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# Career Launcher Education Infrastructure and Services Limited

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Statutory Audit for the year  
ended March 31, 2015

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## INDEPENDENT AUDITOR'S REPORT

To the Members of

**Career Launcher Education Infrastructure and Services Limited**

**Report on the Standalone Financial Statements**

We have audited the accompanying standalone financial statements of Career Launcher Education Infrastructure and Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

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

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

**Auditor's Responsibility**

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone 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



standalone 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 the overall presentation of the standalone financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, its profit and its cash flows for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 3 and 4 of the Order.
- (2) As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of written representations received from the directors as on March 31, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - (i) The standalone financial statements disclose the impact of pending litigations on the financial position of the Company - Refer Note 26 to the standalone financial statements in respect of contingent liabilities and Note 36 in respect of other pending litigations;



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Chartered Accountants

(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

*Pranav Jain*



Pranav Jain  
Partner  
Membership No. 098308

Date: *June 23, 2015*  
Place: New Delhi

## ANNEXURE TO INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Career Launcher Education Infrastructure and Services Limited on the standalone financial statements for the year ended March 31, 2015.]

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.

(ii) The company is engaged in providing various infrastructure facilities, soft skills, educational and consultancy programs and does not hold any inventory. Accordingly the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.

(iii) (a) The Company has granted unsecured interest free loan to one company and one other party and unsecured loan to two other parties covered in the register maintained under Section 189 of the Act. In our opinion and according to the information and explanations given to us, the rate of interest and the other terms and conditions of loans granted to two other parties are not, *prima facie*, prejudicial to the interest of the Company. Terms and conditions related to loans granted to one company and one other party are, *prima facie*, prejudicial to the interest of the Company.

(b) There is no overdue amount in excess of ₹ 100,000 in respect of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Act.

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

There are no transactions regarding purchase of inventory or sale of goods.

(v) 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 provisions of Sections 73 to 76 of the Act and the rules framed there under.

(vi) The Central Government of India has not prescribed the maintenance of cost records for any of the business activities of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.

(vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, which have not been deposited on account of any dispute.



# HARIBHAKTI & CO. LLP

Chartered Accountants

(c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

- (viii) The Company does not have accumulated losses at the end of the financial year nor has incurred cash losses in the current and immediately preceding financial year.
- (ix) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to bank. The company has no outstanding dues in towards financial institution or debenture holder.
- (x) In our opinion and according to the information and explanations given to us, the terms and conditions of the guarantee amounting ₹ 280,000,000 given by the Company for the loan taken by its subsidiary company are not, *prima facie*, prejudicial to the interest of the Company.

In our opinion, the terms and conditions of the guarantee amounting ₹ 15,000,000 given by the Company for loan taken from Bank by an entity over which Key Managerial Personnel have significant influence can be prejudicial to the interest of the Company.

- (xi) The Company has not obtained any term loans.
- (xii) 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 any such instance by the management.

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

*Pranav Jain*

Pranav Jain  
Partner  
Membership No. 098308



Date: **June 23, 2015**  
Place: New Delhi

Career Launcher Education Infrastructure and Services Limited  
Balance Sheet as at March 31, 2015

		(Amount in ₹)	
	Note	March 31, 2015	March 31, 2014
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	94,426,060	94,351,060
Reserves and surplus	4	680,310,265	679,815,555
		<u>774,736,325</u>	<u>774,166,615</u>
<b>Non-current liabilities</b>			
Long-term borrowings	5	43,714	287,488
Other long-term liabilities	6	2,590,000	1,190,000
Long-term provisions	7	317,816	1,164,155
		<u>2,951,530</u>	<u>2,641,643</u>
<b>Current liabilities</b>			
Short-term borrowings	8	-	427,338
Trade payables	9	2,396,968	2,396,968
Other current liabilities	10	47,382,103	9,377,493
Short-term provisions	7	5,692	36,171
		<u>49,784,763</u>	<u>12,237,970</u>
<b>TOTAL</b>		<u><u>827,472,618</u></u>	<u><u>789,046,228</u></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
<b>Fixed assets</b>			
-Tangible assets	11	2,608,373	2,191,037
-Intangible assets	12	11,437,618	118,633
Non-current investments	13	337,264,104	337,264,104
Deferred tax assets (net)	33	931,991	698,090
Long-term loans and advances	14	16,789,179	17,573,135
		<u>369,031,265</u>	<u>357,844,999</u>
<b>Current assets</b>			
Trade receivables	15	26,430,698	22,918,139
Cash and bank balances	16	755,682	9,461,055
Short-term loans and advances	17	431,254,973	398,822,035
		<u>458,441,353</u>	<u>431,201,229</u>
<b>TOTAL</b>		<u><u>827,472,618</u></u>	<u><u>789,046,228</u></u>

Summary of significant accounting policies 2

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

As per our report of even date

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 103523W

NEW DELHI

Pranav Jain

Partner

Membership No.: 098308



For and on behalf of Board of Directors of

Career Launcher Education Infrastructure and Services Limited

Gautam Puri

Director

DIN: 00033548

Arvind Khater

Arvind Khater

Company Secretary

ICSI M. No: A33950

Place: New Delhi

Date: June 23, 2015

Satya Narayan R.

Director

Director

DIN: 00307326



Place: New Delhi

Date: June 23, 2015

**Career Launcher Education Infrastructure and Services Limited**  
**Statement of Profit and Loss for the year ended March 31, 2015**

	Note	March 31, 2015	March 31, 2014
(Amount in ₹)			
<b>Income</b>			
Revenue from operations	18	52,879,661	37,515,884
Other income	19	34,815,671	28,039,331
<b>Total revenue</b>		<b>87,695,332</b>	<b>65,555,215</b>
<b>Expenses</b>			
Employee benefits expense	20	23,866,263	18,523,311
Finance costs	21	1,388,821	104,711
Depreciation and amortisation expense	22	5,122,501	786,440
Other expenses	23	25,702,488	17,524,838
<b>Total expenses</b>		<b>56,080,073</b>	<b>36,939,300</b>
<b>Profit before exceptional items, prior period items, and tax</b>		<b>31,615,259</b>	<b>28,615,915</b>
Exceptional items	25	22,841,122	-
<b>Profit before prior period items, and tax</b>		<b>8,774,137</b>	<b>28,615,915</b>
Prior period expenses (net)	24	-	186,835
<b>Profit before tax</b>		<b>8,774,137</b>	<b>28,429,080</b>
Tax expense:			
-Current tax		8,490,516	3,754,817
-Minimum Alternate Tax (MAT) credit		-	(1,946,253)
-Deferred tax (benefit)/charge	32	(28,387)	(698,090)
-Earlier year's tax adjustment		-	1,154,990
		<b>8,462,129</b>	<b>2,265,464</b>
<b>Profit after tax</b>		<b>312,008</b>	<b>26,163,616</b>
<b>Earnings per equity share (in ₹):</b>	29		
Nominal value of ₹ 10 each (Previous year ₹ 10 each)			
- Basic before exceptional expenses		2.45	2.77
- Basic after exceptional expenses		0.03	2.77
- Diluted before exceptional expenses		2.45	2.77
- Diluted after exceptional expenses		0.03	2.77

