

KAIVALYA EDUCATION FOUNDATION
BALANCE SHEET AS AT MARCH 31,2018

	Particulars	Note No.	As at 31-3-2018	As at 31-3-2017
			Rs.	Rs.
I.	EQUITY AND LIABILITIES			
(1)	Corpus Fund			
	Reserves and Surplus	3	7,99,15,872	4,87,52,283
(2)	Non Current Liabilities			
	(a) Long Term Provisions	4	37,32,776	-
(3)	Current Liabilities			
	(a) Trade payables	5	20,02,975	27,46,725
	(b) Other current liabilities	6	6,33,53,593	3,95,38,435
	(c) Short Term Provisions	4	1,91,325	-
	TOTAL		14,91,96,541	9,10,37,443
II.	ASSETS			
(1)	Non - current assets			
	(a) Plant Property and Equipments			
	Tangible assets	7	1,61,06,215	97,57,756
	Intangible assets	7	2,17,617	-
	(b) Long term loans and advances	8	17,98,159	11,10,175
(2)	Current Assets			
	(a) Cash and cash equivalents	9	10,22,02,334	6,00,37,169
	(b) Short term loans and advances	10	71,41,871	42,76,790
	(c) Other Current Assets	11	2,17,30,345	1,58,55,553
	TOTAL		14,91,96,541	9,10,37,443

The notes attached form an integral part of the Financial Statements
As per our Report of even date attached.


For Haribhakti & Co. LLP
Chartered Accountants
Firm Reg.No 103523W/W100048


Hemant J Bhatt
Partner
Membership No. 036834



Place: Ahmedabad
Date:

For and on behalf of the board


Ajay G Pirmal
Director
DIN:00028116

Place: Mumbai
Date: 31/8/2018


Aditya Natraj
Director
DIN:02309126

Place: Mumbai
Date: 31/8/2018



KAIVALYA EDUCATION FOUNDATION
STATEMENT OF INCOME AND EXPENDITURE FOR THE YEAR ENDED MARCH 31, 2018

	Particulars	Note	Period ended on 31-3-2018	Period ended on 31-3-2017
		No.	Rs.	Rs.
I.	Donation Income	12	23,89,13,614	15,06,57,695
II	Other Income	12	27,07,683	20,27,954
III	Total revenue (I + II)		24,16,21,297	15,26,85,649
IV	Employee benefits expense	13	8,18,15,599	-
V	Depreciation and amortization expense	7	68,28,517	32,21,895
VI	Other expenses	14	12,18,13,592	11,74,79,924
	Total Expenses (IV+V)		21,04,57,708	12,07,01,819
VII	Surplus/(Deficit) for the year		3,11,63,589	3,19,83,830

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As per our Report of even date attached.

For Haribhakti & Co. LLP

Chartered Accountants

Firm Reg.No 103523W/W100048



Hemant J Bhatt
Partner

Membership No. 036834

Place: Ahmedabad

Date:



For and on behalf of the board



Ajay G Piramal
Director

DIN:00028116

Place: Mumbai

Date: 31/8/2018



Aditya Natraj
Director

DIN:02309126

Place: Mumbai

Date: 31/8/2018



KAIVALYA EDUCATION FOUNDATION
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 2018

Particulars	Period ended on 31-3-2018	Period ended on 31-3- 2017
		Rs.
Cash flows from operating activities		
(Deficit)/Surplus for the year	3,11,63,589	3,19,83,830
Adjustments for:		
Depreciation and amortization expense	68,28,517	32,21,895
Interest received	(27,07,683)	(20,27,954)
	3,52,84,423	3,31,77,771
(Increase)/ decrease in Short term loan and Advances and Other current assets	(87,39,873)	(1,30,14,416)
Increase/ (decrease) in trade payable	(7,43,750)	20,69,249
(Increase)/ decrease in Provisions	39,24,101	
Increase/ (decrease) in other current liabilities	2,38,15,158	2,10,29,829
	5,35,40,059	4,32,62,433
Income taxes paid	6,87,985	4,85,782
<i>Net cash from operating activities</i>	5,28,52,074	4,27,76,651
Cash flows from investing activities		
Purchase of property, plant and equipment	(1,33,94,592)	(82,93,296)
Interest received	27,07,683	20,27,954
<i>Net cash from investing activities</i>	(1,06,86,909)	(62,65,342)
Cash flows from financing activities		
<i>Net cash from financing activities</i>		-
Net increase/(decrease) in cash and cash equivalents	4,21,65,165	3,65,11,310
Cash and cash equivalents at beginning of reporting period	6,00,37,169	2,35,25,860
Cash and cash equivalents at end of reporting period	10,22,02,334	6,00,37,169

