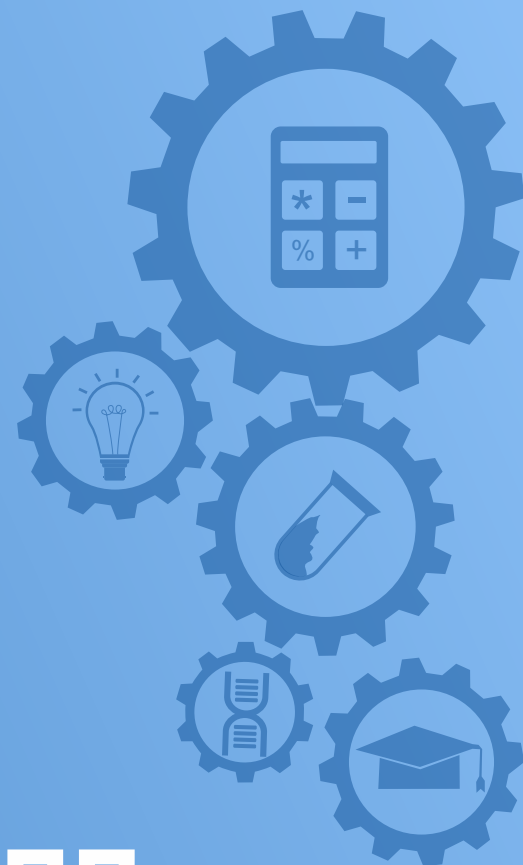




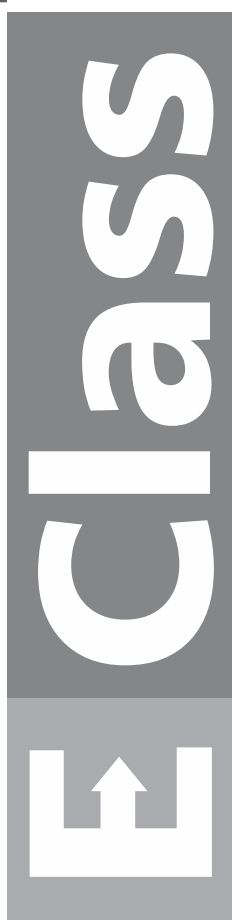
www.e-class.in



DIGITAL EDUCATION

E-class Education System Ltd.

TM



Digital Education

BOARD OF DIRECTORS:

Mr. Amrut P. Shah
(Chairman & Non- Executive Director)

Mr. Hardik A. shah
(Whole-time Director)

Riddhi C. Gala
(Whole-time Director)

Mr. Shantilal P. Shah
(Non- Executive Director)

Mr. Hasmukh A. Gada
(Non-Executive Director) (Up to 14-08-2014)

Mr. Paresh Kumar P. Jain
(Non-Executive Independent Director) (Up to 30-09-2014)

Mr. Jagdish J. Kothari
(Non- Executive Independent Director) (Up to 31-03-2015)

Mr. Manikandam P. Kammenchery
(Non-Executive Independent Director)

Mr. Raichand P. Shah
(Non-Executive Director)

Mr. Kaushal R. Sheth
(Non-Executive Independent Director) (w.e.f. 01-04-2015)

Mr. Dipesh S. Dedhia
(Chief Financial Officer) (w.e.f. 15-07-2014)

Mrs. Komal M. Khakhar
(Company Secretary) (Up to 30-06-2015)

AUDITORS:

M/s Bhuta Shah & Co.
Chartered Accountants,
Mumbai.

BANKER:

State Bank of India

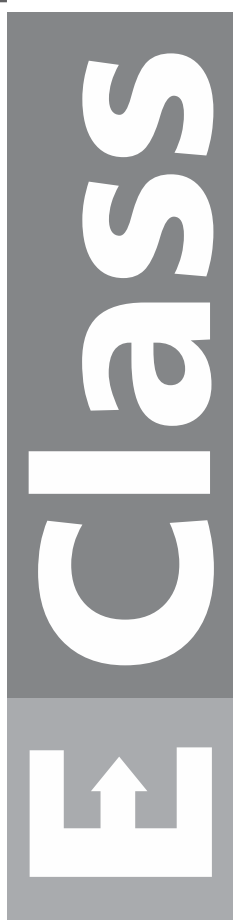
REGISTERED OFFICE:

5/6, Papa Industrial Estate, Suren Road, Andheri East,
Mumbai: 400093

REGISTRAR & SHARE TRANSFER AGENT:

M/s. Sharex Dynamic (India) Private Limited, Unit no. 1,
Luthra Ind. Premises, Andheri-krula Road, Safed pool,
Andheri East, Mumbai: 400 072. Maharashtra, India.

TM



Digital Education

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NOTICE

Notice is hereby given that the 6th Annual General Meeting of the Members of E-class Education System Limited will be held on Wednesday, 30th September 2015 at 4.00 p.m. at the Registered Office of the Company at 5/6 Papa Industrial Estate, Suren Road, Andheri (East), Mumbai- 400093 to transact the following businesses:

Ordinary Business:

1. To consider and adopt the Audited Financial Statement of the Company for the Financial Year ended 31st March, 2015, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Amrut P. Shah (DIN: 00033120) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mrs. Riddhi C. Gala (DIN: 03007446) who retires by rotation and being eligible, offers herself for re-appointment.
4. To ratify the appointment of Auditors of the Company, and to fix their remuneration and in this regard, to consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT pursuant to section 139,142 and other applicable provisions of Companies Act, 2013 and Rules made thereunder, pursuant to the recommendation of the Audit Committee of the Board of Directors, and pursuant to the resolution passed by the members at last the AGM held on 30th September, 2014, the appointment of M/s Bhuta Shah & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No. 101474W), as the Statutory Auditors of the Company to hold the office till the conclusion of the AGM to be held in the calendar year 2017 be and hereby ratified and the Board of Directors be and is hereby authorised to fix the remuneration payable to them for the financial year ending 31st March, 2016, as may be recommended by the Audit Committee in consultation with the Auditors”

Special Business

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for time being in force, Mr. Kaushal R. Sheth (DIN:06949468) who was appointed as an Additional Director (Independent, Non-Executive) of the Company by the Board of Directors with effect from 1st April, 2015 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company w.e.f. 1st April, 2015 to hold office for a term of five consecutive years up to 31st March, 2020, not liable to retire by rotation."

6. To re-appoint Mr. Hardik A. Shah (DIN: 06380442) as the Whole-time Director and to consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

“RESOLVED THAT in accordance with the provisions of Sections 196, 197 and 203 and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 read with Section II of Part II of Schedule V thereto (including any statutory modification(s) or re-enactment thereof for the time being in force), subject to the provisions of the Articles of Association of the Company and such other modifications, recommendations, approval and sanction if and when necessary, desirable and expedient in law and as per the recommendation of Nomination and Remuneration Committee, Mr. Hardik A. Shah (DIN: 06380442), whose term expires on 31st December, 2015 be and is hereby re-appointed as the Whole -Time Director of the Company with effect from 1st January, 2016 for a period of three years, liable to retire by rotation, on a remuneration not exceeding ₹.12 lacs p.a. and on other terms and conditions as set below:

1	Designation	Whole-Time Director
2	Tenure	January 1, 2016 for a period of three years, up to December 31, 2019 liable to retire by rotation.

3	Remuneration:	
	Basic Pay	₹12 lacs p.a. (will be paid exclusive of the perquisites, as mentioned below, which shall not be included in the computation of ceiling stated herein.)
	Allowance & Perquisite	1. Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961. 2. Gratuity payable at the rate not exceeding half a month's salary for each completed year of service, and is not taxable under the Income-tax Act, 1961. 3. Encashment of leave at the end of the tenure.
	Increments	Increments may be given subject to the overall limits specified under section 197 read with Schedule V of the Companies Act, 2013.
4	<p>General Terms: Mr. Hardik A. Shah, Whole-Time Director shall handle the Marketing and Public Relation with the clients of the Company and Media and also handle the Management of the Company.</p> <p>a. Where in any financial year, during the currency of tenure of the Whole Time Director, if Company has adequate profits the Whole Time Director will be paid remuneration subject to the limits of 5% of the net profits, as the case may be, and the overall limits of 11% of the net profits as laid down in sub-section (1) of section 197 of the Companies Act, 2013 and in case of no profit or inadequacy of profit the remuneration shall be within the limit specified in the Schedule V of the Companies Act, 2013.</p> <p>b. The Whole Time Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or committee thereof from the date of his appointment.</p>	

7. To amend the Clause 152 pertaining to "Deeds how executed" in the Article of Association and to consider and if thought fit, to pass with or without modification(s), the following resolution as a **Special Resolution**:

RESOLVED THAT pursuant to Section 14 and other applicable provisions of the Companies Act, 2013 (the Act) and the Rules made thereunder, including and statutory modification(s) or re-enactment(s) thereof for the time being in force, the Clause 152 pertaining to "Deeds how executed" in the Article of Association of the Company be and is hereby substituted as under:

152. The seal of the Company shall not be affixed to any instrument except by the authority of a resolution of the Board or of a committee of the Board authorized by it in that behalf, and in the presence of one Director or such other person as the Board may authorize and those one Director or such other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

RESOLVED FURTHER THAT for the purpose of giving effect to the foregoing resolutions the Board of Directors of the Company be and is hereby authorised to do all such acts as it may in its absolute discretion deem necessary.

By Order of the Board of Directors
E-class Education System Limited

Sd/-
Amrut P. Shah
Chairman
(DIN: 00033120)

Sd/-
Hardik A. Shah
Whole-time Director
(DIN: 06380442)

Address: 502, Prangan, 5th Floor
Malviya Road, Vile Parle (East),
Mumbai: 400057,
Maharashtra, INDIA.

Address: 502, Prangan, 5th Floor,
149, Malviya Road, Vile Parle (East),
Mumbai: 400057,
Maharashtra, INDIA.

Date: 12th August, 2015
Place: Mumbai

Registered Office: 5/6, Papa Industrial Estate, Suren Road, Andheri (E), Mumbai- 400 093, Maharashtra, India. Email: info@eclass.in, (CIN:U80212MH2009PLC194231)

Notes:

- 1) A statement pursuant to Section 102(1) of the Companies Act, 2013, relating to Special Business to be transacted at the Meeting is annexed hereto.
- 2) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY.

Proxies submitted on behalf of Limited companies, societies, etc., must be supported by appropriate resolutions/authority, as applicable. A person can act as proxy on behalf of Members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company. In case a proxy is proposed to be appointed by a Member holding more than 10% of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any other person or shareholder.

- 3) The instrument appointing the proxy, in order to be effective, must be deposited at the Company's Registered Office, duly completed and signed, not less than FORTY-EIGHT HOURS before the meeting.

- 4) Corporate members intending to send their authorized representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.

- 5) During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the company.

- 6) Members/proxies authorised representatives should bring the duly filled attendance slip, enclosed here with to attend the meeting.

- 7) The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

- 8) The Register of Contracts or Arrangements, in which Directors are interested, maintained under section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.

- 9) Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to Company or Registrar and Transfer Agents (RTA).

- 10) Members are requested to address all correspondence to the Registrar and Share Transfer Agents, Sharex Dynamics (India) Pvt. Ltd., Unit No. 1, Luthra Industrial Premises, Andheri Kurla Road, Safed Pool, Andheri (E), Mumbai – 400 072.

- 11) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their Depository Participant(s).

- 12) All the Documents referred to in the notice will be available for inspection at the registered office of the Company during the normal business hours on working days up to the date of AGM.

- 13) In case of joint holder attending the Meeting, only such joint holder who is higher in order of names will be entitled to vote.

- 14) Relevant documents referred to in the accompanying Notice and the statements are open for inspection by the members at the registered office of the Company on all working days, except Saturdays, during business hours up to the date of the meeting.

- 15) Additional information in respect of the directors seeking appointment / re-appointment at the AGM is furnished as annexure to this notice. The directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.

STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 (“the Act”)

As required by Section 102 of the Companies Act, 2013, (hereinafter referred to as “the Act”) the following Explanatory Statement sets out the material facts relating to the Special Business under item Nos.5 to 7 of the accompanying Notice dated 12th August, 2015.

Item No. 5

Mr. Kaushal R. Sheth (DIN:06949468) was appointed as an Additional Director (Independent, Non-Executive) of the Company by the Board in its meeting held on 30th March, 2015 with effect from 1st April, 2015. Pursuant to provisions of Section 161(1) of the Companies Act, 2013, Mr. Kaushal R. Sheth (DIN: 06949468) holds office only up to the date of this Annual General Meeting of the Company. Appropriate notices along with requisite amount of deposits under Section 160(1) of the Companies Act, 2013 has been received by the Company from members proposing appointment of Mr. Kaushal R. Sheth (DIN: 06949468) as an Independent Director of the Company and requisite consent has been received from him pursuant to the provisions of Section 152 of the Companies Act, 2013.

The Company has received from Mr. Kaushal R. Sheth (DIN: 06949468) (i) consent in writing to act as Independent Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules 2014 (ii) intimation in Form DIR- 8 in terms of Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that he is not disqualified under sub-section (2) of Section 164 of the Companies Act, 2013 and (iii) a declaration to the effect that he meets the criteria of independence as provided in sub-section (6) of Section 149 of the companies Act, 2013.

The Resolution seeks the approval of members for the appointment of Mr. Kaushal R. Sheth (DIN: 06949468) as Independent Director of the Company for a term of 5 consecutive years pursuant to Section 149 and other applicable provisions of the Companies Act, 2013 and the Rules made hereunder. He is not liable to retire by rotation.