Summary of significant accounting policies 2

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

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

  
 Pranav Jain  
 Partner  
 Membership No.: 098308



For and on behalf of Board of Directors of  
 Career Launcher Education Infrastructure and Services Limited

  
 Gautam Puri  
 Director  
 DIN: 00033548

  
 Satya Narayanan R.  
 Director  
 DIN: 00307326

  
 Arvind Khater  
 Company Secretary  
 ICSI M. No: A33950



Place: New Delhi  
 Date: June 23, 2015

Place: New Delhi  
 Date: June 23, 2015



**Career Launcher Education Infrastructure and Services Limited**  
**Cash Flow Statement for the period ended March 31, 2015**

	<u>March 31, 2015</u>	<u>(Amount in ₹)</u> <u>March 31, 2014</u>
<b>Cash flow from operating activities</b>		
Net profit before tax	8,774,137	28,615,915
<i>Adjustments for:</i>		
Depreciation and amortisation	5,122,501	786,440
Interest on borrowings	1,187,438	72,842
Interest on delay of payment of taxes	201,383	31,869
Prior period items	-	(186,835)
Bad debts written off	-	727,686
Advances written off	148,673	-
Provision for doubtful recoverables	597,043	171,725
Transfer to stock options outstanding	22,841,122	-
Interest income	(34,267,009)	(27,784,950)
Liabilities no longer required written back	(434,951)	(235,327)
Provision written back	(51,128)	-
	<u>(4,654,928)</u>	<u>(26,416,550)</u>
<b>Operating profit before working capital changes</b>	<b>4,119,209</b>	<b>2,199,365</b>
<b>Movement in assets and liabilities, net</b>		
<i>Adjustments for (increase)/decrease in operating assets:</i>		
Trade receivables	(4,109,602)	(3,422,012)
Short-term loans and advances	551,204	485,671
Long term loans and advances	(413,237)	108,024
<i>Adjustments for increase/(decrease) in operating liabilities:</i>		
Short-term provisions	(30,479)	4,540
Trade payables	-	827,674
Other current liabilities	8,240,450	(1,008,964)
Other long-term liabilities	1,400,000	88,100
Long-term provisions	(846,339)	79,462
	<u>4,791,997</u>	<u>(2,837,505)</u>
<b>Cash generated from/(used in) operations</b>	<b>8,911,206</b>	<b>(638,140)</b>
Less: taxes paid, (net of refund and interest thereon)	(7,494,706)	(3,750,079)
<b>Net cash generated from/(used in) operating activities</b>	<b>1,416,500</b>	<b>(4,388,219)</b>
<b>Cash flow from investing activities</b>		
Capital expenditure on fixed assets and capital work in progress	(10,160,250)	(15,865)
Loans given to related parties (refer footnote)	(74,384,300)	(54,217,004)
Loans realised from related parties	41,180,979	25,730,000
Inter-corporate deposits given	121,634	(121,634)
Investment in fixed deposits	(7,500,000)	-
Proceeds from fixed deposits	7,500,000	767,694
Interest received	34,267,009	27,794,019
<b>Net cash used in investing activities</b>	<b>(8,974,928)</b>	<b>(62,790)</b>

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**Career Launcher Education Infrastructure and Services Limited**  
**Cash Flow Statement for the period ended March 31, 2015**

Continued from previous page

	(Amount in ₹)	
	March 31, 2015	March 31, 2014
<b>Cash flow from financing activities</b>		
Proceeds from issue of right shares (net of share issue expenses)	685,612	366,433
Share application money received		-
Proceeds from short-term borrowings from related parties	21,600,000	-
Repayment of short-term borrowings to related parties (including conversion of borrowings into trade payables)	(22,027,338)	(2,160,056)
Repayment of long-term borrowings (including current maturities)	(215,910)	(191,156)
Finance cost	(1,189,309)	(74,524)
<b>Net cash (used in)/generated from financing activities</b>	<b>(1,146,945)</b>	<b>(2,059,303)</b>
Net (decrease) in cash and cash equivalents	<b>(8,705,373)</b>	<b>(6,510,312)</b>
<b>Cash and cash equivalents (refer note 16)</b>		
-Beginning of the year	9,461,055	15,971,367
-End of the year (A)	<b>755,682</b>	<b>9,461,055</b>
Deposits with original maturity of more than three months (B)	-	-
<b>Cash and bank balances as per Balance Sheet (A+B) (refer footnote iii)</b>	<b>755,682</b>	<b>9,461,055</b>

Footnote:

Include ₹ 17,367,709 (Previous year ₹ 18,130,170) and ₹ 30,969,650 (Previous year ₹ 24,851,934) converted into unsecured loans on account of trade and other receivables and interest receivables respectively.

Summary of significant accounting policies (refer note 2)

- The notes referred above form an integral part of the financial statements.
- The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 on "Cash Flow Statements" as notified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Pledged as first charge with HDFC Ltd. against loan taken by Career Launcher Infrastructure Private Limited, wholly owned subsidiary of the Company (also refer note 16)

As per our report of even date  
For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 103523W

NEW DELHI

*Pranav Jain*

Pranav Jain

Partner

Membership No.: 098308



For and on behalf of Board of Directors of  
**Career Launcher Education Infrastructure and Services Limited**

*Gautam Puri*

Gautam Puri

Director

DIN: 00033548

*Satya Narayanan R.*

Satya Narayanan R.

Director

DIN: 00307326

*Arvind Khater*

Arvind Khater

Company Secretary

ICSI M. No: A33950



Place: New Delhi

Date: *June 23, 2015*

Place: New Delhi

Date: *June 23, 2015*

**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the financial statements for the year ended March 31, 2015**

**1. Background**

Career Launcher Education Infrastructure and Services Limited ('the Company') was incorporated in India on June 16, 2005 to provide various infrastructure facilities, soft skills, educational and consulting programs. The Company is a subsidiary of CL Educate Limited that holds 97.94% (Previous year 57.55%) of its share capital.

The accompanying financial statements reflect the results of the activities undertaken by the Company during the period April 1, 2014 to March 31, 2015.

**2. Summary of significant accounting policies**

(i) Basis for preparation

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014. 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.

(ii) Current/non-current classification of assets/liabilities

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. The Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities.

(iii) 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, liabilities and contingent liabilities at the reported date and the reported amounts of revenues and expenses during the reporting period. 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.

(iv) Fixed assets

*Tangible assets*

Tangible fixed assets are stated at cost of acquisition net of CENVAT (wherever applicable), 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.

Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day to day repair and maintenance and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

Fixed assets retired from active use and held for disposal are stated at lower of book value and net realizable value as estimated by the Company and are shown separately in the financial statements under other current assets. Loss determined, if any, is recognised immediately in the Statement of Profit and Loss, whereas profit and sale of such assets is recognised only upon completion of sale thereof.



**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the Financial Statements for the year ended March 31, 2015**

*Intangible assets*

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation 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.

Losses arising from the retirement of, and gain or losses arising from disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognised as income or expense in the Statement of Profit and Loss.