Cash & Cash equivalents:

Cash and cash equivalents consist of balances with banks. Cash and cash equivalents included in the statement of cash flows comprise the following amounts in the balance sheet:

Cash and cash equivalents as reported	10,22,02,334	6,00,37,169
Cash on hand		
Saving Account	10,22,02,334	6,00,37,169
Cash and cash equivalents as per Cash Flow Statement	10,22,02,334	6,00,37,169

The notes attached form an integral part of financial statements
As per our Report of even date attached.

For Haribhakti & Co. LLP
Chartered Accountants
Firm Reg.No 103523W/W100048

Hemant J Bhatt
Partner
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Place: Ahmedabad
Date:



For and on behalf of the board

Ajay G Piramal
Director
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Aditya Natraj
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DIN:02309126

Place: Mumbai
Date: 31/8/2018

Place: Mumbai
Date: 31/8/2018



KAIVALYA EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS

Note 3: Reserves and Surplus:

Particulars	As at 31-3-2018	As at 31-3-2017
At the beginning of the reporting year	4,87,52,283	1,67,68,453
Add: Surplus for the year Transferred from statement of Income and Expenditure	3,11,63,589	3,19,83,830
At the close of the reporting year	7,99,15,872	4,87,52,283

Note 4: Long Term Provisions

Particulars	As at 31-3-2018		As at 31-3-2017	
Particulars	Non Current	Current	Non Current	Current
Provision for employee benefits:				
Gratuity	37,32,776	1,91,325	-	-
Total	37,32,776	1,91,325	-	-



KAIVALYA EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS

Note 5 : Trade Payable

Particulars	As at 31-3-2018	As at 31-3-2017
Trade Payable : total outstanding dues of creditors other than micro enterprises and small enterprises	20,02,975	27,46,725
	20,02,975	27,46,725

Note 6 Other current liabilities:

Particulars	As at 31-3-2018	As at 31-3-2017
i) Statutory Liability	40,73,027	8,95,696
ii) Expenses Payable	41,82,003	17,80,351
iii) Other Payable	1,36,84,297	1,15,52,812
iv) Advances from others	-	-
vi) Deferred Donation Income	4,14,14,267	2,53,09,575
	6,33,53,593	3,95,38,435



KAIVALYA EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS

Note 7: Fixed Assets

Amount in Rs.

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at beginning of current reporting year 01-04-2017	Additions for the year	Deductions during the year	As at end of current reporting year 31-3-2018	As at beginning of current reporting year 01-04-2017	For the year	Adjustment to retained Earnings	Deductions	As at end of current reporting year 31-3-2018	As at end of current reporting year 31-03-2017
Tangible Assets										
Data Processing Equipments	1,05,47,690	97,53,064	-	2,03,00,744	82,49,345	38,88,911	-	-	1,21,38,256	81,62,487
Furniture & Fixtures	20,80,487	6,06,316	-	26,85,803	8,82,147	4,36,703	-	-	13,18,850	11,98,340
Vehicles	77,21,945	19,92,482	-	97,14,377	27,47,661	14,81,770	-	-	42,29,482	54,84,965
Office equipment	38,81,523	6,82,970	-	45,44,493	25,94,734	8,57,929	-	-	34,52,663	10,91,850
Books	50,070	50,070	-	50,070	50,070	50,070	-	-	50,070	1,61,06,215
	2,42,31,645	1,30,63,842	-	3,72,95,487	1,44,73,888	67,16,383	-	-	2,11,89,271	1,61,06,215
Intangible assets										
		3,30,750		3,30,750		1,13,133			1,13,133	2,17,617
	-	3,30,750	-	3,30,750	-	1,13,133	-	-	1,13,133	2,17,617
TOTAL	2,42,31,645	1,33,94,592	-	3,76,26,237	1,44,73,888	68,28,517	-	-	2,13,02,405	1,63,23,832
Previous Year	1,59,38,349	82,93,296	-	2,42,31,644	1,12,51,993	32,21,896	-	-	1,44,73,888	97,57,756

Amount in Rs.

