

HARIBHAKTI & CO.
Chartered Accountants

Career Launcher Infrastructure Private Limited

Statutory Audit for the year
ended March 31, 2012

Auditors' Report

To
The Members of
Career Launcher Infrastructure Private Limited

1. We have audited the attached Balance Sheet of Career Launcher Infrastructure Private Limited ('the Company') as at March 31, 2012 and also the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the paragraph 3 above, we report that:
 - i. We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit,
 - ii. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - iii. The balance sheet, statement of profit and loss and cash flow statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the balance sheet, statement of profit and loss and cash flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act.



Our Offices :

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- v. On the basis of the written representations received from the directors, as on March 31, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on March 31, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.
- vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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;
- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
- b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Haribhakti & Co.
Chartered Accountants
Firm Registration No.: 103523W



Raj Kumar Agarwal
Partner

Membership No.: 074715

Place: New Delhi
Date: July 31, 2012



ANNEXURE TO AUDITORS' REPORT

[Referred to in paragraph 3 of the Auditors' Report of even date to the members of Career Launcher Infrastructure Private Limited on the Financial Statements for the year ended March 31, 2012]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
- (c) In our opinion and according to the information and explanations given to us, a substantial part of fixed assets has not been disposed off by the Company during the year.
- (ii) The Company is engaged in providing various infrastructure facilities and accordingly does not hold any inventory. Accordingly clauses (ii)(a), (ii)(b), (ii)(c) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable.
- (iii) (a) The Company has not granted any loan, secured or unsecured, to company covered in the register maintained under section 301 of the Act. Accordingly clauses iii (b), iii (c) and iii (d) are not applicable.
- (e) The Company has not taken any loan, secured or unsecured, from company covered in the register maintained under section 301 of the Act. Accordingly clauses iii (f) and (g) are not applicable.
- (iv) *In our opinion and according to the information and explanations given to us, the management is in progress of strengthening the existing internal control system in order to make it adequate and commensurate with the size of the Company and the nature of its business with regard to the sale of services. Accordingly, during the course of our audit, we have not observed any continuing failure to correct weakness in internal control system of the Company. There are no transactions with respect to purchase of inventory and sale of goods.*
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Act and the rules framed there under.



(vii) *In our opinion, the Company is in process of strengthening the internal audit system of the Company to make it commensurate with the size and nature of its business as regards coverage of significant areas, that is, revenue, sale & purchase of fixed assets, CWIP management and reconciliation thereof with creditors.*

(viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the company.

(ix) (a) According to information and explanations given to us, and on the basis of our examination of the records of the Company, undisputed statutory dues including income-tax, works contract tax and service tax have generally been regularly deposited during the year by the Company with appropriate authorities.

Statutory dues including investor education and protection fund, sales tax, wealth tax, custom duty and excise duty are not applicable to the company.

(b) According to the information and explanations given to us, no undisputed dues in respect of provident fund, investor education and protection fund, wealth-tax, sales-tax, customs duty, excise duty, cess and other statutory dues were outstanding, at the yearend for a period of more than six months from the date they became payable. *Details of works contract tax and income tax deducted at source outstanding at the year-end for a period of more than six months from the date it became payable are as follows:*

Name of the statute	Nature of the dues	Amount (Rs.)	Period to which the amount relates	Due dates	Date of payment
Finance Act, 2004	Works contract tax	377,000	July 2010 to March 2011	20 th of every month	Not paid
Finance Act, 2004	Works contract tax	560,039	April 2011 to September 2011	20 th of every month	Not paid

(c) According to the information and explanation given to us, there are no dues of income tax, sales-tax, wealth tax, service tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.

(x) As the company is registered for a period less than five years, clause (x) of paragraph 4 of the Companies (Auditor's Report) Order, 2003, as amended by the Companies (Auditor's Report) (Amendment) Order, 2004, is not applicable to the company for the current year.

(xi) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a bank. The company has no outstanding dues in respect of financial institutions or debenture holders.

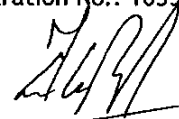
(xii) According to the information and explanation given to us, we are of the opinion that the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

(xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.



- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (xvi) In our opinion, the term loans have been applied for the purpose for which the loans were raised.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investments.
- (xviii) According to the information and explanations given to us, the company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the company.
- (xix) The Company did not have any outstanding debentures during the year.
- (xx) The Company has not raised money by way of public issue during the year.
- (xxi) During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.

For Haribhakti & Co.
Chartered Accountants
Firm Registration No.: 103523W



Raj Kumar Agarwal
Partner
Membership No.: 074715

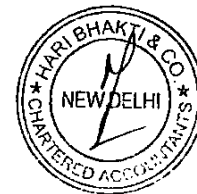
Place: New Delhi
Date: July 31, 2012



**CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2012**

	Note	March 31, 2012	(Amount in ₹) March 31, 2011
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	2,484,680	984,680
Reserves and surplus	4	280,078,711	161,976,378
		<u>282,563,391</u>	<u>162,961,058</u>
Non-current liabilities			
Long term Borrowings	5	264,827,256	219,612,000
Long term provisions	6	29,774	34,088
		<u>264,857,030</u>	<u>219,646,088</u>
Current liabilities			
Short term borrowings	5	15,050,000	5,388,000
Other current liabilities	7	42,561,066	75,977,791
Short term provisions	6	52,027	47,085
		<u>57,663,093</u>	<u>81,412,876</u>
TOTAL		<u>605,083,514</u>	<u>464,020,022</u>
ASSETS			
Non-current assets			
Fixed assets			
- Tangible assets	8	489,279,324	315,692,722
- In-tangible assets	9	616,809	153,208
- Capital Work in Progress	23	5,947,611	123,581,510
Long Term loans and advances	10	19,272,582	4,146,310
		<u>515,116,326</u>	<u>443,573,750</u>

