04.2016	63324	0.80	102500	1.30
	Market Purchase on 29.04.2016	10000	0.13	112500	1.42
	Market Purchase on 22.05.2016	10000	0.13	122500	1.55
	Market Purchase on 02.09.2016	8150	0.10	130650	1.65
	Market Sale on 10.02.2017	-130650	-1.65	0	0.00
	As on 31 <sup>st</sup> March, 2017	0	0.00		
<b>12</b>	<b>Saffron Global Markets Pvt Ltd**</b>				
	As on 1 <sup>st</sup> April, 2016	0	0.00	0	0.00
	Market Purchase on 10.02.2017	143890	1.82	143890	1.82
	Market Sale on 17.02.2017	-143890	-1.82	0	0.00
	As on 31 <sup>st</sup> March, 2017	0	0.00		
<b>13</b>	<b>LTS Investment Fund Limited***</b>				
	As on 1 <sup>st</sup> April, 2016	0	0.00	0	0.00
	Market Purchase on 17.02.2017	143890	1.82	143890	1.82
	Market Sale on 31.03.2017	-5051	-0.06	138839	1.76
	As on 31 <sup>st</sup> March, 2017	138839	1.76		

**Notes :**

- \*Ceased to be in the list of Top 10 shareholders as on 31-03-2017. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01-04-2016.
- \*\*Not in the list of Top 10 shareholder as on 01-04-2016 and 31-03-2017. The same has been reflected above since the shareholders were one of the Top 10 shareholders during the year.
- \*\*\*Not in the list of Top 10 shareholders as on 01-04-2016. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2017.

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

SI No.	Name of Directors & KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>1.</b>	<b>Bela Desai - Non – Executive Director</b>				
	As on 1 <sup>st</sup> April, 2016	884100	11.18	884100	11.18
	No movement during the year	-	-	-	-
	As on 31 <sup>st</sup> March, 2017	884100	11.18		
<b>2.</b>	<b>Abbas Patel - Independent, Non – Executive Director</b>				
	As on 1 <sup>st</sup> April, 2016	40000	0.51	40000	0.51
	No movement during the year	-	-	-	-
	As on 31 <sup>st</sup> March, 2017	40000	0.51		
<b>3.</b>	<b>Anil Naik - Independent, Non – Executive Director</b>				
	As on 1 <sup>st</sup> April, 2016	0	0	0	0
	No movement during the year	-	-	-	-
	As on 31 <sup>st</sup> March, 2017	0	0		

<b>4. Nowshir Engineer - Managing Director*</b>				
As on 1 <sup>st</sup> April, 2016	421000	5.32	421000	5.32
Market Sale as on 15.03.2017	-49850	-0.63	371150	4.69
Market Sale as on 23.03.2017	-50000	-0.63	321150	4.06
Market Sale as on 29.03.2017	-64958	-0.82	256192	3.24
As on 31 <sup>st</sup> March, 2017	256192	3.24		
<b>5. Dharmesh Parekh - Company Secretary</b>				
As on 1 <sup>st</sup> April, 2016	0	0	0	0
No movement during the year	-	-	-	-
As on 31 <sup>st</sup> March, 2017	0	0		
<b>6. Samkeet Patel - Chief Financial Officer</b>				
As on 1 <sup>st</sup> April, 2016	0	0	0	0
No movement during the year	-	-	-	-
As on 31 <sup>st</sup> March, 2017	0	0		

\* The tenure of Mr. Nowshir Engineer as a Managing Director of the Company has expired on closure of business hours on June 30, 2017. Therefore, he ceases as a Managing Director however continued as a Director of the Company.

#### V. INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0
<b>Change in Indebtedness during the financial year</b>				
• Addition	0	0	0	0
• Reduction	0	0	0	0
<b>Net change</b>	0	0	0	0
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	0	0
<b>Total (i+ii+iii)</b>	0	0	0	0

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Nowshir Engineer - Managing Director	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	-
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission		
	- As % of profit	-	-
	- Others, specify		
5.	Others, please specify	-	-
	Total (A)	-	-
	Ceiling as per the Act (@ 10% of profits calculated under Section 198 of the Companies Act, 2013)	-	-

B. *Remuneration to other directors :*

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Bela Desai	Anil Naik	Abbas Patel	
1.	Independent Directors				
	• Fee for attending board / committee meetings	-	4,500	6,000	10,500
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (1)	-	4,500	6,000	10,500
2.	Other Non-Executive Directors				
	• Fee for attending board / committee meetings	6,000	-	-	6,000
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	Total (2)	6,000	-	-	
	Total (B) = (1+2)	6,000	4,500	6,000	16,500
	Total Managerial Remuneration	-	-	-	21,18,750
	Ceiling as per the Act (@ 1% of profits calculated under Section 198 of the Companies Act, 2013)	-	-	-	-

C. *REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD*

Sl. No.	Particulars of Remuneration	Key Managerial Personnel	
		Dharmesh Parekh (CS)	Samkeet Patel (CFO)
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	13,05,000	7,97,250
	(b) Value of perquisites u/s 17(2) of Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of Income-tax Act, 1961	-	-
2.	Stock Option	-	-
3.	Sweat Equity	-	-
4.	Commission	-	-
	- As % of profit		
	- Others, specify		
5.	Others, please specify	-	-
	Total	13,05,000	7,97,250

D. *PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES :*

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD/NCLT /COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B. DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

**Annexure – D****Form No. MR-3****SECRETARIAL AUDIT REPORT**For the financial year ended on 31<sup>st</sup> March, 2017

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

To

The Members

**Greycells Education Limited**

Forum Bldg, 1st Floor, 11/12

Raghuvanshi Mills Compound

Senapati Bapat Marg, Lower Parel (West)

Mumbai – 400013

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Greycells Education Limited (CIN: L65910MH1983PLC030838) (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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 31<sup>st</sup> March, 2017 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2017 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (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 ;
- (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;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (**Not Applicable to the Company during the Audit Period**);
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (**Not Applicable to the Company during the Audit Period**);
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not Applicable to the Company during the Audit 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 (**Not Applicable to the Company during the financial year under review**);
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not Applicable to the Company during the Audit Period**) and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (**Not Applicable to the Company during the Audit Period**).
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015

- (vi) The management has confirmed that there is/ are no sector specific laws applicable to the Company during the Audit Period.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India.

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

**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. There was no change in the composition of the Board of Directors of the Company during the period under the review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent 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.

Decisions at the meetings of the Board of Directors were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

**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.

For **A K Jain & Co.**  
**Company Secretaries**

**Ashish Kumar Jain**  
**Proprietor**  
**FCS: 6058 CP: 6124**

**Place: Mumbai**  
**Date: 17<sup>th</sup> August, 2017**

**Note:** This report is to be read with our letter of even date which is annexed as Annexure 'A' and forms an integral part of this report.

**ANNEXURE “A”**

To

The Members

**Greycells Education Limited**

Forum Bldg, 1st Floor, 11/12

Raghuvanshi Mills Compound,

Senapati Bapat Marg, Lower Parel (West)

Mumbai – 400013

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

1. 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.
2. 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.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. 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.
6. 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.

For **A K Jain & Co.**  
**Company Secretaries**

**Ashish Kumar Jain**  
**Proprietor**  
**FCS: 6058 CP: 6124**

**Place: Mumbai**

**Date: 17<sup>th</sup> August, 2017**



## REPORT ON CORPORATE GOVERNANCE

(Pursuant to Regulation 34(3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

### A brief statement on Company's Philosophy on Code of Governance

Your Company's philosophy on Corporate Governance is aimed at optimizing the balance between stakeholders' interest and corporate goals through the efficient conduct of its business and meeting their obligation in a manner that is guided by trusteeship, transparency, accountability and integrity. It provides the fundamental systems, processes and principles that promote objective decision making, performance based management and a corporate culture that is characterized integrity and fairness in all dealings.

Your Company practices the highest standards of corporate behavior towards its stakeholders, people and our business partners and society at large. Greycells endeavors its best to constantly comply with these aspects in letter and spirit, in addition to the statutory compliances as required under SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 (SEBI LODR Regulations).

### COMPLIANCE WITH SEBI CODE OF CORPORATE GOVERNANCE

#### 1. Board of Directors

The Board meets at regular intervals to discuss and decide on business strategies/policies and review the financial performance of the Company and its subsidiaries. Four meetings of the Board of Directors were held during the year ended March 31, 2017 on 19.05.2016, 10.08.2016, 11.11.2016 and 09.02.2017. The interval between two meetings was well within the maximum period mentioned under Section 173 of the Companies Act, 2013 and Regulation 17(2) of the SEBI LODR Regulations.

Attendance of Directors at the Board Meetings & Annual General Meeting are as under:

Sr. No.	Names of Director	Number of board meetings held whilst a Board member	Number of Board meetings attended	Whether attended last AGM held on 30.09.2016
1	Nowshir Engineer	4	1	No
2	Bela Desai	4	4	Yes
3	Abbas Patel	4	4	Yes
4	Anil Naik	4	3	No

The Directors of the Company possess highest personal and professional ethics, integrity and values, and are committed to representing the long term interest of the stakeholders. As on 31<sup>st</sup> March, 2017, in compliance of Regulation 17 of the SEBI LODR Regulations the Company's Board comprises 4 (Four) Directors with considerable experience in their respective fields and out of these 3 (Three) Directors are Non-Executive Directors including one woman director and two Independent Directors. The Chairman of the Board is an Independent Non-Executive Director.

Details of Composition, Category of Directors, their other Directorships, Committee memberships:

Composition and Category of Directors						
Sr. No	Name	Designation	Category	Directorship in other companies (excluding the Company)	Board Committees on which member (including the Company)	Board Committees on which chairperson (including the Company)
1	Abbas Patel	Chairman & Director	Independent, Non-Executive Director	1	3	2
2	Nowshir Engineer	Managing Director	Non-independent, Executive Director	1	1	-
3	Bela Desai	Director	Promoter, Non-Executive Director	1	3	1
4	Anil Naik	Director	Independent, Non-Executive Director	5	7	2

No Director is related to any other Director on the Board in terms of the definition of relative given under the Companies Act, 2013.

A brief profile of the Director offering herself for re-appointment at the Annual General Meeting is provided in the annexure annexed to the notice convening the Annual General Meeting for the year 2017.

#### Information placed before the Board

The Company provides the information as set out in Regulation 17(7) read with Part A of Schedule II of SEBI LODR Regulations to the Board and the Board Committees to the extent it is applicable and relevant. Such information is submitted either as part of the agenda papers in advance of the respective meetings or by way of presentations and discussions during the meeting.

#### Independent Directors Meeting

Pursuant to the provisions of the Companies Act, 2013 and Regulation 25 of the SEBI LODR Regulations, the Board has carried out the annual performance evaluation of its own performance. During the year under review, the Independent Directors met on May 15, 2017, inter alia :

- to review the performance of Non Independent Directors and the Board of Directors as a whole;
- to review the performance of the Chairperson of the Board, taking into account the views of the Executive and Non Executive Directors.
- access the quality, quantity and timelines of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

The Directors expressed their satisfaction with the evaluation process.

### Familiarization programme for Independent Directors

The Company has familiarized its Independent Directors with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, business model of the Company, etc. Further, on an ongoing basis as a part of Agenda of Board/Committee Meetings, presentations are regularly made to the Independent Directors on various matters inter-alia covering the company's and its subsidiaries/joint venture businesses and operations, industry and regulatory updates, strategy, finance, risk management framework, roles, rights, responsibilities of the Independent Directors under various and other relevant matters. The details of familiarization programme and terms and conditions for appointment of Independent Directors are available on website of the Company [www.greycellsLtd.com](http://www.greycellsLtd.com)

Details of Shareholdings held by Non-Executive Directors are as follows:

Name of Director	Equity Shares held
Abbas Patel	40,000
Bela Desai	8,84,100
Anil Naik	Nil

### 2. Audit Committee

The Company has a qualified and independent Audit Committee with all its members being Non-Executive Directors, to oversee the accounting and financial governance of the Company. The Committee acts as a link between the management, statutory auditors and the Board of Directors. The Audit Committee met 4 (four) times during the year 2016-2017 on 19.05.2016, 10.08.2016, 11.11.2016 and 09.02.2017. Details of Committee meetings held during the year ended 31st March, 2017 and attendance of members are as under:

Sr. No.	Name	Designation	Category	Number of meetings	
				Held	Attended
1	Abbas Patel	Chairman & Member	Independent, Non-Executive Director	4	4
2	Bela Desai	Member	Promoter, Non-Executive Director	4	4
3	Anil Naik	Member	Independent, Non-Executive Director	4	3

The role and terms of reference of the Audit Committee covers the areas mentioned in Part C of Schedule II read with Regulation 18 of the SEBI LODR Regulations and Section 177 of the Companies Act, 2013, as amended from time to time, which inter alia includes:

- the recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;
- examination of the financial statement and the auditors' report thereon;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds raised through public offers and related matters.

### 3. Nomination and Remuneration Committee

The Company has constituted Nomination and Remuneration Committee at the Board level with the powers and roles that are in accordance with Section 178 of the Companies Act, 2013 and Regulation 19 of the SEBI LODR Regulations. During the year under review, the Committee met one time on 10.08.2016. Details of attendance by the Committee members are as under:

Sr. No.	Name	Designation	Category	Number of Meetings	
				Held	Attended
1	Abbas Patel	Chairman & Member	Independent, Non-Executive Director	1	1
2	Bela Desai	Member	Promoter, Non-Executive Director	1	1
3	Anil Naik	Member	Independent, Non-Executive Director	1	1

The terms of reference of the Committee:

- Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the directors, key managerial personnel and other employees;
- Formulation of criteria for evaluation of performance of Independent Directors and the Board;
- Devising a policy on Board diversity;
- 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 their appointment and removal. The Company shall disclose the remuneration policy and the evaluation criteria in its Annual Report.
- 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.

### Performance Evaluation of Independent Directors:

The Performance Evaluation of Independent Directors was done by the entire Board of Directors excluding the director being evaluated. The evaluation questionnaire form in respect of each independent director was filled up by the directors. The independent directors were evaluated on the basis of criteria such as skills, knowledge, discharge of duties, level of participation in the meetings etc.

### Nomination & Remuneration Policy

The Company has a credible and transparent policy in determining and accounting for the remuneration of Directors. The remuneration policy is aimed at attracting and retaining high caliber talent. Executive Director is entitled for the remuneration by way of salary and commission not to exceed limits prescribed under the Companies Act, 2013 read with Schedule V of the said Act.

The Managing Director is appointed for a period of 3 years w.e.f. 1<sup>st</sup> July, 2014. The details of remuneration paid to Managing Director during the year ended 31<sup>st</sup> March, 2017, have been provided under Notes on Accounts. The tenure of Mr. Nowhsir Engineer as a Managing Director of the Company has expired on closure of business hours on June 30, 2017. Therefore, he ceases as a Managing Director however continued as a Director of the Company.

### Remuneration to Directors as given in Schedule V of Part C

Except for drawing remuneration, none of the Directors have any other materially significant related party transactions, pecuniary relationship or transaction with the Company.

No compensation is paid to Non-Executive Directors except sitting fees. No sitting fee is paid to the Executive Director for attending the board meetings.

#### 4. Stakeholders Relationship Committee

In accordance with Section 178 of Companies Act, 2013 and Regulation 20 of the SEBI LODR Regulations, the Company has constituted Stakeholders Relationship Committee to consider transfer of shares and resolve the grievances of security holders of the company including complaints related to transfer of shares, non-receipt of dividends, interest, non-receipt of balance sheet etc.

During the year under review, the Committee met four times, details of attendance by the Committee members are as under:

Sr. No.	Name	Designation	Category	Number of Meetings	
				Held	Attended
1	Bela Desai	Chairperson & Member	Promoter, Non-Executive Director	4	4
2	Abbas Patel	Member	Independent, Non-Executive Director	4	4
3	Nowshir Engineer	Member	Non-independent, Executive Director	4	1

Mr. Dharmesh Parekh – Company Secretary is the Compliance Officer of the Company.

During the year ended March 31, 2017 the Company has not received any complaint from investors.

Status of Investor complaints received during the year under review is as follows:

Particulars	Pending as on 1st April, 2016	Received during the year	Disposed during the year	Pending as on 31st March, 2017
No. of Complaints	Nil	Nil	Nil	Nil

#### 5. Risk Management Committee

Pursuant to Regulation 21 (5) of the SEBI LODR Regulations, it is not mandatory for the Company to constitute Risk Management Committee. The Company has formulated and adopted Risk Management Policy to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. The Risk Management Policy is available on the website of the Company [www.greycellsld.com](http://www.greycellsld.com)

#### 6. Subsidiary Company

During the year under review, the Company has one unlisted subsidiary company namely EMDI (Overseas) FZ LLC, a wholly owned subsidiary company. The Audit Committee reviews the financial statement of the subsidiary company. The statements of all significant transactions of the unlisted subsidiary company are placed regularly before the Board of Directors for their review.

The Company is one of the partner in EMDI Wedding Academy LLP (50% share). The Audit Committee also reviews the financial statement of the LLP. The statements of all significant transactions of the LLP are placed regularly before the Board of Directors for their review. The policy on determining material subsidiaries is available on website of the Company [www.greycellsld.com](http://www.greycellsld.com)

#### 7. Loans and advances in the nature of loan to subsidiaries

Information pursuant to Part A of Schedule V of the SEBI LODR Regulations

(₹ in Lakhs)

Name of the Company	Balance as at 31st March, 2017	Maximum Outstanding during the year
EMDI (Overseas) FZ LLC	4.37	14.27

#### 8. Disclosures

The Board reviews the risk assessment and minimization procedure from time to time. The risk management issues are discussed in detail in the report of Management Discussion and Analysis.

The Management Discussion and Analysis Report is prepared in accordance with the requirements laid out in Schedule V of the SEBI LODR Regulations.

#### 9. Electronic Service of Documents to Members at the Registered Email Address

As a responsible corporate citizen, your Company has been continuously supporting the "Green Initiatives" taken by the Ministry of Corporate Affairs, Government of India (MCA) and Securities and Exchange Board of India (SEBI).

Accordingly, in respect of members who have registered their email addresses, the Company have been dispatching all documents vide electronic form.

In accordance with Rule 18 of the Companies (Management and Administration) Rules, 2014 notified under the Companies Act, 2013, the Companies may give Notice of the General Meetings through electronic mode. Further, the said Rules provides that advance opportunity should be given at least once in a financial year to the members for registering their email address and changes therein, as may be applicable.