Particulars	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	As at beginning of current reporting year 01-04-2016	Additions for the year	Deductions during the year	As at end of current reporting year 31-03-2017	As at beginning of current reporting year 01-04-2016	For the year	Adjustment to retained Earnings	Deductions	As at end of current reporting year 31-03-2017	As at end of previous reporting year 31-03-2016
Tangible Assets										
Plant & Machinery	81,92,840	23,54,850	-	1,05,47,690	67,06,803	15,43,542	-	-	82,49,345	22,98,345
Furniture & Fixtures	10,81,212	9,56,686	-	20,76,898	6,82,818	1,99,329	-	-	8,82,147	11,94,751
Vehicles	42,09,224	36,12,721	-	77,21,945	19,09,234	8,38,427	-	-	27,47,661	49,74,284
Office equipment	24,55,073	14,30,039	-	38,85,112	19,54,138	6,40,597	-	-	25,94,735	12,90,377
	1,59,38,349	82,93,296	-	2,42,31,644	1,12,51,993	32,21,896	-	-	1,44,73,888	97,57,756
Intangible assets										
TOTAL	1,59,38,349	82,93,296	-	2,42,31,644	1,12,51,993	32,21,896	-	-	1,44,73,888	97,57,756
Previous Year	1,59,38,349	82,93,296	-	2,42,31,644	1,12,51,993	32,21,896	-	-	1,44,73,888	97,57,756



KAIVALYA EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS

Note 8 Long term loans and advances:

Particulars	As at 31-3-2018	As at 31-3-2017
i) TDS Receivable	17,98,159	11,10,175
	17,98,159	11,10,175

Note 9 Cash and cash equivalents:

Particulars	As at 31-3-2018	As at 31-3-2017
i) Balances with banks	10,22,02,334	6,00,37,169
	10,22,02,334	6,00,37,169

Note 10 Short term loans and advances:

Particulars	As at 31-3-2018	As at 31-3-2017
i) Deposits	40,41,418	27,21,768
ii) Advance for project activities	7,48,244	5,17,688
iv) Prepaid Expenses	7,72,494	5,32,438
v) Other Advances	15,79,714	5,04,896
	71,41,871	42,76,790

Note 11 Other Current Assets

Particulars	As at 31-3-2018	As at 31-3-2017
Receivable from Donors/Grantor	2,17,30,345	1,58,55,553
	2,17,30,345	1,58,55,553



KAIVALYA EDUCATION FOUNDATION
NOTES TO FINANCIAL STATEMENTS

Note 12: Income

Particulars	Period ended on 31-3-2018	Period ended on 31-3-2017
Direct Income		
i) Donation	23,89,13,614	15,06,57,695
Other Income		
i) Bank Interest	26,27,346	20,27,954
ii) Other Income	21,915	-
iiI) Interest on Income tax Refund	58,422	-
	27,07,683	20,27,954

Note 13: Employee Benefit Expenses

Particulars	Period ended on 31-3-2018	Period ended on 31-3-2017
i) Salaries and wages	7,79,41,485	-
ii) Contribution to provident and other funds	38,74,114	-
	8,18,15,599	-

Note 14: Other expenses

Particulars	Period ended on 31-3-2018	Period ended on 31-3-2017
i) Electricity	8,23,470	4,18,692
ii) Rent	1,41,53,164	92,87,892
iii) Office Expenses	24,35,309	26,19,439
iv) Travelling Expenses	2,64,80,370	1,40,22,027
v) Repairs others	8,08,419	5,33,671
vi) Insurance	-	1,91,013
vii) Rates and taxes	1,945	73,547
viii) Payment to the auditors (Including Taxes)	-	-
- as auditor	3,09,571	2,31,462
-Tax matter	23,600	23,000
- Certification	35,400	34,500
ix) Consultancy Fee	4,37,19,677	7,21,54,057
x) Printing and Stationary Expenses	19,60,840	17,62,946
xi) Workshop Charges	2,07,08,630	87,49,052
xii) Brokerage and Commission	4,08,670	1,96,100
xiii) Computer and Electronic Accessories	-	3,650
xiv) Interest on TDS	28,378	-
xv) Legal and professional charges	49,10,665	42,12,819
xvi) Telephone Expenses & Internet Expenses	17,58,675	11,36,423
xvii) Recruitment Charges	5,75,262	2,95,570
xviii) Miscellaneous expenses	26,71,546	15,34,064
	12,18,13,592	11,74,79,924



KAIVALYA EDUCATION FOUNDATION

Significant Accounting Policies and Notes to Accounts for the year ended March 31, 2018:

Note 1 Nature of Business:

KAIVALYA EDUCATION FOUNDATION is a Private Company incorporated on November 19, 2008 registered under Section 25 of Companies Act 1956 (Corresponding section 8 of the Companies Act 2013) and consequently does not have the word 'Limited' as a part of its name. It is also registered under section 12AA of the Income Tax Act and hence its 'surplus' is exempt from tax subject to compliance with certain conditions. Its main operations comprise of promotion and building of an institution to provide professional development for education leaders to achieve leading education reforms.