(v) Depreciation and Amortisation

Depreciation and amortisation has been calculated on Straight Line Method at the following useful lives, based on management estimates, which are equal to or higher than the rates specified as per schedule II to the Act.

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 up to the date of sale, deduction or discard of fixed assets as the case may be.

Schedule II to the Companies Act 2013 has become applicable to the Company with effect from April 1, 2014. Accordingly, the Company has determined the useful life of its assets as per Schedule II. Revised useful lives and earlier useful lives are as under:

Asset	Revised useful life	Existing useful life
<b>Tangible assets:</b>		
Office equipment	5	10
Computer hardware	3	5
Vehicle	8	10
Furniture and Fixtures	8	10
Leasehold improvements	3	3
<b>Intangible assets:</b>		
Website	5	5
Education manual	5	5
Software	5	5
License Fee	5	-

In accordance with the transitional provisions of Schedule II, in respect of assets where the remaining useful life is 'Nil', their carrying amount aggregating ₹ 838,938 (net of tax effect amounting ₹ 205,514) after retaining the residual value as on April 1, 2014 as determined by the management has been adjusted against the opening balance of retained earnings as on that date.

As a consequence, had the company not adopted Schedule II to the Companies Act, 2013, depreciation for the year would have been lower by ₹ 1,540,233, profit for the year would have been higher by ₹ 1,540,233 and the written down value of assets as at March 31, 2015 would have been ₹ 16,219,648 as against reported written down value of ₹ 14,045,991. Impact of change in estimates of useful lives on subsequent periods is not realistically ascertainable.

(vi) 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 as mentioned in Accounting Standard- 28 "Impairment of Assets". 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



**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the Financial Statements for the year ended March 31, 2015**

value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

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

(vii) **Borrowing cost**

Borrowing costs relating to acquisition or construction or production of assets which take substantial period of time to get ready for its intended use are included as cost of such assets to the extent they relate to the period till such assets are ready to be put to use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

(viii) **Foreign exchange transactions**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Monetary items denominated in foreign currencies at the year-end are translated at the exchange rates prevailing on the date of the Balance Sheet. Non-monetary items denominated in foreign currencies are carried at cost.

Any income or expense on account of exchange differences either on settlement or on translation of transactions is recognized in the Statement of Profit and Loss.

(ix) **Revenue recognition**

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and revenue can be reliably measured.

- a) Soft Skill fee is fee charged from different schools on revenue sharing basis and is recognized on accrual basis over the year of rendering services.
- b) License fee on account of grant of brand on non exclusive basis is onetime fee charged from different schools and is recognised in the year in which contract is executed
- c) School fee from students is recognized on accrual basis.
- d) Income from interest on deposit and loans is recognized on the time proportion method taking into consideration the amount outstanding and the applicable interest rate.

(x) **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 bonus etc are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

(a) **Long term employee benefits:**

(i) **Defined contribution plans:**

**Provident fund:**

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate [presently 12% restricted to maximum salary limit of ₹ 15000 p.m.] of the employees'



**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the Financial Statements for the year ended March 31, 2015**

basic salary. These contributions are made to the fund administered and managed by the Government of India.

The Company's contributions to the scheme are expensed off in the Statement of Profit and Loss. The Company has no further obligations under these plans beyond its monthly contributions.

*Employee state insurance:*

Employees whose wages/salary is within the prescribed limit as stipulated in Employees' State Insurance Act, 1948, are covered under the scheme. These contributions are made to the fund administered and managed by Government of India.

The Company's contributions to the scheme are expensed off in the Statement of Profit and Loss. The Company has no further obligations under these plans beyond its monthly contributions.

(ii) Defined benefit plans: Gratuity

The Company provides for retirement benefits in the form of Gratuity. 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 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 by Life Insurance Corporation of India through employee group gratuity trust.

(iii) Other long term employee benefits: Leave encashment

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 using Projected Unit Credit Method at the end of the year. Actuarial gain and losses are recognized immediately in the Statement of Profit and Loss.

(iv) Employee stock option scheme

The Employee Stock Option Scheme ('the Scheme') provides for the grant of equity shares of the Company to its employees. The Scheme provides that employees are granted an option to acquire equity shares of the Company that vests in a graded manner. The options may be exercised within a specified period. The Company follows the fair value method to account for its stock-based employee compensation plans. Compensation cost is measured using independent valuation by a firm of Chartered Accountants using Black-Scholes model in accordance with the guidance note issued by the Institute of Chartered Accountants of India. Compensation cost, if any is amortised over the vesting period.

(xi) Investment

*Accounting treatment*

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to



**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the Financial Statements for the year ended March 31, 2015**

the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of long term investments on individual investment basis.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

*Classification in the financial statements as per requirements of Schedule III*

Investments that are realisable within the period of twelve months from the Balance Sheet date are classified as current investment. All other investments are classified as non-current investments.

(xii) Leases

*Operating leases*

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

*As lessee*

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

*As lessor*

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

(xiii) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

(xiv) Tax expenses

Tax expense for the period comprising current tax, MAT credit and deferred tax is included in determining the net profit 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 tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the Balance Sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty backed by convincing evidence of realization of such assets. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted at the Balance Sheet date.



**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the Financial Statements for the year ended March 31, 2015**

**Minimum alternate tax**

Minimum alternate tax (MAT) paid in a period is charged to the Statement of Profit and Loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

**(xv) Earnings per share**

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

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. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.

**(xvi) Share issue expenses**

Share issue expenses are adjusted against the securities premium account as permissible under Section 52 of the Companies Act, 2013 to the extent balance is available for utilization in the securities premium account.

**(xvii) Provisions, 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.

**(xviii) Exceptional items**

Items of income or expense from ordinary activities which are of such size, nature or incidence that, their disclosure is relevant to explain the performance of the enterprise for the period, are disclosed separately in the Statement of Profit and Loss.

**(xix) Material events**

Material events occurring after the Balance Sheet date are taken into cognizance.





Career Launcher Education Infrastructure and Services Limited  
Notes to the financial statements for the year ended March 31, 2015

3. Share capital

The Company has only one class of share capital having a par value of ₹ 10 per share, referred to herein as equity share.

Particulars	March 31, 2015		March 31, 2014	
	Numbers	Amount in ₹	Numbers	Amount in ₹
<b>Authorised shares</b>				
Equity shares of ₹ 10 each (Previous year ₹10)	10,000,000	100,000,000	10,000,000	100,000,000
<b>Issued, subscribed and fully paid up shares</b>				
Equity shares of ₹ 10 each (Previous year ₹10)	9,442,606	94,426,060	9,435,106	94,351,060
	<b>9,442,606</b>	<b>94,426,060</b>	<b>9,435,106</b>	<b>94,351,060</b>

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

Particulars	March 31, 2015		March 31, 2014	
	Numbers	Amount in ₹	Numbers	Amount in ₹
At the beginning of the year	9,435,106	94,351,060	9,369,838	93,698,380
Issued during the year	7,500	75,000	65,268	652,680
<b>Outstanding at the end of the year</b>	<b>9,442,606</b>	<b>94,426,060</b>	<b>9,435,106</b>	<b>94,351,060</b>

b) Terms/rights attached to equity share

*Voting*

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

*Dividends*

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. The Company has not distributed any dividend in the current period and previous year.