Further Rule 11 of the Companies (Accounts) Rules, 2014 notified under the Companies Act, 2013 provides that in case of listed companies, financial statements may be sent by electronic mode to such members whose shareholding is in dematerialized form and whose email ids are registered with the Depository for communication purposes. As regards members whose shareholding is held in physical form, the financial statements may be sent in electronic mode to those members who have positively consented in writing for receiving by electronic mode.

In view of the above, the Company shall send all documents to members like General Meeting Notices (including AGM), Annual Reports comprising Audited Financial Statements, Directors' Report, Auditors' Report and any other future communication (hereinafter referred as "documents") in electronic form, in lieu of physical form, to all those members, whose email address is registered with Depository Participant (DP)/Registrars & Share Transfer Agents (RTA) (hereinafter "registered email address") and made available to us, which has been deemed to be the member's registered email address for serving the aforesaid documents.

To enable the servicing of documents electronically to the registered email address, we request the members to keep their email addresses validated/updated from time to time. We wish to reiterate that members holding shares in electronic form are requested to please inform any changes in their registered e-mail address to their DP from time to time and members holding shares in physical form have to write to our RTA, M/s Bigshare Services Private Limited at their specified address, so as to update their registered email address from time to time.

Please note that the Annual Report of the Company will also be available on the Company's website [www.greycellsld.com](http://www.greycellsld.com) for viewing/downloading. However, in case you do desire to receive the Annual Report in physical form, you are requested to inform us by sending an email to [companysecretary@greycellsld.com](mailto:companysecretary@greycellsld.com) indicating your decision. You will be entitled to receive a copy of the annual report at free of cost. Physical copies of the Annual Report will also be available at our Registered Office in Mumbai for inspection during office hours. Physical copies will be sent to those shareholders who do not have valid e-mail address.

#### 10. Managing Director and CFO Certification

Certificate on Financial Statements from Mr. Nowshir Engineer, Managing Director and Mr. Samkeet Patel, Chief Financial Officer of the Company in terms of Regulation 17(8) of the SEBI LODR

Regulations entered into with the BSE Limited was placed before the Board of Directors of the Company at their meeting held on 15<sup>th</sup> May, 2017.

#### 11. Company Secretary's Certificate on Corporate Governance

Certificate from M/s. A K Jain & Co, Company Secretaries in terms of Part E of Schedule V of the SEBI LODR Regulations is attached and forms part of this report.

#### 12. Other Disclosures

##### Materially significant related party transactions

All transactions entered with related parties for the year under review were on arm's length basis and in the ordinary course of business and that the provisions of Section 188 of the Companies Act, 2013 are not attracted. A comprehensive list of related party transactions as required by Accounting Standard (AS) 18 issued by the Institute of Chartered Accountants of India, forms part of Note no. 31 of Notes to Financial Statements in the Annual Report.

There were no materially significant related party transactions i.e. transactions of the Company of material nature, with its Promoters, Directors or the Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large. There are no material pecuniary transactions with any Non-Executive as well as Independent Directors of the Company that requires a separate disclosure.

Pursuant to Regulation 23 of the SEBI LODR Regulations the Company has formulated policy on Materiality of Related Party Transactions and the same is available on website of the Company [www.greycells Ltd.com](http://www.greycells Ltd.com).

##### Details of Non-compliance

The Company has complied with the requirements of the SEBI LODR Regulations as well as the regulations/guidelines prescribed by the Securities and Exchange Board of India. There has been no instance of non-compliance by the Company or no penalties were imposed on the Company by the BSE Limited or SEBI or any other statutory authority on any matter related to capital market during the last three years.

##### Whistle Blower Policy/Vigil Mechanism

Your Company's Whistle Blower Policy is in line with the provisions of the Sub-section 9 and 10 of Section 177 of the Companies Act and Regulation 22 of the SEBI LODR Regulations. The Company has adopted a Whistle Blower Policy to provide appropriate avenues to the employees to bring to the attention of the management any issue which is perceived to be in violation of illegal, unethical behavior or in conflict with the fundamental business principles of the Company. The employees are encouraged to raise any of their concerns by way of whistle blowing and none of the employees have been denied access to the Audit Committee. All cases registered under the Code of Business Principles and the Whistle Blower Policy of the Company, are reported to the members of Audit Committee for their review. The Whistle Blower Policy is available on the website of the Company [www.greycells Ltd.com](http://www.greycells Ltd.com)

##### Disclosures with respect to Demat Suspense Account / Unclaimed Suspense Account

The Company does not have any shares lying in its Demat Suspense Account / Unclaimed Suspense Account.

All mandatory requirements as per Chapter IV of the Listing Regulations have been complied with by the Company.

#### 13. General Body Meetings

##### Location and time of last three AGMs held

Year ended 31 <sup>st</sup> March	Date of AGM	Time of AGM	Venue
2016	September 30, 2016	4.00 P.M.	Forum Building, 1 <sup>st</sup> Floor, 11/12, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013
2015	September 30, 2015	9.30 A.M.	Forum Building, 1 <sup>st</sup> Floor, 11/12, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013
2014	September 25, 2014	9.30 A.M.	Forum Building, 1 <sup>st</sup> Floor, 11/12, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013

Special Resolution(s) passed in the last three Annual General Meetings:

1. Approve borrowing limits of the Company - Annual General Meeting held on 25<sup>th</sup> September, 2014.
2. Approval of Related Party Transaction with M/s. Valueline Advisors Pvt Ltd - Annual General Meeting held on 30<sup>th</sup> September, 2015.

During the year under review, no special resolution(s) were passed by the Company's shareholders through postal ballot.

#### 14. Means of communications

Quarterly/annual results are published in Free Press Journal & Nav Shakti. All vital information relating to the Company viz. financial results, annual reports, shareholding patterns, press releases, information on new developments and business opportunities are available on the Company's website [www.greycells Ltd.com](http://www.greycells Ltd.com) and the copies of the same are also sent to BSE Ltd. Shareholders information forms part of the Annual Report.

##### GENERAL SHAREHOLDER INFORMATION

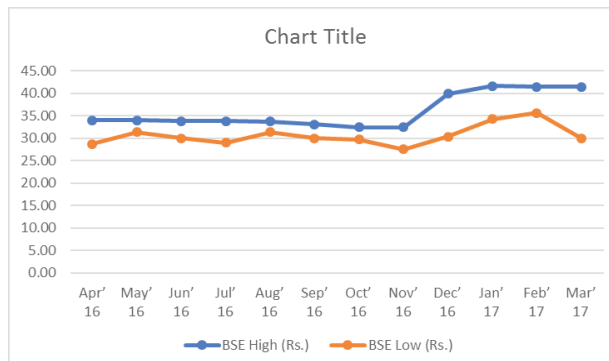
AGM: Date, Time and Venue	Friday, September 29, 2017 at 3.00 p.m. at Forum Building, 1st Floor, 11/12, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013.
Financial Year 1 <sup>st</sup> April – 31 <sup>st</sup> March	
- Financial reporting for the quarter ending June 30, 2017	On or before August 14, 2017
- Financial reporting for the quarter ending September 30, 2017	On or before November 14, 2017
- Financial reporting for the quarter ending December 31, 2017	On or before February 14, 2018
- Financial reporting for the year ending March 31, 2018	On or before May 30, 2018
Date of Book Closure	25 <sup>th</sup> September, 2017 to 29 <sup>th</sup> September, 2017 (both days inclusive)
Dividend Payment Date	N.A.
Listing on Stock Exchanges and Address	BSE Limited P J Towers, Dalal Street, Mumbai 400 001
Stock code	Code – 508918
Listing Fees	The Listing fees paid to the BSE for the financial year 2017-18
Market price data	The Company's shares are frequently traded
Registrar and Share Transfer Agents	Bigshare Services Private Limited 1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400059 Tel : 022-62638200 Fax : 022-62638299 Email: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a>

Share Transfer System	Shares transfers in physical form are registered and returned within 15 days of lodgment, if documents are clear in all respects and demat request are normally confirmed within prescribed time from date of the receipt. During the year, the Company has not received any transfer of shares in physical form.
SEBI Complaints Redress System (SCORES)	The investors' complaints are also being processed through the centralized web base complaint redressal system. The salient features of SCORES are availability of centralized data base of the complaints, uploading online action taken reports by the Company. Through SCORES the investors can view online, the actions taken and current status of the complaints.
Dematerialization of shares and liquidity	The Company's equity shares have been admitted in electronic/dematerialized mode by both Central Depository Services (India) Limited and National Securities Depository Limited under the International Securities Identification Number (ISIN) INE791H01011. This number is required to be mentioned in each correspondence relating to the dematerialization of shares of the Company. As on 31st March, 2017, 78,91,006 equity shares representing 99.79% of the company's total number of shares have been dematerialized.
E-Voting facility to members	In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time, the Company is pleased to provide members the facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL).
Plant Locations	N.A.
Registered Office and Address for correspondence	GREYCELLS EDUCATION LTD. Forum Building, 1st Floor, 11/12, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai - 400013.

**Stock Market Data**

The Monthly High and Low quotation of equity shares traded on BSE are as under :

Month	BSE	
	High (₹)	Low (₹)
April' 16	34.00	28.75
May' 16	34.00	31.35
June' 16	33.80	30.00
July' 16	33.85	29.00
August' 16	33.70	31.35
September' 16	33.10	30.00
October' 16	32.50	29.75
November' 16	32.45	27.55
December' 16	39.90	30.40
January' 17	41.65	34.30
February' 17	41.50	35.65
March' 17	41.45	30.00

**• Distribution of Shareholding as on March 31, 2017**

Distribution – As on March 31, 2017				
Range	Shareholders		Shares	
	No. of Shares	% to Total	Numbers	% to Total
1 – 500	605	74.05	79,823	1.01
501 – 1000	47	5.75	40,228	0.51
1001 – 2000	48	5.87	77,523	0.98
2001 – 3000	21	2.57	53,488	0.67
3001 – 4000	11	1.35	38,498	0.49
4001 – 5000	11	1.35	51,931	0.66
5001 – 10000	24	2.94	1,77,730	2.25
10001 and above	50	6.12	73,88,494	93.43
<b>Total</b>	<b>817</b>	<b>100.00</b>	<b>79,07,715</b>	<b>100.00</b>

**• Shareholding Pattern as on March 31, 2017**

Category	No. of shares held	Percentage of shareholding
<b>Promoter's holding</b>		
- Indian Promoters	39,44,591	49.88%
- Foreign Promoters	--	--
<b>Non-Promoters Holding</b>		
Foreign Institutional Investors	3,99,318	5.05%
Bodies Corporate	10,93,447	13.83%
Indian Public	10,60,384	13.41%
Clearing Member	13,450	0.17%
Non-Resident Indians	13,96,444	17.66%
<b>Total</b>	<b>79,07,715</b>	<b>100.00%</b>

The Company has complied with the corporate governance requirements specified in Regulations 17 to 27 and clauses (b) to (i) of the Regulation 46(2) of SEBI (Listing Obligations and Disclosure Requirements), 2015.

**Discretionary Disclosures**

The Company is in compliance with all mandatory requirements of Listing Regulations. In addition, the Company has also adopted the following non-mandatory requirements to the extent mentioned below:

- Shareholders' Rights:** As the quarterly and half yearly financial results are published in the newspaper and are also posted on the Company's website, the same are not being sent separately to the shareholders.
- Audit Qualifications:** The notes on accounts referred to in the Auditors' Report are self-explanatory and do not require further clarifications by the Board except the Auditors has given one qualified opinion that is "No provision for other than temporary diminution, if any, in the carrying value of investment in one of the associate company - AAT Academy India Limited has been recognized in the standalone and consolidated financial statements."



The reply of your Directors with respect to it as "The Company has made strategic investment in equity shares of AAT Academy India Ltd in earlier years. However, the Company is presently unable to ascertain whether there is any indication of other than temporary

- c. diminution, if any, in the value of this investment due to non-availability of latest financial statements and other data."
- Reporting of Internal Auditor: The Internal Auditors of the Company directly report to the Audit Committee.

### Declaration

I, Nowshir Engineer, Managing Director of Greycells Education Limited hereby declare that all the members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct, applicable to them as laid down by the Board of Directors in terms of Regulation 26(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the year ended 31st March, 2017.

For Greycells Education Limited

Place: Mumbai  
Date: May 15, 2017

Nowshir Engineer  
Managing Director

### Certificate of Compliance of Conditions on Corporate Governance

To

The Members of  
Greycells Education Limited  
Forum Building, 1st Floor,  
11/12, Raghuvanshi Mills Compound,  
Senapati Bapat Marg, Lower Parel (West),  
Mumbai – 400013

We have examined the compliance of conditions of corporate governance by Greycells Education Limited ('the Company') for the year ended March 31, 2017, as prescribed in Regulations 17 to 27, 46 (2) (b) to (i) and para C, D and E of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR). We state that the compliance of conditions of Corporate Governance is the responsibility of the management, and our examination was limited to procedures and implementation thereof adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us and the representation made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Regulations 17 to 27, 46 (2)(b) to (i) and para C, D & E of Schedule V of Chapter IV of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 (LODR).

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

This certificate is issued solely for the purposes of complying with the aforesaid Regulations and may not be suitable for any other purpose.

For A K Jain & Co.  
Company Secretaries

Ashish Kumar Jain  
Proprietor  
FCS:6058 COP: 6124

Place: Mumbai  
Date: 17<sup>th</sup> August, 2017



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### Education Industry

#### A Tibetan proverb says – A child without education is like a bird without wings!!

India holds an important place in the global education industry. The country has more than 1.4 million schools with over 227 million students enrolled and more than 36,000 higher education institutes. However, there is still a lot of potential for further development in the education system.

The education sector in India is poised to witness major growth in the years to come as India will have world's largest tertiary-age population and second largest graduate talent pipeline globally by the end of 2020. The education market in India is currently valued at US\$ 100 billion and is expected to nearly double to US\$ 180 billion by 2020.\* Currently, the school segment is valued at US\$ 52 billion and contributes 52 per cent to the education market in India, higher education contributes 15 per cent of the market size, text-book, e-learning and allied services contribute 28 per cent and vocational education in manufacturing and services contributes 5 per cent. (source: <https://www.ibef.org/industry/education-sector-india.aspx>)

India has a multi-layered formal education system with 260 million students enrolled in more than 1.5 million schools and 39,000 colleges catering to 27.5 million under graduate and four million post graduate students. Formal education includes primary and secondary schools, graduation, post-graduation and diploma courses. Informal education includes pre-primary, coaching classes, vocational education and multi-media/technology based educational courses aiding as a supplemental or substitute to formal education. Presence of a large working population and increasing requirement of skilled workers, is instrumental in the prominent growth of vocational education in India.

Education is central to development and to the improvement of the lives of young people globally, and as such has been identified as a priority area in internationally agreed development goals and the World Programme of Action for Youth. Education is important in eradicating poverty and hunger and in promoting 4 sustained, inclusive and equitable economic growth and sustainable development. Increased efforts towards education accessibility, quality and affordability are central to global development efforts. Distance learning, E-learning & M-learning are various platforms that technology based facilitators for education & training.

FICCI - EY Report on Higher Education in India: Vision 2030 states that by 2030 Indian higher education system will emerge as a role model for high quality affordable educational system in the world. Higher education in India would not only address the socio-economic challenges by 2030, but will also be a leader in quality and excellence.

Industry relevant skill training is the need of the hour. This has been at the heart of the Skill India and Make in India initiatives that require the mainstreaming of vocational education, practical knowledge, hands-on projects and courses oriented towards meeting the needs of industry and employment.

Delivering educational services on a for profit basis to students responding to the opportunities for providing a variety of services both as standalone enterprises as well as to formal educational institutions, a large number of entrepreneurs have entered this sector focusing on training, skill development, and employability enhancement – areas that are outside the ambit of regulations governing education.

### Vocational Training in India

Vocational Education and Training (VET) being a concurrent subject, the responsibility is shared by both central and state governments. In due course of time, VET has gained much importance in nation's overall education initiative. In order for VET to play a greater role, it should be made more flexible and demand based to match skill-sets requirement in constantly changing technologies and industries. Vocational training should be considered an important aspect of education and development to make students apt for a job.

The Government has framed the National Policy for Skill Development and Entrepreneurship 2015. The primary objective of this policy is to meet the challenge of skilling at scale with speed, standard (quality) and

sustainability. It aims to provide an umbrella framework to all skilling activities being carried out within the country, to align them to common standards and link skilling with demand centres. In addition to laying down the objectives and expected outcomes, the policy also identifies the overall institutional framework which will act as a vehicle to reach the expected outcomes. The policy framework has been developed to accomplish the vision of Skill India by adhering to the objectives.

Pradhan Mantri Kaushal Vikas Yojana (PMKVY) launched on 15 July, 2015, on the occasion of World Youth Skills Day is the flagship scheme of the Ministry of Skill Development & Entrepreneurship (MSDE). PMKVY is implemented by National Skills Development Corporation (NSDC) under the guidance of MSDE. With a vision of a Skilled India, MSDE aims to skill India on a large scale with speed and high standards. The objective of this Skill Certification Scheme is to enable a large number of Indian youth to take up industry-relevant skill training that will help them in securing a better livelihood. Individuals with prior learning experience or skills will also be assessed and certified under Recognition of Prior Learning (RPL). Under this Scheme, Training and Assessment fees are completely paid by the Government. Government has now approved the Scheme for another four years (2016-2020) to impart skilling to 10 million youth of the country.

National Skills Network – NSN is India's first digital platform that captures and shares the positive impact of skill development in India. It covers news and views on vocational training, skill development and employability skills through Skill Stories, Skill Talks and Skill2Jobs.

We believe that each skill is important and it has its own value in turning knowledge into performance and enhancing productivity. Our vision is to connect people with skills by facilitating interaction between the key stakeholders – industry, training partners, academia, trainees/students and government. The website presents news, stories, events, skilling best practices, case studies, researched reports that bring out the challenges of engaging, enabling and empowering people through education and training. We are driven by the cause of aspirational value of skilling and up skilling and how it can make a remarkable difference to one's life, society and economy.

Vocational education enhances practical knowledge and life skills and the focus here lies on learning exactly what is applicable in the real world, it is an open course which means anyone who is willing to learn without any age or other considerations can. It builds a formidable work force to enhance the nation's economy. It serves as a great alternative for those who want to learn early and cannot afford to invest three or four years to earn a university degree. It offers a wide range of job opportunities and doesn't cost much compared to the tremendous amount of money a conventional degree requires. The end result of vocational education is to enable an individual to attain self-employment. Every opportunity needs to be provided to young persons to get good quality education and acquire skills that lead to employment and entrepreneurship.