Note 2 Significant Accounting Policies:

1. Basis of Preparation of Financial Statements :

The Financial statements are prepared in accordance with the Generally Accepted Accounting Principles in India, Accounting Standards notified by the Companies (Accounting Standards) Rules 2006 which continues to be applicable in respect of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules 2014 and relevant provisions of the Companies Act, 2013.

The Company adopts the accrual concept in preparation of the accounts. The preparation of accounts require the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the accounts and the reported income and expenses during the period. Actual results could differ from these estimates. Any changes in such estimates are recognised prospectively. The accounting year of the Company is a period of 12 months commencing from April 1 to March 31.

2. Use of Estimates:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon



management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognized in the period in which the results are known / materialized.

3. Revenue Recognition:

i) Accounting of Donations and Grants:

Government Assistance and Donation are accounted on accrual basis when right to receive the same has been established. Grants sanctioned from donor agencies against approved programmes are accounted in time proportion of grant period. Unspent amount of grant is carried forward for future use as 'Current Liabilities'. Unrealized amount of grant and assistance are shown as 'Receivable'.

Such Liabilities or Receivable of certain donor agencies are subject to audit/acceptance by them.

ii) Other Income:

Unless otherwise required, all incomes are recognized and accounted on an accrual basis.

4. Expenses:

Expenses are accounted for on accrual basis.

5. Plant, Property and Equipment:

- a) Tangible Assets are stated at cost less accumulated depreciation thereon. The cost of fixed assets comprises purchase price and any other incidental cost of bringing the asset to its working condition for its intended use. The Company provides pro-rata depreciation from the date on which asset is acquired/put to use. Depreciation is provided as per schedule II of Companies Act, 2013 considering useful life of assets and salvage value as prescribed. The depreciation is calculated on Written Down Value method.
- b) Tangible Assets each costing Rs.5000 or less is fully depreciated in the year of acquisition.
- c) Profit or loss on disposal of a tangible fixed asset is the difference between the net sales proceeds and the carrying amount of the relevant asset, and is recognised in the Statement of Income & Expenditure.
- d) Useful life of Mobiles, Tablets and Kitchen Material is estimated as one year from the date of put to use.



6. Taxation :

The Company is registered under section 12A (a) of the Income Tax Act 1961 and its income is exempt under the provisions of section 11 of the said Act, subject to conditions laid down under section 13 of the act.

7. Provision and Contingencies:

A provision is recognized when the Company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized but are disclosed in the notes to the financial statement. A contingent asset is neither recognized nor disclosed.

8. Impairment of Assets:

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the Statement of Income & Expenditure. If at the balance sheet date, there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

9. Investments:

Investments are capitalised at actual cost including costs incidental to acquisition. Investments are classified as long term or current at the time of making such investments. Long term investments are individually valued at cost, less provision for other than temporary diminution, if any. Current Investments are individually valued at lower of cost and fair value.

10. Foreign Currency Transaction:

Foreign currency transactions are recorded at the rate prevailing on the date of transaction. Foreign Currency monetary items outstanding as at the Balance Sheet date are restated at the closing rate. Foreign Exchange rate differences arising on settlement/conversion are recognized in the Statement of Income and Expenditure.



11. Operating Lease:

A lease of assets whereby the lessor essentially remains the owner of the asset is classified as an operating lease and payments made according to operating lease contracts or rental agreements are expensed evenly during the lease or rental period respectively. Any compensation, according to agreement, that the lessee is obliged to pay to the lessor if the leasing contract is terminated prematurely is expensed during the period in which the contract is terminated.

Where the lease term is more than one year, lease rentals for such leases are charged to statement of Income and Expenditure based on straight line method over the lease term.