In the opinion of the Board of Directors, Mr. Kaushal R. Sheth (DIN: 06949468) proposed to be appointed, as an Independent Director, fulfills the conditions specified in the Companies Act, 2013 and the Rules made hereunder and he is Independent.

No Director or Key Managerial Personnel of the Company and/ or their relatives, except Mr. Kaushal R. Sheth (DIN: 06949468) in his personal capacity for whom the resolution relates, are interested or concerned in the resolution.

The Board recommends the Ordinary Resolution set out in item no. 5 for your Approval.

Item No. 6

Mr. Hardik A. Shah (DIN: 06380442) was appointed as Whole time Director of the Company by the members at their meeting held on 21-01-2013 for a term of three years with effect from 01-01-2013 till 31-12-2015. As per the proviso to sub section (2) of Section 196 of the Companies Act 2013, Whole Time Director can be re-appointed not earlier than one year before the expiry of his term. Thus, on the recommendation of Nomination and Remuneration Committee and Board of Directors at their meeting held on 12th August 2015, Mr. Hardik A. Shah (DIN: 06380442) proposed to be re-appointed as the Whole time Director of the Company, subject to the approval of Members for period of three years w.e.f. 1st January, 2016 till 31st December 2019 on such terms and conditions including remuneration as may be approved by the members, Brief terms of re-appointment are as follows:

Duration of Appointment:

The re-appointment is for an initial term of Three years commencing from 1st January, 2016 till 31st December, 2019 (liable to retire by rotation).

Designation:

Mr. Hardik A. Shah (DIN: 06380442) will be designated as Whole-Time Director as well as Key Managerial Personnel of the Company.

Role on the Board:

He will be re-appointed as Whole Time Director:

1. To handle the Marketing and Public Relation with the clients of the Company and Media.
2. To effectively represent, and promote the interests of, shareholders with a view to adding long-term value to the Company's shares.
3. To ensure that the Company's goals are clearly established, and that strategies are in place for achieving them.
4. To establish in consultation with the board and its committee, policies for strengthening the performance of the Company including ensuring that management is proactively seeking to build the business through innovation, initiative, technology, new products, Designs and the development of its business capital;
5. To ensure that the Company adheres to high standards of ethics and corporate behaviour;

Remuneration:

- Remuneration of not exceeding ₹12 lacs p.a. (will be paid exclusive of the perquisites, as mentioned below, which shall not be included in the computation of ceiling stated herein.)
- Contribution to provident fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income-tax Act, 1961.
- Gratuity payable at the rate not exceeding half a month's salary for each completed year of service, and is not taxable under the Income-tax Act, 1961.
- Encashment of leave at the end the tenure.
- Where in any financial year, during the currency of tenure of the Whole Time Director, the Company has adequate profits the Whole Time Director will be paid remuneration subject to the limits of 5% of the net profits, as the case may be, and the overall limits of 11% of the net profits as laid down in sub-section (1) of section 197 of the Companies Act, 2013 and in case of no profit or inadequacy of profit the remuneration shall be within the limit specified in the Schedule V of the Companies Act, 2013.
- The Whole Time Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or committee thereof from the date of his appointment.
- The term and conditions of the appointment may be altered and varied from time to time by the Board in consultation with the Nomination & Remuneration Committee, in its discretion and deem fit in accordance with the limit specified in schedule V to the Companies Act, 2013 or any amendment made thereafter in this regard.

Statement as required under section II of part II of schedule V of the Companies Act, 2013 are as follows:-

I GENERAL INFORMATION:**1) Nature of Industry:**

The company is into the business of providing digital educational content.

2) Date of Incorporation of Company:

Your Company has been incorporated on 20th July, 2009.

3) In case of New Companies, expected date of commencement of activities as per project approved by financial institutions appearing on the prospectus:

Not Applicable

4) Financial performance based on given indicators

(Amount in ₹)

Particulars	31st March, 2015	31st March, 2014
Total income	1,62,89,462	2,28,63,111
Profit/(loss) before depreciation, tax, extra-ordinary item and appropriation	(3,93,82,049)	(4,60,96,548)
Less: Depreciation	1,98,35,861	2,07,35,994
Profit /(loss) before tax	(5,92,17,910)	(6,68,32,542)
Less: Deferred tax	--	(2,99,52,801)
Less: short/(excess) provision for earlier years	--	22,410
Profit/(loss) after tax	(5,92,17,910)	(36,902,151)

5) Foreign investments or collaborations, if any:

Not Applicable

II. INFORMATION ABOUT THE APPOINTEE:**1) Background details:**

Mr Hardik A. Shah (DIN: 06380442) is business development head of the Company. He is a Bachelor of Management Studies from NMIMS, Mumbai. His professional knowledge and business development skills will be very helpful for the Company to develop its business and hence generate revenue for the Company. His technological advancement skill is also very helpful to the company as company is in the business of providing Digital education.

2) Past remuneration:

Up to maximum ₹ 1,00,000 p.m. as approved by the members in its meeting held on 21st January, 2013.

3) Recognition or awards: NIL**4) Job Profile and his suitability:**

Mr Hardik A. Shah (DIN: 06380442) is most suitable for this position as proven by his experience in business management

and his knowledge of technology. He is actively involved in the corporate planning and development. He has made significant contribution to improve the performance of the company. His knowledge and experience will immensely help the Company to achieve a high growth rate in the sales.

5) Remuneration proposed:

Remuneration of not exceeding ₹12 lacs p.a. (will be paid exclusive of the perquisites, as mentioned above in the Explanatory Statement.)

6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin):

The proposed remuneration (due to current constraints faced by the company) is comparatively lower than that paid by industry of comparative size to a person similar to the appointee. However as and when the performance and financial situation improves, higher remuneration will be considered.

7) Pecuniary relationship directly or indirectly with the Company, or relationship with managerial personnel, if any:

Mr. Hardik A. Shah (DIN: 06380442), apart from being Director and Whole-time Director of the Company and receiving remuneration, He is son of Mr. Amrut P. Shah, Chairman (DIN: 00033120) and brother of Ms. Riddhi C. Gala, Whole-time Director (DIN: 03007446).

III. OTHER INFORMATION:**1. Reasons for loss or inadequate profit:**

The digital education is the new concept introduced in India in the past few years, and has the gestation period of 5 to 10 years. The Company has contractual nature of business with private schools as well as with government agencies ranging from 3 to 5 years. As a result revenues are being blocked for that period and also increases the finance cost. Recent Changes in syllabus of State Board, up gradation in Technology and changes in political policies affected sales in current year.

2. Steps taken or proposed to be taken for improvement:

Company is in the process of changing its business model and technological advancement to generate regular cash flow. Further the Company is introducing new syllabus, new product line and improving online sales. The Company is venturing into new states to expand the business.

3. Expected increase in productivity and profits in measurable terms:

Exponential increase in productivity, sales and Profit is expected in coming years.

IV. DISCLOSURES

I. All elements of remuneration package such as salary, benefits, bonuses, stock options, pension, etc. as stated in the resolution.

II. Details of fixed component and performance linked incentive along with the performance criteria: Not Applicable

III. Service contracts, notice period, severance fees: Service contract: 3 years, Notice period: One month, Severance fees: Nil

IV. Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable: N.A

The above may be treated as written memorandum setting out the terms of re-appointment of Mr. Hardik A. Shah (DIN: 06380442) as Whole-time Director under section 196 of the Act.

Except Mr. Hardik A. Shah (DIN: 06380442), being appointee and Mr. Amrut P. Shah (DIN00033120), Chairman being his father and of Ms. Riddhi C. Gala, Whole-time Director (DIN 03007446) being his sister, none of the other Directors and Key Managerial Personnel and their relatives are concerned or interested, financially or otherwise, in the resolution set out at item No. 6.

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the members.

Item no 7:

The existing Clause 152 of Article of Association (AOA) requires the Company to affix the Seal of the Company to any instrument in the presence of at least two Directors and of the Secretary or such other person as the Board may authorize for this purpose; and those two Directors and of the Secretary or such other person shall sign the every instrument to which the seal of the company is so affixed in his/her presence.

In the opinion of the Board, to facilitate smooth working and for the convenience of the company, the existing clause 152 needs to be replaced as given in the item no. 7 of the Notice of the Annual General Meeting.

The proposed amended Clause 152 requires the Company to affix the Seal of the Company to any instrument in the presence of one director or such other person as the Board may authorize and that one director or such other person aforesaid shall sign every instrument to which the seal of the Company is so affixed in their presence.

The Board recommends the Special Resolutions set out at Item No. 7 of the Notice for approval by the shareholders.

None of the Directors and / or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in the resolution.

Additional information for the Directors seeking Appointment or Re-appointment

Mr. Kaushal R. Sheth (DIN: 06949468):

He is 28 years old and a commerce graduate from the recognized university. He brings with himself 6 years' experience in the Stationery business with vast knowledge of marketing and different kind of products. He is also having good financial and accounting knowledge. He is independent of the management of the Company and his responsibility is to provide information relating to marketing and co-operate with the management in the meetings of Board as well as Committees.

Name of the Companies other than E-class Education System Limited in which Mr. Kaushal R. Sheth (DIN: 06949468) was Director during the year 2014-15:

Name of the Company	Nature of Interest	Committee name & Position
Sundaram Multi Pap Limited	Independent Director	Chairman of Audit Committee, Nomination & Remuneration Committee and Stakeholders Relationship Committee.

Mr. Amrut P. Shah (DIN: 00033120):

He is the founder of the Company and also the Chairman and Managing Director of the Holding Company i.e. Sundaram Multi Pap Limited. At this age of 55 years and qualification of SSC, he is having good marketing brain along with technology updates. His responsibility is providing and making strategies and enhancing Growth of the Company and also increasing the Shareholder's Wealth. His leadership development and knowledge management initiatives have differentiated the company from competitors.

Name of the Companies other than E-class Education System Limited in which Mr. Amrut P. Shah (DIN: 00033120) was Director during the year 2014-15:

Name of the Company	Nature of Interest	Committee name & Position
Sundaram Multi Pap Limited	Chairman & Managing Director	--
Sundaram Bio-Tech Private Limited	Director	--
Sundaram Recycling Limited	Director	--

Mrs. Riddhi C. Gala (DIN: 03007446):

She is Whole-time Director of the Company possessing qualification in the field of Bachelor of Fine arts. At this small age of 30 years She is having huge amount of experience in Advertisement, marketing and managing the public relationship. She is an experienced strategist and began her career in the creative field. As an advertising professional, in last few years she has gained good experience in the field of advertising, marketing and management of public relation. She is actively involved in the corporate planning and development. She has made significant contribution to improve the performance of the company. She was first time appointed as Director of the Company as on 1st March, 2011.

Except E-class Education System Limited she was not director in any other company in the F.Y. 2014-15.

Mr. Hardik A. Shah (DIN: 06380442)

Mr Hardik A. Shah (DIN: 06380442) is business development head of the Company. He joined the Board since 1st December, 2012. He is a Bachelor of Management Studies from NMIMS, Mumbai. At the tender age 26 years his professional knowledge and business development skills will be very helpful for the Company to develop its business and hence generate revenue for the Company. His technological advancement skill is also very helpful to the company as company is in the business of providing Digital education.

Name of the Companies other than E-class Education System Limited in which Mr Hardik A. Shah (DIN: 06380442) was Director during the year 2014-15:

Name of the Company	Nature of Interest	Committee name & Position
HRP Technologies Pvt. Ltd.	Director	Nil

(Note: No. of Board meetings attended and other directorships and Committee positions held by each Directors is also given in Directors Report forming part of Annual Report. Further Our Company being Wholly owned subsidiary of Sundaram Multi Pap Limited, 100% share are held in their name.)

BOARD OF DIRECTORS REPORT

To,
The Members,
E-class Education System Limited

Your Directors are pleased to present the Sixth Annual Report of the Company with Audited Balance sheet and Statement of Accounts for the Year ended 31st March 2015

FINANCIAL PERFORMANCE:

The financial performance of Company for the year ended 31st March 2015 is summarized below: (Amount in ₹)

Particulars	2014-15	2013-14
Total Income	1,62,89,462	2,28,63,111
Profit before Interest, Depreciation & Amortization	1,62,89,462	2,28,63,111
Less : Interest	3,89,31,766	3,36,79,014
Less : Depreciation & Amortization	1,98,35,861	2,07,35,944
Profit/loss before extraordinary item & tax	(5,92,17,910)	(6,68,32,542)
Less: Extra-ordinary item	--	--
Profit / (Loss) before tax	(5,92,17,910)	(6,68,32,542)
Less: Deferred tax	--	2,99,52,801
Short / (Excess) Provision Of Earlier Years	--	22,410
Profit / (Loss) after tax	(5,92,17,910)	(3,69,02,151)
Proposed Dividend	--	--
Dividend tax	--	--
Transfer to general reserve	--	--
Balance to be carried forward	--	--

SUMMARY OF OPERATIONS:

The revenue from the operations decreased to ₹ 1,62,89,462 for the year ended 31st March, 2015 as compared to ₹ 2,28,63,111 for the year ended 31st March, 2014. Steep decline in the trading sales has resulted in to low turnover. The Company has incurred a loss of ₹ 5,92,17,910 before extra-ordinary items & tax for the year as compared to the loss of ₹ 6,68,32,542 for the year ended 31st March, 2014.