Media education not only needs theory education but also practical education for the students to build their career in different fields. Presently, media education is one of the most growing disciplines in the academic scenario of India. We are one of the very few companies providing integrated vocational training in media and entertainment space in India and Dubai. Our Company attempts to bridge the widening gap between academia and industry requirements by catering to the students base at vocational level and making them industry ready. The mission of the Company is to create a global conglomerate that sets new standards of excellence in Education, Entertainment and Media and grows future leaders of the industry.

After finishing the courses, students are often offered placements in jobs. Vocational trainings in a way give students some work related experiences that many employers look for.

### Media and Entertainment (M&E) Industry and Developments

India's entertainment and media sector is expected to grow steadily over the next four years as per PwC's Global Entertainment and Media Outlook 2017-2021 report. According to the report, the industry is expected to exceed INR 2,91,000 Crore by 2021 growing at a compound annual growth rate (CAGR) of 10.5% between 2017 and 2021.

Frank D'Souza, Partner & Leader - Entertainment & Media, PwC India, says, "Unlike the global economy, which will see a shrinking contribution

from the Entertainment and Media sector over the Outlook period; in India the sector's growth rate will outpace the overall GDP growth rate. Being a relatively under-developed market in terms of per capita spend on entertainment and media will allow India to grow at 10.57% over the next five years to an overall size of INR 2,90,539 Crore. Also, being the least digitized market will allow the traditional media to grow without being disrupted by digital competition. Whereas one may be tempted to conclude that India's growth in this sector is divergent from the world's, it will do well for Indian players to keep their eyes on changing landscape globally and prepare for its eventual impact on the Indian market."

The Indian M&E industry is projected to grow at a faster pace of 14% over the period 2016-21, with advertising revenue expected to increase at a Compound Annual Growth Rate (CAGR) of 15.3% during the same period. However, in 2017, advertising revenues are expected to grow at a marginally slower rate of 13.1% due to the lingering effects of demonetization and initial volatilities arising from GST implementation. Digital advertising is expected to grow at a CAGR of 31% to reach INR 294.5 billion by 2021, contributing 27.3% to the total advertising revenues by that point.

Demonetization had a significant impact on the M&E sector, both directly and indirectly. The severity of the impact varied from one segment to another, based on their business model and structure. Cash crunch resulted in slowdown in consumption, which in turn impacted both spends and consumption in the M&E sector.

Goods and Service Tax is expected to have a positive fiscal impact on the M&E sector on account of simplified tax structure, reduction in costs due to availability of input tax credits at various stages of supply etc.

Digital is driving the future of advertisements in India, with digital and spends expected to cross INR 294 billion in 2021. In 2016, digital advertising contributed INR 76.92 billion and is expected to grow at a rapid pace with a CAGR of 30.8% until 2021. Sector such as government, travel, auto and education are increasing their focus on digital channels to reach out to consumers.

The buying and selling of media spots on Facebook and Google already happens programmatically which is a significant portion of digital advertising in India and with evolving technologies and ad spends, it is expected to grow rapidly. It is estimated that there were 299.7 million social media users in India in 2016 and it is expected to reach 477.4 million by 2019. Branding and lead generation have primarily driven social media and spend in the country accounting for 55% and 27% respectively. It is becoming clear that importance of social media as a platform is going to continuously increase with barriers to connectivity and cost of access expected to be increasingly resolved in India over the next few years. Marketers could grab this opportunity with both hands to connect with the growing social media.

The M&E industry currently employs 0.6 million as in 2016 and is expected to reach 1.3 million by 2022 translating into 0.7 million additional employment opportunities into 0.7 million additional employment opportunities during the period 2016-22. Owing to high dependency on human resources, the industry is expected to have a strong correlation between employment growth and output value. Media & Entertainment Skills Council (MESCC) has a mandate to create 1.2 million skilled workforce by 2022 and contribute to the National Skill Mission of creating 500 million skilled workforce by 2022. MESCC would ensure the generation of adequately skilled workforce, which is industry ready and employable.

#### Event Industry

The events and activations industry is best poised to capitalize on this emerging opportunity. The industry has evolved over the years and has grown considerably both in size and stature. Managed events remain the largest service offering, but, IPs (Intellectual Property) and digital events are growing at a faster rate than managed events. The growth will be led by personal events, MICE (meetings, incentives, conferences and exhibitions), activations and sports.

The size of the organized events industry is estimated at around INR 4,258 crore. An increased number of organized event companies have started conducting events in countries outside India. A large majority (73%) of the respondents indicated that while they provide services largely in India, they also conduct operations outside India. It is believed that personal events, sports, activation campaigns and MICE are the four categories that will register the fastest growth rates in the range of 18% to 25% in the next two to three years.

Sporting events have also been witnessing a revival. 70% of marketers state that sports is either a key focus area for them or a definite part of their total marketing spends. What used to be a single sport market, dominated

by cricket, is now showing signs of diversification, as marketers are willing to invest across different sports.

With the onset of different sports leagues in India such as, Indian Premier League, Indian Soccer League, Hockey India League, Kabaddi League, Badminton league etc., event management industry has seen a considerable increase in demand. The contract value for event management companies will increase with popularity of these leagues. Given the advertiser interest in the new sports leagues and the potential for brand activations around these events, niche sports event management companies can be attractive targets for either the large event management companies, broadcasters or for advertising agencies.

Your Company is offering vocational training to under graduates and post graduates in Event Management, Advertising and PR through its brand "EMDI Institute of Media and Communication". Event Management has cropped up as one of the most profitable and best career opportunities. This gives rise to great employment and earning chances. Event management is catching up as a bright career option due to element of style, flamboyance, glamour and glitz associated with pertinent corporate and social events because of the increasing trend in marketing and retail sector. With a panel of experienced faculty and a rich exposure to the global industry through an internship abroad, EMDI provides industry relevant courses to suit the requirements of the industry.

#### Sports Industry

Sports have evolved significantly over the past couple of decades with drastic changes in the ways sporting events are organized, viewed and commercialized. This is the age of technologically driven gameplay, statistically influenced training and digitally enhanced viewing experiences. As a business, the sports sector presents a wide range of opportunities across several segments: sports events, sports infrastructure, goods manufacturing and retail, and training. Further, the business of sports has a much deeper impact on the global economy owing to its close association with education, real estate, tourism, healthcare and other sectors. The sports events market is one of the key segments that is driving other parts of the sports business. It is expected to be valued at USD 90.9 billion (INR 6,087.8 billion) in 2017.

The sports scenario in India has evolved significantly in the last few years with the advent of several league-based events, including wrestling, kabaddi, mixed martial arts, badminton, tennis, hockey and football. Kabaddi in particular has seen strong audience and brand response prompting the league owners to make the tournament a bi-annual affair to leverage on its popularity. The onset and growing popularity of sporting leagues is creating pervasive opportunities for various sports focused corporates and associated parties. The growing popularity of these Leagues clearly indicates that India might well be on its way from being a one-sport nation to multi sports nation. In addition, the government is increasingly focusing on improving sports infrastructure, policies and governance across the country. In 2016, the government accorded 'industry' status to sports infrastructure, which is expected to encourage private investment and enable easier access to financing for the development of sports stadia and academies for training/research in sports and sports related activities.

The growing popularity of sports management in academic programs and the field of sports as a career goal have resulted in greater competition for jobs in the workforce. Ironwood Sports Management Global Academy (ISMGA) is a leading institute in grooming young leaders for the Sports Management industry. With increasing interest in sports as a profession, especially in India over the last few years, the demand for sports management professionals has also increased by leaps and bounds. ISMGA Ironwood Sports Management Global Academy aims to train candidates with the right talent that can help grow sports businesses. With a panel of experienced faculty and a rich exposure to the global sports industry through an internship abroad, ISMGA offers job oriented course for candidates interested in sports management.

#### Company Overview

With an Advisory Panel comprising of Industry stalwarts like Mr. Ashok Advani, Mr. Ravi Shastri, Mr. Brian Tellis and Mr. Nagesh Alai amongst others your Company is well poised to deliver the best in vocational training to the youth of today.

Your Company's vision is to be 'A Leading Global Education Company'. Greycells has been a leading presence in the global education industry for over a decade. Greycells is a pioneer in facilitating education using breakthrough technologies with dedicated teams of business and academic experts. Greycells is an umbrella brand for various education verticals

across India and Dubai. The Company is offering vocational training in the field of event management, advertising, public relations, wedding planning, digital marketing, sports management.

#### Outlook

The Company plans to continue to expand its brand and product portfolios and its service and distribution networks in India and abroad in the near future, both organically and inorganically via strategic acquisitions and associations. The Company believes that growth is planned & focused and based on efficient use of available resources to grow the business and we plan to retain and strengthen our leadership position in the marketplace.

#### Opportunities and Threats

##### Opportunities

Being a largely under-penetrated field, the education industry in India holds enormous opportunities for growth. While the entry barriers are likely to stay high for new companies in the near future, those that have already established themselves are likely to see tremendous growth. In areas of services, expertise and knowledge, your Company with its team of professionals is expected to tap the potential opportunities for growth. The Company will look at presence both domestic and internationally as in locations, collaboration with leading universities/education institutions to deliver courses to their existing students and resource/research opportunities globally.

The Company by geographic coverage strengthening its presence in business with a clear focused approach which would help increase revenue growth, improve profitability as well as de-risk the company from economic slowdowns. The Company plans to continue to expand its brand, scalability and distribution networks through franchisee/business associates in India and abroad. The Company will continue to tap opportunity to grow its business both organically and inorganically via strategic acquisitions in India and abroad.

The growing acceptance of vocational institutes and the focus on the media and entertainment sector as a serious career option in the minds of parents, key decision makers, students alike – will ensure that courses presented by Greycells are readily accepted in the market.

##### Threats

While India has made significant progress in ensuring access to primary education, the proportion of students who remain in the education system until higher education is considerably less. Ensuring equitable access to higher education is also a challenge with disparities seen across gender, regions and socio-economic groups. There are various dimensions of quality in education, including content, mode of delivery, infrastructure and facilities, employability, etc. Ensuring quality in higher education is amongst the foremost challenges being faced in India today, with few institutes having achieved global recognition for excellence.

One of the related challenges is to attract talented people to work with the Company and also retaining the pool of this talent. The management continuously reviews its talent pool for upgradation. The Company is focused on ensuring and has implemented employee friendly policies to retain talent.

The education business has seen the entry of host of new players in almost all the sectors we have established our presence. Education as a business is one of high growth prospects with presence of a mix of various professional academies, private and public schools, international schools/academies, private tutors, government schools etc. The Company operates in a highly competitive environment that is subject to innovations, changes and varying levels of resources available to each players. This can be a matter of concern if the company does not adapt to the changing face of the Industry. The company has been keeping itself abreast with the latest changes in the industry to implement the same in its operation to keep itself ahead of competition.

The key management is responsible for the day-to-day operations and they are indeed the key force in driving the business growth because of their experience and knowledge of industry. There is always a risk that we may lose our key management team. If key management unable or unwilling to continue with us, we may find it difficult to replace such people and our business may be adversely affected.

Our success is mainly attributable to our reach, experience and quality processes. We recognize that we can only grow and prosper if we can:

- acquire and retain top quality talent on a continual basis
- education for employability

- deliver relevant and innovative content to the students
- on the job training
- earn while you learn
- placement opportunities
- reorientation of vocational courses

Another large challenge is managing expectation from students. Due to the previous achieved success in the field, especially when there was the first mover advantage - if the new courses or existing courses do not live upto expectations, it may lead to dissatisfaction. The Company is well aware of these risks and challenges and has put in place mechanisms to ensure that they are managed and mitigated with adequate timely actions.

#### Segment-wise Performance

The Company operates in one primary segment but through its subsidiary it operates in geographical segment they are India and International.

#### Subsidiaries

EMDI (Overseas) FZ LLC is a wholly owned subsidiary of the Company caters into vocation of education, including teaching graduates, undergraduate and working professionals in the field of Event Management & Innovative Marketing, Advertising & Design, Wedding Planning, Print Journalism, Broadcast Media, Public Relations & New Media in the form of class room training and workshops.

Through its venture EMDI Wedding Academy LLP the Company is conducting wedding planning courses with an in-depth knowledge in the fields of creativity, customs & rituals, floral and stage design, venue and catering, besides other aspects such as entertainment, technology and international best practices.

#### Risks

Risk is an integral part of corporate world today for any going concern and our endeavor has been to maximize stakeholder value by achieving an appropriate balance between risks and return. Since risk taking is intrinsic to business growth, all business entities face risks either from external environment or from internal operations.

The major key issues are challenges for foreign participation, excessive and multiple regulators and regulations, policies are inconsistent, limited choice of entity – Trust, Society or Section 25 company, lack of availability of trained faculty, course content not in line with the expectations of the industry leading to poor employability, high capital expenditure requirements for setting up Higher Education institution with quality infrastructure etc. (Source : Report of PWC on Education Sector)

Further any change in tax law in India, particularly income tax and service tax might be to increase tax liability of the company thereby putting pressure on profitability.

To mitigate the same, the Company has constantly endeavored to broaden the charter of risk management to include opportunities as well as threats. It uses an integrated risk management approach, based on a number of techniques to cover the full range of risks in the framework.

Apart from the regular operational & business risks, the other major risks faced by the Company are:

##### a) Business Concentration

The Company's business today is largely concentrated in vocational training primarily in few verticals of media and entertainment.

The poor performance of our Business Associates leads to downfall in projected revenues, which is out of our control. Further low quality services rendered by Business Associates to students may also one of the risk areas for the Company. To mitigate this risk, our senior officers frequently visit the centers and ensure that courses shall be conducted according to the Operational Manual established by the Company. The Company can also take corrective measures to keep up the requisite academic standards.

To mitigate the risk arising from this concentration, the Company will strive towards expanding the Company's business in additional areas of related service offerings.

##### b) Core Faculty

The faculty plays a pivotal role in the system of education. Further majority of our faculty members are visiting faculties from various industries and are in other occupation besides teaching at our centres. Any exodus by the visiting faculties can have adverse impact

on business of the company. Failure to attract / retain qualified faculty members who have the necessary domain expertise to effectively deliver the course may affect the pace of our growth and teaching quality across all our learning centres in different locations.

To overcome, the Company taps professionals from relevant industry. All faculty members lecture on subjects of their expertise, resulting in experience sharing, interaction and networking of these professional with the students. The faculty members contribute to our overall performance by providing good quality training to the students and thus enable us to maintain our brand and reputation.

c) Entry of other players

The lack of an entry barrier with respect to a private setup offering similar certificate courses is a threat. Centres offering similar courses are the first level of competition, however competition which enters the market, offers a poor product and then is forced to shut down later on is even worse as it spoils the education market and trust towards the other credible players.

d) Enrollment of students

The Company's ability to attract students to enroll for courses depend on several factors such as to offer new courses, enhancing existing courses in response to changing industry needs, student's demands, expanding our geographic reach, effectively marketing courses to a broader base of prospective students and responding to competitive pressures.

### Social Responsibility

Your Company believes in being a responsible part of the community and contributing back to it in every possible manner. SWAT (Students Working As a Team) is a youth initiative initiated by EMDI and its students. Right from giving the gift of life, via blood donation drive; to bringing smiles on the innocent faces of children – our students and team leave no stone unturned once they commit to endeavour. Promoting education (including special education and employment enhancing vocation skills) especially among children, women, elderly, and the differently abled and livelihood enhancement projects, is now a recognized as our initiative.

### Internal Control Systems

The Company has appointed a firm of Chartered Accountants as Internal Auditors to review and report on internal controls system. The report of the Internal Auditors is reviewed by the Audit Committee. The Audit Committee formulates a detailed plan to the Internal Auditors for the year and the same is reviewed at the Audit Committee meetings. The Internal Auditors submit their recommendations to the Audit Committee and provides road map for future action.

The Company recognizes the importance of internal controls and has suitable internal control systems and processes in place for the smooth conduct of the business. Company's internal controls are commensurate with its size and nature of its business. The management continuously reviews the internal control systems and procedures to ensure orderly and efficient conduct of business. The management duly considers and takes appropriate action on the recommendations made by the statutory auditors and independent Audit Committee.

### Discussion on Financial Performance with respect to Operational Performance

The financial performance of the year ending March 31, 2016 reflects the steps have been initiated to become a more focused company, moving into areas where we have huge opportunities and greater long term potential.

The authorized share capital of the Company is Rs. 117,000,000/- divided into 11,700,000 equity shares of Rs. 10/- each. The paid up share capital of the Company is Rs. 79,077,150/- divided into 7,907,715 equity shares of par value of Rs. 10/- each.

Highlights of the Company's standalone financial performance are as under :

(Rs. in thousand)

Particulars	2016-2017	2015-2016
Revenues	37611.70	37349.83
PBDIT	(1364.66)	1971.99
PBT and Exceptional Items	(2691.93)	716.97
PBT	(2691.93)	716.97
PAT	(2647.03)	87.87
EPS :- Basic	(0.33)	0.01
Diluted	(0.33)	0.01

### Human Resources

The Company firmly believes that its human resources are its true assets and constitute the most vital force in moving the organization forward. The key management is responsible for the day-to-day operations and they are indeed the key force in driving the business growth. The Company has strong management team with experience and expertise and focus in the areas of media and entertainment education. The management team effectively plans and oversees implementation of growth strategies. To reduce attrition levels, the Company has initiated a number of programs that include an empowered work environment, learning opportunities, employee friendly policies and competitive compensation packages.

### FORWARD LOOKING STATEMENT

Forward-looking statement in this Annual Report should be read in conjunction with the following cautionary statements. Certain expectations and projections regarding future performance of the Company referenced in this Annual Report are forward – looking statements. These expectations and projections are based on currently available competitive, financial and economic data along with the Company's operating plans and are subject to certain future events and uncertainties, that could cause actual results to differ materially from those that may be indicated by such statements. The Company undertakes no obligations to publicly update or revise any forward-looking statements, whether as a new information, future events or otherwise.



## INDEPENDENT AUDITOR'S REPORT

**To The Members of Greycells Education Limited**

### Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of Greycells Education Limited ('the Company'), which comprise the Balance Sheet as at 31<sup>st</sup> March, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion on the standalone financial statements.

### Basis for Qualified Opinion

No provision for other than temporary diminution, if any, in the carrying value of investment in one of the associate company - AAT Academy India Limited has been recognised in the standalone financial statements for the reasons stated in the note 30 to the standalone financial statements.