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**CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
BALANCE SHEET AS AT MARCH 31, 2012**

Continued from previous page

	Note	March 31, 2012	(Amount in ₹) March 31, 2011
Current assets			
Trade receivables	11	23,881,416	11,324,873
Cash and bank balances	12	53,892,450	47,690
Short term loans and advances	13	8,549,128	8,400,622
Other current assets	14	3,644,194	673,087
		<u>89,967,188</u>	<u>20,446,272</u>
TOTAL		<u>605,083,514</u>	<u>464,020,022</u>
Summary of significant accounting policies	2		

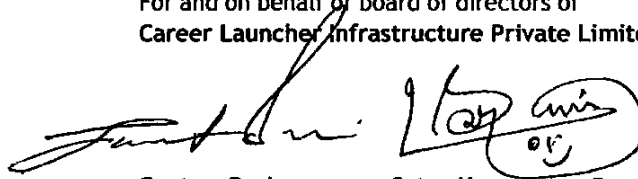
The notes form an integral part of the financial statements.

As per our report of even date
For **Haribhakti & Co.**
Chartered Accountants
Firm Registration No.: 103523W



Raj Kumar Agarwal
Partner
Membership No.: 074715

For and on behalf of board of directors of
Career Launcher Infrastructure Private Limited



Gautam Puri
Director

Satya Narayanan .R
Director

Place: New Delhi
Date: July 31, 2012

Place: New Delhi
Date: July 31, 2012



CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012

		(Amount in ₹)	
	Note	Year ended March 31, 2012	Year ended March 31, 2011
Income			
Revenue from operations	15	16,473,456	4,169,624
Other income	16	3,383,985	521,582
Total Revenue		19,857,441	4,691,206
Expenses			
Employee benefits expenses	17	1,226,454	2,516,737
Finance cost	18	28,167,793	10,564,530
Depreciation and amortisation	19	13,015,433	4,601,294
Other expenses	20	7,502,003	3,787,777
Total expenses		49,911,683	21,470,338
Loss before prior period items and tax		(30,054,242)	(16,779,132)
Prior period expenses / (income) (net)	21	193,420	5,977,019
Loss before tax		(30,247,662)	(22,756,151)
Tax expense		-	-
Loss for the year		(30,247,662)	(22,756,151)
Loss per share (in ₹):			
(nominal value of ₹ 10 per share)	26		
-Basic and diluted		(307.18)	(231.10)

Summary of significant accounting policies 2

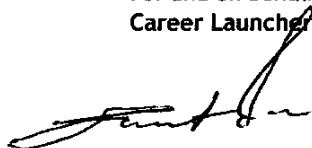
The notes form an integral part of the financial statements.

As per our report of even date
 For Haribhakti & Co.
 Chartered Accountants
 Firm Registration No.: 103523W

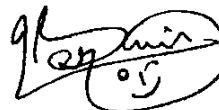


Raj Kumar Agarwal
 Partner
 Membership No.: 074715

For and on behalf of board of directors of
 Career Launcher Infrastructure Private Limited



Gautam Puri
 Director



Satya Narayanan .R
 Director

Place: New Delhi
 Date: July 31, 2012

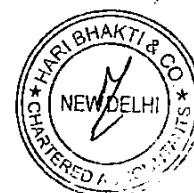
Place: New Delhi
 Date: July 31, 2012



CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	Note	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Cash flows from operating activities			
Net (Loss) before tax and Prior Period items		(30,247,662)	(22,756,151)
<i>Non- cash adjustment to reconcile profit before tax and prior period items to net cash flows</i>			
Depreciation and amortization		13,015,433	4,601,294
Loss on sale of assets (net)		201,931	41,724
Amortisation of preliminary expenses		72,888	72,894
Finance cost		28,167,793	10,564,530
Interest income		(3,349,911)	(496,686)
Bad Debts written off		-	103,618
Prior period (income) / expenses (net)		-	12,872
Liabilities written back		-	(18,184)
		7,860,472	(7,874,089)
<i>Movement in assets and liabilities, net</i>			
(Increase) in Long-term loans and advances		(13,168,974)	10,047,546
(Increase) in Trade and other receivables		(12,556,543)	(3,631,200)
(Increase) /decrease in Short term loans and advances		(968,325)	144,273
(decrease) / Increase in Short term provisions		(4,314)	34,088
Increase in long term provisions		4,942	973
(Decrease) / Increase in Other current liabilities		(33,762,432)	71,619,137
		(60,455,646)	78,214,817
Cash (used in)/generated from operations		(52,595,174)	70,340,728
Less: taxes paid, net of refund		(1,986,372)	(425,582)
Net cash (used in)/generated from operating activities		(54,581,546)	69,915,146
Cash flows from investing activities			
Purchase of Fixed assets including CWIP		(76,742,669)	(143,822,416)
Proceeds from sale of Fixed assets		7,109,000	-
Loans advanced to related parties		(1,766,534)	(4,871,701)
Loans realised from related parties		2,586,353	-
Interest on Loans to related parties		334,992	(310)
Net cash used in investing activities		(68,478,858)	(148,694,427)

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**CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012**

Continued from previous page

	Note	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Cash flows from financing activities			
Share issue expenses		(150,005)	-
Proceeds from long term borrowings		211,596,731	70,519,817
Repayment of long term borrowings		(6,719,475)	(5,784,624)
Finance cost		(27,822,087)	(10,700,856)
Net cash generated from financing activities		176,905,164	54,034,337
Net increase in cash and cash equivalents (A)		53,844,760	(24,744,944)
Cash and cash equivalents (Refer to note 12)			
-Beginning of the year (B)		47,690	24,792,634
-End of the year (A+B)		53,892,450	47,690
Deposits with original maturity of more than three months (Refer to note 12).		52,400,000	-
Cash and bank balances as per balance sheet		53,892,450	47,690
Summary of significant accounting policies	2		

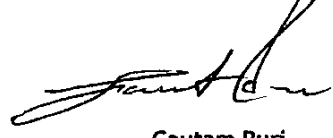
- i. The notes form an integral part of the financial statements.
- ii. The above Cash flow statement has been prepared under the indirect method set out in AS-3 the Companies (Accounting Standard) Rules, 2006 (as amended).