Delay in Implementation of Projects and lower sales due to lack of technological knowledge in general public resulted in lower revenue for the company in this financial year.

With increasing government initiatives to promote e-learning, growing adoption of technology, improvement in our products, improvement of technology, convenience and affordability factors, your management is positive for the future growth of the Company.

TRANSFER TO ANY RESERVE:

During the year under review the Company has not transferred any amount to reserves.

DIVIDEND:

Your Directors regret their inability to recommend any dividend during the year under review.

MATERIAL CHANGES AND COMMITMENTS:

During the year under review the Holding Company had approached their Bankers for the restructuring of loan, which was agreed upon by their bankers. As per the restructuring terms, the Holding Company has pledged 1,49,99,900 equity shares of ₹10/- each of our Company to SBICAP Trustee Company Limited (SBICAPTCL). The pledged shares are held by SBICAPTCL as a trustee for State Bank of India (Ahmedabad Branch) together with IDBI Bank Ltd (Ahmedabad Branch).

There have been no such material changes or commitments affecting the financial position from the end of the financial year 2014-2015 till date of this report as may be deemed to be material enough to affect the financial position of the Company, otherwise than in the normal course of business.

REGISTERED OFFICE:

Company's registered office has been shifted from 903, Dev plaza, Opp. Andheri Fire Station, S.V. Road, Andheri West, Mumbai: 400058 to 5/6, Papa Industrial Estate, Suren Road, Andheri East, Mumbai: 400093 w.e.f. 02/12/2014 for better

CAPITAL/ FINANCE:

During the year, the Company has not allotted any fresh Share Capital.

As on 31st March 2015, the Issued, Subscribed and Paid-up Share Capital of your Company stood at ₹150,000,000/- (Rupees Fifteen Crores Only) comprising 1,50,00,000 (One Crore Fifty Lakhs Only) Equity Shares of ₹10/- (Rupees Ten)each.

EXTRACT OF THE ANNUAL RETURN:

The extract of the Annual Return pursuant to section 134 (3) (a) of the Companies Act, 2013 in MGT- 9 is attached as Annexure – 1 and forms part of this report.

MEETINGS OF BOARD OF DIRECTORS:

The Board met Eleven (11) times during the financial year 2014-15 viz. on 24th May, 2014, 2nd June, 2014, 15th July, 2014, 14th August, 2014, 14th October, 2014, 27th October, 2014, 13th November, 2014, 2nd December, 2014, 16th December, 2014, 13th January, 2015, and 30th March, 2015.

COMPOSITION OF BOARD OF DIRECTORS:

The Company has 7 Directors at present of which 2 Directors are Executive Director and 3 Directors are Non-Executive Directors and 2 Directors are Independent Directors. The Composition of Board is in Conformity with the provisions of Companies Act, 2013.

Sr. No.	Name of Director(s)	Category	No. of Board Meeting attended	No. of Directorships held in other Companies	Attendance at the AGM held on September 30, 2014	No. of Committee positions held in other Companies	
						Chairman	Member
1.	Hardik A. Shah (DIN: 06380442)	WTD	11	1	Yes	NIL	NIL
2.	Riddhi C. Gala (DIN: 03007446)	WTD	11	Nil	Yes	NIL	NIL
3.	Mr. Amrut P. Shah. (DIN:00033120)	NED	11	3	Yes	NIL	NIL
4.	Mr. Shantilal P. Shah (DIN:00033182)	NED	11	3	Yes	NIL	NIL
5.#	Mr. Hasmukh A. Gada (DIN:00033151)	NED	4	3	No	NIL	NIL
6.#	Mr. Paresh Kumar P Jain (DIN:0519779)	NED (I)	4	1	Yes	NIL	NIL
7.#	Mr. Jagdish J. Kothari (DIN:00033271)	NED (I)	11	Nil	No	NIL	NIL
8.*	Mr. Manikandam P. Kammenchery (DIN:03323385)	NED (I)	7	2	Yes	NIL	3
9.*	Mr. Raichand P. Shah (DIN: 06949019)	NED	7	Nil	Yes	NIL	NIL
10.*	Mr. Kaushal R. Sheth (DIN:06949468)	NED (I)	N.A.	1	N.A.	3	NIL

(WTD: Whole-time Director, NED: Non-executive Director, I: Independent Director)

Mr. Hasmukh A. Gada (DIN: 00033151), Mr. Paresh Kumar Jain (DIN: 0519779) and Mr. Jagdish J. Kothari (DIN: 00033271) resigned from the office of Director w.e.f. 14/08/2014, 30/09/2014 and 01/04/2015 respectively.

* Mr. Manikandam P. Kammencherry (DIN: 03323385), Mr. Raichand P. Shah (DIN: 06949019) and Mr. Kaushal R. Sheth (DIN: 06949468) were appointed as the Directors of Company w.e.f. 14/08/2014, 14/08/2014 and 01/04/2015 respectively.

(NOTE: Above mentioned Directorships and Committee positions is either as on the date of resignation or at present.)

COMMITTEES OF BOARD:

As per the provisions of the Companies Act, 2013, Company has formed Audit Committee and Nomination & Remuneration Committee. The details of Composition of these Committees and their meeting held during the year are as follows:

A. AUDIT COMMITTEE:

The Audit Committee which acts as a link between the management, external and internal auditors and the Board of Directors of the Company is responsible for overseeing the Company's financial reporting process by providing direction to audit function and monitoring the scope and quality of internal and statutory audits.

The Audit Committee also looks into the matters as are specifically referred to it by the Board of Directors besides looking into the mandatory requirements of the provisions of Section 177 of the Companies Act, 2013.

As on date the Audit Committee comprises of Mr. Kaushal R. Sheth, Independent Director as Chairman, Mr. Manikandam P. Kammenchery, Independent Director as Member and Mr. Shantilal P. Shah Non-executive Director as Member.

Mr. Manikandam P. Kammenchery, was appointed as member of the Committee w.e.f. 14th October 2014.

Mr. Kaushal R. Sheth, was appointed as the Chairman of the Committee w.e.f. 1st April 2015.

During the year, Mr. Hasmukh A. Gada who was the Member of Audit Committee resigned from the Board w.e.f. 14th August 2014 and consequently his membership in the Committee also ceased.

During the year, Mr. Paresh Kumar P. Jain who was the Chairman of Audit Committee ceased to be the Director of the Company w.e.f. 30th September 2014 and consequently his membership in the Committee also ceased.

Mr. Jagdish J. Kothari was appointed as member of the Committee w.e.f. 24th May 2014. He was appointed as the Chairman of the Committee w.e.f. 14th October 2014. However he resigned from the Board w.e.f. 1st April 2015 consequently his membership in the Committee also ceased.

All members of the Audit Committee are financially literate.

Mr. Paresh Kumar P. Jain, Chairman – Audit Committee was present at the Annual General Meeting held on 30th September 2014.

During the year under review, three Audit Committee Meetings were held on 24-05-2014, 14-08-2014 and 13-11-2014.

All the recommendations made by the Audit Committee during the year were accepted by the Board.

B. NOMINATION & REMUNERATION COMMITTEE

As per the provisions of sub-section (1) of Section 178 of the Companies Act, 2013, the Nomination & Remuneration Committee has been constituted by the Board of Directors at their meeting held on 24th May 2014 consisting of Mr. Paresh Kumar Jain, Independent Director as Chairman, Mr. Jagdish J. Kothari, Independent Director as Member and Mr. Shantilal P. Shah, Non-executive Director as Member of the Committee.

During the year, Mr. Paresh Kumar P. Jain who was the Chairman of the Committee ceased to be the Director of the Company w.e.f. 30th September 2014 and consequently his membership in the Committee also ceased.

Mr. Jagdish J. Kothari was appointed as member of the Committee w.e.f. 24th May 2014. He was appointed as the Chairman of the Committee w.e.f. 14th October 2014. However he resigned from the Board w.e.f. 1st April 2015 consequently his membership in the Committee also ceased.

Mr. Manikandam P. Kammenchery, was appointed as member of the Committee w.e.f. 14th October 2014.

Mr. Kaushal R. Sheth, was appointed as the Chairman of the Committee w.e.f. 1st April 2015.

As on date the Nomination & Remuneration Committee comprises of Mr. Kaushal R. Sheth, Independent Director as Chairman, Mr. Manikandam P. Kammenchery, Independent Director as Member and Mr. Shantilal P. Shah Non-executive Director as Member.

During the year under review, four Nomination & Remuneration Committee Meetings were held on 27-05-2014, 15-07-2014, 14-08-2014 and 13-03-2015.

The Remuneration Policy is annexed at the end of this report as Annexure 2.

Details of remuneration paid to all Directors are provided in the form MGT 9 attached as Annexure-1 to this report.

All the recommendations made by the Nomination & Remuneration Committee during the year were accepted by the Board.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under Section 134 (3) (c) of the Companies Act, 2013, it is hereby confirmed that

(a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;

(b) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the loss of the company for that period;

(c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 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 were operating effectively; and

(f) The directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

STATEMENT ON DECLARATION GIVEN BY INDEPENDENT DIRECTORS:

The Independent Directors of the Company have submitted declaration of their independence stating that they are fulfilling the criteria of independence as described in section 149 (6) of the Companies Act, 2013, the same were placed before the Board of Directors and Board noted the same.

COMPANY'S POLICY ON DIRECTOR' APPOINTMENT AND REMUNERATION:

The Company has constituted a Nomination and Remuneration Committee with 3 non-executive Directors, out of which two Directors are Independent Directors. The Chairman of the Committee is an Independent Director. The Company has framed a Nomination, and Remuneration Policy. The information under section 134 (3) (e) of the Companies Act, 2013 with respect to the Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178 is attached as annexure-2 to this report.

STATUTORY AUDITORS:

Ratification:

M/s. Bhuta Shah & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No. 101474W), Statutory Auditors of the Company, were appointed as the Statutory Auditors of the Company to hold the office for a period three years, from the conclusion of last Annual General Meeting of the Company held on 30th September, 2014. The said appointment needs to be ratified by the members of the Company at every annual general meeting during the said period and the Statutory Auditors have confirmed their eligibility to the effect that their re-appointment, if made, would be within the prescribed limits under the Act and that they are not disqualified for re-appointment.

As required above, the Board has, after considering the recommendations of its Audit Committee, incorporated a suitable resolution for your consideration and approval in the notice calling ensuing Annual General Meeting of the Company.

Auditors Observations:

The auditor has qualified opinion over the matter of provision for gratuity. They have further emphasized over the matter of Company's ability to continue as a going concern, Recognition of Deferred Tax Assets and provision not made for certain trade receivables. For further details refer Independent Auditors Report on Pg no. 24 of this Annual report.

Management's Response:

Response for Gratuity:

The Company has already appointed actuary to carry out actuarial valuation of gratuity. On receipt of report appropriate action would be taken.

The Auditor has emphasized over the matter of Company's ability to continue as a going concern. In view of the Management, the Company is expecting a robust growth with good amount of margin in the near future. The Management is of the opinion that if the expectation materializes in the near future, then a good amount of turn around can be seen in the Company.

The Auditor has emphasized over the matter of Recognition of Deferred Tax Assets. The management of the Company is of the opinion that the Company is going into huge turnaround due to earlier Tender in which the Company had participated, has won the same. Giving the Company a win-win position to deliver and hence the Company has recognized Deferred Tax Asset in earlier years by ₹ 5.19 crore and the same has not been reversed in the current year.

The Auditor has emphasized over the matter of balance of certain trade receivables and advances. The management is of the view that the amounts are considered realizable. The management is taking necessary steps to recover the trade receivables.

INTERNAL AUDITORS:

The Company continues to engage M/s Prakkash Muni & Associated (ICAI Firm Registration No. 111792W) as its Internal Auditor. During the year, the Company continued to implement their suggestions and recommendations to improve the control environment. Their scope of work includes review of processes for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. Internal Auditors findings are discussed with the process owners and suitable corrective actions taken as per the directions of Audit Committee on an ongoing basis to improve efficiency in operations.

COST AUDIT:

During the year under review Cost Audit was not applicable to the Company's products/ business.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:

There was no loan given or guarantee given or investment made or security provided pursuant to Section 186 of the Companies Act, 2013 during the year under review and hence the said provisions are not applicable.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

During the year, the Board of Directors, on the recommendation of the Nomination & Remuneration Committee, in their meeting held on 14th August, 2014 has appointed Mr. Raichand P. Shah, brother of Mr. Amrut P. Shah, Chairman and Director and Mr. Shantilal P. Shah, Director, as the Non-executive Director of the Company, on such terms and conditions including remuneration as set out in the Letter of Appointment dated 14th August, 2014. The company has not entered into any other transaction falling under Section 188 (1) of the Companies Act, 2013; therefore disclosure under this section is not applicable to the Company.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

Since Our Company is not a manufacturing Company, This clause is not applicable to the Company during the financial year under consideration.

FOREIGN EXCHANGE EARNING AND OUTGO:

(Amount in ₹)

	2014-2015	2013-2014
Foreign Exchange Earnings	Nil	Nil
Foreign Exchange Outgo	Nil	1,34,398/-

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

During the year under review Mr. Amrut P. Shah (DIN: 00033120) Non-Executive Director and Ms. Riddhi C. Gala (DIN: 03007446) Whole-time Director are liable to retire by rotation at the ensuing AGM and offer themselves for re-appointment.