*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.

c) Shares held by the holding company / ultimate holding company and/or their associates/ subsidiaries.

Name of share holders	March 31, 2015			March 31, 2014		
	Numbers	Amount in ₹	% held	Numbers	Amount in ₹	% held
i) CL Educate Limited, the holding company	9,248,053	92,480,530	97.94	5,430,026	54,300,260	57.55

d) Details of shareholders holding more than 5% shares in the Company

Name of share holders	March 31, 2015			March 31, 2014		
	Numbers	Amount in ₹	% held	Numbers	Amount in ₹	% held
i) CL Educate Limited, the holding company	9,248,053	92,480,530	97.94	5,430,026	54,300,260	57.55
ii) Bilakes Consulting Private Limited	-	-	-	962,500	9,625,000	10.20
iii) GPE (India) Limited	-	-	-	938,597	9,385,970	9.95
iv) Housing Development Finance Limited (HDFC)	-	-	-	938,028	9,380,280	9.94
v) Mr. Shantanu Prakash	-	-	-	478,820	4,788,200	5.07

e) No class of shares have been allotted as fully paid up pursuant to contract(s) without payment being received in cash, allotted as fully paid up by way of bonus shares or bought back.

f) Shares reserved for issue under options

The Company has one stock option plan. Employee stock options are convertible into equity shares in accordance with the respective employees' stock option plan.

Pursuant to the resolution passed by the Board of Directors at its meeting on September 30, 2008, the Company introduced "CLEIS Employee Stock Options Plan 2008" which provides for the issue of 100,000 stock options to employees of the Company and its group companies/entities. All the above options granted are planned to be settled in equity at the time of exercise and have maximum vesting period of 3 years from the date of respective grants. As at March 31, 2015 and March 31, 2014 the Company had 71,000 and 71,000 number of shares reserved for issue under the scheme respectively. (Also refer to note 35).

Pursuant to the Special Resolution passed by the members in the annual general meeting held on September 30, 2013, and the resolution passed by the Board of Directors at its meeting on January 28, 2014 the Company renewed "CLEIS Employee Stock Options Plan 2008" for a further period upto November 20, 2014 and March 31, 2015 respectively.



Career Launcher Education Infrastructure and Services Limited  
Notes to the financial statements for the year ended March 31, 2015

4. Reserves and surplus

4.1 Securities premium

Particulars	(Amount in ₹)	
	March 31, 2015	March 31, 2014
Opening balance	676,624,292	663,410,507
Add: Premium on issue of equity shares	612,500	13,247,352
Less: Share issue expenses	(1,888)	(33,567)
Closing balance (A)	677,234,904	676,624,292

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

Particulars	(Amount in ₹)	
	March 31, 2015	March 31, 2014
Opening balance	3,191,263	(22,972,353)
Add: Profit after tax for the period as per the Statement of Profit and Loss	312,008	26,163,616
Add: Deferred tax on depreciation charged to opening reserve (refer note 32)	205,514	-
Less: Adjustment pursuant to schedule II on account of depreciation (refer note 11 & 12)	(633,424)	-
Closing balance (B)	3,075,361	3,191,263
<b>Total reserves and surplus (A+B)</b>	<b>680,310,265</b>	<b>679,815,555</b>

5. Long-term borrowings

Particulars	(Amount in ₹)			
	Non-current portion		Current maturities	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Term Loan, secured				
Vehicle loan from bank	43,714	287,488	243,774	215,910
Amount disclosed under the head "other current liabilities" (refer note 10)			(243,774)	(215,910)
Net amount	43,714	287,488	-	-

Vehicle loan from bank carries interest @ 12.24% p.a. The loan is repayable in 60 monthly instalments of ₹ 22,140 including interest, from the date of loan i.e. June 14, 2011. The loan is secured by hypothecation of related vehicles.

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**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the financial statements for the year ended March 31, 2015**

**6. Other long term liabilities**

Particulars	(Amount in ₹)	
	March 31, 2015	March 31, 2014
Security deposits received	2,590,000	1,190,000
	<b>2,590,000</b>	<b>1,190,000</b>

**7. Provisions**

Particulars	(Amount in ₹)	
	March 31, 2015	March 31, 2014
	<b>Long-term</b>	
Long term provision for employee benefits		
Provision for gratuity (refer note 27)	-	100,363
Provision for leave encashment (refer note 27)	317,816	1,063,792
<b>Outstanding at the end of the year</b>	<b>317,816</b>	<b>1,164,155</b>
	<b>Short-term</b>	
Short term provision for employee benefits		
Provision for gratuity (refer note 27)	-	11,782
Provision for leave encashment (refer note 27)	5,692	24,389
<b>Outstanding at the end of the year</b>	<b>5,692</b>	<b>36,171</b>

**8. Short-term borrowings**

Particulars	(Amount in ₹)	
	March 31, 2015	March 31, 2014
Loan from related parties* (unsecured) (refer note 34)	-	427,338
	-	<b>427,338</b>

\*During the year the Company borrowed ₹ 21,600,000 from its holding company as unsecured loan repayable on demand and carrying an interest of 14.5%. The loan taken during the year has been repaid within the year.

\*Loan outstanding as at March 31, 2014 amounting ₹ 427,338 was an interest free unsecured loan repayable on demand taken from the holding company in the financial year 2012-13. The same has been settled during the year.

**9. Trade payables**

Particulars	(Amount in ₹)	
	March 31, 2015	March 31, 2014
Trade payables (refer note 33 and 34)	2,396,968	2,396,968
	<b>2,396,968</b>	<b>2,396,968</b>

**10. Other current liabilities**

Particulars	(Amount in ₹)	
	March 31, 2015	March 31, 2014
Current maturities of long term borrowings (refer note 5)	243,774	215,910
Interest accrued but not due on borrowings	2,270	4,141
<i>Others</i>		
- Employees related payables (refer note 34)	6,574,753	4,443,431
- Security deposits	-	200,000
- Payables for expenses (refer note 33 and 34)	6,705,756	2,249,897
- Payable for fixed assets (refer note 33 and 34)	7,331,996	-
- Other payables (refer footnote)	22,841,122	356,547
- Advance from customers (Advance fees)	2,746,357	1,062,230
- Other liabilities (represent statutory liabilities payable to government authorities)	936,075	845,337
	<b>47,382,103</b>	<b>9,377,493</b>



**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the financial statements for the year ended March 31, 2015**

Footnote: During the year, CL Educated Limited, holding company has granted the ESOP to director of the Company and expenses has been recorded by the Company in accordance with guidance note issued by ICAI in respect of shares of the holding company to be issued to a director of Company. All amounts related to issue of such shares on exercise of ESOP shall be reimbursed by company to the holding company. ESOP expense and a corresponding payable has been recorded in the books of the Company and accordingly, no expense has been recorded by the holding Company.