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March, 2017, and its loss and its cash flows for the year ended on that date.

### Emphasis of matter

We draw attention to Note 29 to the financial statements, which states that no provision for diminution in the value of the investments in the wholly owned subsidiary- EMDI (Overseas) FZ LLC, Dubai, has been recognized in the financial statements for the reasons stated in the note.

Our opinion is not qualified in respect of that matter.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the 'Annexure I' a 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 purposes of our audit.
  - b) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) Except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, 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) The matter described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on functioning of the Company.
- f) On the basis of written representations received from the Directors as on 31<sup>st</sup> March, 2017 and taken on record by the Board of Directors, none of the Directors is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a Director in terms of Section 164(2) of the Act.
- g) The qualification relating to the maintenance of accounts and other matters connected therewith are as stated in the Basis for Qualified Opinion paragraph above.
- h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company does not have any pending litigations which would impact its financial position in its financial statements.
  - ii. The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.
  - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
  - iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the Company. Refer Note 32 to the financial statements.

For Ford Rhodes Parks & Co. LLP  
Chartered Accountants  
Firm's Registration No. 102860W/W100089

Astha Kariya  
Partner  
Membership No. 122491

Mumbai : 15<sup>th</sup> May, 2017



**Annexure I****Annexure to the Independent Auditor's Report of even date on the Standalone Financial Statements of Greycells Education Limited****Report on Companies (Auditor's Report) Order, 2016, issued by the Central Government in terms of sub-section (11) of Section 143 of the Companies Act, 2013 ('the Act')**

As required by the Companies (Auditor's Report) Order, 2016, issued by the Central Government in terms of sub-section (11) of Section 143 of the Act, and on the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of the audit, we further report that: -

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
- (b) The fixed assets were physically verified by the management during the year and there were no material discrepancies noticed on such physical verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its business.
- (c) The Company does not own any immovable property.
2. The Company did not hold any inventories during the year.
3. a) The Company has granted unsecured loan to a wholly owned subsidiary, covered in the register maintained under Section 189 of the Act.
- b) In our opinion, the terms and conditions of the grant of such loans were, prima facie, not prejudicial to the Company's interest.
- c) The schedule of repayment of principal amounts of the above loans has not been stipulated. The repayments of interest amount on the loans has been regular.
- d) Since there is no stipulation on the repayment of the principal amount of the above loans, the question of overdue amount does not arise. There are no overdue amounts in respect of interest receivable.
4. 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.
5. The Company has not accepted any deposits from the public within the meaning of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and Rules framed thereunder.
6. The Central Government has not prescribed maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013.
7. a) According to the information and explanations given to us by the management and on the basis of examination of the books of account carried out by us, the Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax, Cess and other statutory dues, as applicable, with the appropriate authorities. There were no undisputed arrears of statutory outstanding as at 31<sup>st</sup> March, 2017 for a period of more than six months from the date they became payable.
- b) According to the information and explanations given to us and the records of the Company examined by us, there were no disputed dues in respect of Income-tax, Sales-tax, Service Tax, Custom Duty, Excise Duty, Value Added Tax and Cess which have not been deposited as at 31<sup>st</sup> March, 2017.
8. The Company does not have any loans or borrowings from any financial institutions, banks, government or debenture holders during the year. Accordingly, paragraph 3(viii) of the Order is not applicable.

9. The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the Order is not applicable.
10. According to information and explanations 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.
11. The Company has not paid any managerial remuneration during the year.
12. Clause (xii) of the Order is not applicable to the Company since the Company is not a Nidhi Company.
13. According to the information and explanations given to us and the records of the Company examined by us, all the transactions with the related parties are in compliance with Section 177 and 188 of the Act, where applicable and the details as required by the Accounting Standards have been disclosed in the Financial Statements.
14. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and the records of the Company examined by us, the Company has not entered into any non-cash transactions covered in Section 192 of the Act with Directors or persons connected with him during the year.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Ford Rhodes Parks & Co. LLP  
 Chartered Accountants  
 Firm's Registration No. 102860W/W100089

Astha Kariya  
 Partner  
 Membership No. 122491

Mumbai : 15<sup>th</sup> May, 2017

**Annexure II****Annexure to the Independent Auditor's Report of even date on the Standalone Financial Statements of Greycells Education Limited****Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

We have audited the internal financial controls over financial reporting of Greycells Education Limited ('the Company') as of 31<sup>st</sup> March, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

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

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

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the 'Guidance Note') and the Standards on Auditing, to the extent 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 was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 31<sup>st</sup> March 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Ford Rhodes Parks & Co. LLP  
Chartered Accountants  
Firm's Registration No. 102860W/W100089

Astha Kariya  
Partner  
Membership No. 122491

Mumbai : 15<sup>th</sup> May, 2017

**Balance Sheet as at 31st March, 2017**

	Notes	As At 31st March, 2017 ₹	As At 31st March, 2016 ₹
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share Capital	2	7,90,81,025	7,90,81,025
(b) Reserves and Surplus	3	18,68,67,580	18,95,14,606
<b>Non - Current Liabilities</b>			
(a) Long-term Provisions	4	6,54,686	4,82,518
<b>Current Liabilities</b>			
(a) Trade Payables	5	17,22,430	2,25,125
(b) Other Current Liabilities	6	83,22,146	63,20,675
(c) Short-term Provisions	7	18,799	15,073
<b>Total</b>		<b>27,66,66,666</b>	<b>27,56,39,022</b>
<b>ASSETS</b>			
<b>Non-current Assets</b>			
(a) Fixed Assets	8		
(i) Tangible Assets		2,83,565	10,58,556
(ii) Intangible Assets		3,78,145	4,76,000
(b) Non-Current Investments	9	21,15,02,810	21,15,02,810
(c) Deferred Tax Assets (net)	10	30,23,666	29,78,763
(d) Long-Term Loans and Advances	11	37,19,892	27,80,117
<b>Current Assets</b>			
(a) Current Investments	12	1,83,00,000	26,44,193
(b) Trade Receivables	13	18,23,812	1,60,550
(c) Cash and Cash Equivalents	14	50,28,058	2,12,58,343
(d) Short-Term Loans and Advances	15	3,26,06,718	3,27,17,401
(e) Other Current Assets	16	-	62,289
<b>Total</b>		<b>27,66,66,666</b>	<b>27,56,39,022</b>
Significant accounting policies	1		
Notes to Financial Statements	1-33		

The accompanying notes are an integral part of the financial statements.

As Per Our Report of Even Date

For Ford Rhodes Parks & Co. LLP  
Chartered Accountants  
Firm's Registration No. 102860W/W100089

Astha Kariya  
Partner  
Membership No: 122491  
Place : Mumbai  
Dated : 15th May, 2017

For and on behalf of the Board of Directors of  
Greycells Education Limited  
CIN:L65910MH1983PLC030838

Nowshir Engineer  
Managing Director  
DIN:00932396

Abbas Patel  
Director  
DIN:00547281

Dharmesh Parekh  
Company Secretary

Samkeet Patel  
Chief Financial Officer

**Statement of Profit and Loss for the year ended 31st March, 2017**

	Notes	Year Ended 31st March, 2017 ₹	Year Ended 31st March, 2016 ₹
<b>Revenue from Operations</b>	17	<b>2,93,91,424</b>	2,81,31,363
Other Income	18	<b>82,20,280</b>	92,18,470
Total Revenue		<b>3,76,11,704</b>	3,73,49,833
<b>Expenses:</b>			
Direct Expenses	19	<b>87,39,431</b>	64,77,365
Employee Benefit Expenses	20	<b>66,64,268</b>	69,14,154
Depreciation and Amortization Expense	8	<b>13,27,270</b>	12,55,012
Other Expenses	21	<b>2,35,72,664</b>	2,19,86,328
<b>Total Expenses</b>		<b>4,03,03,633</b>	3,66,32,859
<b>Profit/(Loss) Before Tax</b>		<b>(26,91,929)</b>	7,16,974
<b>Tax Expense :</b>			
Current Tax		-	-
Deferred Tax - Expense/(Income)		<b>(44,903)</b>	6,10,429
Prior Years Tax Adjustments		-	18,674
<b>Profit/(Loss) for the year</b>		<b>(26,47,026)</b>	87,871
Earnings per Equity Share in ₹ -Basic / Diluted	27	<b>(0.33)</b>	0.01
Significant Accounting Policies	1		
Notes to the financial statements.	1-33		

The accompanying notes are an integral part of the financial statements.

As Per Our Report of Even Date

For Ford Rhodes Parks & Co. LLP  
 Chartered Accountants  
 Firm's Registration No. 102860W/W100089

Astha Kariya  
 Partner  
 Membership No: 122491  
 Place : Mumbai  
 Dated : 15th May, 2017

For and on behalf of the Board of Directors of  
 Greycells Education Limited  
 CIN:L65910MH1983PLC030838

Nowshir Engineer  
 Managing Director  
 DIN:00932396

Abbas Patel  
 Director  
 DIN:00547281

Dharmesh Parekh  
 Company Secretary

Samkeet Patel  
 Chief Financial Officer

**Cash Flow Statement for the year ended 31st March, 2017**

	31st March, 2017	31st March, 2016
	₹	₹
<b>Cash Flow from Operating Activities</b>		
Net Profit/(Loss) before Tax and Exceptional Items	(26,91,929)	7,16,974
Adjustments for:		
Depreciation / Amortization	13,27,270	12,55,012
Interest on ICD	(53,42,012)	(53,42,025)
Interest on Loan to Subsidiaries	(1,66,616)	(3,85,221)
Interest on Fixed Deposits	(7,07,398)	(14,95,335)
Gain on Redemption of Mutual Funds	(20,00,654)	-
Profit on Sale of Fixed Assets	(3,600)	-
Interest on Income Tax Refund	-	(41,541)
Net Exchange Fluctuation Gain	23,854	(1,82,460)
<b>Operating Profit/(Loss) Before Working Capital Changes</b>	<b>(95,61,085)</b>	<b>(54,74,596)</b>
Adjustments for:		
Trade Payables	14,97,305	(19,70,590)
Provisions	1,75,894	37,419
Other Current Liabilities	20,01,471	(11,49,398)
Refundable Deposits from Students	-	(21,800)
Trade Receivables	(16,63,262)	(53,831)
Loans and Advances	-	2,15,400
Other Short Term Advances	(8,43,470)	4,15,710
Other Current Assets	-	18,42,356
Unrealised Exchange Gain	(23,854)	1,82,460
<b>Cash Generated / (Used in) Operations</b>	<b>11,44,084</b>	<b>(5,02,274)</b>
Direct Taxes (Paid) / Refund	(84,17,001)	(59,76,870)
Interest on Income Tax Refund	(9,39,775)	(38,210)
<b>Net Cash from Operating Activities</b>	<b>(93,56,776)</b>	<b>(59,73,539)</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(4,73,924)	(1,00,299)
Proceeds from Sale/Scrap of Fixed Assets	23,100	-
Redemption of Current Investments	96,44,848	-
Purchase of Current Investments	(2,33,00,000)	-
Loan Repayments from Subsidiary	9,54,153	17,16,258
Loan Repayments from Others	-	1,41,880
Interest on Loan from Subsidiary	1,66,616	3,85,221
Interest Income	7,69,686	14,92,857
Interest on Inter Corporate Deposit	53,42,012	53,42,025
Fixed Deposits Matured	1,15,00,000	(65,00,000)
<b>Net Cash from Investing Activities</b>	<b>46,26,491</b>	<b>24,77,942</b>
<b>Cash Flow from Financing Activities</b>		
<b>Net Cash from Financing Activities</b>		
Net Increase/(Decrease) in Cash and Cash Equivalents	(47,30,285)	(34,95,597)
Cash and Cash Equivalents at the Beginning of the Year (Opening Balances)	97,58,343	1,32,53,940
Cash and Cash Equivalents at the End of the Year (Closing Balances)	50,28,058	97,58,343
Components of Cash and Cash Equivalents:		
Cash on Hand	23,720	22,975
Fixed Deposits with Maturity Less Than 3 Months	2,30,081	33,88,545
Balance with Bank in Current Account	47,74,257	63,46,823
	<b>50,28,058</b>	<b>97,58,343</b>

## Notes:

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 "Cash Flow Statement".
- Previous year figures have been re-grouped and rearranged wherever necessary.

As Per Our Report of Even Date

For Ford Rhodes Parks & Co. LLP  
 Chartered Accountants  
 Firm's Registration No. 102860W/W100089

Astha Kariya  
 Partner  
 Membership No: 122491  
 Place : Mumbai  
 Dated : 15th May, 2017

For and on behalf of the Board of Directors of  
 Greycells Education Limited

CIN:L65910MH1983PLC030838

Nowshir Engineer  
 Managing Director  
 DIN:00932396

Abbas Patel  
 Director  
 DIN:00547281

Dharmesh Parekh  
 Company Secretary

Samkeet Patel  
 Chief Financial Officer

## Notes to Financial Statements for the year ended 31st March, 2017

### 1 SIGNIFICANT ACCOUNTING POLICIES:

The financial statements are prepared under the historical cost convention, on accrual basis of accounting, in accordance with the accounting principles generally accepted in India and comply with the standards on accounting issued by the Institute of Chartered Accountants of India and referred to in Section 133 of the Companies Act, 2013. The significant accounting policies are as follows:

#### a. **Revenue Recognition**

The Company follows the mercantile system of accounting and recognizes income and expenditure on accrual basis. Income from the student fees are recognized over the period of instruction of course. Non-refundable premier relationship fees receivable under business association agreements are taken to income as and when due.

The form fees income is booked net of service charge wherever applicable immediately on sale of forms.

Dividend income is accounted for as and when declared.

#### b. **Fixed assets and depreciation**

a) Depreciation is provided on the assets on their original costs up to their net residual value estimated at 1% of the original cost, pro-rata to the period of use on the written down value method, over their estimated useful life as per Schedule II to the Companies Act, 2013.

b) Intangible assets are amortized as under :

i) Goodwill over the period of five years.

ii) Trade Mark over the period of ten years.

iii) Capital expenditure on office improvement is amortized equally over the lease period.

#### c. **Impairment of Assets**

At each balance sheet date, the Company reviews the carrying value of assets for any possible impairment. An impairment loss is recognized when the carrying amount of asset exceeds its recoverable amount which is the higher of net realizable amount as on the Balance Sheet date and the present value of the economic benefit resulting from the future use of the asset.

#### d. **Investments**

Investments are capitalized at cost of acquisition plus direct incidental expenses. Provision for diminution in the value of long term investments is made in accordance with Accounting Standard 13 issued by the Institute of Chartered Accountants of India.

#### e. **Employee Benefits**

The Company provides for gratuity benefits to its employees as per the provisions of The Payment of Gratuity Act, 1972. The gratuity benefit scheme is unfunded and provision for the same is made on actuarial basis.

#### f. **Foreign Currency Translation**

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the statement of profit and loss of the year.

Monetary assets and liabilities in foreign currency, which are outstanding as at the year end are translated at the year end at the closing exchange rate and resultant exchange difference are recognized in the statement of profit and loss.

Non monetary assets and non-monetary liabilities denomination in foreign currency are measured at historical cost and are translated at exchange rate prevailing at the date of transaction.

#### g. **Provisions and Contingent Liabilities**

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

#### h. **Taxation**

Provision for taxation has been made in accordance with the Income Tax laws prevailing for the relevant assessment years.

#### i. **Deferred Tax**

Deferred tax assets / liabilities resulting from timing differences between book and tax profits is accounted for at the current rate of tax to the extent that the timing differences are expected to crystallize in future. Deferred tax assets in respect of carried forward business losses and unabsorbed depreciation as per Income Tax provisions is recognized only if there is virtual certainty of recoupment of the same out of future taxable income.



## Notes to Financial Statements for the year ended 31st March, 2017

	31st March, 2017 ₹	31st March, 2016 ₹
<b>2 Share Capital:</b>		
Authorized :		
1,17,00,000 (previous year 1,17,00,000) Equity shares of ₹ 10 each	11,70,00,000	11,70,00,000
	<u>11,70,00,000</u>	<u>11,70,00,000</u>
Issued, subscribed and fully paid-up		
79,07,715 Equity shares (P.Y. 79,07,715) of ₹ 10 each	7,90,77,150	7,90,77,150
Forfeited Shares		
Amount paid up on 1,550 (P.Y. 1,550) forfeited Equity Shares	3,875	3,875
	<u>7,90,81,025</u>	<u>7,90,81,025</u>
<b>Terms and Rights:</b>		
a The Company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.		
In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
b No shares have been issued for consideration other than cash. No bonus shares have been issued and no shares brought back in preceeding 5 years from the date of financial statements.		
c The Company has issued 19,00,000 equity shares of ₹ 10 each on 13th May 2014 to Krisma Investments Private Limited (one of the member of the promoter and promoter group of the Company) on preferential allotment basis in accordance with the provisions of Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other applicable laws.		
d Shareholders holding more than 5% of Equity Shares		
<b><u>Name of the Shareholder</u></b>		
Bela Naishadh Desai	No. of Shares 8,84,100 % holding 11.18%	8,84,100 11.18%
Krisma Investments Pvt Ltd	No. of Shares 26,13,341 % holding 33.05%	26,13,341 33.05%
Koppara Sajeev Thomas	No. of Shares 7,84,390 % holding 9.92%	7,84,390 9.92%
Nowshir Rusi Engineer	No. of Shares 2,56,192 % holding 3.24%	4,21,000 5.32%
<b>3 Reserves and Surplus:</b>		
<b>Securities Premium</b>		
As per last Balance Sheet	28,55,79,100	28,55,79,100
Closing Balance	<u>28,55,79,100</u>	<u>28,55,79,100</u>
<b>General Reserve</b>		
As per last Balance Sheet	8,80,566	8,80,566
Closing Balance	<u>8,80,566</u>	<u>8,80,566</u>
<b>Capital Reserve</b>		
As per last Balance Sheet	2,62,75,000	2,62,75,000
Closing Balance	<u>2,62,75,000</u>	<u>2,62,75,000</u>
<b>Deficit in Statement of Profit and Loss:</b>		
As per Last Balance Sheet	(12,32,20,060)	(12,33,07,931)
Add: (Deficit) / Surplus for the Year as per the Statement of Profit and Loss	(26,47,026)	87,871
Closing Balance	<u>(12,58,67,086)</u>	<u>(12,32,20,060)</u>
	<u>18,68,67,580</u>	<u>18,95,14,606</u>
<b>4 Long-term Provisions:</b>		
Provision for Employee Benefits		
Gratuity	6,54,686	4,82,518
	<u>6,54,686</u>	<u>4,82,518</u>
<b>5 Current Liabilities:</b>		
Trade Payables	17,22,430	2,25,125
	<u>17,22,430</u>	<u>2,25,125</u>