During the year under review Mr. Jagdish J. Kothari (DIN: 00033271) & Mr. Manikandam P. Kammenchery (DIN: 03323385) were appointed as the Independent Directors by the Shareholders in the AGM held on 30th September, 2014 for a term of five (5) years with effect from 30th September, 2014 till 29th September, 2019

During the year under review Ms. Riddhi C. Gala (DIN: 03007446) who was Director of the Company was re-appointed by Board as Whole-time director as on 15th July, 2014 and was regularized as Whole-time Director at the AGM held on 30th September, 2014.

During the year under review Mr. Dipesh S. Dedhia was appointed by Board as Chief Financial Officer of the Company w.e.f 15th July 2014.

During the year under review Mr. Raichand P. Shah (DIN: 06949019) who was appointed as Additional Director of the Company on 14th August, 2014 was regularized as Non-executive Director of the Company, liable to retire by rotation at the AGM held on 30th September, 2014.

During the year under review Mr. Kaushal R. Sheth (DIN: 06949468) was appointed by Board as Additional Independent Director of the Company w.e.f. 1st April, 2015. The Company has received notice in writing from Member along with the deposit of requisite amount under section 160 of the Companies Act, 2013 proposing candidature of Mr. Kaushal R. Sheth (DIN: 06949468), who holds the office of Director up to the date of ensuing AGM, as an Independent Director not liable to retire by rotation and to hold the office for the period of 5 years with effect from 1st April, 2015 till 31st March, 2020.

Mr. Paresk Kumar P. Jain (DIN: 05159799) who was liable to retire by rotation and being eligible, but did not offer himself for re-appointment at the Annual General Meeting, vacated the position of Director w.e.f 30th September, 2014.

Mr. Hasmukh A. Gada (DIN: 00033151) Non-executive Director and Mr. Jagdish J. Kothari (DIN: 00033271) Independent Director of the Company demitted office as the Director with effect from 14th August, 2014 and 1st April, 2015 respectively.

Ms. Komal M. Khakhar (PAN: BHTPS8676P) Company Secretary and KMP of the Company resigned from the office of Company Secretary of the Company w.e.f. 1st July 2015.

Brief profile of the Directors seeking appointment/re-appointment at the ensuing AGM has been attached to the Notice of AGM forming part of this report.

None of the Directors of the Company are Dis-qualified under Companies Act, 2013. The Company has received necessary disclosures, as required under the provisions of Companies Act, 2013.

BUSINESS RISK MANAGEMENT & RISK MANAGEMENT POLICY:

Although the company has long been following the principle of risk minimization as is the norm in every industry, it has now become a compulsion. Therefore, in accordance with Section 134(3) (n) of the Companies Act, 2013, the Board members were informed about risk assessment and minimization procedures after which the Board formally adopted steps for framing, implementing and monitoring the risk management plan for the company.

The main objective of this policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business. In order to achieve the key objective, the policy establishes a structured and disciplined approach to Risk Management, in order to guide decisions on risk related issues. In today's challenging and competitive environment, strategies for mitigating inherent risks in accomplishing the growth plans of the Company are imperative. The common risks inter alia are: Regulations, competition, Business risk, Technology obsolescence, Investments, retention of talent and expansion of facilities. Risk Management framework shall primarily focus on the elements such as Risk to Company Assets and Property, Employees Related Risks, Foreign Currency Risks, Risks associated with Non-Compliance of Statutory enactments, Competition Risks, Operational Risks and various other types of risks which may affect the business or organization. Business risk, inter-alia, further includes financial risk, political risk, fidelity risk, legal risk. As a matter of policy, these risks are assessed and steps as appropriate are taken to mitigate the same.

DETAILS OF DEPOSITS:

During the year under review, the Company has not accepted any deposits within the meaning of Chapter V of the Companies Act, 2013 read with the Companies (Acceptance of Deposits) Rules, 2014. Hence there are no details to be disclosed under Rule 8(5) (v) of the Companies (Accounts) Rules, 2014.

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

There are no significant material orders passed by the Regulators / Courts / Tribunal which would impact the going concern status of the Company and its future operations. Hence, disclosure pursuant to Rule 8 (5) (vii) of Companies (Accounts) Rules, 2014 is not required.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:

Your Company has in place adequate systems of internal control commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable Financial and Operational information, complying with applicable statutes, safeguarding assets from unauthorized use or losses, executing transactions with proper authorization and ensuring compliance of internal policies. The Company has a well-defined delegation of power with authority limits for approving revenue as well as capital expenditure. Processes for formulating and reviewing annual and long term business plans have been laid down to ensure adequacy of the control system, adherence to the management instructions and legal compliances. The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

Since company has not declared Dividend from the date of Incorporation no amounts remain unpaid and therefore no amount was transferred to IEPF.

STATEMENT CONTAINING SALIENT FEATURES OF FINANCIAL OF SUBSIDIARIES:

During the year under review your Company did not have any subsidiary neither did it have an associate company nor did it enter in to a joint venture with any other company.

VIGILMECHANISM:

Pursuant to the requirement of the Companies Act 2013 applicable to the Company, your Company has adopted Vigil mechanism (Whistle Blower Policy) for satisfying the Company's Code of Conduct and Ethics, and particularly to assuring that business is conducted with integrity and that the Company's financial information is accurate. The reportable matters may be disclosed by the employees to the Management / Managing Director / Chairman of the Audit Committee. No complaint was received during the financial year 2014-15. During the year under review, no employee was denied access to the Audit Committee.

HUMAN RESOURCES:

Your Company treats its “human resources” as one of its most important assets.

Your Company continuously invests in attraction, retention and development of talent on an ongoing basis. A number of programs that provide focused people attention are currently underway. Your Company’s thrust is on the promotion of talent internally through job rotation and job enlargement.

ACKNOWLEDGEMENT:

Your Directors place on record their appreciation for employees at all levels, who have contributed to the growth and performance of your Company.

Your Directors also thank the clients, vendors, bankers, shareholders and advisers of the Company for their continued support.

Your Directors also thank the Central and State Governments, and other statutory authorities for their continued support.

By Order of the Board of Directors
E-class Education System Limited

Sd/-
Amrut P. Shah
Chairman
(DIN: 00033120)

Address: 502, Prangan, 5th Floor,
Malviya Road, Vile Parle (East),
Mumbai: 400057,
Maharashtra, INDIA.

Date: 12th August, 2015
Place: Mumbai

Sd/-
Hardik A. Shah
Whole-time Director
(DIN: 06380442)

Address: 502, Prangan, 5th Floor,
149, Malviya Road, Vile Parle (East),
Mumbai: 400057,
Maharashtra, INDIA.

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

as on financial year ended on 31.03.2014

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS:			
i	CIN	U80212MH2009PLC194231	
ii	Registration Date	20-07-2009	
iii	Name of the Company	E-CLASS EDUCATION SYSTEM LIMITED	
iv	Category/Sub-category of the Company	Indian- Non Government Company	
v	Address of the Registered office & contact details	5/6 Papa Industrial Estate, Suren Road, Andheri (E), Mumbai - 400 093 Maharashtra, India. Tel: 022 6760 2200, Fax- 022 6760 2244.	
vi	Whether listed company	NO	
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	M/s Sharex Dynamic (India) Pvt. Ltd., Unit No. 1, Luthra Ind. Premises, Andheri-Kurla Road, Safed Pool, Andheri (East), Mumbai- 400 072. Tel: 022 2851 5606, Fax: 022 2851 2885	
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 & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	Education	80	100
2			
3			
4			

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	Sundaram Multi Pap Limited	L21098MH1995PLC086337	Holding	100	2(46)

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

i) Category wise shareholding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian	0	0	0	0	0	0	0	0	0
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	15000000	0	15000000	100	15000000	0	15000000	100	0
d) Bank/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) (1)	15000000	0	15000000	100	15000000	0	15000000	100	0
(2) Foreign									
a) NRI- 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
Total Shareholding of Promoter	15000000	0	15000000	100	15000000	0	15000000	100	0
(A)= (A)(1)+(A)(2)									
B. PUBLIC SHAREHOLDING									
(1) Institutions									
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/ State Government(s)	0	0	0	0	0	0	0	0	0
d) Venture Capital Fund	0	0	0	0	0	0	0	0	0
e) Insurance Companies	0	0	0	0	0	0	0	0	0
f) FIIS	0	0	0	0	0	0	0	0	0
g) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
h) Others (specify)	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(1):	0	0	0	0	0	0	0	0	0

(2) Non Institutions									
a) Bodies corporates	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0	0	0	0	0	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0	0	0	0	0	0
c) Others (Clearing Member)	0	0	0	0	0	0	0	0	0
(c-i) NRI	0	0	0	0	0	0	0	0	0
SUB TOTAL (B)(2):	0	0	0	0	0	0	0	0	0
Total Public Shareholding (B)= (B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	15000000	0	15000000	100	15000000	0	15000000	100	0

(ii) SHARE HOLDING OF PROMOTERS

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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	Sundaram Multi Pap Limited	15000000	100	0	15000000	100	0	0
	Total	15000000	100	0	15000000	100	0	0

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

There is no change in Promoters' Shareholding during the year ended 31st March 2015.

Sr. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	--	--	--	--
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	--	--	--	--
	At the end of the year	--	--	--	--

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

E-class Education System Limited is the wholly owned Subsidiary of Sundaram Multi Pap Limited.

Sr. No		Shareholding at the end 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
	At the beginning of the year	--	--	--	--
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	--	--	--	--
	At the end of the year (or on the date of separation, if separated during the year)	--	--	--	--

(v) Shareholding of Directors & KMP

E-class Education System Limited is the wholly owned Subsidiary of Sundaram Multi Pap Limited.

Sl. No		Shareholding at the end 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
	At the beginning of the year	--	--	--	--
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	--	--	--	--
	At the end of the year				

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year				
i) Principal Amount	15009510	165968356	480000	181457866
ii) Interest due but not paid	0	23009388	0	23009388
iii) Interest accrued but not due	0	0	0	0
	0	0	0	0
Total (i+ii+iii)	15009510	188977744	480000	204467254
Change in Indebtedness during the financial year				
Additions		0	0	0
Reduction		0	0	0
Net Change		0	0	0

Indebtedness at the end of the financial year	0	0	0	0
i) Principal Amount	0	217638970	780000	218418970
ii) Interest due but not paid	0	36198505	0	36198505
iii) Interest accrued but not due	0	0	0	0
		0	0	0
Total (i+ii+iii)		253837475	780000	254617475

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager			Total Amount	
1	Gross salary	Hardik A. Shah	Riddhi C. Gala			
	(a) Salary as per provisions contained in section 17(1) of the Income Tax, 1961.					
		1200000	1068548	0	2268548	
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961					
		0	0	0	0	
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961					
		0	0	0	0	
2	Stock option	0	0	0	0	
3	Sweat Equity	0	0	0	0	
4	Commission	0	0	0	0	
	as % of profit					
	others (specify)					
5	Others, please specify	0	0	0	0	
	Total (A)	1200000	1068548	0	2268548	
	Ceiling as per the Act					

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration	Name of the Directors			Total Amount	
1	Independent Directors					
	(a) Fee for attending board committee meetings					
		0	0	0	0	0
	(b) Commission	0	0	0	0	0
	(c) Others, please specify	0	0	0	0	0
	Total (1)	0	0	0	0	0
2	Other Non Executive Directors					
	(a) Fee for attending board committee meetings					
		0	0	0	0	0
	(b) Commission	0	0	0	0	0
	(c) Others, please specify.	0	0	0	0	0
	Total (2)	0	0	0	0	0
	Total (B)=(1+2)	0	0	0	0	0
	Total Managerial Remuneration	0	0	0	0	0
	Overall Cieling as per the Act.					

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
1	Gross Salary	Dipesh Dedhia	Komal Khakhar		Total
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	427419	240000	0	667419
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	as % of profit				
	others, specify				
5	Others, please specify				
	Total	427419	240000	0	667419

VII 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)
A. COMPANY					
Penalty					
Punishment					
Compounding					
			Nil		
B. DIRECTORS					
Penalty					
Punishment					
Compounding			Nil		
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding			Nil		

By Order of the Board of Directors
E-class Education System Limited

Sd/-
Amrut P. Shah
Chairman
(DIN: 00033120)

Sd/-
Hardik A. Shah
Whole-time Director
(DIN: 06380442)

Address: 502, Prangan, 5th Floor,
Malviya Road, Vile Parle (East),
Mumbai: 400057,
Maharashtra, INDIA.

Address: 502, Prangan, 5th Floor,
149, Malviya Road, Vile Parle (East),
Mumbai: 400057,
Maharashtra, INDIA.

Date: 12th August, 2015
Place: Mumbai

NOMINATION, APPOINTMENT AND REMUNERATION POLICY**Purpose:**

The primary objective of the Policy is to provide a framework and set standards for the nomination, appointment and remuneration of the Directors, Key Managerial Personnel and officials comprising the senior management. The Company aims to achieve a balance of merit, experience and skills amongst its Directors, Key Managerial Personnel and Senior Management.

Account abilities:

The Board is ultimately responsible for the appointment of Directors and Key Managerial Personnel.

The Board has delegated responsibility for assessing and selecting the candidates for the role of Directors, Key Managerial Personnel and the Senior Management of the Company to the Nomination and Remuneration Committee which makes recommendations & nominations to the Board.

Definitions:

A. Key Managerial Personnel: Key Managerial Personnel means-

1. Chief Executive Officer or the managing director or the manager;
2. Company Secretary,
3. Whole-time Director;
4. Chief Financial Officer; and
5. Such other officer as may be prescribed.