12. Cash Flow Statement:

Cash flows are reported using the indirect method, whereby profit/ (loss) before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

Cash comprises cash on hand and demand deposits with banks. Cash Equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

13 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, wages and the expected cost of bonus are recognized in the period in which an employee renders the related services.

b) Post-Employment Benefits :

i. **Defined Contribution Plans:** The Company's Statutory Provident Fund is defined contribution plans. The company has no further obligation for Provident Fund beyond its contribution.

ii. **Defined Benefit Plan:** The Employees' Group Gratuity Fund is the Company's defined benefit plan. Gratuity expenses are recognized at the present value of the amount payable determined using actuarial valuation techniques.



Note 15 Related Party Transactions

Description of relationship	Names of related parties
Key Managerial Personnel (KMP)	Ajay Piramal; Aditya Natraj
Enterprise in which KMP of the Company are able to exercise control or have significant influence	Piramal Foundation for Education Leadership; Ajay Piramal Foundation

NOTE: Expenditures in nature of reimbursement are not considered for Related party Transaction.

Note 16 Earnings in Foreign Currency:

(Amount in Rs.)

Particulars	For the year March 31, 2018	For the year March 31, 2017
Donation Income	176,497,882	108,139,596
Total	176,497,882	108,139,596

Note 17 a. Defined Contribution Plan:

The Company participates in the number of defined contribution plans on behalf of relevant personnel. The defined contribution plans operated by the company are: Employees' Provident Fund. The total expenses recognised in the statement of Income & Expenditure during the year on account of defined contribution plan amounted to Rs. 38,61,526/- (P.Y. Rs. Nil/-)

b. Defined Benefit Plans:

The company has made provisions in the accounts for gratuity based on actuarial assumptions. The particulars under the AS 15 (Revised) furnished below are those which are relevant and available to the company for this year:

The principal actuarial assumptions used as at Balance Sheet date are as follows:	F.Y. 2017-18	F.Y. 2016-17
Rate of Discounting	7.80%	-
Rate of Salary Increase	10.00%	-
Rate of Employee Turnover	10.00% p.a. for all Service Groups.	-



Mortality Rate	Indian Assured Lives Mortality (2006-08) Ultimate.	-
(Present Value of Benefit Obligation at the end of the Period)	39,24,101	-

Note18 Till June 30, 2017 the Company used to acquire services of Consultants for all the activities. From July 01, 2017, the Company has taken them as Employees to undertake all its activities. Employee Benefit Expenses are thus Rs. Nil in the Previous Year and Consultancy Expenses have been reduced to that extent in the Current Year.

Note19 The Company has operating lease from various premises which are renewable on a periodic basis and cancellable at its option. Rental expenses for operating lease charged to the Statement of Profit and Loss for the year Rs.14,153,164 (Previous year Rs. 9,287,892).

Note20 As per the information available with the Company, there is no amount outstanding to parties covered under the provision of The Micro, Small and Medium Enterprises.

Note21 The figures for the previous year have been regrouped / recast wherever necessary in conformity with those of current year.

For HARIBHAKTI & CO. LLP
Chartered Accountants
Firm Reg. No.103523W/W100048

Hemant J. Bhatt
Partner
Membership No.036834
Place: Ahmedabad
Date:



For and on behalf of the board

Ajay G .Piramal Aditya Natraj
DIN: 00028116 DIN: 02309126


Director


Director

Place: Mumbai
Date: 31/8/2018



INDEPENDENT AUDITOR'S REPORT**To the Members of Kaivalya Education Foundation****Report on the Financial Statements**

We have audited the accompanying financial statements of **Kaivalya Education Foundation** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Income and Expenditure, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

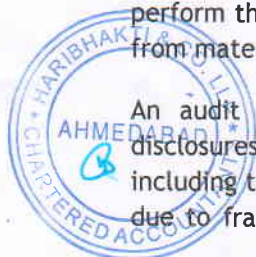
Auditor's Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' 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 accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating overall presentation of the financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2018, its surplus and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (1) This report does not contain a statement on the matters specified in paragraph 3 and 4 of the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, since in our opinion and according to the information and explanations given to us, the said Order is not applicable to the Company.
- (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 Income and Expenditure, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;



- e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 1".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position;
 - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Hemant J Bhatt

Partner

Membership No.036834

Place: Ahmedabad

Date: August 29, 2018

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Kaivalya Education Foundation on the financial statements for the year ended March 31, 2018]

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Kaivalya Education Foundation ("the Company") as of March 31, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048



Hemant J Bhatt

Partner

Membership No. 036834



Place: Ahmedabad

Date: August 29, 2018