## Notes to Financial Statements for the year ended 31st March, 2017

		31st March, 2017	31st March, 2016								
		₹	₹								
6	Other Current Liabilities:										
	Advance Fees Received	65,59,400	47,45,699								
	Refundable Deposits from Students	4,04,000	3,84,600								
	Other Payables	12,90,609	10,23,254								
	Statutory Dues Payable	68,137	1,67,122								
		83,22,146	63,20,675								
7	Short-term Provisions:										
	Provision for Employee Benefits										
	Gratuity	18,799	15,073								
		18,799	15,073								
8	Fixed Assets:										
		Amount in ₹									
		Gross Block									
		Depreciation/Amortisation									
		Net Block									
		As at	Additions	Adjustments/	As at	Up to	For the Year	Adjustments/	Up to	W.D.V. as on	W.D.V. as on
		31/03/2016		Deletions	31/03/2017	31/03/2016		Deletions	31/03/2017	31/03/2017	31/03/2016
(i)	Tangible Assets:										
	Furniture And Fixtures	7,57,339	-	-	7,57,339	7,19,582	21,808	-	7,41,390	15,949	37,757
	Office Equipments	20,93,820	19,997	-	21,13,817	18,98,026	94,588	-	19,92,614	1,21,203	1,95,794
	Computer System	34,63,788	3,15,167	-14,55,786	23,23,169	34,27,119	1,85,923	-14,36,286	21,76,756	1,46,413	36,669
	Library Books	1,72,149	-	-	1,72,149	1,72,149	-	-	1,72,149	-	-
	Office Improvements	23,65,008	-	-	23,65,008	15,76,672	7,88,336	-	23,65,008	-	7,88,336
	Total A	88,52,104	3,35,164	-14,55,786	77,31,482	77,93,548	10,90,655	-14,36,286	74,47,917	2,83,565	10,58,556
(ii)	Intangible Assets:										
	Goodwill	76,35,920	-	-	76,35,920	76,35,920	-	-	76,35,920	-	-
	Trade Marks	20,00,000	82,760	-	20,82,760	16,00,000	2,07,734	-	18,07,734	2,75,026	4,00,000
	Computer Software	3,50,000	-	-	3,50,000	3,50,000	-	-	3,50,000	-	-
	Website Development	95,000	56,000	-	1,51,000	19,000	28,881	-	47,881	1,03,119	76,000
	Total B	1,00,80,920	1,38,760	-	1,02,19,680	96,04,920	2,36,615	-	98,41,535	3,78,145	4,76,000
	Total (A+B)	1,89,33,024	4,73,924	-14,55,786	1,79,51,162	1,73,98,468	13,27,270	-14,36,286	1,72,89,452	6,61,710	15,34,556
	Capital WIP	-	-	-	-	-	-	-	-	-	-
	Previous Year	1,88,32,725	1,00,299	-	1,89,33,024	1,61,43,456	12,55,012	-	1,73,98,468	15,34,556	26,89,269
9	Non Current Investments:										
	Trade Investments (Unquoted, at cost)										
	In Equity Shares of :										
I	Subsidiaries:										
	50 Equity Shares of AED 1,000 each in EMDI (Overseas) FZ LLC								16,10,02,810		16,10,02,810
II	Others:										
	2,45,554 Equity Shares of ₹ 10 each in AAT Academy India Ltd. (Refer Note No. 30)								5,04,00,000		5,04,00,000
	50,000 Equity Shares of ₹ 10 each in Vyom Events & Entertainment Pvt Ltd (erstwhile Minds Eye Production Pvt. Ltd)								1,30,00,000		1,30,00,000
									6,34,00,000		6,34,00,000
	Less: Provision for Diminution in value of Investment in Vyom Events & Entertainment Pvt Ltd (erstwhile Minds Eye Production Pvt. Ltd)								1,30,00,000		1,30,00,000
III	Limited Liability Partnership:										
	EMDI Wedding Academy LLP										
	Partner's Capital - (50% share in profit / (loss))								1,00,000		1,00,000
									21,15,02,810		21,15,02,810

## Notes to Financial Statements for the year ended 31st March, 2017

	31st March, 2017	31st March, 2016
	₹	₹
<b>10 Deferred Tax Assets / (Liabilities):</b>		
Deferred Tax Asset (Gross) :		
On Depreciation Differential	22,52,252	22,61,700
On Provision of Gratuity	2,08,107	1,53,756
On Provision for Doubtful Debts	5,63,307	5,63,307
	<u>30,23,666</u>	<u>29,78,763</u>
Deferred Tax Liability (Gross)	-	-
Deferred Tax Asset (Net)	<u>30,23,666</u>	<u>29,78,763</u>
No Deferred tax asset has been recognized on unabsorbed depreciation and carried forward business losses as there is no virtual certainty that the same will be realized out of future taxable income.		
<b>11 Long Term Loans and Advances:</b>		
<b>(Unsecured and Considered Good)</b>		
Security Deposits	19,98,600	19,98,600
Advance Tax (Net of Provision)	17,21,292	7,81,517
	<u>37,19,892</u>	<u>27,80,117</u>
<b>12 Current Investments:</b>		
Quoted units of Mutual Fund (valued at lower of cost or market value)		
NIL units / (P.Y. 1,85,377.503 units) IDFC Dynamic Bond Fund- Growth	-	26,44,193
59,796.206 units / (P.Y. NIL) Birla Sun Life Cash Plus Growth Plan	1,53,00,000	-
15,571.699 units / (P.Y. NIL) Birla Sun Life Floating Rate Fund Long Term Growth Plan	30,00,000	-
	<u>1,83,00,000</u>	<u>26,44,193</u>
Market Value in - ₹	<u>1,87,49,712</u>	<u>34,03,772</u>
<b>13 Trade Receivable (Unsecured):</b>		
Debts overdue for more than six months :		
Considered Good	-	-
Considered Doubtful	18,23,000	18,23,000
Other Debts Considered Good	18,23,812	1,60,550
	<u>36,46,812</u>	<u>19,83,550</u>
Less : Provision for Doubtful Debts	<u>18,23,000</u>	<u>18,23,000</u>
	<u>18,23,812</u>	<u>1,60,550</u>

## Notes to Financial Statements for the year ended 31st March, 2017

	31st March 2017 ₹	31st March 2016 ₹
<b>14 Cash and Bank Balance:</b>		
<b>Cash and Cash Equivalents</b>		
Balances with Bank	47,74,257	63,46,823
In Fixed Deposits having Original Maturity up to 3 Months	2,30,081	33,88,545
Cash on Hand	23,720	22,975
	<u>50,28,058</u>	<u>97,58,343</u>
<b>Other Balances with Bank</b>		
Fixed Deposits having Original Maturity More than 3 Months but Less Than 12 Months	-	1,15,00,000
	<u>50,28,058</u>	<u>2,12,58,343</u>
<b>15 Short Term Loans and Advances:</b>		
<b>(Unsecured, Considered Good)</b>		
<b>Loan to Subsidiaries:</b>		
EMDI (Overseas) FZ LLC	4,36,945	13,91,098
<b>Other Advances</b>		
Inter Corporate Deposit	3,00,00,000	3,00,00,000
Balances with Statutory Authorities	4,77,316	3,41,946
Loan to Employees	19,000	6,000
Prepaid Expenses	16,73,457	9,78,357
	<u>3,26,06,718</u>	<u>3,27,17,401</u>
<b>16 Other Current assets</b>		
Accrued Interest on Fixed Deposit	-	62,289
	<u>-</u>	<u>62,289</u>
<b>17 Revenue from Operations:</b>		
Course Fees	2,59,12,909	2,70,08,234
Form and Other Fees	3,42,015	2,43,129
<b>Other Operating Incomes</b>		
Income from Premier Relationship fees	22,50,000	-
Business Auxillary Income	8,86,500	8,80,000
	<u>2,93,91,424</u>	<u>2,81,31,363</u>
<b>18 Other Income:</b>		
Interest Income on:		
Bank Fixed Deposits	7,07,398	14,95,335
Loan to Subsidiaries	1,66,616	3,85,221
Inter Corporate Deposits	53,42,012	53,42,025
Income Tax Refund	-	41,541
	<u>62,16,026</u>	<u>72,64,122</u>
Gain on Redemption of Mutual Fund	20,00,654	-
Liability No Longer Required Written Back	-	15,99,885
Exchange Gain Fluctuation (Net)	-	1,82,460
Sundry Balances Written Back	-	7,003
Profit on Sale of Computers	3,600	-
Miscellaneous Income	-	1,65,000
	<u>82,20,280</u>	<u>92,18,470</u>

**Notes to Financial Statements for the year ended 31st March, 2017**

	31st March 2017 ₹	31st March 2016 ₹
<b>19 Cost of Services Rendered (Direct):</b>		
Faculty Fees	10,44,764	11,86,496
Business Auxiliary Services	69,44,177	47,31,201
Certification Fees	1,90,983	2,99,167
Student Activities	5,59,507	2,60,501
	<u>87,39,431</u>	<u>64,77,365</u>
<b>20 Employee Benefit Expenses:</b>		
Salaries, Wages and Bonus	62,07,741	66,54,566
Staff Welfare Expenses	1,68,371	1,33,025
Leave Encashment	57,743	52,394
Gratuity Expenses	2,30,413	74,169
	<u>66,64,268</u>	<u>69,14,154</u>
<b>21 Other Expenses:</b>		
Electricity Charges	2,46,436	3,04,321
Rent	44,23,942	46,13,978
Repairs and Maintenance	4,59,000	1,85,176
Rates and Taxes	7,300	3,700
<b>Auditors Remuneration</b>		
Audit Fees	1,50,000	1,25,000
Limited Review Fees	87,000	45,000
Others	3,550	6,270
Legal and Professional Fees	1,03,85,063	98,49,462
Advertisement and Marketing Expenses	40,61,927	35,97,654
Directors Sitting Fees	16,500	28,500
Postage and Courier	7,232	8,786
Printing and Stationery	1,96,527	1,81,399
Company Law Matter and Listing Fees	3,98,823	4,21,330
Telephone Expenses	2,44,880	3,03,591
Travelling Expenses	20,17,052	16,33,573
Conveyance Expenses	3,67,440	3,22,817
Exchange Fluctuation (Gain) / Loss	23,854	-
Bad-Debts written off		19,57,292
Less: Provision on Bad Debts Adjusted	-	(19,57,292)
Interest on Late Payment of Taxes	2,723	5,585
Other Miscellaneous Expenses	4,73,415	3,50,186
	<u>2,35,72,664</u>	<u>2,19,86,328</u>

**22** The Company has carried out business operations only in the segment of 'Vocational Education' during the year. The Company does not have more than one segment eligible for reporting in terms of Accounting Standard 17 - "Segment Reporting" issued by The Institute of Chartered Accountants of India.

**23** No vendors have informed the Company of their being registered under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, as per the information available with the Company, there are no amounts payable to such vendors as at the year end.

**Notes to Financial Statements for the year ended 31st March, 2017**
**24 Foreign Currency Income and Expenses**

PARTICULARS	2016-17 (₹)	2015-16 (₹)
Earnings In Foreign Currency		
Interest	1,66,616	3,85,221
Expenses in Foreign Currency		
Travelling	1,62,833	1,24,797
Lodging & Boarding	1,60,893	-
Capital Equipment	77,346	-

- 25 The Company operates an unfunded gratuity scheme for its employees. The disclosures in respect of the scheme as required in the Accounting Standard 15 - "Employee Benefits", issued by the Institute of Chartered Accountants of India are given below :

**Defined Benefit Plans**

Gratuity Scheme (Unfunded Scheme)

In accordance with Accounting Standard 15 (Revised 2005), actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:-

I	Assumptions as at	Valuation Date 31st March, 2017	Valuation Date 31st March, 2016
	Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.
	Discount Rate	7.43%	8.00%
	Rate of increase in compensation	6%	6%
	Rate of return (expected) on plan assets	-	-
	Withdrawal rates	2%	2%
II	Changes in present value of obligations	Valuation Date 31st March, 2017	Valuation Date 31st March, 2016
	PVO at beginning of period	4,97,591	4,60,172
	Interest cost	37,627	34,681
	Current Service Cost	1,21,113	1,01,139
	Benefits Paid	(54,519)	(36,750)
	Actuarial (gain)/loss on obligation	71,673	(61,651)
	PVO at end of period	6,73,485	4,97,591
III	Changes in fair value of plan assets	Valuation Date 31st March, 2017	Valuation Date 31st March, 2016
	Fair Value of Plan Assets at beginning of period	-	-
	Adjustment to Opening Fair Value of Plan Assets	-	-
	Expected Return on Plan Assets	-	-
	Contributions	54,519	36,750
	Benefit Paid	(54,519)	(36,750)
	Actuarial gain/(loss) on plan assets	-	-
	Fair Value of Plan Assets at end of period	-	-
IV	Fair Value of Plan Assets	Valuation Date 31st March, 2017	Valuation Date 31st March, 2016
	Fair Value of Plan Assets at beginning of period	-	-
	Adjustment to Opening Fair Value of Plan Assets	-	-
	Actual Return on Plan Assets	-	-
	Contributions	54,519	36,750
	Benefit Paid	(54,519)	(36,750)

	Fair Value of Plan Assets at end of period	-	-
	Funded Status	(6,73,485)	(4,97,591)
	Excess of actual over estimated return on Plan Assets	-	-
V	Actuarial Gain/(Loss) Recognized	Valuation Date 31st March, 2017	Valuation Date 31st March, 2016
	Actuarial Gain/(Loss) for the period (Obligation)	(71,673)	61,651
	Actuarial Gain/(Loss) for the period (Plan Assets)	-	-
	Total Gain/(Loss) for the period	(71,673)	61,651
	Actuarial Gain/(Loss) recognized for the period	(71,673)	61,651
	Unrecognized Actuarial Gain/(Loss) at end of period	-	-
VI	Amounts to be recognized in the Balance Sheet and Statement of Profit & Loss	Valuation Date 31st March, 2017	Valuation Date 31st March, 2016
	PVO at end of period	6,73,485	4,97,591
	Fair Value of Plan Assets at end of period	-	-
	Funded Status	(6,73,485)	(4,97,591)
	Unrecognized Actuarial Gain/(Loss)	-	-
	Net Asset/(Liability) recognized in the balance sheet	(6,73,485)	(4,97,591)
VII	Expense recognized in the Statement of Profit & Loss	Valuation Date 31st March, 2017	Valuation Date 31st March, 2016
	Current Service Cost	1,21,113	1,01,139
	Interest cost	37,627	34,681
	Expected Return on Plan Assets	-	-
	Net Actuarial (Gain)/Loss recognized for the period	71,673	(61,651)
	Expense recognized in the Statement of Profit & Loss	2,30,413	74,169
VIII	Movements in the Liability recognized in Balance Sheet	Valuation Date 31st March, 2017	Valuation Date 31st March, 2016
	Opening Net Liability	4,97,591	4,60,172
	Adjustment to Opening Fair Value of Plan Assets	-	-
	Expenses as above	2,30,413	74,169
	Contribution paid	(54,519)	(36,750)
	Closing Net Liability	6,73,485	4,97,591
IX	Experience Analysis - Liabilities	Valuation Date 31st March, 2017	Valuation Date 31st March, 2016
	Actuarial (Gain)/Loss due to change in bases	55,967	(11,319)
	Experience (Gain) / Loss due to Change in Experience	15,706	(50,332)
	Total	71,673	(61,651)
	<b>Experience Analysis - Plan Assets</b>		
	Experience (Gain) / Loss due to Change in Plan Assets	-	-
X	Schedule III Details	Valuation Date 31st March, 2017	Valuation Date 31st March, 2016
	Current Liability	18,799	15,073
	Non-Current Liability	6,54,686	4,82,518



**Notes to Financial Statements for the year ended 31st March, 2017**
**26 Related Party Disclosures:**
**(A) List of Related Parties and list of related parties with whom transactions have taken place during the year / previous year:**
**Subsidiary**

EMDI (Overseas) FZ LLC

**Joint Venture**

EMDI Wedding Academy LLP - (50% Share in Profit &amp; Loss)

**Key Managerial Personnel**

1) Mr. Nowshir Engineer - Managing Director (No transaction during the year/previous year)

2) Mr. Dharmesh Parekh - Company Secretary

3) Mr. Samkeet Patel - Chief Financial Officer

4) Mrs. Asha Parekh - Consultant (Relative of Dharmesh Parekh)

**B) Transactions with Related Parties:**

Nature of Transactions	Subsidiaries	Joint Venture	Key Managerial Personnel	Total
<b>Loan Repayment Received</b>				
EMDI (Overseas) FZ LLC	9,28,499 (18,64,178)	- -	- -	9,28,499 (18,64,178)
<b>Salary and Allowances Paid</b>				
Dharmesh Parekh	-	-	13,05,000	13,05,000
	-	-	(11,61,950)	(11,61,950)
Samkeet Patel	-	-	7,97,250	7,97,250
	-	-	(6,50,750)	(6,50,750)
<b>Petrol Reimbursement</b>				
Dharmesh Parekh			15,000	15,000
			(15,000)	(15,000)
<b>Professional Fees Paid</b>				
Asha Parekh	-	-	6,00,000	6,00,000
	-	-	(5,28,000)	(5,28,000)
<b>Business Auxiliary Services Received</b>				
EMDI Wedding Academy LLP	-	8,86,500	-	8,86,500
	-	(8,80,000)	-	(8,80,000)
<b>Interest Income</b>				
EMDI (Overseas) FZ LLC	1,66,616 (3,85,220)	- -	- -	1,66,616 (3,85,220)
<b>Balances of Related Enterprises at the Year End Receivable:</b>				
EMDI (Overseas) FZ LLC	4,36,945 (13,91,098)	- -	- -	4,36,945 (13,91,098)

\* Figures in bracket represents previous year's figures

27 Earning Per Equity Share	31st March 2017	31st March 2016
Profit / (Loss) After Tax	(26,47,026)	87,871
Number of Equity Shares- Basic	79,07,715	79,07,715
Number of Equity Shares- Diluted	79,07,715	79,07,715
Earning Per Share (Basic)	(0.33)	0.01
Earning Per Share (Diluted)	(0.33)	0.01

28 The Company divested its interest in joint venture subsidiary- Eduhub Education Pvt Ltd on 31st March, 2015. However, due to oversight in some sections of the Company's website and a corporate presentation on the website, it continued to mention Eduhub and IISM as also their respective logos, which was in the nature of statement of factual information. For reasons best known to them, Eduhub Education Pvt Ltd sent notices to remove their logos from Company's website. As part of the said notice, they also claimed a sum of ₹4,50,00,000 as monetary damages for unauthorized and illegitimate use of their logo. In response to this notice, the Company has made necessary updates on its website and Company considers that post this, the cause for the notice and thereby the compensation so claimed is negated.