B. Senior Management: Senior Management means personnel of the company who are members of its core management team excluding the Board of Directors. This would also include all members of management one level below the executive directors including all functional heads.

Objective of the Policy:

As required under the provisions of Section 178 of the Companies Act, 2013, constituted a Board level committee titled "Nomination and Remuneration Committee" (herein after referred as the Committee) to oversee, inter-alia, matters relating to

- A. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal;
- B. formulate the criteria for determining qualifications positive attributes and independence of a director;
- C. recommend to the Board a policy relating to the remuneration for the directors, key managerial personnel and other employees;
- D. devise a policy on Board Diversity

This Policy sets out the framework and guidelines that the said Committee is expected to observe in discharging its functions effectively as contemplated under aforesaid provisions i.e. to oversee process of identifying persons qualified to become directors of the Company, determining their qualifications, positive attributes and independence as well as identifying persons who may be appointed in senior management in accordance with the Company's internal requirements from time to time; in making its recommendations to the Board as to their appointment or removal as the case may be.

This Policy also contains the remuneration policy relating to the remuneration of the Directors, Key Managerial and Senior Managerial Personnel as well as policy on Board Diversity as recommended by the Committee and approved by the Board.

It is to be noted that framework and guidelines set out hereunder is subject to such periodical reviews and the Committee in consultation with Board of Directors and top management of the Company, may make such alterations as may be required from time to time to meet the exigencies arising out of statutory modifications or otherwise.

POLICY FOR NOMINATION AND APPOINTMENT OF DIRECTORS AND THEIR REMUNERATION:**Nomination Criteria for Directors:**

In identifying and recommending the candidature for appointment as Director, the Committee will consider any or all of the following criteria:

1. Ethical standards of integrity and probity, maturity and balance of mind to perform the designated role, ability to bring exercise of independent judgment and judicious thinking, qualification, expertise as strategist, eminence in his field of expertise.

2. Possessing appropriate skills, experience and knowledge in one or more fields of Business including International Business, Strategy and Expansion, Engineering, Medicine, finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to preferably the company's business.
3. Non-disqualified under the applicable provisions of Companies Act, 2013, rules made thereunder, or any other enactment for the time being in force, as the case may be;
4. Ensure that the proposed Director consents to act as Director and can devote his time and energies towards the overall development and betterment of the Company's business.
5. Ensure that the proposed Director discloses his interest and Company's shareholding, if any and the Committee feels that such interest will not affect in discharging his duties towards the Company in pursuance of the said appointment.
6. Ensure that the candidature of the Director will be in line with and promote the objectives enshrined in Company's policy on Board Diversity.

Additional Criteria for Appointment of Independent Directors:

The Committee will consider whether the Director meets the criteria of Independence as well as other attributes as mentioned under the provisions of Section 149 of the Companies Act, 2013 read with applicable rules and Schedule IV thereunder, including any amendments made thereof from time to time.

Nomination Criteria for KMPs / Senior Management personnel:

The committee will consider:

1. Ethical standards of integrity and probity, maturity and balance of mind to perform the designated role, qualification, expertise and experience.
2. Possessing adequate qualification, expertise and experience as prescribed by the Company for the position he / she is considered for appointment. The Committee for this purpose, if required, will avail the assistance of other top executives of the Company but however, has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
3. Ensure that the person discloses his interest and the Committee feels that such interest will not affect in discharging his duties towards the Company in pursuance of the said appointment.
4. Ensure that the Company shall not appoint or continue the employment of any person as Managing Director, Whole-time Director or Manager who is below the age of Twenty-one years or has attained the age of seventy years without the approval of shareholders by passing a special resolution with proper justification.

Additional Responsibility of the Board:

It is further to be noticed that it is the responsibility of the Board to obtain other relevant and applicable approvals and procedures as laid down under the provisions of the Companies Act, 2013, rules made thereunder, or any other enactment for the time being in force and applicable as the case may be.

Term / Tenure, Continuity and Renewal:

The Term / Tenure of the Directors shall be governed as per provisions of the Companies Act, 2013 and rules made thereunder as amended from time to time. The terms of KMPs and other Senior Management employees shall be governed under their respective terms of appointment. As regards the continuity or renewal of appointment of Directors; their resignation and removal, the Committee will make its recommendations to the Board, based on provisions as contemplated under the Companies Act, 2013 and other applicable laws relating to disqualifications, resignation, removal and retirement. Directors, KMPs and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company respectively. 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.

Matters pertaining to Remuneration:

This policy also sets out the following remuneration policy applicable to the remuneration payable to Directors, key managerial and other Senior Managerial personnel and other employees of the Company.

General:

1. The Company's remuneration policy, in general, is driven by the success and performance of the individual employee as well as his expertise in critical areas of operations of the Company.

2. The Committee will recommend the remuneration to be paid to the Managing Director, Whole-time Director, KMP and Senior Management Personnel to the Board for their approval and while recommending such remuneration, the Committee will consider, inter-alia, whether
 - a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate the person of the quality or expertise required to run the company successfully;
 - b) The remuneration is comparable and in proportion to the accepted industry standards;
 - c) Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
 - d) To the extent possible, such remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.
3. The remuneration / compensation / commission etc. so recommended shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
4. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Executive Directors.
5. Where if any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary 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.
6. Loans, advances and other similar kind of benefits to KMPs, Senior Management Personnel will be governed by Company's relevant policies as applicable to all the employees of the Company read with relevant provisions of all applicable laws in that connection.

Remuneration to Executive Directors, KMPs and Senior Management Personnel:**A. Fixed pay:**

The Executive Director/ KMPs shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The breakup of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc., shall be decided and approved by the Board/ the Person authorized by the Board on the recommendation of the Committee and approved by the shareholders and/or Central Government, wherever required. Besides, Managing Director may be eligible for commission such that the total remuneration payable shall not exceed 5% of the net profits for each financial year as determined under the provisions of the Companies Act, 2013. Remuneration payable to Senior Management Personnel will be governed by their respective terms of appointment.

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 Directors including Managing Director and 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 Executive 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.

Remuneration to Non-Executive / Independent Directors:**A. Sitting Fee:**

The Non- Executive / Independent Directors may receive remuneration by way of fee for attending meetings of Board or Committee thereof. Provided that the amount of such fee shall not exceed such amount per meeting as may be prescribed under the provisions of the Companies Act, 2013 and rules made thereunder (as amended from time to time and approved by the Board).

B. 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.

Independent Auditors' Report

To the Members of E-Class Education System Limited

Report on the Financial Statements

We have audited the accompanying financial statements of E-CLASS EDUCATION SYSTEM LIMITED ("the Company"), which comprise the Balance Sheet as at 31 March 2015, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility on Financial Statements

The Company's Board of Directors are 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 provision 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

We have taken into account the provision of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provision 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 disclosure in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Basis for Qualified Opinion

As more fully explained in Note 33 to the financial statements, no provision is made for gratuity which constitutes a departure from the Accounting Standard - 15 "Employee Benefits (revised 2005)". We were unable to obtain sufficient appropriate audit evidence, consequently the impact thereof on the loss for the year and liability as at year end is not ascertainable.

Qualified Opinion

In our opinion and to the best of our information and according to the explanations given to us, except for the possible 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 March 2015 and its loss and its cash flows for the year ended on that date.

Annexure to Independent Auditors' Report

(Referred to in paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our Report of even date)

i) In respect of fixed Assets:

- (a) The company has maintained proper records to show full particulars, including quantitative details and situation of its fixed assets.
- (b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.

ii) In respect of Inventory:

- 1) As explained to us, the inventories have been physically verified during the year by the Management at reasonable intervals.
- 2) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- 3) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in the internal control system.

v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

vi) Having regard to the nature of the Company's business / activities / results during the year, clauses (vi) of paragraph 3 of the Order, are not applicable to the Company.

vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company is not regular in depositing, undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Service Tax; Value added Tax and other material statutory dues applicable to it with the appropriate authorities.

(b) There were undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable, the same is tabulated as under:

Name of Statute	Nature of Dues	Period to which the Amount Relates	Amount Involved (₹)
ESIC ACT, 1948	Employees State Insurance Corporation	August to March 2015	60,720/-
Maharashtra Profession Tax Act, 1975	Profession Tax	June to March 2015	49,625/-
Income Tax Act, 1961	Tax Deducted at Source on Professional Fees (194J)	April to March 2015 Before March 2014	1,86,681/- 2,53,634/-
	Tax Deducted at Source on Brokerage and Commission (194H)	December to Mar 2015 Before March 2014	23,971/- 839/-
	Tax Deducted at Source on Rent (194I)	May to March 2015 Before Mar 2014	63,738/- 1,15,264/-
	Tax Deducted at Source on Contractors (194C)	April to March 2015 Before March 2014	18,877/- 51,823/-
	Tax Deducted at Source on Interest (194A)	Before March 2014	23,43,891/-
	Tax Deducted at Source on Salary (192B)	April to March 2015 Before March 2014	94,931/- 4,31,812/-

Emphasis of Matters

We draw attention to the following matters in the notes to financial statements:

(a) Note 4 in the financial statement which indicates that the Company has accumulated losses and its net worth has been fully eroded, the Company has incurred a net loss and net cash loss during the current and previous year(s) and, the Company's current liabilities exceeded its current assets as at the balance sheet date. These conditions indicate the existence of a material uncertainty that may cast significant doubt about the Company's ability to continue as a going concern. However, the financial statements of the Company have been prepared on a going concern basis for the reasons stated in the said Note.

(b) Note 10 in the standalone financial statements which indicates that, the Company has recognized deferred tax assets of Rs.51,955,496/- on brought forward business losses and unabsorbed depreciation to the extent there is deferred tax liability on timing difference that will reverse in future.

(c) Note 25 in the financial statements which indicate that, balances of certain trade receivables and advances are subject to confirmation and reconciliation. However, the management does not expect any material variation affecting the current year's financial statements on account of such reconciliation / adjustments. Accordingly, no provision has been made in the financial statements.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1) As required by the Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure a statement on the matters specified in the paragraph 3 and 4 of the Order.

2) As required by Section 143 (3) of the Act, we report that:

(a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

(b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) the Balance sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;

(d) in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

(e) on the basis of the written representations received from the directors as on 31 March 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2015 from being appointed as a director in terms of Section 164 (2) of the Act; and

(f) with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

i. The Company does not have pending litigations on 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; and

iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Bhuta Shah & Co.

Chartered Accountants

Firm Reg. No.: 101474W

CA. Shailesh Bhuta

Partner

Membership No.: 033958

Mumbai, 24 May, 2015

Annexure to Independent Auditors' Report

(Referred to in paragraph 1 under the heading of “Report on Other Legal and Regulatory Requirements” of our Report of even date)

I) In respect of fixed Assets:

(a) The company has maintained proper records to show full particulars, including quantitative details and situation of its fixed assets.

(b) The Company has a program of verification of fixed assets to cover all the items in a phased manner over a period of three years which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the program, certain fixed assets were physically verified by the Management during the year. According to the information and explanations given to us no material discrepancies were noticed on such verification.

ii) In respect of Inventory:

1) As explained to us, the inventories have been physically verified during the year by the Management at reasonable intervals.

2) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the Management are reasonable and adequate in relation to the size of the Company and the nature of its business.

3) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.

iii) The Company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013.

iv) In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any major weakness in the internal control system.

v) According to the information and explanations given to us, the Company has not accepted any deposit during the year.

vi) Having regard to the nature of the Company's business / activities / results during the year, clauses (vi) of paragraph 3 of the Order, are not applicable to the Company.

vii) According to the information and explanations given to us, in respect of statutory dues:

(a) The Company is not regular in depositing, undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Service Tax; Value added Tax and other material statutory dues applicable to it with the appropriate authorities.

(b) There were undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax and other material statutory dues in arrears as at March 31, 2015 for a period of more than six months from the date they became payable, the same is tabulated as under:

Name of Statute	Nature of Dues	Period to which the Amount Relates	Amount Involved (₹)
ESIC ACT, 1948	Employees State Insurance Corporation	August to March 2015	60,720/-
Maharashtra Profession Tax Act, 1975	Profession Tax	June to March 2015	49,625/-
Income Tax Act, 1961	Tax Deducted at Source on Professional Fees (194J)	April to March 2015 Before March 2014	1,86,681/- 2,53,634/-
	Tax Deducted at Source on Brokerage and Commission (194H)	December to Mar 2015 Before March 2014	23,971/- 839/-
	Tax Deducted at Source on Rent (194I)	May to March 2015 Before Mar 2014	63,738/- 1,15,264/-
	Tax Deducted at Source on Contractors (194C)	April to March 2015 Before March 2014	18,877/- 51,823/-
	Tax Deducted at Source on Interest (194A)	Before March 2014	23,43,891/-
	Tax Deducted at Source on Salary (192B)	April to March 2015 Before March 2014	94,931/- 4,31,812/-

(c) There were no dues of Income-tax, Service Tax, Value Added Tax and Cess which have not been deposited as on March 31, 2015 on account of disputes.

(d) There are no amounts that are due to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and Rules made thereunder.

viii) The Company has accumulated losses of Rs. 178,275,737/- which is not less than fifty per cent of its net worth and has incurred cash loss of Rs. 3,93,82,049/- during the financial year covered by our audit and in the immediately preceding financial year there were accumulated losses of Rs. 119,468,297/- and has incurred cash losses of Rs. 46,096,548/-.

ix) In our opinion and according to the information and explanations given to us, the Company has neither obtained nor defaulted in the repayment of dues to the financial institutions, banks and debenture holders.

x) According to the information and explanations given to us and based on the documents and records produced before us, the Company has not given any guarantee for loan taken by others from bank and financial institutions.

xi) In our opinion and according to the information and explanations given to us, the company has not obtained term loan during the year under consideration.

xii) To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and no material fraud on the Company has been noticed or reported during the year.