Career Launcher Education Infrastructure and Services Limited  
Notes to the financial statements for the year ended March 31, 2015

11. Tangible assets

Current year# Particulars	Gross block (at cost)				Accumulated depreciation				(Amount in ₹) Net block As at March 31, 2015
	As at April 1, 2014	Additions/ Adjustments	Disposals/ Adjustments	As at March 31, 2015	As at April 1, 2014	Schedule II Adjustment	Depreciation for the year	Disposals/ Adjustments	
<b>Own assets</b>									
Office equipment	1,010,663	697,339	-	1,708,002	443,871	516,323	249,658	-	1,209,852
Computer hardware	1,127,357	221,494	-	1,348,851	869,532	117,101	264,580	-	1,251,213
Vehicles*	1,382,800	-	-	1,382,800	374,775	-	177,676	-	552,451
Furniture and fixtures	775,572	1,021,660	-	1,797,232	718,767	-	184,851	-	903,618
Lease hold improvement	1,634,372	552,495	-	2,186,867	1,332,782	-	565,463	-	1,898,245
<b>Total</b>	<b>5,930,764</b>	<b>2,492,988</b>	<b>-</b>	<b>8,423,752</b>	<b>3,739,727</b>	<b>633,424</b>	<b>1,442,228</b>	<b>-</b>	<b>5,815,379</b>

\*Pursuant to the transitional provisions of Schedule II in respect of fixed assets where the remaining useful life is "Nil" as on April 1, 2014, their carrying amount aggregating ₹ 838,938 (net of deferred tax ₹ 205,514 has been adjusted against the opening reserves.

\*Vehicles are subject to first and exclusive charge to secure the Company's borrowings referred in notes as secured term loan from bank. (See note 5).

Previous year Particulars	Gross block (at cost)				Accumulated depreciation				(Amount in ₹) Net block As at March 31, 2014
	As at April 1, 2013	Additions/ Adjustments	Disposals/ Adjustments	As at March 31, 2014	As at April 1, 2013	Schedule II Adjustment	Depreciation for the year	Disposals/ Adjustments	
<b>Own assets</b>									
Office equipment	1,019,513	-	8,850	1,010,663	360,621	-	92,100	8,850	443,871
Computer hardware	1,111,492	15,865	-	1,127,357	664,191	-	205,341	-	869,532
Vehicles*	1,382,800	-	-	1,382,800	236,495	-	138,280	-	374,775
Furniture and fixtures	775,572	-	-	775,572	705,352	-	13,415	-	718,767
Lease hold improvement	1,634,372	-	-	1,634,372	1,090,956	-	241,826	-	1,332,782
<b>Total</b>	<b>5,923,749</b>	<b>15,865</b>	<b>8,850</b>	<b>5,930,764</b>	<b>3,057,615</b>	<b>-</b>	<b>690,962</b>	<b>8,850</b>	<b>3,739,727</b>

\*Vehicles are subject to first and exclusive charge to secure the Company's borrowings referred in notes as secured term loan from bank. (See note 5).

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Career Launcher Education Infrastructure and Services Limited  
Notes to the financial statements for the year ended March 31, 2015

12. Intangible assets

Current year  
Particulars

Particulars	Gross block (at cost)			Accumulated amortisation			(Amount in ₹) Net block As at March 31, 2015
	As at April 1, 2014	Additions	Disposals/ Adjustments	As at April 1, 2014	Adjustment	Amortisation for the year	
Website	3,584,770	-	-	3,568,743	-	6,000	-
Education manual	2,750,000	-	-	2,750,000	-	-	-
Licence fee	-	14,999,258	-	-	-	3,638,875	-
Software	483,991	-	-	381,385	-	35,398	-
<b>Total</b>	<b>6,818,761</b>	<b>14,999,258</b>	<b>-</b>	<b>6,700,128</b>	<b>-</b>	<b>3,680,273</b>	<b>-</b>

Previous year  
Particulars

Particulars	Gross block (at cost)			Accumulated amortisation			(Amount in ₹) Net block As at March 31, 2014
	As at April 1, 2013	Additions	Disposals/ Adjustments	As at April 1, 2013	Adjustment	Amortisation for the year	
Website	3,584,770	-	-	3,562,743	-	6,000	-
Education manual	2,750,000	-	-	2,750,000	-	-	-
Software	483,991	-	-	291,907	-	89,478	-
<b>Total</b>	<b>6,818,761</b>	<b>-</b>	<b>-</b>	<b>6,604,650</b>	<b>-</b>	<b>95,478</b>	<b>-</b>

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Career Launcher Education Infrastructure and Services Limited  
Notes to the financial statements for the year ended March 31, 2015

13. Non current investments (valued at cost unless stated otherwise)

Particulars	(Amount in ₹)	
	March 31, 2015	March 31, 2014
<b>(i) Unquoted, trade investments</b>		
<b>Investment in subsidiaries</b>		
Career Launcher Infrastructure Private Limited		
98,468 (Previous year: 98,468) fully paid up equity shares of face value of ₹ 10 each	186,764,104	186,764,104
150,000 (Previous year: 150,000) fully paid up 0.01% optionally convertible preference shares of face value of ₹ 10 each	150,000,000	150,000,000
	<u>336,764,104</u>	<u>336,764,104</u>
<b>(i) Unquoted, non- trade investments</b>		
<b>Investment in shares of others</b>		
Energy Plantation Project Private Limited		
50,000 (Previous year: 50,000) fully paid equity shares of face value of ₹ 10 each	500,000	500,000
	<u>337,264,104</u>	<u>337,264,104</u>

The aggregate book value of unquoted non current investment are as follows:

	(Amount in ₹)	
	March 31, 2015	March 31, 2014
Aggregate book value of unquoted non current investment	337,264,104	337,264,104

Footnote: 51% of investment in shares of Career Launcher Infrastructure Private Limited are pledged with HDFC Limited against loan taken by Career Launcher Infrastructure Private Limited, wholly owned subsidiary of the Company.

There are no other significant restrictions on the right of ownership, realisability of investments or the remittance of income and proceeds of disposal.

14. Long-term loans and advances

Particulars	(Amount in ₹)	
	March 31, 2015	March 31, 2014
<b>Unsecured, considered good</b>		
Gratuity fund	413,237	-
Advance income tax (net of provisions ₹ 14,429,545 (Previous year ₹ 5,939,029))	14,288,556	13,320,735
MAT credit entitlement	2,087,386	4,252,400
	<u>16,789,179</u>	<u>17,573,135</u>

15. Trade receivables

	(Amount in ₹)	
	March 31, 2015	March 31, 2014
<b>Outstanding for a period exceeding six months from the date they are due for payment</b>		
Unsecured, considered good	14,029,945	13,481,153
<b>Others receivable</b>		
Unsecured, considered good	12,400,753	9,436,986
Unsecured, considered doubtful	597,043	-
Less: Provision for doubtful receivables	(597,043)	-
	<u>26,430,698</u>	<u>22,918,139</u>

\* Includes amount due from related parties (refer note 34)

Footnote: Pledged as first charge via an escrow mechanism with HDFC Ltd. against loan taken by Career Launcher Infrastructure Private Limited, wholly owned subsidiary of the Company.