**Notes to Financial Statements for the year ended 31st March, 2017**

On noticing that at various places on the Eduhub Education Pvt Ltd's website, IISM's website and IISM face book pages, there were references and images leading the public to believe that these were still the Company's joint ventures and also that Ms.Rasika Kulkarni - Director of Eduhub was also Director of EMDI; as advised the Company issued a notice to Eduhub Education Pvt Ltd to remove these references and claimed a compensation of ₹ 25,00,00,000 as monetary damages for illegal and unauthorized use and infringement of Company's trademarks.

- 29** No impairment provision has been made in the financial statements with regard to the value of investment in EMDI (Overseas) FZ LLC, wholly-owned subsidiary of the Company although the net worth of the subsidiary is eroded as the management is expecting the positive trends in the results of the subsidiary on going concern basis.
- 30** The Company has made strategic investment in equity shares of AAT Academy India Ltd in earlier years. However, the Company is presently unable to ascertain whether there is any indication of other than temporary diminution, if any, in the value of this investment due to non availability of latest financial statements and other data.
- 31** The company share of each of the assets, liabilities, income and expenses etc. (each without elimination of the effect of transactions between the company and joint venture) related to its interest in this joint venture, based on the audited financial statements are:

Particulars	As at 31st March 2017
<b>ASSETS</b>	
<b>Non-current Assets</b>	
(a) Fixed Assets	
(i) Tangible Assets	1,328
(ii) Intangible Assets	2,943
(b) Deferred Tax Assets (net)	247
(c) Long Term Loans & Advances	3,002
	<b>7,518</b>
<b>Current Assets</b>	
(a) Trade Receivables	40,998
(b) Cash and Cash Equivalents	3,60,345
(c) Short Term Loan and Advances	25,444
	<b>4,26,787</b>
<b>Current Liabilities</b>	
(a) Other Current Liabilities	2,62,912
(b) Short-Term Provisions	9,000
	<b>2,71,912</b>
<b>Income</b>	10,92,951
<b>Expenses</b>	10,84,161

- 32** The details of specified bank notes (SBN) held and transacted during the period 08/11/16 to 30/12/16 are as follows:

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	36,000	3,986	39,986
(+) Permitted receipts	-	2,57,775	2,57,775
(-) Permitted payments	-	2,70,465	2,70,465
(-) Amount deposited in Banks	36,000	-	36,000
Closing cash in hand as on 30.12.2016	-	8,704	8,704

\* indicates value 0 due to rounding off.

- 33** Previous years figures have been regrouped/reclassified wherever necessary.

As Per Our Report of Even Date

For Ford Rhodes Parks & Co. LLP  
 Chartered Accountants  
 Firm's Registration No. 102860W/W100089

Astha Kariya  
 Partner  
 Membership No: 122491  
 Place : Mumbai  
 Dated : 15th May, 2017

For and on behalf of the Board of Directors of  
 Greycells Education Limited  
 CIN:L65910MH1983PLC030838

Nowshir Engineer  
 Managing Director  
 DIN:00932396

Abbas Patel  
 Director  
 DIN:00547281

Dharmesh Parekh  
 Company Secretary

Samkeet Patel  
 Chief Financial Officer

**Form AOC-1**

(Pursuant to first proviso to sub-section (3) of Section 129 read with Rule 5 of Companies (Accounts) Rules, 2014)

**Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures****Part "A": Subsidiaries**

(₹ in lakhs)

Sl. No.	Particulars	Details
1.	Name of the Subsidiary	EMDI (Overseas) FZ LLC
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	1 <sup>st</sup> April, 2016 to 31 <sup>st</sup> March, 2017
3.	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	AED = INR 18.20
4.	Share Capital	5.44
5.	Reserves & Surplus	37.87
6.	Total Assets	168.25
7.	Total Liabilities	124.93
8.	Investments	-
9.	Turnover	431.20
10.	Profit before taxation	(34.37)
11.	Provision for taxation	-
12.	Profit after taxation	(34.37)
13.	Proposed Dividend	-
14.	% of shareholding	100%

**Notes:**

- There is not subsidiary which is yet to commence operations.
- There are no subsidiary which have been liquidated or sold during the year..

**Part "B": Associates and Joint Ventures****Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures**

(₹ in lakhs)

Sl. No.	Name of Associates/Joint Ventures	EMDI Wedding Academy LLP
1.	Latest audited Balance Sheet Date	31 <sup>st</sup> March, 2017
2.	Shares of Associate/Joint Ventures held by the company on the year end	
	No.	-
	Amount of Investment in Associates/Joint Venture	1.00
	Extend of Holding%	50%
3.	Description of how there is significant influence	N.A.
4.	Reason why the associate/joint venture is not consolidated	N.A.
5.	Net worth attributable to shareholding as per latest audited Balance Sheet	3.24
6.	Profit/loss for the year	(0.05)
	i. Considered in Consolidation	(0.03)
	ii. Not Considered in Consolidation	(0.02)

- There are no associates or joint ventures which are yet to commence operations.
- There are no associates or joint ventures which have been liquidated or sold during the year.

For and on behalf of the Board of Directors of  
 Greycells Education Limited  
 CIN:L65910MH1983PLC030838

Nowshir Engineer  
 Managing Director  
 DIN:00932396

Abbas Patel  
 Director  
 DIN:00547281

Place : Mumbai  
 Dated : 15th May, 2017

Dharmesh Parekh  
 Company Secretary

Samkeet Patel  
 Chief Financial Officer

## INDEPENDENT AUDITOR'S REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

To the Members of Greycells Education Limited

### Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Greycells Education Limited (hereinafter referred to as 'the Holding Company') and its subsidiary (the Holding Company and its subsidiary together referred to as 'the Group') and its jointly controlled entity, comprising of the Consolidated Balance Sheet as at 31<sup>st</sup> March, 2017, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

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

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as 'the Act') that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group and its Jointly controlled entity 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. The respective Board of Directors of the companies included in the group and its jointly controlled entity are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

### Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

### Basis for Qualified Opinion

No provision for, other than temporary diminution, if any, in the carrying value of investment in one of the associate company - AAT Academy India Limited has been recognised in the consolidated financial statements for the reasons stated in the note 30 to the consolidated financial statements.

### Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, its associates and jointly controlled entities as at 31<sup>st</sup> March, 2017, and their consolidated loss and their consolidated cash flows for the year ended on that date.

### Emphasis of Matter

We draw attention to note 31 to the consolidated financial statements, which states that although the net worth of one of the subsidiary – EMDI (Overseas) FZ LLC is eroded, the same is consolidated on the going concern basis for the reasons stated in the said note.

### Other Matters

We did not audit the financial statements / financial information of the subsidiary, whose financial statements / financial information reflect total assets of ₹ 168.25 lacs as at 31<sup>st</sup> March, 2017, total revenues of ₹ 431.23 lacs and net cash inflows amounting to ₹ 34.42 lacs for the year ended on that date, as considered in the consolidated financial statements.

These financial statements / financial information have been audited by other auditor whose report has been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary, and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the report of the other auditor.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditor and the financial statements / financial information certified by the Management.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the 'Annexure I' a 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, to the extent applicable, that:
  - a) We have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The reports on the accounts of its jointly controlled company incorporated outside India audited by the other auditor have been properly dealt with in preparing this report.
  - d) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - e) In our opinion, except for the effect of the matters described in the Basis for Qualified Opinion paragraph above, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - f) The matters described in the Basis for Qualified Opinion paragraph above, in our opinion, may have an adverse effect on the functioning of the Group.
  - g) On the basis of the written representations received from the Directors of the Holding Company as on 31<sup>st</sup> March, 2017 taken on record by the Board of Directors of the Holding Company and the report of the statutory auditor of its subsidiary company, and jointly controlled entity incorporated in India, none of the Directors of the Group companies and its jointly controlled entity incorporated in India is disqualified as on 31<sup>st</sup> March, 2017 from being appointed as a Director in terms of Section 164 (2) of the Act.
  - h) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure I'.
  - i) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. There were no pending litigations which would impact the consolidated financial position of the Group, and its jointly controlled entity.
    - ii. The Group and its jointly controlled entity did not have any material foreseeable losses on long-term contracts including derivative contracts.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its jointly controlled entity incorporated in India.
    - iv. The Holding Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8<sup>th</sup> November, 2016 to 30<sup>th</sup> December, 2016 and these are in accordance with the books of accounts maintained by the Holding Company (Refer Note 33 to the consolidated financial statements).

For Ford Rhodes Parks & Co. LLP  
 Chartered Accountants  
 Firm's Registration No. 102860W/W100089

Asha Kariya  
 Partner  
 Membership No. 122491

Mumbai : 15<sup>th</sup> May, 2017

**Annexure I****Annexure to the Independent Auditor's Report of even date on the Consolidated Financial Statements of Greycells Education Limited****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')**

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31<sup>st</sup> March 2017, we have audited the internal financial controls over financial reporting of Greycells Education Limited ("the Holding Company") being the only Company in the group which is incorporated in India, as of that date.

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

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

**Auditors' Responsibility**

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised 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 Holding Company have, 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 31<sup>st</sup> March 2017, 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 ICAI.

For Ford Rhodes Parks & Co. LLP  
Chartered Accountants  
Firm's Registration No. 102860W/W100089

Astha Kariya  
Partner  
Membership No. 122491

Mumbai : 15<sup>th</sup> May, 2017



**Consolidated Balance Sheet as at 31st March, 2017**

	Notes	As At 31st March, 2017 ₹	As At 31st March, 2016 ₹
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
(a) Share Capital	2	7,90,81,025	7,90,81,025
(b) Reserves and Surplus	3	19,89,63,412	20,44,12,426
<b>Non - Current Liabilities</b>			
(a) Long-Term Provisions	4	29,54,906	25,74,212
<b>Current Liabilities</b>			
(a) Trade Payables	5	17,22,430	2,25,125
(b) Other Current Liabilities	6	1,83,40,910	1,46,08,036
(c) Short-Term Provisions	7	27,799	60,208
<b>Total</b>		<b>30,10,90,482</b>	<b>30,09,61,032</b>
<b>ASSETS</b>			
<b>Non-Current Assets</b>			
(a) Fixed Assets	8		
(i) Tangible Assets		13,92,449	23,18,552
(ii) Intangible Assets		17,31,40,704	17,30,64,784
(b) Non-Current Investments	9	5,04,00,000	5,04,00,000
(c) Deferred Tax Assets (net)	10	30,23,912	29,78,763
(d) Long-Term Loans and Advances	11	41,94,314	32,90,741
<b>Current Assets</b>			
(a) Current Investments	12	1,83,00,000	26,44,193
(b) Trade Receivables	13	52,69,161	36,22,980
(c) Cash and Cash Equivalents	14	97,61,225	2,89,07,206
(d) Short-Term Loans and Advances	15	3,56,05,836	3,36,69,723
(e) Other Current Assets	16	2,881	64,090
<b>Total</b>		<b>30,10,90,482</b>	<b>30,09,61,032</b>
Significant accounting policies	1		
Notes to the Financial Statements.	1-34		

The accompanying notes are an integral part of the financial statements.

As Per Our Report of Even Date  
 For Ford Rhodes Parks & Co. LLP  
 Chartered Accountants  
 Firm's Registration No. 102860W/W100089

For and on behalf of the Board of Directors of  
 Greycells Education Limited  
 CIN: L65910MH1983PLC030838

Nowshir Engineer  
 Managing Director  
 DIN:00932396

Abbas Patel  
 Director  
 DIN:00547281

Astha Kariya  
 Partner  
 Membership No: 122491  
 Place : Mumbai  
 Dated : 15th May, 2017

Dharmesh Parekh  
 Company Secretary

Samkeet Patel  
 Chief Financial Officer

**Consolidated Statement of Profit and Loss for the year ended 31st March, 2017**

	Notes	Year Ended 31st March, 2017 ₹	Year Ended 31st March, 2016 ₹
<b>Revenue from Operations</b>	17	<b>7,31,28,331</b>	7,60,05,903
Other Income	18	<b>80,89,911</b>	87,34,181
<b>Total Revenue</b>		<b>8,12,18,242</b>	8,47,40,084
Expenses:			
Direct Expenses	19	<b>1,39,36,290</b>	1,05,95,799
Employee Benefit Expenses	20	<b>2,44,20,087</b>	2,27,81,054
Depreciation and Amortization	8	<b>16,07,206</b>	15,46,992
Other Expenses	21	<b>4,73,75,340</b>	4,35,79,043
<b>Total Expenses</b>		<b>8,73,38,923</b>	7,85,02,888
<b>Profit Before Tax</b>		<b>(61,20,681)</b>	62,37,196
<b>Tax Expense :</b>			
Current Tax		<b>9,000</b>	21,594
Deferred Tax - Expenses/(Income)		<b>(45,151)</b>	6,10,429
Previous Year Tax		<b>2,635</b>	18,674
<b>Profit /(Loss) for the Year</b>		<b>(60,87,165)</b>	<b>55,86,499</b>
<b>Profit /(Loss) for the Year</b>		<b>(60,87,165)</b>	<b>55,86,499</b>
Earnings per Equity Share in -Basic / Diluted	28	<b>(0.77)</b>	0.71
Significant Accounting Policies	1		
Notes to the Financial Statements.	1-34		

The accompanying notes are an integral part of the financial statements.

As Per Our Report of Even Date  
 For Ford Rhodes Parks & Co. LLP  
 Chartered Accountants  
 Firm's Registration No. 102860W/W100089

Astha Kariya  
 Partner  
 Membership No: 122491  
 Place : Mumbai  
 Dated : 15th May, 2017

For and on behalf of the Board of Directors of  
 Greycells Education Limited  
 CIN: L65910MH1983PLC030838

Nowshir Engineer  
 Managing Director  
 DIN:00932396

Abbas Patel  
 Director  
 DIN:00547281

Dharmesh Parekh  
 Company Secretary

Samkeet Patel  
 Chief Financial Officer

**Consolidated Cash Flow Statement for the year ended 31st March, 2017**

	31st March 2017 ₹	31st March 2016 ₹
<b>Cash Flow from Operating Activities</b>		
Net Profit/(Loss) before Tax	(61,20,681)	62,37,196
Adjustments for:		
Depreciation / Amortization	16,07,205	15,46,992
Provision for Doubtful Debts and Advances	14,26,059	5,68,813
Interest on ICD	(53,42,012)	(53,42,025)
Profit on Sale of Fixed Assets	(3,600)	-
Interest on Fixed Deposits	(7,40,509)	(15,21,069)
Gain on Redemption of Mutual Funds	(20,00,654)	-
Interest on Income Tax Refund	(31)	(41,541)
<b>Operating Profit / (Loss) Before Working Capital Changes</b>	<b>(1,11,74,222)</b>	<b>14,48,366</b>
Adjustments for:		
Trade Payables	14,97,305	(19,70,590)
Long Term Provisions	3,80,694	3,28,381
Short Term Provisions	3,726	1,472
Other Current Liabilities	37,32,874	(32,86,317)
Refundable Deposits from Students	-	(21,800)
Trade Receivables	(30,72,240)	(17,60,915)
Short Term Loans and Advances	(19,36,113)	5,47,456
Long Term Loans and Advances	10,800	1,88,940
Other Current Assets	-	19,84,236
<b>Cash Generated / (Used in) Operations</b>	<b>(1,05,57,176)</b>	<b>(25,40,771)</b>
Direct Taxes (Paid) / Refund	(9,62,144)	(65,467)
Interest on Income Tax Refund	31	41,541
Foreign Currency Translation Reserve	7,13,827	6,97,535
<b>Net Cash from Operating Activities</b>	<b>(1,08,05,462)</b>	<b>(18,67,162)</b>
<b>Cash Flow from Investing Activities</b>		
Purchase of Fixed Assets	(8,52,199)	(3,90,458)
Proceeds from Sale/Scrap of Fixed Assets	23,100	-
Proceeds from Sale of Current Investments (Net)	96,44,848	-
Purchase of Current Investments	(2,33,00,000)	-
Interest on FD	8,01,720	15,16,791
Fixed Deposits Matured	1,10,00,000	(65,00,000)
Interest on Inter Corporate Deposit	53,42,012	53,42,025
<b>Net Cash Used in Investing Activities</b>	<b>26,59,481</b>	<b>(31,642)</b>
<b>Cash Flow from Financing Activities</b>		
<b>Net Cash from Financing Activities</b>		
Net Increase / (Decrease) in Cash and Cash Equivalents	(81,45,981)	(18,98,804)
Cash and Cash Equivalents at the Beginning of the Year (Opening Balances)	1,74,07,206	1,93,06,010
Cash and Cash Equivalents at the End of the Year (Closing Balances)	92,61,225	1,74,07,206
Components of Cash and Cash Equivalents:		
Cash on Hand	31,383	51,159
Fixed Deposit with Maturity Less Than 3 Months	2,30,081	33,88,545
Balance with Bank	89,99,761	1,39,67,502
	92,61,225	1,74,07,206

**Notes:**

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 "Cash Flow Statement".
- Previous year figures have been re-grouped and rearranged wherever necessary.

As Per Our Report of Even Date  
 For Ford Rhodes Parks & Co. LLP  
 Chartered Accountants  
 Firm's Registration No. 102860W/W100089

For and on behalf of the Board of Directors of  
 Greycells Education Limited  
 CIN: L65910MH1983PLC030838

Nowshir Engineer                      Abbas Patel  
 Managing Director                      Director  
 DIN:00932396                              DIN:00547281

Astha Kariya  
 Partner  
 Membership No: 122491  
 Place : Mumbai  
 Dated : 15th May, 2017

Dharmesh Parekh                      Samkeet Patel  
 Company Secretary                      Chief Financial Officer

## Notes to Consolidated Financial Statements for the year ended 31st March, 2017

### 1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

The financial statements are prepared under the historical cost convention, on accrual basis of accounting, in accordance with the accounting principles generally accepted in India and comply with the standards on accounting issued by the Institute of Chartered Accountants of India and referred to in Section 133 of the Companies Act, 2013.