As per our report of even date
For **Haribhakti & Co.**
Chartered Accountants
Firm Registration No.: 103523W


Raj Kumar Agarwal
Partner

Membership No.: 074715

For and on behalf of board of directors of
Career Launcher Infrastructure Private Limited



Gautam Puri
Director



Satya Narayanan .R
Director

Place: New Delhi
Date: July 30, 2012

Place: New Delhi
Date: July 31, 2012



CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

1. BACKGROUND

Career Launcher Infrastructure Private Limited ('the Company') was incorporated in India on 20th February, 2008 to provide various infrastructure facilities. The infrastructure facilities are under use of third party in accordance with the agreement entered by the company. The company is a 100% subsidiary of Career Launcher Education Infrastructure and Services Limited which is a subsidiary of CL Educate Limited, the Ultimate Holding Company.

The accompanying financial statements reflect the results of the activities undertaken by the Company during the year April 1, 2011 to March 31, 2012.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The Financial Statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and relevant provision of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

(b) Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses for the years presented. Although these estimates are based on the managements' best knowledge of current events and actions, actual results could differ from these estimates. Any revision in accounting estimate is recognized prospectively in current and future periods.

(c) Tangible fixed assets

Tangible fixed assets are stated at cost, less accumulated depreciation and impairment losses if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

(d) Intangible fixed assets

Intangible fixed assets including Computer software are stated at their cost of acquisition, less accumulated amortization and impairment loss thereon if any. An intangible asset is recognized where it is probable that future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured.



CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(e) *Depreciation / Amortisation*

Depreciation and amortisation has been calculated on Straight Line Method at the following rates, based on management estimates, which are equal to or higher than the rates specified as per schedule XIV of the Companies Act, 1956, where minimum rate has been used, which in the opinion of the management are reflective of the estimated useful lives of the Fixed Assets.:-

Particulars	Useful life (years)
Tangible assets:	
Plant and machinery	10
Building	60
Furniture and fixtures	10
Office equipment	10
Vehicle	10
Computer equipment	5
Building and leasehold improvements	3
Intangible assets:	
Software	5

Depreciation and amortisation on addition to fixed assets is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation and amortisation on sale/discard from fixed assets is provided for upto the date of sale, deduction or discard of fixed assets as the case may be.

All assets costing ₹ 5,000 or below are depreciated in full by a one-time depreciation charge.

(f) *Borrowing Costs*

Borrowing costs are determined in accordance with the provisions of Accounting Standard - 16. Borrowing costs that are attributable to the acquisition or construction of qualifying assets are capitalized as part of the cost of such assets. A qualifying asset is one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charged to revenue.

(g) *Impairment of assets*

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

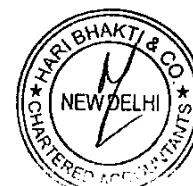
After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(h) *Revenue recognition*

Infrastructure Fee: Infrastructure fee is charged from different institutions on revenue sharing basis and is recognized on accrual basis over the year of rendering infrastructure facilities.

License Fee: License fee on account of grant of brand on non exclusive basis is onetime fee charged from different schools is recognised on execution of the agreement.

Interest Income: Revenue from interest on inter-corporate loans and time deposits are recognised on the time proportion method taking into consideration the amount outstanding and the applicable interest rates.



(i) *Employee benefits*

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, bonus etc are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

Long term employee benefits

i) *Defined contribution plan:*

The Company is not presently liable to contribute, deduct and deposit Provident Fund as the number of employees is less than ten.

ii) *Defined benefit plan:*

Benefits payable to eligible employees of the company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the balance sheet date. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation or change in return of the plan assets is recognised as an income or expense in the statement of profit and loss. The expected return on plan assets is based on the assumed rate of return of such assets. The Company contributes to a fund set up by the Life Insurance Company Limited.

iii) *Other long term employee benefits:*

Benefits under the Company's leave encashment scheme constitute other employee benefits. The liability in respect of leave encashment is provided on the basis of an actuarial valuation done by an independent actuary at the year end using the Projected Unit Credit Method. Actuarial gain and losses are recognized immediately in the Statement of Profit and Loss.

(j) *Tax Expense*

Tax expense comprises of current tax and deferred tax considered in determining the net profit or loss for the year.

Current Tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred Tax

Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax law enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that sufficient future taxable income will be available against which these assets can be realized in future where as in cases of existence of carry forward of losses or unabsorbed depreciation, deferred tax assets are recognised only if there is virtual certainty of realization backed by convincing evidence. Deferred tax assets are reviewed at each balance sheet date.



CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

(k) Leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating lease. All other leases are classified as finance lease.

Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

The assets given under operating lease are shown in the Balance Sheet under fixed assets and depreciated on a basis consistent with the depreciation policy of the Company. The lease income is recognized in the Profit and Loss Account on a straight-line basis over the lease period.