Career Launcher Education Infrastructure and Services Limited  
Notes to the financial statements for the year ended March 31, 2015

16. Cash and bank balances (refer footnote)

	March 31, 2015	(Amount in ₹) March 31, 2014
<b>Cash and cash equivalents</b>		
Cash in hand	1,319	500
Balances with banks		
-on current accounts	754,363	9,460,555
	<b>755,682</b>	<b>9,461,055</b>

Footnote: Pledged as first charge with HDFC Ltd. against loan taken by Career Launcher Infrastructure Private Limited, wholly owned subsidiary of the Company.

17. Short term loans and advances

	March 31, 2015	(Amount in ₹) March 31, 2014
<b>Unsecured, considered good, unless stated otherwise</b>		
Loans and advances to related parties (refer note 34)	420,873,508	387,670,187
Loans and advances to employees	75,058	96,536
Balances with government authorities	104,821	-
Security deposit	9,880,300	10,490,000
Gratuity fund	2,182	-
Other advances recoverable in cash or kind		
- Inter-corporate deposits	-	121,634
- Prepaid expenses	48,810	47,806
- Receivables from related parties (refer note 34)	-	122,732
- Receivables from others (good)	270,294	273,140
- Receivables from others (doubtful)	-	171,725
Less: Provision for doubtful loan and advances	-	(171,725)
	<b>431,254,973</b>	<b>398,822,035</b>

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**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the financial statements for the year ended March 31, 2015**

**18. Revenue from operations**

	(Amount in ₹)	
	March 31, 2015	March 31, 2014
Sale of services		
- Revenue from soft skill fee*	25,572,852	21,187,390
Fees income		
- Tution fees	19,120,152	5,446,548
- License fee*	3,250,000	3,500,000
- Bus fees	2,127,750	879,897
- Other fees	2,808,907	6,502,049
	<b>52,879,661</b>	<b>37,515,884</b>

\* Includes revenue charged from related parties (refer note 34)

**19. Other income**

	(Amount in ₹)	
	March 31, 2015	March 31, 2014
Interest on bank deposits	76,198	21,078
Interest on loans		
- Related parties (refer note 34)	34,190,811	27,613,260
- Others	-	15,123
Interest on income tax refund	-	135,489
Other non-operating income		
- Liabilities written back	434,951	235,327
- Provision written back	51,128	-
- Provision for gratuity written back	-	19,054
- Miscellaneous income	62,583	-
	<b>34,815,671</b>	<b>28,039,331</b>

**20. Employee benefits expense**

	(Amount in ₹)	
	March 31, 2015	March 31, 2014
Salaries, wages and other benefits	21,678,164	17,936,066
Contribution to provident and other funds (refer note 27)	783,178	261,062
Leave encashment expenses (refer note 27)	151,611	86,634
Gratuity (refer note 27)	875,608	-
Staff welfare expenses	377,702	239,549
	<b>23,866,263</b>	<b>18,523,311</b>

**21. Finance cost**

	(Amount in ₹)	
	March 31, 2015	March 31, 2014
Interest expense on borrowings*	1,187,438	72,842
Interest on delay in depositing statutory dues	201,383	31,869
	<b>1,388,821</b>	<b>104,711</b>

\* Includes interest charged by related parties (refer note 34)



Career Launcher Education Infrastructure and Services Limited  
Notes to the financial statements for the year ended March 31, 2015

22. Depreciation and amortisation expenses

	(Amount in ₹)	
	March 31, 2015	March 31, 2014
Depreciation of tangible fixed assets (refer note 11)	1,442,228	690,962
Amortisation of intangible fixed assets (refer note 12)	3,680,273	95,478
	<b>5,122,501</b>	<b>786,440</b>

23. Other expenses

	(Amount in ₹)	
	March 31, 2015	March 31, 2014
Revenue share	1,725,919	2,437,107
Lease rent expenses (refer note 31)	4,775,407	202,248
Electricity expenses	463,743	339,737
Content development expenses	181,818	38,000
Travelling and conveyance expenses	3,662,903	1,989,907
Communication expenses	238,105	548,331
Insurance expenses	58,768	53,664
Recruitment and training expenses	-	11,100
Infrastructure charges (refer note 34)	1,550,568	1,550,568
Administration expenses	7,325,546	4,261,236
Repairs and maintenance - others	486,852	559,575
Printing and stationery expenses	544,810	211,786
Legal and professional expenses (refer note 28)	1,242,896	1,202,103
Sales and marketing expenses	1,034,178	1,190,741
Retainership fees	1,584,258	1,944,359
Provision for doubtful receivables	597,043	171,725
Advances written off	148,673	-
Trade receivable written off	-	727,686
Miscellaneous expenses	81,001	84,965
	<b>25,702,488</b>	<b>17,524,838</b>

24. Prior period expenses (net)

	(Amount in ₹)	
	March 31, 2015	March 31, 2014
<i>Prior period expenses</i>		
-Legal and professional	-	131,967
-Electricity expenses	-	14,157
-Sales and marketing expenses	-	39,310
-Others	-	78,600
	-	<b>264,034</b>
<i>Prior period income</i>		
Others	-	(77,199)
	-	<b>(77,199)</b>
	-	<b>186,835</b>



**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the financial statements for the year ended March 31, 2015**

**25. Exceptional items**

Pursuant to the Career Launcher Employee Stock Options Plan 2008, in the financial year 2008-09 CL Educate Limited, the holding company, had granted 142,857 options of CL Educate Limited to Mr. Shantanu Prakash, director in CLEIS. These options were to be settled in equity in four tranches commencing from financial year 2013-14.

Mr. Shantanu Prakash in earlier years had communicated his unwillingness to exercise the options to the Board of CL Educate Limited. However, at the board meeting of the holding company held on September 22, 2014, Mr. Shantanu Prakash expressed his willingness to exercise the options granted to him and requested the Board to extend the exercise period. Shares shall be allotted in accordance with the ESOP Plan and having regard to conditions prevailing at the time of exercise.

Accordingly, during the year ending on March 31, 2015 the Company has made a provision of ₹ 22,841,122 against the said options using the fair value method to account for the said stock-based employee compensation costs. Compensation cost is measured using independent valuation by a firm of Chartered Accountants using Black-Scholes model in accordance with the guidance note issued by the Institute of Chartered Accountants of India.

**26. Contingent liabilities and commitments**

Contingent liabilities not provided for:

- (i) Corporate guarantee amounting ₹ 280,000,000 (Previous Year ₹ 280,000,000) for loan taken by subsidiary company.
- (ii) Corporate guarantee amounting ₹ 15,000,000 (Previous Year ₹ 15,000,000) for loan taken by Nalanda Foundation.

Commitments:

- (i) There are no capital and other material commitments as at March 31, 2015 and March 31, 2014.

**27. Employee benefits obligations**

The Company in accordance with the Accounting Standard-15 'Employee Benefits' has calculated the various benefits provided to employees as under:

**A. Defined contribution plans**

a. Provident fund.