The significant accounting policies are as follows:

#### Principles of Consolidation

The Consolidated Financial Statements consist of Greycells Education Limited ("the Company") and its subsidiary company (collectively referred to as "the Group") and Joint Venture. The Consolidated Financial Statements have been prepared on the following basis:

- i) The financial statements of subsidiaries have been combined on line by line basis by adding together the book value of like items of assets, liabilities, income, expenditure after eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses as per Accounting Standard 21 – "Consolidated Financial Statements" notified by Companies (Accounting Standards) Rules, 2006.
- ii) The consolidated financial statements are prepared by adopting uniform accounting policies like transactions or other events in similar circumstances and are presented to the extent possible, in the same manner as the parent company's financial statements. Necessary adjustments have been made to the audited accounts of the subsidiary for adopting uniform accounting policies for the purpose of consolidation.
- iii) The functional currency of the Parent Company and its Joint Venture LLP is Indian Rupee, whereas the functional currency of its Dubai based subsidiary is its respective local currency. Its accounts are converted from its local currency to Indian Rupees in the following manner:  
All income and expenses items are translated at the average rate of exchange applicable for the period. All monetary and non-monetary assets and liabilities are translated at the closing rate as on balance sheet date. The equity share capital is stated at the exchange rate at the date of investment. The exchange difference arising out of the year / period end translation is debited or credited to "Foreign Currency Translation Account".
- iv) The difference between the Company's cost of investment in the subsidiaries over its portion of equity at the time of acquisition of shares is recognized in the consolidated financial statements as Goodwill or Capital Reserve as the case may be.
- v) Interests in Joint Ventures have been accounted by using the proportionate consolidation method as per Accounting Standard 27 – "Financial Reporting of Interests in Joint Ventures" notified by Companies (Accounting Standards) Rules, 2006.

#### a. Revenue Recognition

The Group follows the mercantile system of accounting and recognizes income and expenditure on accrual basis. Income from the student fees are recognized over the period of instruction of course. Non-refundable premier relationship fees receivable under business association agreements are taken to income as and when due.

The form fees income is booked net of service charge wherever applicable immediately on sale of forms.

Dividend income is accounted for as and when declared.

#### b. Fixed Assets and Depreciation

- a) Depreciation is provided on the assets on their original costs up to their net residual value estimated at one percent of the original cost, pro-rata to the period of use on the written down value method, over their estimated useful life as per schedule II to the Companies Act, 2013.

- b) Intangible assets are amortized as under :

- i) Goodwill over the period of five years.
- ii) Trade Mark over the period of ten years.
- iii) Capital expenditure on office improvement is amortized equally over the lease period

#### c. Impairment of Assets

At each balance sheet date, the Group reviews the carrying value of assets for any possible impairment. An impairment loss is recognized when the carrying amount of asset exceeds its recoverable amount which is the higher of net realizable amount as on the balance sheet date and the present value of the economic benefit resulting from the future use of the asset.

#### d. Investments

Investments are capitalized at cost of acquisition plus direct incidental expenses. Provision for diminution in the value of long term investments is made in accordance with Accounting Standard 13 - 'Accounting for Investments' issued by the Institute of Chartered Accountants of India.

#### e. Employee Benefits

The Company provides for gratuity benefits to its employees as per the provisions of The Payment of Gratuity Act, 1972. The gratuity benefit scheme is unfunded and provision for the same is made on actuarial basis.

#### f. Foreign Currency Translation

Transactions denominated in foreign currency are recorded at the exchange rate prevailing on the date of transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the profit and loss account of the year.

Monetary assets and liabilities in foreign currency, which are outstanding as at the year end are translated at the year end at the closing exchange rate and the resultant exchange difference is recognized in the profit and loss account.

Non monetary assets and non-monetary liabilities denomination in foreign currency are measured at historical cost and are translated at exchange rate prevailing at the date of transaction.

#### g. Provisions and Contingent Liabilities

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources.

#### h. Taxation

Provision for taxation has been made in accordance with the Income Tax laws prevailing for the relevant assessment years.

#### i. Deferred Tax

Deferred tax assets / liabilities resulting from timing differences between book and tax profits is accounted for at the current rate of tax to the extent that the timing differences are expected to crystallise in future. Deferred tax assets in respect of carried forward business losses and unabsorbed depreciation as per Income Tax provisions is recognized only if there is virtual certainty of recoupment of the same out of future taxable income.

**Notes to Consolidated Financial Statements for the year ended 31st March, 2017**

	31st March, 2017 ₹	31st March, 2016 ₹
<b>2 Share Capital:</b>		
Authorized :		
1,17,00,000 (P.Y. 1,17,00,000) Equity Shares of ₹10 each	11,70,00,000	11,70,00,000
	<u>11,70,00,000</u>	<u>11,70,00,000</u>
Issued, subscribed and fully paid-up		
79,07,715 Equity Shares (P.Y. 79,07,715) of ₹10 each	7,90,77,150	7,90,77,150
Forfeited Shares		
Amount paid up on 1,550 forfeited Equity Shares	3,875	3,875
	<u>7,90,81,025</u>	<u>7,90,81,025</u>
<b>a Terms and Rights:</b>		
The Holding Company has only one class of equity shares having a par value of ₹10 per share. Each holder of equity shares is entitled to one vote per share.		
In the event of liquidation of the Holding Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.		
<b>b</b> No shares have been issued for consideration other than cash. No bonus shares have been issued and no shares brought back in preceding 5 years from the date of financial statements.		
<b>c</b> The Holding Company had issued 19,00,000 equity shares of ₹10 each on 13th May 2014 to Krisma Investments Private Limited (one of the member of the promoter and promoter group of the Company) on preferential allotment basis in accordance with the provisions of Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other applicable laws.		
<b>d</b> Shareholders holding more than 5% of equity shares		
<b><u>Name of the Shareholdery</u></b>		
Bela Naishadh Desai	<b>No. of Shares</b> 8,84,100	<b>8,84,100</b>
	<b>% holding</b> 11.18%	<b>11.18%</b>
Krisma Investments Pvt Ltd	<b>No. of Shares</b> 26,13,341	<b>26,13,341</b>
	<b>% holding</b> 33.05%	<b>33.05%</b>
Koppara Sajeev Thomas	<b>No. of Shares</b> 7,84,390	<b>7,84,390</b>
	<b>% holding</b> 9.92%	<b>9.92%</b>
Nowshir Rusi Engineer	<b>No. of Shares</b> 2,56,192	<b>4,21,000</b>
	<b>% holding</b> 3.24%	<b>5.32%</b>
<b>3 Reserves and Surplus:</b>		
<b>Securities Premium:</b>		
As per last Balance Sheet	28,55,79,100	28,55,79,100
Closing Balance	<u>28,55,79,100</u>	<u>28,55,79,100</u>
<b>General Reserve:</b>		
As per last Balance Sheet	8,80,566	8,80,566
Closing Balance	<u>8,80,566</u>	<u>8,80,566</u>
<b>Capital Reserve:</b>		
As per last Balance Sheet	2,62,75,000	2,62,75,000
Closing Balance	<u>2,62,75,000</u>	<u>2,62,75,000</u>
<b>Exchange Fluctuation Reserve:</b>		
As per Last Balance Sheet	(9,26,182)	(16,23,717)
Add: Addition during the year	6,38,151	6,97,535
Closing Balance	<u>(2,88,031)</u>	<u>(9,26,182)</u>
<b>Deficit in Statement of Profit and Loss:</b>		
As per Last Balance Sheet	(10,73,96,058)	(11,29,82,557)
Add: Profit for the Year as per the Statement of Profit and Loss	<u>(60,87,165)</u>	<u>55,86,499</u>
Closing Balance	<u>(11,34,83,223)</u>	<u>(10,73,96,058)</u>
	<u>19,89,63,412</u>	<u>20,44,12,426</u>

## Notes to Consolidated Financial Statements for the year ended 31st March, 2017

	31st March, 2017 ₹	31st March, 2016 ₹
<b>4 Non Current Provision:</b>		
Long-term Provisions		
Provision for Employee Benefits	29,54,906	25,74,212
	<u>29,54,906</u>	<u>25,74,212</u>
<b>5 Trade Payables</b>	17,22,430	2,25,125
	<u>17,22,430</u>	<u>2,25,125</u>
<b>6 Other Current Liabilities:</b>		
Advance Fees Received	1,49,11,631	1,26,22,138
Other Payable	29,27,318	14,12,426
Refundable Deposits from Students	4,04,000	3,84,600
Statutory Dues Payable	97,961	1,88,872
	<u>1,83,40,910</u>	<u>1,46,08,036</u>
<b>7 Short-term Provisions</b>		
Provision for Employee Benefits		
Gratuity	18,799	15,073
Provision for Tax	9,000	45,135
	<u>27,799</u>	<u>60,208</u>

## 8 FIXED ASSETS:

Amount in ₹

	Gross Block					Depreciation					Net Block	
	As at 31/03/2016	Additions During the Year	Disposals During the Year	Foreign Currency Fluctuation Reserve	As at 31/03/2017	Up to 31/03/2016	For the Year	On Disposals	Foreign Currency Fluctuation Reserve	Up to 31/03/2017	W.D.V. as on 31/03/2017	W.D.V. as on 31/03/2016
i) <b>Tangible Assets:</b>												
Furniture And Fixtures	20,18,809	-	-	3,02,265	17,16,544	14,80,981	89,361	-	-1,85,839	13,84,503	3,32,041	2,35,563
Office Equipments	45,42,408	22,097	-	5,17,023	40,47,482	30,22,896	2,07,004	-	-3,863	32,26,037	8,21,445	10,02,490
Computer System	37,00,790	3,15,167	14,55,786	26,814	25,33,357	35,90,336	2,08,154	14,36,286	-15,647	23,46,558	1,86,799	83,640
Motor Car	6,16,170	-	-	1,40,760	4,75,410	2,66,887	16,816	-	1,39,543	4,23,246	52,164	2,08,523
Library Books	1,72,149	-	-	-	1,72,149	1,72,149	-	-	-	1,72,149	-	-
Office Improvements	23,65,008	-	-	-	23,65,008	15,76,672	7,88,336	-	-	23,65,008	-	7,88,336
<b>Total A</b>	<b>1,34,15,334</b>	<b>3,37,264</b>	<b>14,55,786</b>	<b>9,86,862</b>	<b>1,13,09,950</b>	<b>1,01,09,921</b>	<b>13,09,672</b>	<b>14,36,286</b>	<b>-65,807</b>	<b>99,17,500</b>	<b>13,92,449</b>	<b>23,18,552</b>
ii) <b>Intangible Assets:</b>												
Goodwill	76,35,920	-	-	-	76,35,920	76,35,920	-	-	-	76,35,920	-	-
Goodwill on Consolidation	17,24,13,908	-	-	-	17,24,13,908	-	-	-	-	-	17,24,13,908	17,24,13,908
Computer Software	3,50,000	-	-	-	3,50,000	3,50,000	-	-	-	3,50,000	-	-
Website Development	95,000	56,000	-	-	1,51,000	19,000	-	-	-	19,000	1,32,000	76,000
Trade Marks	22,19,375	4,48,890	-	-10,045	26,78,310	16,44,499	2,97,534	-	1,41,482	20,83,515	5,94,796	5,74,876
<b>Total B</b>	<b>18,27,14,203</b>	<b>5,04,890</b>	<b>-</b>	<b>-10,045</b>	<b>18,32,29,138</b>	<b>96,49,419</b>	<b>2,97,534</b>	<b>-</b>	<b>1,41,482</b>	<b>1,00,88,435</b>	<b>17,31,40,704</b>	<b>17,30,64,784</b>
<b>Total (A+B)</b>	<b>19,61,29,537</b>	<b>8,42,154</b>	<b>14,55,786</b>	<b>9,76,817</b>	<b>19,45,39,088</b>	<b>1,97,59,340</b>	<b>16,07,206</b>	<b>14,36,286</b>	<b>75,675</b>	<b>2,00,05,936</b>	<b>17,45,33,153</b>	<b>17,53,83,336</b>
Capital WIP	-	-	-	-	-	-	-	-	-	-	-	-
Previous Year	19,47,52,218	3,90,458	-	-	19,51,42,676	1,82,12,345	15,46,993	-	-	1,97,59,340	17,53,83,336	17,65,39,873



## Notes to Consolidated Financial Statements for the year ended 31st March, 2017

	31st March, 2017 ₹	31st March, 2016 ₹
<b>9 Non Current Investments:</b>		
<b>Trade Investment (Unquoted, at cost)</b>		
<b>In Equity Shares</b>		
2,45,554 Equity Shares of ₹ 10 each in AAT Academy India Ltd. (Refer Note No. 30)	5,04,00,000	5,04,00,000
50,000 Equity Shares of ₹ 10 each in Vyom Events & Entertainment Pvt Ltd (erstwhile Minds Eye Production Pvt. Ltd)	1,30,00,000	1,30,00,000
	<b>6,34,00,000</b>	<b>6,34,00,000</b>
Less: Provision for Diminution in value of Investment in Vyom Events & Entertainment Pvt Ltd (erstwhile Minds Eye Production Pvt. Ltd)	1,30,00,000	1,30,00,000
	<b>5,04,00,000</b>	<b>5,04,00,000</b>
<b>10 Deferred Tax Assets / (Liabilities):</b>		
Deferred Tax Asset (Gross):		
On Depreciation Differential	22,52,498	22,61,700
On Provision of Gratuity	2,08,107	1,53,756
On Provision for Doubtful Debts	5,63,307	5,63,307
	<b>30,23,912</b>	<b>29,78,763</b>
Deferred Tax Liability (Gross)	-	-
Deferred Tax Asset (Net)	<b>30,23,912</b>	<b>29,78,763</b>
No Deferred tax asset has been recognized on unabsorbed depreciation and carried forward business losses as there is no virtual certainty that the same will be realized out of future taxable income.		
<b>11 Long Term Loans and Advances</b>		
<b>(Unsecured and Considered Good):</b>		
Security Deposits	24,70,020	24,80,820
Advance Tax (Net of Provision)	17,24,294	8,09,921
	<b>41,94,314</b>	<b>32,90,741</b>
<b>12 Current Investments</b>		
Quoted units of Mutual Fund (valued at lower of cost or market value )		
NIL / (P.Y. 1,85,377.503 units) IDFC Dynamic Bond Fund- Growth	-	26,44,193
59,796.206 units / (P.Y. NIL) Birla Sun Life Cash Plus Growth Plan	1,53,00,000	-
15,571.699 units / (P.Y. NIL) Birla Sun Life Floating Rate Fund Long Term Growth Plan	30,00,000	-
	<b>1,83,00,000</b>	<b>26,44,193</b>
Market Value in - ₹	<b>1,87,49,712</b>	<b>34,03,772</b>
<b>13 Trade Receivable - Unsecured:</b>		
Debts overdue for more than six months:		
Considered Good	-	31,09,122
Considered Doubtful	18,23,000	20,04,279
Other Debts Considered Good	66,26,240	5,13,858
	<b>84,49,240</b>	<b>56,27,259</b>
Less : Provision for Doubtful Debts	31,80,079	20,04,279
	<b>52,69,161</b>	<b>36,22,980</b>

## Notes to Consolidated Financial Statements for the year ended 31st March, 2017

	31st March, 2017 ₹	31st March, 2016 ₹
<b>14 Cash and Bank Balance:</b>		
<b>Cash and cash Equivalents</b>		
Balances with Banks	89,99,761	1,39,67,502
In Fixed Deposit having Original Maturity up to 3 Months	2,30,081	33,88,545
Cash on hand	31,383	51,159
	<u>92,61,225</u>	<u>1,74,07,206</u>
<b>Other Balances with Bank</b>		
In Fixed Deposit having Original Maturity More Than 3 Months but Less Than 12 Months	5,00,000	1,15,00,000
	<u>97,61,225</u>	<u>2,89,07,206</u>
<b>15 Short Term Loans/ Advances:</b>		
<b>(Unsecured, Considered Good)</b>		
Other Advances	87,300	1,56,275
Inter Corporate Deposit	3,00,00,000	3,00,00,000
Balances with Statutory Authorities	5,02,760	3,68,975
Loans and Advances to Employees	19,000	6,000
Prepaid Expenses	49,96,776	31,38,473
	<u>3,56,05,836</u>	<u>3,36,69,723</u>
<b>16 Other Current Assets:</b>		
Accrued Interest on Fixed Deposit	2,881	64,090
	<u>2,881</u>	<u>64,090</u>
<b>17 Revenue from Operations</b>		
Course Fees	6,90,37,654	7,42,99,119
Form and Other Fees	12,54,218	9,51,281
Event Income	95,174	2,06,877
Income from Premier Relationship fees	22,50,000	-
Other Operating Income	48,035	1,08,626
Business Auxiliary Income	4,43,250	4,40,000
	<u>7,31,28,331</u>	<u>7,60,05,903</u>
<b>18 Other Income</b>		
Interest Income on:		
Bank Fixed Deposits	7,40,509	15,21,069
Inter Corporate Deposit	53,42,012	53,42,025
Income Tax Refund	31	41,541
Other Loans and Advances	-	-
Gain on Redemption of Mutual Fund	20,00,654	-
Liability No Longer Required Written Back	-	15,99,885
Sundry Balance Written Back	-	7,003
Profit on Sale of Fixed Assets	3,600	-
Miscellaneous Income	3,105	2,22,658
	<u>80,89,911</u>	<u>87,34,181</u>

**Notes to Consolidated Financial Statements for the year ended 31st March, 2017**

	31st March, 2017 ₹	31st March, 2016 ₹
<b>19 Cost of Services Rendered (Direct):</b>		
Faculty Fees	44,20,732	42,07,962
Business Auxiliary Services	72,97,366	50,22,674
Certification Fees	6,82,402	4,40,488
Wedding Course Expenses	-	35,330
Student Activities	5,71,207	2,54,395
Class Room Rent	2,91,725	-
Event Expenses	6,72,858	6,34,950
	<u>1,39,36,290</u>	<u>1,05,95,799</u>
<b>20 Employee Benefit Expenses:</b>		
Salaries, Wages and Bonus	2,34,73,865	2,18,56,202
Staff Welfare Expenses	3,95,219	5,20,666
Leave Encashment Expenses	57,744	52,394
Gratuity Expenses	4,93,259	3,51,792
	<u>2,44,20,087</u>	<u>2,27,81,054</u>
<b>21 Other Expenses</b>		
Electricity Charges	2,46,436	3,04,321
Rent and Other Compensation	1,10,80,929	1,10,07,065
Repair and Maintenance	6,50,695	6,43,724
Rates and Taxes	2,87,411	2,69,116
<b>Auditors Remuneration</b>		
Audit Fees	3,09,606	2,67,488
Others	3,550	6,270
Limited Review Fees	87,000	54,000
Legal and Professional Fees	1,09,91,065	1,02,58,026
Advertisement and Marketing Expenses	1,54,57,590	1,30,71,288
Directors Sitting Fees	16,500	28,500
Postage and Courier	39,157	33,025
Printing and Stationery	3,97,283	5,54,692
Company Law Matter and Listing Fees	3,98,823	4,21,330
Telephone Expenses	8,98,290	8,97,842
Travelling Expenses	20,82,241	17,69,293
Conveyance Expenses	7,35,031	6,94,102
Bad Debts Written-off	7,16,286	34,93,529
Less: Provision on Bad Debts Adjusted	-	(19,57,292)
Provision For Doubtful Debts	14,26,059	5,68,813
Other Miscellaneous Expenses	15,51,388	11,93,911
	<u>4,73,75,340</u>	<u>4,35,79,043</u>

**Notes to Consolidated Financial Statements for the year ended 31st March, 2017**

22 No vendors have informed the Company of their being registered under the Micro, Small and Medium Enterprises Development Act, 2006. Hence, as per the information available with the Group Company, there are no amounts payable to such vendors as at the year end.