(l) Provision, contingent liabilities and contingent assets

Provision

Provisions are recognized when the Company has a present obligation as a result of past events and it is more likely that an outflow of resources will be required to settle the obligations and the amount has been reliably estimated. Such provisions are not discounted to their present value and are determined based on the management's estimation of the obligation required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect management's current estimates.

Contingent liabilities

A disclosure for a contingent liability is made where it is more likely than not that a present obligation or possible obligation may result in or involve an outflow of resources. When no present or possible obligation exists and the possibility of an outflow of resources is remote, no disclosure is made.

Contingent assets

Contingent assets are neither recorded nor disclosed in the financial statements.

(m) Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and margin money deposited with bank.

(n) Miscellaneous Expenditure

Miscellaneous expenditure is written off over a period of five years.

(o) Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the reporting period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

(p) Material Events

Material events occurring after balance sheet date and till the date of signing of financials are taken in to cognizance



CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

3. Share capital

The Company has two classes of shares i.e. equity shares and 0.01% optionally convertible preference shares, both having a par value of ₹ 10 per share.

Particulars	March 31, 2012		March 31, 2011	
	Numbers	Amount in ₹	Numbers	Amount in ₹
Authorised shares				
Equity shares of ₹ 10/- each (previous year ₹ 10/-)	100,000	1,000,000	100,000	1,000,000
0.01% Optionally convertible preference shares of ₹10/- each	200,000	2,000,000	200,000	2,000,000
Issued, subscribed and fully paid up shares	98,468	984,680	98,468	984,680
Equity shares of ₹ 10/- each (previous year ₹10/-)				
Less: Calls in arrear	-	-	-	-
0.01% Optionally convertible preference shares of ₹10/- each*	150,000	1,500,000	-	-
	<u>248,468</u>	<u>2,484,680</u>	<u>98,468</u>	<u>984,680</u>

*During the year, the company has converted unsecured loan from the holding company Career launcher Education Infrastructure and Services Limited into 0.01% Optionally Convertible Non Cumulative Preference Shares (OCNPS) at a premium of ₹ 990 per share having face value of ₹ 10.

The equity shares of the company, to the extent of 51%, (currently held by Career Launcher Education Infrastructure and Services Limited, the Holding Company) are pledged with AXIS Bank and Punjab National Bank against a of term loan of ₹ 21.50 Crores.

a) Reconciliation of shares outstanding as at the beginning and at the end of the reporting period

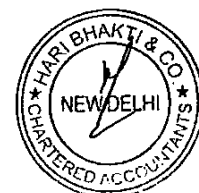
Equity shares

Particulars	March 31, 2012		March 31, 2011	
	Numbers	Amount in ₹	Numbers	Amount in ₹
At the beginning of the year	98,468	984,680	98,468	984,680
Outstanding at the end of the year	98,468	984,680	98,468	984,680

Preference shares

Particulars	March 31, 2012		March 31, 2011	
	Numbers	Amount in ₹	Numbers	Amount in ₹
At the beginning of the year	-	-	-	-
Add: Shares issued during the year	150,000	1,500,000	-	-
Outstanding at the end of the year	150,000	1,500,000	-	-

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b) Terms/rights attached to shares

Equity shares

Voting

Each holder of equity shares is entitled to one vote per share held.

Dividend

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting, except in the case where interim dividend is distributed.

Liquidation

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

Preference shares

Voting

The preference share does not carry any voting rights.

Dividend

The Company shall pay preferential dividend @ 0.01% per annum on the OCNPS subscribed by the investor from the date of allotment.

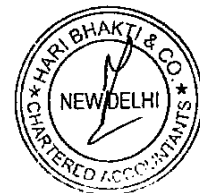
Terms of redemption

The preference shares are issued for a period of five years with an option of their conversion into equity shares. The price and other terms of conversion/redemption Rate and other terms of redemption will be mutually agreed upon as the time of redemption.

Liquidation

In the event of liquidation of the Company, the holders of OCNPS shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts and before payment to equity shareholders, if any. Such distribution amounts will be in proportion to the number of OCNPS held by the shareholders upto the extent of agreed redemption amount of such shares.

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CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

c) Details of shares held by each shareholder holding more than 5% shares:

Equity Shares

Name of share holders	March 31, 2012			March 31, 2011		
	Numbers	Amount in ₹	% held	Numbers	Amount in ₹	% held
i. Career Launcher Education Infrastructure Services Limited	98,468	984,680	100%	98,468	984,680	100%

Preference Shares

Name of share holders	March 31, 2012			March 31, 2011		
	Numbers	Amount in ₹	% held	Numbers	Amount in ₹	% held
ii. Career Launcher Education Infrastructure Services Limited	150,000	1,500,000	100%	-	-	-

4. Reserves and surplus

4.1 Security Premium

	(Amount in ₹)	
	March 31, 2012	March 31, 2011
Opening balance	185,575,850	185,575,850
Add: Shares issued during the year	148,500,000	-
Less: Writing off shares issue expenses	(150,005)	-
Closing balance (A)	333,925,845	185,575,850

4.2 Surplus / (deficit) in the Statement of Profit and Loss

	(Amount in ₹)	
	March 31, 2012	March 31, 2011
Opening balance	(23,599,472)	(843,321)
Add: Loss for the year from statement of Profit and Loss	(30,247,662)	(22,756,151)
Closing balance (B)	(53,847,134)	(23,599,472)
Total Reserves and Surplus (A+B)	280,078,711	161,976,378