For Bhuta Shah & Co.
Chartered Accountants
Firm Reg. No.: 101474W

CA. Shailesh Bhuta
Partner
Membership No.: 033958

Mumbai, 24 May, 2015

E-CLASS EDUCATION SYSTEM LIMITED
BALANCE SHEET AS AT 31st MARCH, 2015

Particulars	Note No.	As at 31st March, 2015	As at 31st March, 2014
		₹	₹
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share Capital	3	150,000,000	150,000,000
Reserves And Surplus	4	(178,275,737)	(119,468,297)
		(28,275,737)	30,531,703
Non-Current Liabilities			
Long-Term Borrowings	5	-	10,254,843
		-	10,254,843
Current Liabilities			
Short-Term Borrowings	6	253,837,475	203,987,255
Trade Payables	7	2,936,231	5,947,926
Other Current Liabilities	8	11,277,907	20,860,791
		268,051,613	230,795,971
Total Equity & Liabilities		239,775,876	271,582,517
<u>ASSETS</u>			
Non-Current Assets			
Fixed Assets			
Tangible Assets	9A	5,409,361	8,517,993
Intangible Assets	9B	46,663,221	61,105,813
		52,072,582	69,623,806
Deferred Tax Assets (Net)	10	51,955,496	51,955,496
Long Term Loans And Advances	11	58,297,662	61,170,670
		162,325,740	182,749,972
Current Assets			
Inventories	12	32,084,619	34,418,833
Trade Receivables	13	34,313,200	40,988,458
Cash And Cash Equivalents	14	6,987,359	9,178,753
Short-Term Loans And Advances	15	4,064,958	4,246,501
		77,450,136	88,832,546
Total Assets		239,775,876	271,582,517

Significant Accounting Policies

The accompanying notes form an integral part of the standalone financial statements

1 to 35

As per our report of even date attached

For Bhuta Shah & Co.
Chartered Accountants
Firm Reg. No.: 101474W

For and on behalf of the Board of Directors

CA Sailesh Bhuta
Partner
Membership No.: 033958

Amrut P. Shah
Chairman

Hardik A. Shah
Whole-time Director

Mumbai, 24th April, 2015

Dipesh S.Dadhia
Chief Financial Officer

Komal M Khakhar
Company Secretary

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON 31st MARCH, 2015

Particulars	Notes	Year Ended 31st March, 2015	Year Ended 31st March, 2014
<u>INCOME</u>		₹	₹
Revenue From Operations	16	16,187,970	22,863,111
Other Income	17	101,492	-
Total Income (I)		16,289,462	22,863,111
<u>EXPENSES</u>			
Cost Of Materials Consumed	18	5,274,956	5,092,433
Employee Benefits Expenses	19	6,879,362	12,367,698
Finance Cost	20	38,931,766	33,679,014
Depreciation And Amortization Expenses	21	19,835,861	20,735,994
Other Expenses	22	4,585,427	17,820,514
Total Expenses (II)		75,507,372	89,695,653
Profit / (Loss) Before Tax (I) - (II)		(59,217,910)	(66,832,542)
<u>TAX EXPENSES:</u>			
(1) Current Tax		-	-
(2) Deferred Tax		-	(29,952,801)
(3) Short / (Excess) Provision Of Earlier Years		-	22,410
Total Tax Expenses		-	(29,930,391)
Profit / (Loss) For The Year		(59,217,910)	(36,902,151)
Earnings Per Share (Face Value of ₹ 10/- each)			
(1) Basic		(3.95)	(2.46)
(2) Diluted		(3.95)	(2.46)

Significant Accounting Policies

The accompanying notes form an integral part of the standalone financial statements

1 to 35

As per our report of even date attached

For Bhuta Shah & Co.
Chartered Accountants
Firm Reg. No.: 101474W

CA Sailesh Bhuta
Partner
Membership No.: 033958

Mumbai, 24th April, 2015

For and on behalf of the Board of Directors

Amrut P. Shah
Chairman

Dipesh S.Dadhia
Chief Financial Officer

Hardik A. Shah
Whole-time Director

Komal M Khakhar
Company Secretary

E-CLASS EDUCATION SYSTEM LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2015

Particulars		Year Ended 31st MARCH, 2015		Year Ended 31st MARCH, 2014	
		Amount in ₹		Amount in ₹	
A.	CASH FLOW FROM OPERATING ACTIVITIES				
	Net Profit/(Loss) before Tax and Extraordinary items		(59,217,910)		(66,832,542)
	Adjustment For :				
	Depreciation	19,835,861		20,735,994	
	Interest Income	-		(1,746,410)	
	Dividend Income	-		-	
	Preliminary Expenses W/Off	-		-	
	Interest Paid	38,931,766		33,679,014	
	(Profit)/ Loss On Sale Of Assets (Net)	-		-	
			58,767,627		52,668,598
	Operating Profit Before Working Capital Changes		(450,284)		(14,163,944)
	Adjustment For :				
	Trade Receivables	6,675,258		(28,913)	
	Inventories	2,334,214		771,500	
	Loans & Advances	3,054,551		(7,323,414)	
	Other Current Assets	-		-	
	Trade Payables	(3,011,695)		1,532,276	
	Other Liabilities & Provisions	(9,582,884)		2,329,257	
			(530,555)		(2,719,294)
	Cash Generated From Operations		(980,839)		(16,883,238)
	Direct Taxes Paid(Net)		-		(22,410)
	Net Cash Flow Operating Activities		(980,839)		(16,905,648)
B.	Cash Flow From Investing Activities				
	Purchase Of Tangible Fixed Assets (Net)	(1,874,167)		(3,143,356)	
	Sale Of Tangible Fixed Assets	-		-	
	Purchase Of Equity Shares Of subsidiary	-		-	
	Dividend Received	-		-	
	Net Cash Flow From Investing Activities		(1,874,167)		(3,143,356)
C.	Cash Flow From Financing Activities:				
	Additional/ (Repayment) Of Loan To Holding Company	37,253,393		62,394,910	
	Proceeds From Borrowings	2,341,984		(10,563,473)	
	Proceeds From Issue Of Share Capital	-		-	
	Interest Received	-		1,746,410	
	Interest Paid	(38,931,766)		(33,679,014)	
	Dividend Paid (Incl. Of Tax)	-		-	
	Net Cash Flow From Financing Activities		663,612		19,898,833
	Net Increase/(Decrease) In Cash And Cash Equivalents (A+B+C)		(2,191,394)		(150,171)
	Cash And Cash Equivalent At Beninning Of The Year	9,178,753		9,328,924	
	Cash And Cash Equivalent At End Of The Year	6,987,359		9,178,753	
	Net Increase/(Decrease)		(2,191,394)		(150,171)

Note:

- 1 Cash And Cash Equivalents Consists Of Cash On Hand And Balance With Banks.
- 2 The Above Cash Flow Statement Has Been Prepared Under The Indirect Method As Set Out In Accounting Standard - 3 "Cash Flow Statement" Issued By The Institute Of Chartered Accountants Of India.
- 3 Previous Year's Figures Have Been Re-Grouped/ Re-Arranged Wherever Necessary.

As per our report of even date attached

For Bhuta Shah & Co.
Chartered Accountants
Firm Regn. No. 101474W

For and on behalf of the Board

CA. Sailesh Bhuta
Partner
Membership No.: 033958

Amrut P. Shah
Chairman

Hardik A. Shah
Whole-time Director

Dipesh S.Dadhia
Chief Financial Officer

Komal M Khakhar
Company Secretary

Mumbai, 24th April , 2015

Note 1

E-learning: Leveraging the powers of Computers and using a blend of Internet, Mobile, and other means of Digital Communication Technologies, E-class Education System Limited our Wholly-owned Subsidiary Company is taking quality and affordable education to reach the millions of Students across the Maharashtra and even the remote areas of the State. E-class aims at educating the Majority of the Students across the state by providing various products such as Smartphone Application, Android Memory cards, Pen-drives etc. E-class offers E-Educational/ Digital products mapped to the Maharashtra State board, for 1st to 10th Standard syllabus courses on all the Subjects in Marathi, English, and Semi-English Languages. Our content have been designed and reviewed by eminent Academicians. It contains various chapter notes along with practical examples which can help to understand the concept. It also contains the question answer and Mind-map at the end of the chapter to test and enhance the knowledge.

With the increasing Government initiatives to promote the vision of Digital India, Universal digital literacy, universally accessible digital resources, the management is expecting an increase in the demand for E-learning content and positive for the future growth of the Company.

Note 2**SIGNIFICANT ACCOUNTING POLICIES:****i. Accounting Conventions:**

These financial statements have been prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under historical cost convention on accrual basis except for certain financial instrument which are measured at fair values including Accounting Standards issued by the Institute of Chartered Accountants of India referred to in section 133 (3C) of the Companies Act, 2013 ("the Act") read with rule 7 of the Companies (Accounts) Rules, 2014, the provision of the Act (to the extent notified). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

ii. Use of Estimates:

Preparation of financial statements in conformity of Generally Accepted Accounting Principles requires that the Management of the Company makes estimates and assumptions that affect the reported amount of income and expenses of the period, the reported balances of assets and liabilities and the assumptions relating to contingent liabilities as on the date of the financial statements. Examples of such estimates include the useful life of tangible and intangible fixed assets, provision for doubtful debts/advances, future obligation in respect of retirement benefit plans, etc. Difference, if any, between the actual results and estimates is recognized in the period in which the results are known and if material, their effects are disclosed in the notes to the financial statements.

iii. Fixed Assets:

Tangible fixed assets are stated at cost of acquisition less accumulated depreciation and impairment and include amounts added on revaluation if any. The cost of Tangible Asset comprises its purchase price, borrowing cost and any cost directly attributable to bringing the asset to its working condition for its intended use. Capital work-in-progress comprises of cost of fixed assets that are not yet ready for their intended use as at reporting date. Intangible assets are recorded at the consideration paid for acquisition of such assets and are carried at cost of acquisition net of any recoverable taxes less accumulated amortization and impairment, if any.

iv. Depreciation / Amortization:

Depreciation on tangible fixed assets is provided on straight line method as per the useful life prescribed in Schedule II of the Act. Depreciation on addition/deletion of assets during the year is provided on pro-rata basis. Brand is amortized over a period of five years on a systematic basis as decided by the management at the rate of 20% in each year.

v. Investment:

Non-current Investments are stated at cost. Provision for diminution in the value is made only if such a decline is other than temporary.

Current investments are carried at lower of cost or fair value/ market value, determined on individual basis.

vi. Valuation of Inventories:

Raw materials, stores and packing materials are valued at lower of cost or net realizable value. Cost is assigned on FIFO basis. Semi - finished goods are valued at raw material cost plus proportionate manufacturing overheads. Finished goods are valued at lower of the cost or net realizable value. Unrealized profit, if any, in inter unit transaction is eliminated to the extent possible.

vii. Revenue Recognition:

a) The Company recognizes revenue on sale of products upon dispatch to the customer or when delivered to the ocean

carrier for export sales, which is when risks and rewards of ownership are passed to the customer. Sales are shown net of returns, discounts, excise duty and sales tax.

b) Dividend income on investment is accounted for in the year in which the right to receive the payment is established.

c) Interest income is recognized on the time proportion basis taking into account amount outstanding and interest rate applicable.

viii. Employee Benefits:**a) Short Term Employee Benefits:**

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries and wages, leave salary etc. and the expected cost of ex-gratia are recognized in the period in which the employee renders the related service.

b) Post-Employment Benefits:**i) Defined contribution plans:**

A defined contribution plan is a post-employment benefit plan under which the company pays specified contributions to the separate entity. The Company makes specified monthly contributions towards employee provident fund. The Company's contribution paid / payable under the schemes is recognized as an expense in the statement of profit and loss during the period in which the employee renders the related service.

ii) Defined benefit plan:

The Company's gratuity benefit scheme is a defined benefit plan. The cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date.

c) Leave encashment:

Liability on account of Leave Encashment up to year end has been provided/ paid during the year. None of the employee is allowed to carry forward leave to subsequent period.

ix. Foreign Currency Transactions:

Transactions in foreign currency are recorded at the rate of exchange in force at the time transactions are affected. Exchange differences arising on settlement of these transactions are recognized in the Statement of Profit and Loss.

Monetary items (other than those related to acquisition of fixed assets) denominated in foreign currency are revalued using the exchange rate prevailing at date of the Balance Sheet and resulting exchange difference is recognized in the Statement of Profit and Loss. Non monetary foreign currency items are carried at cost.

x. Borrowing Cost:

Borrowing Costs that are attributable to acquisition or construction of a qualifying asset are capitalized as a part of the cost of such asset. A Qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to Statement of Profit and Loss.

xi. Provision for Taxes:

Provision for current tax is determined in accordance with the Income Tax laws prevailing for the relevant assessment years.