During the year the Company has recognized the following amounts in the Statement of Profit and Loss:

	March 31, 2015	(Amount in ₹) March 31, 2014
Employers contribution to provident fund (refer note 20)	684,797	236,148
Employers contribution to ESI (refer note 20)	98,381	24,914
<b>Total</b>	<b>783,178</b>	<b>261,062</b>

**B. Defined employee benefits and other long term benefit schemes:**

The Company provides benefits by way of gratuity and leave encashment to its employees. The present value of obligation is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligations. The summarized positions of various defined benefits are as under:



**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the financial statements for the year ended March 31, 2015**

**I. Actuarial assumptions**

Particulars	Gratuity (funded)		Leave Encashment (unfunded)	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Discount Rate	8.00%	9.09%	8.00%	9.09%
Salary Escalation Rate	8.00%	5.35%	8.00%	5.35%
Expected Rate of Return on Plan Assets	8.00%	6.75%	N.A.	N.A.
Retirement Age (years)	58	58	58	58
Expected remaining working lives of employees (years)	25.08	22.93	23.57	22.93
Mortality table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
Ages	Withdrawal Rate(%)	Withdrawal Rate(%)	Withdrawal Rate(%)	Withdrawal Rate(%)
Upto 30 years	3.00	3.00	3.00	3.00
From 31 to 44 years	2.00	2.00	2.00	2.00
Above 44 years	1.00	1.00	1.00	1.00

**Note:**

The discount rate has been assumed at 8.00% p.a. (previous year 9.09%) which is determined by reference to market yield at the Balance Sheet date on government securities. 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.

**II. Change in Benefit Obligation**

(Amount in ₹)

Particulars	Gratuity (funded)		Leave Encashment (unfunded)	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Present value of obligation at the beginning of the year	716,899	668,650	1,088,181	1,014,188
Acquisition adjustment*	(53,654)	29,063	(33,168)	93,669
Current service cost	193,094	177,511	137,837	279,890
Interest cost	65,166	53,492	98,916	81,135
Past service cost	-	-	-	-
Benefit paid	(1,154,106)	-	(883,116)	(106,310)
Net actuarial loss / (gain) recognised in the year.	676,759	(211,817)	(85,142)	(274,391)
Present value of obligation at the end of the year	444,158	716,899	323,508	1,088,181

\*During the year, the Company had transferred actual liabilities of ₹ 53,654 and ₹ 33,168 on account of gratuity and leave encashment respectively for 5 employees transferred to Nalanda Foundation, an entity over which KMPs have significant influence. The same have been considered in calculating closing liabilities for gratuity and leave encashment as acquisition adjustments without effecting expenses and benefits/contribution paid for the year ended March 31, 2015.

**III. Fair Value of plan assets during the year**

(Amount in ₹)

Particulars	Gratuity (funded)		Leave Encashment (unfunded)	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Fair value of plan assets at the beginning of the year	604,754	566,514	-	-
Expected return on plan assets	48,380	38,240	-	-
Contributions	1,95,412	-	-	-
Premium for Life Cover	-	-	-	-
Benefits paid	-	-	-	-
Actuarial gain/(loss) on Plan Assets	11,031	-	-	-
Fair value of plan assets at the end of the year	859,577	604,754	-	-



Career Launcher Education Infrastructure and Services Limited  
Notes to the financial statements for the year ended March 31, 2015

IV. Expenses recognised in the Statement of Profit and Loss for the year

(Amount in ₹)

Particulars	Gratuity (funded)		Leave Encashment (unfunded)	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Current service cost	193,094	177,511	137,837	279,890
Interest cost	65,166	53,492	98,916	81,135
Expected return on plan assets	(48,380)	(38,240)	-	-
Net actuarial loss / (gain) to be recognised	665,728	(211,817)	(85,142)	(274,391)
Expense/ (income) recognised in Statement of Profit and Loss	875,608	(19,054)	151,611	86,634

V. Amount recognised in the Balance Sheet

(Amount in ₹)

Particulars	Gratuity (funded)		Leave Encashment (unfunded)	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Present value of obligation as at the end of the year	444,158	716,899	323,508	1,088,181
Fair value of plan assets as at the end of the year	859,577	604,754	-	-
Funded status	415,419	(112,145)	(323,508)	(1,088,181)
Net Assets/ (liability) recognised in Balance Sheet as at March 31, 2015	415,419	(112,145)	(323,508)	(1,088,181)
Amount classified as:				
Short term (provision)/advances	2,182	(11,782)	(5,692)	(24,389)
Long term (provision)/advances	413,237	(100,363)	(317,816)	(1,063,792)

VI. Experience on actuarial Gain / (Loss) for PBO and Plan Assets.

a) Gratuity (funded)

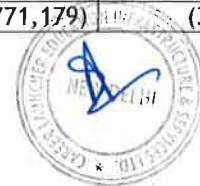
(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Present value of obligation	444,158	716,899	668,650	421,673	275,971
Fair value of plan assets	859,577	604,754	566,514	433,225	523,985
(Deficit)/Surplus	415,419	(112,145)	(102,136)	11,552	248,014
Experience adjustments on plan liabilities-gain/ (loss)	(506,706)	152,861	50,448	(180,592)	241,933
Experience adjustments on plan assets-(loss)/gain	18,590	(12,746)	2,490	(4,090)	-

b) Leave encashment (unfunded)

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Present value of obligation	323,508	1,088,181	1,014,188	771,179	393,237
Fair value of plan assets	-	-	-	-	-
(Deficit)/Surplus	(323,508)	(1,088,181)	(1,014,188)	(771,179)	(393,237)



**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the financial statements for the year ended March 31, 2015**

Particulars	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012	March 31, 2011
Experience adjustments on plan liabilities-gain/(loss)	208,460	186,831	124,596	(84,445)	395,497
Experience adjustments on plan assets-(loss)/gain	-	-	-	-	-

- c) The plan assets of the Company are managed by Life Insurance Corporation of India through a trust managed by the Company in terms of an insurance policy taken to fund obligations of the Company with respect to its gratuity plan. The categories of plan assets as a percentage of total plan assets is based on information provided by Life Insurance Corporation of India with respect to its investment pattern for group gratuity fund for investments managed in total for several other companies. Information on categories of plan assets as at March 31, 2015 and March 31, 2014 has not been provided by Life Insurance Corporation of India

**VII. Employer's best estimate of contribution during the next year.**

Particulars	(Amount in ₹)
Gratuity	249,741
Leave encashment	127,359

**28. Payment to auditors (included in legal and professional expenses) (refer note 23)**

	(Amount in ₹)	
	March 31, 2015	March 31, 2014
Statutory audit (exclusive of service tax)	400,000	400,000
Out of pocket expenses	21,465	9,550
<b>Total</b>	<b>421,465</b>	<b>409,550</b>

**29. Earnings per share**

The calculation of earnings per share has been made in accordance with Accounting Standard (AS)-20 "Earnings per share".