5. Borrowings

	(Amount in ₹)			
	Long-term		Short-term	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Term loan				
- From Bank - Secured ^{note (i)}	194,562,000	209,612,000	15,050,000	5,388,000
- From related Parties - Unsecured ^{note (ii)}	70,265,256	10,000,000	-	-
Total	264,827,256	219,612,000	15,050,000	5,388,000



CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

Note (i) The Secured loans are secured by way of:

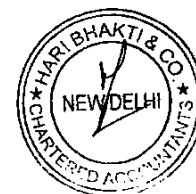
- a) First equitable mortgage and charge on pari-passu basis on all immovable assets, both present & future at Raipur and Indore premises of the Company.
- b) First pari-passu charge by way of hypothecation on the present & future moveable assets at Raipur and Indore premises of the Company.
- c) First pari-passu charge on all agreements / revenue and receivables of the Company.
- d) First charge on pari-passu basis on all bank accounts of the Company related to the schools financed in the projects including, without limitation to the project account / Trust & Relation Account / Escrow Account, Debt service Reserve Account and any other bank account wherever maintained.
- e) First charge on pari-passu basis on all bank accounts of Career Launcher Education Infrastructure and Services (the holding company), related to schools financed under the projects through Escrow Mechanism.
- f) Pledge of shares representing 51% of the total paid up equity share capital of the Company held by the Holding Company and CL Educate Limited (Formerly known as Career Launcher India Limited) (the Ultimate Holding Company) directly or indirectly subject to the provisions of the Banking Regulation Act.
- (g) Corporate Guarantee of the Ultimate Holding Company and the Holding Company.
- (h) The above security shall be shared on pari - passu basis among the lenders.

Note (ii) The Company has taken an interest free unsecured loan from the Holding Company. As per the terms of the agreement the Holding Company may extend loan upto a maximum limit of ₹ 15 Crores.

6. Provisions

	Long-term		(Amount in ₹) Short-term	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011
Provision for employee benefits (Also refer to note 25)				
Provision for leave encashment	29,774	34,088	5,915	973
	29,774	34,088	5,915	973
Other provision				
Provision for deferred tax liability	-	-	46,112	46,112
	-	-	46,112	46,112
	29,774	34,088	52,027	47,085

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CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

7. Other current liabilities

		(Amount in ₹)
	March 31, 2012	March 31, 2011
Advance received against sale of land	3,000,000	6,000,000
Interest accrued but not due on borrowings	2,950,190	2,604,484
Employees related payables	42,178	125,408
Payable for Expenses (refer note 32)	1,164,010	2,319,997
Payables for capital expenditure (refer note 32)	32,565,300	62,776,112
Bank overdrafts	-	7,134
Other liabilities (represent statutory liabilities payable to government authorities)	2,839,388	2,144,656
	<u>42,561,066</u>	<u>75,977,791</u>

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**CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012**

8. Tangible Fixed Assets

Particulars	Gross block (at cost)				Accumulated depreciation			(Amount in ₹) Net block	
	As at April 1, 2011	Additions	Disposals	As at March 31, 2012	As at April 1, 2011	Depreciation for the year	Disposals/ adjustments	As at March 31, 2012	As at March 31, 2011
Land*	191,917,061	-	6,922,708	184,994,353	-	-	-	184,994,353	191,917,061
Building	107,662,101	171,313,105	-	278,975,206	1,029,857	3,258,897	-	274,686,451	106,632,244
Building improvement	4,630,939	4,764,661	-	9,395,600	617,349	2,481,979	-	6,296,272	4,013,590
Leasehold improvement	-	1,409,633	-	1,409,633	-	159,585	-	1,250,048	-
Plant & Machinery	200,547	2,233,174	-	2,433,721	17,383	87,423	-	2,328,916	183,164
Furniture & Fittings	5,123,659	7,432,723	-	12,556,382	1,671,327	4,125,999	-	6,759,056	3,452,332
Office Equipments	3,009,284	4,108,449	-	7,117,733	554,586	1,290,106	-	5,273,041	2,454,698
Vehicle	6,517,833	411,917	534,942	6,394,808	1,275,757	661,618	161,615	4,619,048	5,242,076
Computers	2,482,970	2,043,753	23,215	4,503,508	685,413	754,274	8,320	3,072,141	1,797,557
Total	321,544,394	193,717,415	7,480,865	507,780,944	5,851,672	12,819,881	169,935	489,279,324	315,692,722
Previous year#	206,563,059	116,015,135	809,414	321,544,394	2,062,007	4,557,355	767,690	315,692,722	-

* The above include the following lands held for disposal, which is being carried at the lower of its net block and net realisable value.

Particulars	Current year			Previous year		
	Gross Block	Accumulated depreciation	Net block	Gross Block	Accumulated depreciation	Net block
Land at Amritsar (Raipur)	11,515,819	-	11,515,819	6,648,833	-	6,648,833

Depreciation for the year include prior period depreciation of Rs. 402.



CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

9. Intangible Fixed Assets

Particulars	Gross block (at cost)		As at March 31, 2012	Accumulated amortisation		Net block	
	As at April 1, 2011	Additions Disposals		As at April 1, 2011	Depreciation for the year adjustments	As at March 31, 2012	As at March 31, 2011
Software	224,385	659,153	883,538	71,177	195,552	616,809	153,208
Total	224,385	659,153	883,538	71,177	195,552	616,809	153,208
Previous year#	224,385	-	224,385	14,366	56,811	153,208	-

Depreciation for the year includes prior period depreciation of Rs. 12,470.