Deferred tax arising due to timing difference between the book profit and tax profit for the year has been not accounted for. As per AS 22, Deferred Tax assets should be recognized and carried forward only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized. The company does not have such virtual certainty hence no DTA is recognized.

xii. Impairment of Fixed Assets:

At each Balance Sheet date, the Company reviews the carrying amount of its fixed assets to determine whether there is any indication that those assets suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of impairment loss. Recoverable amount is the higher of an asset's net selling price and value in use. In assessing value in use, the estimated future cash flows expected from the continuing use of the asset and from its disposal are discounted to their present value using a pre-discount rate that reflects the current market assessments of time value of money and the risks specific to the asset.

xiii. Leases:

Lease of assets under which all the risk and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under operating leases are recognized as expenses on accrual basis in accordance with respective lease agreements.

xiv. Contingent Liability:

The Company creates a provision when there is a present obligation as a result of past event that probably requires an

outflow of resources and a reliable estimate can be made of the amount of obligation.

A disclosure for contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not result in outflow of resources.

When there is a possible obligation or present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

NOTE 3 : SHARE CAPITAL

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
Authorized Capital		
25,000,000 (P.Y. 25,000,000) Equity Shares Of ₹ 10/- Each	250,000,000	250,000,000
	250,000,000	250,000,000
Issued, Subscribed & Paid - Up Capital		
15,000,000 (P.Y. 15,000,000) Equity Shares Of ₹ 10/- Each fully paid up	150,000,000	150,000,000
Total Of Issued, Subscribed And Fully Paid Up Share Capital	150,000,000	150,000,000

- a) **Reconciliation of the Number of Shares outstanding and the amount of share capital as at 31 March, 2015 and 31 March, 2014 is set out below:**

Particulars	2014-15		2013-14	
	Equity Shares		Equity Shares	
	Number	₹	Number	₹
Shares Outstanding At The Beginning Of The Year	15,000,000	150,000,000	15,000,000	150,000,000
Shares Issued During The Year	-	-	-	-
Shares Bought Back During The Year	-	-	-	-
Shares Outstanding At The End Of The Year	15,000,000	150,000,000	15,000,000	150,000,000

- b) **Terms And Rights Attached To Equity Shareholders:**

The Company has only one class of equity shares having a face value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per equity share. A member shall not have any right to vote whilst any call or other sum shall be due and payable to the Company in respect of any of the shares of such member. All equity shares of the company rank pari passu in all respects including the right to dividend.

In the event of winding-up, subject to the rights of holders of shares issued upon special terms and conditions, the holders of equity shares shall be entitled to receive remaining assets, if any, in proportion to the number of shares held at the time of commencement of winding-up.

The shareholders have all other rights as available to equity shareholders as per the provisions of the Companies' Act, 2013, read together with the memorandum of association and articles of association of the company, as applicable.

- c) The Company is a wholly owned subsidiary company of Sundaram Multi Pap Limited.

- d) **The Details Of Share Holders Holding More Than 5% Shares**

Name of Shareholder	As at 31st March, 2015		As at 31st March, 2014	
	No. of Shares	% of Holding	No. of Shares	% of Holding
Sundaram Multi Pap Limited	15,000,000	100	15,000,000	100

NOTE 4 : RESERVES & SURPLUS

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
General Reserve	-	-
Surplus/ (Deficit) In Statement Of Profit And Loss		
Opening Balance	(119,468,297)	(82,566,146)
Add: Depreciation Adjusted Against Free Reserves	410,470	
Add: Net Profit/ (Loss) For The Year	(59,217,910)	(36,902,151)
Balance Available For Appropriation	(178,275,737)	(119,468,297)
Less: Appropriations		
- Proposed Dividend	-	-
- Dividend Distribution Tax	-	-
- Transfer To General Reserve	-	-
Closing Balance	(178,275,737)	(119,468,297)
Total of Reserves & Surplus	(178,275,737)	(119,468,297)

NOTE 5 : LONG TERM BORROWINGS

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
<u>Term Loan</u>		
<u>Unsecured</u>		
From Other Financial Institutions* (Refer Note 8 For Current Maturities Of Long Term Debt)	-	10,254,843
Total of Long Term Borrowings	-	10,254,843

* It was taken against pledge of promoter shares in the company carrying interest rate of 18% and the same as been repaid in current year.

NOTE 6 :SHORT TERM BORROWINGS

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
<u>Loan Repayable On Demand</u>		
<u>Secured</u>		
From Public Financial Institutions ***	-	15,009,510
<u>Unsecured</u>		
<u>Loan And Advances From Related Parties</u>		
<u>Unsecured</u>		
Loans & Advances From Holding Company, Sundaram Multi Pap Limited	223,231,138	185,977,745
Loan From Directors*	30,606,337	3,000,000
Total of Short Term Borrowings	253,837,475	203,987,255

*** Secured by pledge of unencumbered listed shares of Sundaram Multi Pap Ltd held by promoter, subservient charge on movabale assets of the company by way of hypothecation as well as personal gurantee of Director Mr Amrut P Shah and letter of Comfort from Sundaram Multipap Ltd, carrying interest of 15.50%.

* Loan from Directors is interest free.

NOTE 7 : TRADE PAYABLES

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
Trade Payables (Refer Note 27 For Details Of Dues To Micro, Small And Medium Enterprises)	2,936,231	5,947,926
Total of Trade Payable	2,936,231	5,947,926

NOTE 8 : OTHER CURRENT LIABILITIES

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
<u>Current Maturities Of Long-Term Borrwings (Refer Note 3)</u>		
From Other Financial Institutions	1,000,000	9,859,064
Advance From Customers	1,128,857	1,373,908
<u>Other Payables</u>		
Outstanding Expenses	6,627,675	5,330,980
Outstanding Statutory Liabilities	1,741,375	3,816,839
Trade Deposits	780,000	480,000
Total of Other Current Liabilities	11,277,907	20,860,791

E-CLASS EDUCATION SYSTEM LIMITED
NOTES FORMING PART OF FINANCIAL STATEMENTS

NOTE 9 : FIXED ASSETS AS ON 31st March 2015 (Amount in ₹)

Particulars	Gross Block			Depreciation			Net Block			
	As on 1st April, 2014	Additions During the Year	Deductions During the Year	As on 31st March, 2015	As on 1st April, 2014	For the Year	Adjustment as per the Companies Act, 2013 (Refer note 9.1)	Deductions During the Year	As on 31st March, 2015	As on 31st March, 2014
(A) Tangible Assets (Owned)										
Furniture & Fixtures	7,873,377			7,873,377	1,571,422	747,971	786,952	-	3,106,345	4,767,032
Office Equipments	4,192,235	301,047		4,493,282	1,976,196	181,216	1,693,540		3,850,952	642,330
Total Tangible Assets	12,065,612	301,047	-	12,366,659	3,547,618	929,187	2,480,492	-	6,957,297	5,409,362
(B) Intangible Assets										
Knowledge Based Content	117,355,453	1,573,120		118,928,573	56,960,007	18,729,031	(2,870,210)	-	72,818,829	46,109,744
Website	1,122,192			1,122,192	411,826	177,643	(20,752)	-	568,718	553,474
Total Intangible Assets	118,477,645	1,573,120	-	120,050,765	57,371,833	18,906,674	(2,890,962)	-	73,387,546	46,663,219
TOTAL (A+B)	130,543,257	1,874,167	-	132,417,424	60,919,452	19,835,861	(410,470)	-	80,344,844	52,072,580
Previous Year	127,399,901	3,143,356	-	130,543,257	40,183,457	20,735,995	-		60,919,452	69,623,806

9.1 Adoption of useful life of the assets as per the requirement of Schedule II of the Companies Act, 2013

Effective from 1 April, 2014 the Company has charged depreciation based on revised remaining useful life of the assets as per the requirement of Schedule II of the Companies Act 2013 as per para 7(b) of notes to part C. Based on transitional provision provided in note 7(b) to Schedule II, where the remaining useful life of an asset is nil the carrying amount of the asset should be recognised in the retained earnings. Such carrying amount as on 1 April, 2014 for the Company was ₹ (410,470)/-.

NOTE 10 : DEFERRED TAX ASSETS (NET)

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
Liabilities		
Depreciation	4,775,817	4,775,817
(A)	4,775,817	4,775,817
Assets		
Employee Benefits / Expenses Allowable on Payment Basis	-	-
Unabsorbed Depreciation and business losses	56,731,313	56,731,313
(B)	56,731,313	56,731,313
Less: Opening Net Deferred Tax Liability	(51,955,496)	(22,002,695)
(C)		
Net Deferred Tax Liability / (Asset) Charged To Statement Of Profit (Loss)	-	(29,952,801)
(D)=A-B-C		
Net Deferred Tax Liability / (Asset)	(51,955,496)	(51,955,496)
(E)=C+D		

NOTE 11 : LONG TERM LOANS AND ADVANCES

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
<u>Security Deposit</u>		
Secured, Considered Good	3,573,995	3,720,525
Unsecured, Considered Good	653,601	1,577,760
<u>Other Loans & Advances</u>		
Unsecured Considered Good	54,070,066	55,872,385
Total of Long Term Loans And Advances	58,297,662	61,170,670

NOTE 12 : INVENTORIES (At lower of cost and net realisable value)

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
Raw Material	32,084,619	34,418,833
Total of Inventories	32,084,619	34,418,833

NOTE 13 : TRADE RECEIVABLES

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
<u>Debts Overdue By Six Months</u>		
Unsecured, Considered Good	-	-
<u>Others</u>		
Unsecured, Considered Good	34,313,200	40,988,458
Total of Trade Receivables	34,313,200	40,988,458

NOTE 14 : CASH & CASH EQUIVALENTS

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
<u>Cash-In-Hand</u>		
Cash Balance	439,407	3,644,754
Sub Total (A)	439,407	3,644,754
<u>Bank Balance</u>		
In Current Accounts	544,071	30,118
In Deposit Accounts*	6,003,881	5,503,881
Sub Total (B)	6,547,952	5,533,999
Total of Cash & Cash Equivalent (A) + (B)	6,987,359	9,178,753

* Includes Deposit with banks of ₹ 60,03,881/- (Previous Year: 55,03,881/-) With original maturity of More Than 12 Months

NOTE 15 : SHORT TERM LOANS AND ADVANCES

	₹	₹
	As at 31st March, 2015	As at 31st March, 2014
Others		
Advance To Suppliers	1,202,804	899,706
Balance With Revenue Authorities	2,691,419	3,323,027
Prepaid Expenses	-	23,769
Other Advance	170,735	-
Total of Short Term Loans And Advances	4,064,958	4,246,501

NOTE 16 : REVENUE FROM OPERATIONS

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Local		
Sale Of Products	16,187,970	22,863,111
Total of Revenue From Operations	16,187,970	22,863,111

NOTE 17 : OTHER INCOME

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Miscellaneous Income	101,492	-
Total of Other Income	101,492	-

NOTE 18 : COST OF MATERIAL CONSUMED

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Raw Material Consumed		
Opening Stock	34,418,833	35,190,333
Add: Purchases	2,940,742	4,320,933
	37,359,575	39,511,266
Less: Closing Stock	32,084,619	34,418,833
Total of Cost Of Materials Consumed	5,274,956	5,092,433

NOTE 19 : EMPLOYMENT BENEFITS EXPENSES

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Salaries & Wages	4,564,462	8,187,971
Contribution To Provident Fund, Gratuity Fund & Other Funds	261,775	267,919
Directors' Remuneration	2,012,419	3,770,565
Staff Welfare	40,706	141,243
Total of Employee Benefits Expenses	6,879,362	12,367,698

NOTE 20 : FINANCE COSTS

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Interest Expenses	38,873,317	35,376,385
Other Borrowing Costs	58,449	49,039
	38,931,766	35,425,424
Less :-Interest Income	-	1,746,410
Total of Financial Costs	38,931,766	33,679,014

NOTE 21 : DEPRECIATION & AMORTIZATION EXPENSES

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Depreciation	929,187	1,139,034
Amortisation of Intangibles	18,906,674	19,596,960
Total of Depreciation & Amortisation Expenses	19,835,861	20,735,994

NOTE 22 : OTHER EXPENSES

	₹	₹
	Year Ended 31st March, 2015	Year Ended 31st March, 2014
Note 22 A: Manufacturing Expenses		
Job Work Expenses	861,000	3,532,954
Sub Total Note 22 A	861,000	3,532,954
Note 22 B: Selling & Distribution Expenses		
Sales Promotion & Advertisement Expenses	362,377	3,575,178
Freight, Clearing & Forwarding Charges	29,756	42,679
Commission Charges	253,362	8,390
Sub Total Note 22 B	645,495	3,626,247
Note 22 C: Administrative Expenses		
Repair & Maintenance to Building	51,574	127,781
Rent Expenses	667,696	2,427,148
Insurance Expenses	44,626	56,864
Motor Car Expenses	143,962	459,745
Travelling Expenses	50,840	254,794
Computer Maintenance	58,200	15,895
Conveyance Expenses	70,251	85,480
Postage & Courier	107,122	113,091
Legal, Professional & Consultancy Charges	360,510	5,849,606
Printing & Stationery	207,215	125,957
Auditors Remuneration (Refer Note 26)	25,000	110,000
Donation	5,000	7,000
Electricity Expenses	160,730	226,540
Listing & Registration Fees	49,864	49,792
Subscription Charges	-	9,750
Stamp Duty	320	96,850
Sundry Balance written off	703,944	28,418
Telephone Expenses	358,425	520,482
Sundry Expenses	13,654	96,119
Sub Total Note 22 C	3,078,932	10,661,313
Total of Other Expenses (Note 22 A+ 22 B+ 22 C)	4,585,427	17,820,514

Note 23

Contingent Liability: In the opinion of the Board of directors, the Company has no contingent liability (PY: Nil)

Note 24

In the opinion of the management, current assets, loans, advances and deposits are approximately of the value stated, if realized in the ordinary course of business. The provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.