**23 Managerial Remuneration:**

PARTICULARS	31st March, 2017 ₹	31st March, 2016 ₹
Salary and Allowances	80,91,248	79,15,324

24 The Group is presently engaged in the business of vocational education in Media and Entertainment. The Geographical segments has been identified as primary segment and reported as per Accounting Standard 17 - 'Segment Reporting' as below:

Geographical Segments are:

- a. India
- b. International

	31st March, 2017 ₹	31st March, 2016 ₹
<b>Segment Revenue</b>		
a. India	3,00,07,983	2,90,42,912
b. International	4,31,20,349	4,69,62,991
<b>Total</b>	<b>7,31,28,332</b>	<b>7,60,05,903</b>
Less: Inter Segment Revenue	-	-
<b>Net Sales / Income From Operations</b>	<b>7,31,28,332</b>	<b>7,60,05,903</b>
<b>Segment Result</b>		
a. India	(1,06,06,434)	(77,48,104)
b. International	(36,04,159)	52,51,119
<b>Total</b>	<b>(1,42,10,592)</b>	<b>(24,96,985)</b>
Add: Other Income	80,89,911	87,34,181
<b>Total Profit before Tax</b>	<b>(61,20,681)</b>	<b>62,37,196</b>
<b>Capital Employed</b>		
a. India	11,26,039	1,94,62,245
b. International	10,59,284	48,12,826
<b>Total</b>	<b>21,85,323</b>	<b>2,42,75,071</b>
Add: Un-allocable corporate assets less liabilities	27,58,59,114	25,92,18,380
<b>Total Capital Employed in the Company</b>	<b>27,80,44,437</b>	<b>28,34,93,451</b>

25 The Group Company operates an unfunded gratuity scheme for its employees. The disclosures in respect of the scheme as required in the Accounting Standard 15 - 'Employee Benefits', issued by the Institute of Chartered Accountants of India' are given below :

**Defined Benefit Plans**

Gratuity Scheme (Unfunded Scheme)

In accordance with Accounting Standard 15 (Revised 2005), actuarial valuation was performed in respect of the aforesaid defined benefit plans based on the following assumptions:-

I	Assumptions as at	Valuation Date 31st March, 2017	Valuation Date 31st March, 2016
	Mortality	IALM (2006-08) Ult.	IALM (2006-08) Ult.
	Discount Rate	7.43%	8.00%
	Rate of increase in compensation	6%	6%
	Rate of return (expected) on plan assets	-	-
	Withdrawal rates	2%	2%
II	Changes in present value of obligations	Valuation Date 31st March, 2017	Valuation Date 31st March, 2016
	PVO at beginning of period	4,97,591	4,60,172
	Interest cost	37,627	34,681
	Current Service Cost	1,21,113	1,01,139
	Benefits Paid	(54,519)	(36,750)
	Actuarial (gain)/loss on obligation	71,673	(61,651)
	PVO at end of period	6,73,485	4,97,591
III	Changes in fair value of plan assets	Valuation Date 31st March, 2017	Valuation Date 31st March, 2016
	Fair Value of Plan Assets at beginning of period	-	-
	Adjustment to Opening Fair Value of Plan Assets	-	-
	Expected Return on Plan Assets	-	-
	Contributions	54,519	36,750
	Benefit Paid	(54,519)	(36,750)
	Actuarial gain/(loss) on plan assets	-	-
	Fair Value of Plan Assets at end of period	-	-
IV	Fair Value of Plan Assets	Valuation Date 31st March, 2017	Valuation Date 31st March, 2016
	Fair Value of Plan Assets at beginning of period	-	-
	Adjustment to Opening Fair Value of Plan Assets	-	-
	Actual Return on Plan Assets	-	-
	Contributions	54,519	36,750
	Benefit Paid	(54,519)	(36,750)
	Fair Value of Plan Assets at end of period	-	-
	Funded Status	(6,73,485)	(4,97,591)
	Excess of actual over estimated return on Plan Assets	-	-

**Notes to Consolidated Financial Statements for the year ended 31st March, 2017**

V	<b>Actuarial Gain/(Loss) Recognized</b>	<b>Valuation Date 31st March, 2017</b>	<b>Valuation Date 31st March, 2016</b>
	Actuarial Gain/(Loss) for the period (Obligation)	(71,673)	61,651
	Actuarial Gain/(Loss) for the period (Plan Assets)	-	-
	Total Gain/(Loss) for the period	(71,673)	61,651
	Actuarial Gain/(Loss) recognized for the period	(71,673)	61,651
	Unrecognized Actuarial Gain/(Loss) at end of period	-	-
VI	<b>Amounts to be recognized in the Balance Sheet and Statement of Profit &amp; Loss</b>	<b>Valuation Date 31st March, 2017</b>	<b>Valuation Date 31st March, 2016</b>
	PVO at end of period	6,73,485	4,97,591
	Fair Value of Plan Assets at end of period	-	-
	Funded Status	(6,73,485)	(4,97,591)
	Unrecognized Actuarial Gain/(Loss)	-	-
	Net Asset/(Liability) recognized in the balance sheet	(6,73,485)	(4,97,591)
VII	<b>Expense recognized in the Statement of Profit &amp; Loss</b>	<b>Valuation Date 31st March, 2017</b>	<b>Valuation Date 31st March, 2016</b>
	Current Service Cost	1,21,113	1,01,139
	Interest cost	37,627	34,681
	Expected Return on Plan Assets	-	-
	Net Actuarial (Gain)/Loss recognized for the period	71,673	(61,651)
	Expense recognized in the Statement of Profit & Loss	2,30,413	74,169
VIII	<b>Movements in the Liability recognized in Balance Sheet</b>	<b>Valuation Date 31st March, 2017</b>	<b>Valuation Date 31st March, 2016</b>
	Opening Net Liability	4,97,591	4,60,172
	Adjustment to Opening Fair Value of Plan Assets	-	-
	Expenses as above	2,30,413	74,169
	Contribution paid	(54,519)	(36,750)
	Closing Net Liability	6,73,485	4,97,591
IX	<b>Experience Analysis- Liabilities</b>	<b>Valuation Date 31st March, 2017</b>	<b>Valuation Date 31st March, 2016</b>
	Actuarial (Gain)/Loss due to change in bases	55,967	(11,319)
	Experience (Gain)/Loss due to Change in Experience	15,706	(50,332)
	Total	71,673	(61,651)
	<b>Experience Analysis - Plan Assets</b>		
	Experience (Gain)/Loss due to Change in Plan Assets	-	-
X	<b>Schedule III Details</b>	<b>Valuation Date 31st March, 2017</b>	<b>Valuation Date 31st March, 2016</b>
	Current Liability	18,799	15,073
	Non-Current Liability	6,54,686	4,82,518

26 The Consolidated Financial Statements of the Group includes financial statements of subsidiaries consolidated as per Accounting Standard 21 - 'Consolidated Financial Statements' issued by Institute of Chartered Accountants of India.

a. The Holding Company, its subsidiaries (jointly referred to as the 'Group' herein under) and its joint venture considered in these consolidated financial statements are:

**Subsidiary:**

Name of the Company	Country of Incorporation	% voting power held as at 31st March, 2017	% voting power held as at 31st March, 2016
EMDI (Overseas) FZ LLC	Dubai	100%	100%

**Joint Venture:**

Name of the Company	Country of Incorporation	% ownership interest, as at 31st March, 2017	% ownership interest, as at 31st March, 2016
EMDI Wedding Academy LLP *	India	50%	50%

\* The Group has adopted and accounted for interest in the jointly controlled entity 'EMDI Wedding Academy LLP' using the 'Proportionate Consolidation Method' as per Accounting Standard 27 - 'Financial Reporting of Interest in Joint Ventures' issued by Institute of Chartered Accountants of India.

b. Additional Information, as required under Schedule III to Companies Act, 2013, of enterprises consolidated as subsidiary and Joint Venture

Name of the Enterprise	Net Assets i.e (Total Assets - Total Liabilities)		Share in Profit or Loss	
	As % of consolidated net assets	Amount in ₹	As % of consolidated profit or loss	Amount in ₹
<b>Parent Company:</b>				
Greycells Education Limited	99.71	26,59,48,605	43.49	(26,47,025)
<b>Subsidiaries:</b>				
<b>Foreign</b>				
EMDI (Overseas) FZ LLC	0.23	6,22,339	56.47	(34,37,541)
<b>Joint Venture:</b>				
<b>Indian</b>				
EMDI Wedding Academy LLP	0.06	1,62,393	0.04	(2,599)
<b>Total</b>	<b>100</b>	<b>26,67,33,337</b>	<b>100</b>	<b>(60,87,165)</b>
<b>Adjustment due to consolidation</b>		1,13,11,098	-	-
<b>TOTAL</b>		<b>27,80,44,437</b>		<b>(60,87,165)</b>

**Notes to Consolidated Financial Statements for the year ended 31st March, 2017**
**27 Related Party Disclosures:**
**(A) List of Related Parties and list of related parties with whom transactions have taken place during the year/previous year:**
Joint Venture

EMDI Wedding Academy LLP - (50% Share in Profit / (Loss))

Key Managerial Personnel

- 1) Mr. Dharmesh Parekh - Company Secretary
- 2) Mr. Samkeet Patel - Chief Financial Officer
- 3) Mrs. Asha Parekh - Consultant (Relative of Dharmesh Parekh)

**B) Transactions with Related Parties:**

Nature of Transactions	Joint Venture	Key Managerial Personnel	Total
<b>Salary and Allowances paid</b>			
Dharmesh Parekh	-	13,05,000	13,05,000
	-	(11,61,950)	(11,61,950)
Samkeet Patel	-	7,97,250	7,97,250
	-	(6,50,750)	(6,50,750)
<b>Petrol Reimbursement</b>			
Dharmesh Parekh	-	15,000	15,000
	-	(15,000)	(15,000)
<b>Professional Fees Paid</b>			
Asha Parekh	-	6,00,000	6,00,000
	-	(5,28,000)	(5,28,000)
<b>Business auxiliary services received</b>			
EMDI Wedding Academy LLP	8,86,500	-	8,86,500
	(8,80,000)	-	(8,80,000)

\* Translate with Joint Venture are shown as 100 % basis.

\* Figures in bracket represents previous year's figures

<b>28 Earning Per Share:</b>	<b>31st March, 2017</b>	<b>31st March, 2016</b>
Profit After Tax	(60,87,165)	55,86,499
Number of Equity Shares	79,07,715	79,07,715
Number of Equity Shares- Diluted	79,07,715	79,07,715
Earning Per Share (Basic)	(0.77)	0.71
Earning Per Share (Diluted)	(0.77)	0.71

- 29** The Company divested its interest in joint venture subsidiary- Eduhub Education Pvt Ltd on 31st March, 2015. However, due to oversight in some sections of the Company's website and a corporate presentation on the website, it continued to mention Eduhub and IISM as also their respective logos, which was in the nature of statement of factual information. For reasons best known to them, Eduhub Education Pvt Ltd sent notices to remove their logos from Company's website. As part of the said notice, they also claimed a sum of ₹ 4,50,00,000 as monetary damages for unauthorized and illegitimate use of their logo. In response to this notice, the Company has made necessary updates on its website and Company considers that post this, the cause for the notice and thereby the compensation so claimed is negated.

On noticing that at various places on the Eduhub Education Pvt Ltd's website, IISM's website and IISM face book pages, there were references and images leading the public to believe that these were still the Company's joint ventures and also that Ms. Rasika Kulkarni - Director of Eduhub was also Director of EMDI; as advised the Company issued a notice to Eduhub Education Pvt Ltd to remove these references and claimed a compensation of ₹ 25,00,00,000 as monetary damages for illegal and unauthorized use and infringement of Company's trademarks.

- 30** The company has made strategic investment in equity shares of AAT Academy India Ltd in earlier years. However, the Company is presently unable to ascertain whether there is any indication of other than temporary diminution, if any, in the value of this investment, due to non availability of latest financial statements and other data.

**Notes to Consolidated Financial Statements for the year ended 31st March, 2017**

**31** No provision for impairment has been considered in the financial statements for the Goodwill resulting on consolidation of a subsidiary EMDI (Overseas) FZ LLC, wholly-owned subsidiary of the Company, where net worth has been eroded, as management is expecting the positive trends in the results of the subsidiary on going concern basis.

**32** The Group's share of each of the assets, liabilities, income, expenses etc. (each without eliminator of the effect of transactions between the Group and the Joint Venture) related to its interest in this joint venture, based on the audited financial statements are:

Particulars	As at 31st March 2017
<b>ASSETS</b>	
<b>Non-current Assets</b>	
(a) Fixed Assets	
(i) Tangible Assets	1,328
(ii) Intangible Assets	2,943
(b) Deferred Tax Assets (net)	247
(c) Long Term Loans & Advances	3,002
	<b>7,518</b>
<b>Current Assets</b>	
(a) Trade Receivables	40,998
(b) Cash and Cash Equivalents	3,60,345
(c) Short Term Loan and Advances	25,444
	<b>4,26,787</b>
<b>Current Liabilities</b>	
(a) Other Current Liabilities	2,62,912
(b) Short-Term Provisions	9,000
	<b>2,71,912</b>
<b>Income</b>	10,92,951
<b>Expenses</b>	10,84,161

**33** The details of specified bank notes (SBN) held and transacted during the period 08/11/16 to 30/12/16 are as follows:

	SBNs	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	36,000	3,986	39,986
(+) Permitted receipts	-	2,57,775	2,57,775
(-) Permitted payments	-	2,70,465	2,70,465
(-) Amount deposited in Banks	36,000	-	36,000
Closing cash in hand as on 30.12.2016	-	8,704	8,704

\* indicates value 0 due to rounding off.

**34** Previous years figures have been regrouped/ reclassified wherever necessary.

As Per Our Report of Even Date  
 For Ford Rhodes Parks & Co. LLP  
 Chartered Accountants  
 Firm's Registration No. 102860W/W100089

Astha Kariya  
 Partner  
 Membership No: 122491  
 Place : Mumbai  
 Dated : 15th May, 2017

For and on behalf of the Board of Directors of  
 Greycells Education Limited  
 CIN: L65910MH1983PLC030838

Nowshir Engineer  
 Managing Director  
 DIN:00932396

Abbas Patel  
 Director  
 DIN:00547281

Dharmesh Parekh  
 Company Secretary

Samkeet Patel  
 Chief Financial Officer



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## ATTENDANCE SLIP

### GREYCELLS EDUCATION LIMITED

CIN: L65910MH1983PLC030838

Forum Building, 1st Floor, 11/12, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013

(Please complete this Attendance Slip and hand it over at the entrance of the meeting hall)

I hereby record my presence at the 34th Annual General Meeting of the Shareholders of the Company being held on, Friday, September 29, 2017 at 3.00 p.m. at Forum Building, 1st Floor, 11/12, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013.

DP Id. : \_\_\_\_\_

Folio No.: \_\_\_\_\_

Client Id.: \_\_\_\_\_

No. of Shares held: \_\_\_\_\_

NAME OF THE SHAREHOLDER: \_\_\_\_\_  
(1st name)

\_\_\_\_\_  
(Joint Holder)

Name of Proxy \_\_\_\_\_

(To be filled in case of the proxy attends instead of shareholder)

\_\_\_\_\_  
Signature of Shareholder/Proxy\*

Tear Here



### GREYCELLS EDUCATION LIMITED

CIN: L65910MH1983PLC030838

Forum Building, 1st Floor, 11/12, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013

## PROXY FORM

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

Name of Member(s): \_\_\_\_\_

Registered address: \_\_\_\_\_

E-mail Id : \_\_\_\_\_

Folio No./ Client Id. : \_\_\_\_\_

DP ID : \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ Shares of Greycells Education Limited, hereby appoint

1. Name : \_\_\_\_\_ E-mail Id : \_\_\_\_\_

Address: \_\_\_\_\_

Signature : \_\_\_\_\_, or failing him

2. Name : \_\_\_\_\_ E-mail Id : \_\_\_\_\_

Address: \_\_\_\_\_

Signature : \_\_\_\_\_, or failing him

3. Name : \_\_\_\_\_ E-mail Id : \_\_\_\_\_

Address: \_\_\_\_\_

Signature : \_\_\_\_\_,

as my/our proxy to attend and vote (in a poll) for me/us and on my/our behalf at the 34th Annual General Meeting of the Company to be held on Friday, September 29, 2017 at 3.00 p.m. at Forum Building, 1st Floor, 11/12, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai – 400013 and at any adjournment thereof in respect of such resolutions as are indicated below:

----- ✂ ----- Tear Here ----- ✂ -----

I wish my above proxy to vote in the manner as indicated in the box below:

Resolutions	For	Against
1. Adoption of Audited Financial Statements of the Company for the financial year ended March 31, 2017		
2. Re-appointment of Ms. Bela Desai as Director		
3. Appointment of Statutory Auditors and fixing their remuneration		
4. Adoption of new set of Articles of Association		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of Shareholder \_\_\_\_\_

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

Affix a  
₹ 1/-  
Revenue  
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting.



**COURIER**



If undelivered please return to:

**GREYCELLS EDUCATION LIMITED**  
Forum Building, 1<sup>st</sup> Floor, 11/12,  
Raghuvanshi Mills Compound,  
Senapati Bapat Marg,  
Lower Parel (West), Mumbai - 400013.