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CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

10. Long term Loans & Advances

	March 31, 2012	(Amount in ₹) March 31, 2011
Unsecured, considered good		
Capital advances	15,737,645	3,470,645
Security deposit	872,900	-
Advance income tax (net of provision Rs. Nil (previous year Rs. Nil))	2,662,037	675,665
	19,272,582	4,146,310

11. Trade receivables

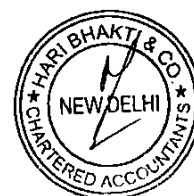
	March 31, 2012	(Amount in ₹) March 31, 2011
Unsecured, considered good		
Outstanding for a period exceeding six months from the date they are due for payment	6,337,290	7,693,673
Others	17,544,126	3,631,200
	23,881,416	11,324,873

12. Cash and bank balances

	(Amount in ₹)	
	Current	
	March 31, 2012	March 31, 2011
Cash and cash equivalents		
Cash in hand	903	-
Balances with banks in current accounts	1,491,547	47,690
	1,492,450	47,690
Other bank balances		
Deposits with maturity of less than twelve months from balance sheet date	52,400,000	-
	52,400,000	-
	53,892,450	47,690

13. Short term loans and advances

	March 31, 2012	(Amount in ₹) March 31, 2011
Unsecured and considered good		
Loan to related party (refer note 29)	7,101,861	7,921,680
Loans and advances to employees	110,000	-
Prepaid expenses	75,805	72,531
Other advances recoverable in cash or in kind		
-Advances to suppliers	399,160	406,411
-Capital advances	862,302	-
	8,549,128	8,400,622



CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

14. Other current assets

	March 31, 2012	(Amount in ₹) March 31, 2011
Interest accrued		
- on loans and advances to related parties (refer note 29)	1,155,333	496,996
- debit Balance of Gratuity fund assets	59,390	30,316
- on fixed deposits	2,356,583	-
Unamortised expenses (preliminary expenses)	72,888	145,775
	3,644,194	673,087

15. Revenue from operations

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Sale of services		
-Infrastructure fees	11,473,456	4,169,624
-Infra License Fee	5,000,000	-
	16,473,456	4,169,624

16. Other income

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Interest income on		
- fixed deposits	2,618,425	-
- loan to related party (refer note 29)	731,486	496,686
- income tax refund	-	5,090
Other non operating income		
- Other income	5,000	-
- Miscellaneous balance written back	-	18,184
- Reversal of provision for gratuity (refer note 25)	29,074	1,622
	3,383,985	521,582

17. Employee benefits expenses

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Salaries, wages and bonus (refer note 25 and 29)	1,164,995	2,473,189
Staff welfare expenses	61,459	43,548
	1,226,454	2,516,737



CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
 NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

18. Finance Cost

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Interest expense on:		
- Term loan from bank	27,646,084	10,522,367
- interest on delayed payment of statutory dues	142,048	16,900
Bank charges	379,661	25,263
	28,167,793	10,564,530

19. Depreciation and amortisation

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Depreciation (refer note 8)	12,819,881	4,556,953
Amortisation (refer note 9)	195,552	44,341
	13,015,433	4,601,294

20. Other expenses

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Rent (refer note 28)	1,263,833	684,500
Insurance	78,313	28,045
Legal & professional fees (refer note 30)	1,236,282	699,694
Rates and taxes	990,221	285,253
Postage, telegraph & communication	791,050	126,458
Retainer-ship fee	1,283,774	1,094,262
Books and periodicals	69,282	-
Brokerage	322,300	-
Business promotion expenses	69,568	-
Advance to suppliers written off	-	103,618
Loss on sale of fixed assets	201,930	-
Training charges	34,744	-
Travelling and conveyance	424,512	387,111
Repair and maintenance		
-Buildings	200,513	37,093
-Others	-	22,495
Preliminary expenses written off	72,888	72,894
Miscellaneous expenses	462,793	246,354
	7,502,003	3,787,777



CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

21. Prior period expense

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Prior period expenses		
-Interest on term loan	-	5,914,152
-Depreciation	-	12,872
-Salaries & wages	-	140,443
-Rates & taxes	193,420	41,724
-Provision for leave encashment	-	29,407
	193,420	6,138,598
Prior period income		
Infra Revenue Share	-	(156,000)
Provision for gratuity encashment	-	(5,579)
	-	(161,579)
	193,420	5,977,019

22. Contingent Liabilities and commitments

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
a. Claim against the Company not acknowledged as debts	193,420	-
b. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of capital advances)*	52,400,000	48,463,028

*For the said contract the company has given a bank guarantee for an equal amount which is supported by fixed deposit with the bank.

There are no outstanding other material commitments as at date of the Balance Sheet for the year ended March 31, 2012 and March 31, 2011.

23. Capital Work in progress:

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
a. Assets Cost	5,947,611	100,601,368
b. Project related expenses		
Opening Balance	22,980,143	26,909,226
Additions during the year		
Salaries, wages and bonus	818,316	2,734,552
Interest expenses	5,895,288	19,353,495
Bank charges	-	838,498
	29,693,747	49,835,771
Less: capitalisation during the year	29,693,747	26,855,628
Balance at the year end	-	22,980,143
Total (a) + (b)	5,947,611	123,581,511



CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

24. Borrowing cost capitalized during the year

As per Accounting Standard 16 - Accounting, "Borrowing Cost", the company has capitalized ₹ 5,895,288 (Previous year ₹ 19,353,495) to various fixed assets including capital work in process in the year ended March 31, 2012.

25. Employee Benefit Obligations

A. Defined employee benefits schemes:

Gratuity

Liability in respect of Gratuity is ascertained annually on actuarial valuation carried out by independent actuary.

B. Other long term employee benefits

Leave Encashment

Provision for Leave Encashment is made by the Company on basis of actuarial valuation carried out by independent actuary.