Note 25

Balances of certain Trade Receivables, Trade Payables, loans and advances are subject to confirmations / reconciliation and consequential adjustments, if any. The management does not expect any material difference affecting the current year's financial statements on such reconciliation / adjustments.

Note 26

Auditors Remuneration:

(Amount in ₹)

Particulars	Current Year	Previous Year
Audit fees	25,000	80,000
Tax Audit Fees	NIL	30,000
Others	NIL	NIL
Total	25,000	110,000

Note 27

Disclosure under MSMED Act, 2006:

The Company has not received any information from the “suppliers” regarding their status under the Micro Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to the amounts as at year end together with interest paid / payable as required under the said act have not been given.

Note 28

Segment Reporting:

The Company operates in single business segment of development and sale of software & hardware for educational content. Hence, further disclosure required as per Accounting Standard AS-17 “Segment Reporting” is not given.

Note 29

Related Party Disclosures:

a) List of related parties with whom the company has entered into transactions during the year in the ordinary course of business:

Relationship	Name	Nature
Holding Company	Sundaram Multi Pap Limited	Company
Key Management Personnel (KMP)	Mr. Amrut P. Shah	Director
	Ms. Riddhi A. Shah	Whole-time Director
	Mr. Shantilal P. Shah	Director
	Mr. Hasmukh A. Gada	Director
	Mr. Hardik A. Shah	Whole-time Director

b) Transactions with Related Parties:

Particulars	Amount in ₹	
	Holding Company	KMP
Loan Taken from Sundaram Multi Pap Limited	223,231,138 (139,719,074)	- (-)
Loan Taken from Mr. Amrut P. Shah	- (-)	3,000,000 (-)
Repayment of loan taken to Sundaram Multi Pap Limited	- (77,324,165)	- (-)
Interest paid to Sundaram Multi Pap Limited	36,198,505 (23,009,388)	- (-)
Remuneration	- (-)	2,268,548/ (3,770,565)
Details are as under:		
Mr. Chirag K. Gala	- (-)	- (1,070,565)
Ms. Riddhi A Shah	- (-)	1,068,548 (1,500,000)
Mr. Hardik A. Shah	- (-)	1,200,000 (1,200,000)

Figures in bracket reflects previous year's amount

c) Outstanding Balances of Related Parties:

Particulars	Holding Company	KMP
Short term borrowing / payable	223,231,138 (185,977,745)	30,614,827 (7,889,672)

Figures in bracket reflects previous year's amount

Note 30

Computation of Basic and Diluted Earnings Per Share (EPS):

Amount in ₹

Particulars	Current Year	Previous Year
Net Profit/(Loss) After Tax available to equity shareholders (in ₹)	(59,217,910)	(36,902,151)
Weighted average number of equity shares for Basic and Diluted EPS	15,000,000	15,000,000
Basic and diluted earnings per share (Face Value ₹ 1) (in ₹)	(3.95)	(2.46)

Note 31

Value of Raw Material Consumed:

Particulars	For the year ended 31.03.2015		For the year ended 31.03.2014	
	Amount	%	Amount	%
	₹		₹	
Hardware				
(i) Imported	-	-	-	-
(ii) Indigenous	5,274,956	100.00%	5,092,433	100.00%
Total	5,274,956	100.00%	5,092,433	100.00%

Note 32

Earnings and Expenditure in Foreign Currency:

Amount in ₹

	Particulars	For the year ended 31.03.2015	For the year ended 31.03.2014
i.	F.O.B value of Exports	Nil	Nil
ii.	<u>C.I.F Value of Imports:</u>		
iii.	Raw Materials	Nil	Nil
iv.	<u>Expenditure:</u>		
v.	Traveling Expenses	Nil	134,398

Note 33**Employee Benefits****1. Defined contribution plans:**

The Company makes Provident Fund contributions which are defined contribution plans, for qualifying employees. Under the Schemes, the Company is required to contribute a specified percentage of the payroll costs to fund the benefits. Provident fund contributions amounting to ` 1.50 Lacs (2014: ` 0.67 Lacs) have been charged to the Statement of Profit and Loss. The contributions payable to this plan by the Company is at rates specified in the rules of the scheme.

2. Defined benefit plans

The Company has a defined benefit gratuity plan. Every employee who has completed continuous service for five years or more gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service.

Since none of the employees of the company have completed five years of service, the provisions of Gratuity Act, 1972 are not applicable to the Company; and hence no provision is made towards Gratuity Liability.

Note 34**Disclosure in respect of lease:**

The Company has entered into operating lease arrangements for office premises. The leases are non-cancellable and are for a period of 1st Nov-2014 to 31st Oct 2017 years and may be renewed for a further period of 2 years based on mutual agreement of the parties. The lease agreements provide for an increase in the lease payments by 8 to 10 % every year. The Company has taken cancellable lease for the office premises for a period of 10th December 2013 to 9th December 14

	Amount in ₹	
	2015	2014
Future minimum lease payments		
Not later than one year	2,040,000	Nil
Later than one year and not later than five years	6,935,760	Nil
Later than five years	-	Nil
Total Lease payments of ₹ 667,696, (2014: ₹.2,427,148) recognised in the Statement of Profit and Loss.		

Note 35

Previous year figures have been re-grouped/re-classified wherever considered necessary to compare with current year figures.

As per our report of even date attached

For Bhuta Shah & Co.

Chartered Accountants

Firm Regn. No. 101474W

For and on behalf of the Board of Directors

Amrut P. Shah
Chairman

Hardik A. Shah
Whole Time Director

CA. Sailesh Bhuta

Partner

Membership No. 033958

Dipesh S. Dadhia
Chief Financial Officer

Komal M. Khakhar
Company Secretary

Mumbai, 24th April, 2015

E-CLASS EDUCATION SYSTEM LIMITED

CIN: U80212MH2009PLC194231

Registered Office: 5/6, Papa Industrial Estate, Suren Road, Andheri (E), Mumbai- 400 093, Maharashtra, INDIA

W: www.e-class.in Email: info@e-class.in T: 022 61163030 F: (91-22) 67602244

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member(s):

Registered address:

Email Id:

Folio No./Client Id:

DP ID:

I/We, being the member (s) holding shares of the above named company, hereby appoint.

1.	Name:	
	Address:	
	E-mail Id:	
	Signature:	

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 6th Annual General Meeting of the company, to be held on the 30th day of September, 2015 at Registered Office: 5/6, Papa Industrial Estate, Suren Road, Andheri (E), Mumbai- 400 093, Maharashtra, INDIA at 4.00 p.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Description of Resolution	Type of Resolution	Optional	
			For	Against
1	Adoption of Audited Financial Statement of the Company for the Financial Year ended 31 st March, 2015, the reports of Board of Directors and Auditors thereon;	Ordinary Resolution		
2	To appoint a Director in place of Mr. Amrut P. Shah (DIN: 00033120) who retires by rotation and being eligible, offers himself for re-appointment	Ordinary Resolution		
3	To appoint a Director in place of Mrs. Riddhi C. Gala (DIN: 03007446) who retires by rotation and being eligible, offers herself for re-appointment	Ordinary Resolution		
4	To ratify the appointment of M/s Bhuta Shah & Co., Chartered Accountants, Mumbai, (ICAI Firm Registration No. 101474W) Auditors of the Company	Ordinary Resolution		
5	To appoint Mr. Kaushal R. Sheth (DIN: 06949468) as an Independent Director of the Company.	Ordinary Resolution		
6	To re-appoint Mr. Hardik A. Shah (DIN: 06380442) as the Whole-time Director.	Ordinary Resolution		
7	Amendment in the Clause 152 pertaining to "Deeds how executed" in the Article of Association	Special Resolution		

Signed this.....day of..... 2015

Signature of shareholder

Affix ₹1/-
Revenue
Stamp

Signature of Proxy holder(s)

Note:

1. 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.

2. It is optional to put a "X" in the appropriate column against the Resolution indicated in the box. If you leave the 'For' or 'Against' column blank any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

3. Please complete all details of Member(s) in the above box before submission.

E-CLASS EDUCATION SYSTEM LIMITED

CIN: U80212MH2009PLC194231

Registered Office: 5/6, Papa Industrial Estate, Suren Road, Andheri (E), Mumbai- 400 093, Maharashtra, INDIA

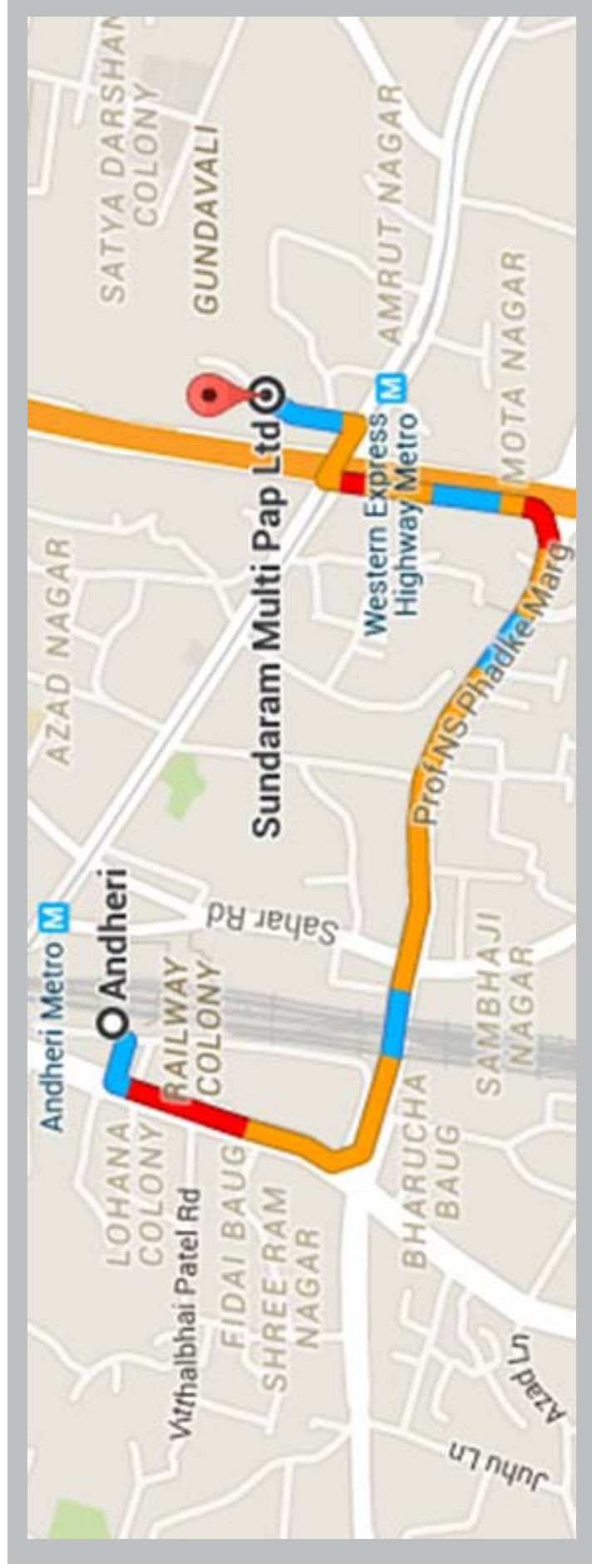
W: www.e-class.in Email: info@e-class.in T: 022 61163030 F: (91-22) 67602244**ATTENDANCE SLIP**6th Annual General Meeting- 30th September 2015

DP ID- Client ID/ Folio No.	
Name & Address of Sole Member	
Name of Joint Holder(s)	
No. of Shares Held	

I certify that I am a member/proxy for the member of the Company.

I hereby record my presence at the Annual General Meeting of the Company at Wednesday, 30th September 2015 at 4.00 p.m. at Registered Office at 5/6, Papa Industrial Estate, Suren Road, Andheri (E), Mumbai- 400 093, Maharashtra, INDIA.

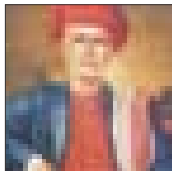
Route Map for Venue of Annual General Meeting





"If a child cannot go to the school then the school must come to the child."

-Swami Vivekanand



"विद्ये विना मति गेली, मति विना निती गेली,
निती विना गती गेली, गती विना वित्त गेले,
वित्त विना शुद्र खचले, इतके अनर्थ एका अविद्येने केले."

-महात्मा ज्योतिबा फुले.



"Live as if you were to die tomorrow,
Learn as if you were to live forever."

-Mahatma Gandhi



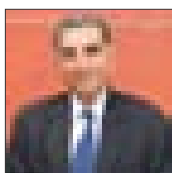
"If a country is to be corruption free and become a nation of beautiful minds, I strongly feel there are three key societal members who can make a difference. They are the father, the mother and the teacher. "

-Dr. APJ Abdul Kalam
Former President of
Republic of India



"Education is Nation's strength,
We stand by it."

-Amrut P. Shah
Chairman & MD of
Sundaram Multi Pap Ltd.



"Based on my 49 years experience in business and social work the ultimate solution to a Nation's progress rests on the EDUCATION and VOCATIONAL TRAINING of its people."

Chairman & Founder of i-Watch
-Mr. Krishan Khanna



CIN U80212MH2009PLC194231

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Email: info@e-class.in Website: www.e-class.in, www.eclasonline.in

To Lead the Change Call Now On: 022-61163030