I. Change in present value of obligation

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2011
Present value of obligation at the beginning of the year	44,813	41,623	35,061	29,407
Current service cost	9,158	11,652	14,298	8,836
Interest cost	3,935	3,538	3,078	2,500
Benefit paid	-	-	(5,175)	(5,040)
Net actuarial (gain)/loss recognized in the year.	(35,405)	(12,000)	(11,573)	(642)
Present value of obligation at the end of the year	22,501	44,813	35,689	35,061

II. Change in fair value of plan assets:

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2011
Fair value of plan assets at the beginning of the year	75,129	47,202	-	-
Expected return on plan assets	6,762	4,248	-	-
Contributions	-	23,115	-	-
Actuarial gain/ (loss) on Plan Assets	-	564	-	-
Fair value of plan assets at the end of the year	81,891	75,129	-	-



CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

III. Expenses Recognised in the Statement of Profit and Loss for the year

(Amount in ₹)

Particulars	Gratuity		Leave Encashment	
	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2011
Current service cost	9,158	11,652	14,298	8,836
Interest cost	3,935	3,538	3,078	2,500
Expected return on plan assets	(6,762)	(4,248)	-	-
Net actuarial gain/ (loss) to be recognized	(35,405)	(12,564)	(11,573)	(642)
Expense recognised in Statement of Profit and Loss	(29,074)	(1,622)	5,803	10,694

IV. Amount Recognised in the Balance Sheet

(Amount in ₹)

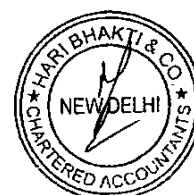
Particulars	Gratuity		Leave Encashment	
	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2011
Present value of obligation as at the end of the year	22,501	44,813	35,689	35,061
Funded Status	81,891	75,129	-	-
Net Asset / (liability) recognized in Balance Sheet as at March 31	59,390	30,316	(35,689)	(35,061)
Amount classified as:				
Short term provision (Refer note 6)	604	1,435	5,915	973
Long term provision (Refer note 6)	21,897	43,378	29,774	34,088

V. Actuarial Assumptions

Particulars	Gratuity		Leave Encashment	
	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2011
Discount Rate	8.78%	8.50%	8.78%	8.50%
Salary Escalation Rate	5.00%	5.50%	5.00%	5.50%
Expected remaining working lives of employees (years)	14.10	23.52	14.10	23.52
Expected Rate of Return on Plan Assets	9.00%	9.00%	N.A.	N.A.

- The discount rate assumed is 8.78% per annum (previous year 8.50% per annum) which is determined by reference to market yield at the Balance Sheet date on government bonds.
- The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

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CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

vi. Experience on actuarial gain/(loss) for Projected Benefit Organisation and Plan Assets

Particulars	Gratuity		Leave Encashment	
	Year ended March 31, 2012	Year ended March 31, 2011	Year ended March 31, 2012	Year ended March 31, 2011
On plan projected benefit obligation	34,019	9,542	9,587	(1,083)
On plan assets	-	4,812	-	-

26. Loss per share

The calculation of Loss per Share has been made in accordance with Accounting Standard (AS) - 20. A statement on calculation of Basic and Diluted EPS is as under:

Loss per share (before extraordinary item)	Reference	Units	Year ended March 31, 2012	Year ended March 31, 2011
Loss after tax	A	₹	(30,150,169)	(22,756,151)
Weighted average no. of equity shares	B	Nos.	98,468	98,468
Add: Dilutive potential equity shares	C	Nos.	150,000*	-
Number of equity shares (of ₹ 10 each) for dilutive loss per share	D=B+C	Nos.	248,468	98,468
Basic loss per Share (A/B)		₹	(307.18)	(231.10)
Diluted loss per Share (A/D)		₹	(307.18)	(231.10)

* Since the company is has incurred loss in the current financial year, the effect of potential equity shares is anti dilutive.

27. Segment reporting

Primary segment

Based on similarity of activities, risks and reward structure, organization structure and internal reporting systems, the company operates in one business segment mainly comprising of providing Infrastructure facilities to schools for educational purposes.

Geographic segment

Since the company's activities / operations are primarily within the country and considering the nature of services it deals in, the risks and returns are same and as such there is only one geographical segment.

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CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

28. Leases

A. As lessee:

The Company is a lessee under various operating leases. The lease rentals charged during the year and maximum obligations on non-cancelable operating lease are payable as per the rentals stated in the respective agreements. Obligation on long term, non-cancelable operating lease are mentioned below:

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Lease rent recognized in the profit and loss during the year	1,263,833	684,500
Not later than 1 year	3,027,660	636,000
Later than 1 year but not later than 5 years	5,863,788	674,160
Later than 5 years	-	-

B. As lessor:

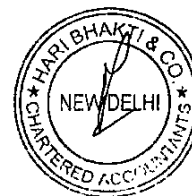
The Company has entered into a composite agreement with Nalanda Foundation & Career Launcher Education Infrastructure & Services Limited for the provision of infrastructure services related to run the schools. The amount attributable to provision of infrastructure services cannot be realistically ascertained as the consideration is based on the number of students serviced during the year and number of students serviced may differ year to year. Therefore, disclosures required to be given by the lessor as per Accounting Standard 19 "Leases", if any, have not been given.

29. Related Party Disclosure

The Disclosure as required by the Accounting Standard -18 (Related Party Disclosure) are given below:-

Relationship	Name of related party
(i) Ultimate Holding Company	: CL Educate Limited
(ii) Holding Company	: Career launcher Education Infrastructure Services Limited
(iii) Key Management Personnel ('KMP') and their relatives	: Mr. Nikhil Mahajan Mr. Gautam Puri (Director) Mr. Sujit Bhattacharya (Director) Mr. Srinivasan R (Director) Mr. Satya Narayanan .R (Director)
(iv) Enterprise in which Key Managerial Personnel are able to exercise significant influence	: Nalanda Foundation

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CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

Included in the financial statements are the following amounts relating to transactions with related parties:

Particulars	Ultimate Holding company	Holding Company	Key Management Personnel	(Amount in ₹) Entity in which key management personnel are interested
Transactions with the related parties				
Revenue Share	- (-)	683,835 (333,669)	- (-)	15,789,621 (3,991,956)
Interest Income	- (-)	- (-)	- (-)	731,486 (496,686)
Short term loans and advances given during the year	- (-)	- (-)	- (-)	1,766,534 (4,921,680)
Short term loans and advances realised during the year	- (-)	- (-)	- (-)	2,586,355 (-)
Preference shares issued during the year #	- (-)	1,500,000 (-)	- (-)	- (-)
Security premium on issue of preference shares issued during the year #	- (-)	148,500,000 (-)	- (-)	- (-)
Long term borrowings taken during the year	- (-)	210,300,000 (23,805,144)	- (-)	- (-)
Unsecured Loan repaid during the year #	- (-)	150,034,744 (2,569,951)	- (-)	- (-)
Purchase of fixed assets	891,193 (-)	- (-)	- (-)	- (417,500)
Salary to director	- (-)	- (-)	- (2,080,750)	- (-)
Reimbursement of expense incurred on behalf of the company	- (-)	- (-)	53,659 (-)	- (-)



CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

Balances with related parties as at March 31				
Trade Receivables	-	554,848	-	23,326,567
	(-)	(317,764)	(-)	(11,007,109)
Payable for expenses	-	-	-	-
	(-)	(-)	(933,895)	(-)
Payable for capital expenditure	891,193	-	-	-
	(-)	(-)	(-)	(-)
Short term loans and advances	-	-	-	7,101,861
	(-)	(-)	(-)	(7,921,819)
Interest accrued but not due				1,155,333
				(496,996)
Unsecured Loan	-	70,265,256	-	-
	(-)	(10,000,000)	(-)	(-)
Guarantee given by CL Educate Limited	215,000,000	-	-	-
for long term borrowing from bank	(-)	(-)	(-)	(-)

Amounts in brackets pertain to previous year

During the year, the Company has converted term loan for ₹ 150,000,000 into 0.01% non cumulative optionally convertible preference shares of ₹ 10 each at the premium of ₹ 990 each.

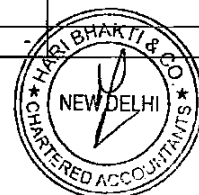
30. Auditors Remuneration

	Year ended March 31, 2012	(Amount in ₹) Year ended March 31, 2011
Statutory Audit	350,000	300,000
Out of pocket expenses	-	-
Other services	-	100,000
	350,000	400,000

31. Applying the principles of Accounting Standard (AS) 22, "Accounting for Taxes on Income" as per Accounting Standards Rules, deferred tax assets are recognized only if there is virtual certainty of realization backed by convincing evidence. Deferred Tax on brought forward losses/unabsorbed depreciation has not been recognized in absence of reasonable and virtual certainty of future taxable profits.

32. In terms of notification no. G.S.R. 719(E) dated November 16, 2007 issued by the Central Government of India, the disclosure of payments due to any supplier as at March 31, 2011 are as follows:

	Year ended March 31, 2012	Year ended March 31, 2011
Balance of Sundry Creditors		
- Principal amount due to Micro, Small and Medium Enterprises	-	-
- Principal amount due to Others		
Payable for expenses	1,164,010	2,319,997
Payable for capital expenditure	32,565,300	62,776,112
Total	33,729,310	65,096,109
Interest accrued and due at the end of the year		
- Interest on payments due to Micro, Small and Medium Enterprises	-	-
- Interest on payments due to others	-	-
- Interest due and payable on amounts paid during the year to Micro, Small and Medium Enterprises beyond the appointed date	-	-
Total	-	-

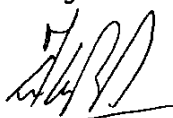


CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED
NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2012

	Year ended March 31, 2012	Year ended March 31, 2011
Paid during the year	-	-
Principal amount (including interest) paid to Micro, Small and Medium Enterprises beyond the appointed date	-	-
- Principal amount	-	-
- Interest thereon	-	-
Principal amount (excluding interest) paid to Micro, Small and Medium Enterprises beyond the appointed date	-	-
Others		
- Interest accrued in the prior year and paid during the year	-	-
- Interest accrued during the year and paid during the year	-	-

33. The financial statements for the year ended March 31, 2011 had been prepared as per the applicable, pre-revised Schedule VI to the Companies Act, 1956 ('the Act'). During the year, the revised Schedule VI notified under the Act has become applicable to the Company. Accordingly, the Company has reclassified previous year figures to conform to the current year's classification. The adoption of revised Schedule VI does not impact recognition and measurement principle followed for preparation of financial statements. However, it has a significant impact on presentation and disclosures made in the financial statements.

As per our report of even date
For Haribhakti & Co.
Chartered Accountants
Firm Registration No.: 103523W



Raj Kumar Agarwal
Partner
Membership No.: 074715

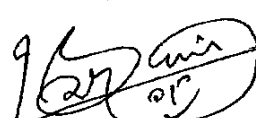
Place: New Delhi
Date: July 31, 2012

For and on behalf of board of directors of
CAREER LAUNCHER INFRASTRUCTURE PRIVATE LIMITED



Gautam Puri
Director

Place: New Delhi
Date: July 31, 2012



Satya Narayanan .R
Director