A statement on calculation of Basic and Diluted EPS is as under:

	Reference	Units	Year ended March 31, 2015	Year ended March 31, 2014
Profit after tax	A	₹	312,008	26,163,616
Add: Exceptional item	B	₹	22,841,122	-
Profit after tax but before exceptional item	C=A+B	₹	23,153,130	26,163,616
Weighted average no. of equity shares	D	Nos.	9,436,777	9,432,050
Add: Dilutive potential equity shares	E	Nos.	8,007	11,295
Number of equity shares (of ₹ 10 each) for Dilutive EPS	F=D+E	Nos.	9,444,784	9,443,345
Basic earnings per share (before exceptional item (C/D))		₹	2.45	2.77
Basic earnings per share (after exceptional item (A/D))		₹	0.03	2.77
Diluted earnings per share (before exceptional item (C/F))		₹	2.45	2.77
Diluted earnings per share (after exceptional item (A/F))		₹	0.03	2.77



**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the financial statements for the year ended March 31, 2015**

**30. Segment reporting**

**Business Segment**

The disclosure as required under Accounting Standard (AS)- 17 "Segment Reporting" as notified under section 133 of the Companies Act read with rule 7 of the Companies (Accounts) Rules, 2014 has not been provided as the Company deals in one business segment namely comprising provision of education and related services.

**Geographic Segment**

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

**31. Leases**

The company is a lessee under an operating lease. The lease terms of premises under lease range from 1 to 5 years. Rental expense for operating leases for the period ended March 31, 2015 was ₹ 4,775,407 (previous year ₹ 202,248). The maximum obligations on non-cancellable operating lease payable as per the rentals stated in the respective agreements:

	March 31, 2015	(Amount in ₹) March 31, 2014
Not later than one year	4,890,327	202,248
Later than one year but not later than five year	6,666,698	202,248
Later than five year	-	-
	<u>11,557,025</u>	<u>404,496</u>

**32. Deferred tax assets**

In accordance with Accounting Standard 22 on 'Accounting for Taxes on Income' the net increase in deferred tax asset of ₹ 28,387 (net of schedule II adjustment of ₹ 205,514) has been recognised as benefit in the Statement of Profit and Loss. The tax effect of significant timing differences as at 31 March 2015 that reverse in one or more subsequent years gave rise to the following net deferred tax assets as at 31 March 2015.

Particulars	March 31, 2015	Benefit/(charge) for the period	(Amount in ₹) March 31, 2014
<b>Deferred tax assets and liabilities are attributable to the following:</b>			
<b>Deferred tax assets</b>			
Depreciation	879,989	646,527	233,462
Provision for leave encashment	104,962	(248,098)	353,060
Provision for bonus	81,823	62,356	19,467
Provision for doubtful advances	-	(55,716)	55,716
<b>Total deferred tax assets</b>	<b>1,066,774</b>	<b>405,069</b>	<b>661,705</b>
<b>Deferred tax liabilities</b>			
Provision for gratuity	(134,783)	(171,168)	36,385
<b>Total deferred tax liabilities</b>	<b>(134,783)</b>	<b>(171,168)</b>	<b>36,385</b>
<b>Net deferred tax assets</b>	<b>931,991</b>	<b>233,901</b>	<b>698,090</b>

**Footnote:**

Deferred tax benefit for the year	233,901
Less: Transfer to retained earnings on account of schedule II adjustment	(205,514)
<b>Net deferred tax benefit for the year</b>	<b>28,387</b>



**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the financial statements for the year ended March 31, 2015**

**33. Disclosure required by Micro, Small & Medium Enterprises Development Act, 2006:**

	Year ended March 31, 2015	(Amount in ₹) Year ended March 31, 2014
<b>The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year included in</b>		
Other current liabilities		
Trade payable (refer note 9)	2,396,968	2,396,968
Payable for expenses (refer note 10)	6,705,756	2,249,897
Payable for fixed assets (refer note 10)	7,331,996	-
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
<b>Total</b>	<b>16,434,720</b>	<b>4,646,865</b>

The amount of interest paid by the buyer in terms of section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond day each accounting year.

The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the year) but without adding the interest specified under the MSMED Act, 2006.

The amount of interest accrued and remaining unpaid at the end of each accounting year.

The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act 2006.

**34. Related Party Disclosure**

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

(a) List of related parties with whom transactions have taken place and relationships:

a) Holding Company	: CL Educate Limited
b) Subsidiary Company	: Career Launcher Infrastructure Private Limited
c) Enterprises in which key management personnel and their relatives are able to exercise significant influence.	: Nalanda Foundation Career Launcher Education Foundation CLEF AP Trust Career Launcher Education Infrastructure & Services Limited Employee Group Gratuity Trust
d) Key Management Personnel	: Sujit Bhattacharya (Director) Shiva Kumar (Director)

(b) Details of related party transactions are as below:

Particulars	Year ended March 31, 2015	(Amount in ₹) Year ended March 31, 2015
i. Revenue from soft skill fees Nalanda Foundation	24,210,933	19,825,439
ii. Revenue from license fees Nalanda Foundation	2,750,000	3,000,000
iii. Interest income Nalanda Foundation	32,211,606	25,855,530
CLEF AP Trust	1,979,205	1,757,730





**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the financial statements for the year ended March 31, 2015**

Particulars	Year ended March 31, 2015	Year ended March 31, 2015
iv. <b>Interest Expenses</b> CL Educate Limited	1,139,541	-
v. <b>Conversion of account receivable into loans and advances</b> Nalanda Foundation	17,367,709	18,130,070
vi. <b>Conversion of Interest Income into loans and advances</b> Nalanda Foundation CLEF AP Trust	28,990,446 1,979,204	23,269,977 1,581,957
vii. <b>Conversion of borrowings into other payable</b> CL Educate Limited	427,338	-
viii. <b>Adjustment of other payables against trade receivable</b> Nalanda Foundation	701,889	-
ix. <b>Conversion of other receivable into trade receivable</b> Nalanda Foundation	122,732	-
x. <b>Adjustment of payable for fixed assets against trade receivable</b> Nalanda Foundation	8,011,540	-
xi. <b>Adjustment of other payable against loans advanced to</b> Nalanda Foundation	50,000	-
xii. <b>Transfer of fixed assets from</b> Career Launcher Infrastructure Private Limited Nalanda Foundation	2,331,996 8,011,540	- -
xiii. <b>Reimbursement of expenses to</b> CL Educate Limited Nalanda Foundation Career Launcher Infrastructure Private Limited	140,000 50,000 4,303,159	390,000 - -
xiv. <b>Reimbursement of expenses from</b> CL Educate Limited Nalanda Foundation Career Launcher Infrastructure Private Limited	- 865 -	41,832 - 1,100
xv. <b>Lease rent</b> CL Educate Limited	202,248	202,248
xvi. <b>Infrastructure charges</b> CL Educate Limited	1,550,568	1,550,568
xvii. <b>Short term loans and advances (given)</b> Career Launcher Infrastructure Private Limited Nalanda Foundation	6,496,941 19,550,000	4,560,000 6,675,000
xviii. <b>Short term loans and advances (realised)</b> Career Launcher Infrastructure Private Limited Nalanda Foundation	250,000 40,880,980	8,650,000 17,080,000
xix. <b>Payment received on behalf of</b> Nalanda Foundation	327,981	355,547
xx. <b>Payment received on our behalf by</b> Nalanda Foundation	3,780,058	-



**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the financial statements for the year ended March 31, 2015**

Particulars	Year ended March 31, 2015	Year ended March 31, 2015
xxi. Allotment of equity Share CL Educate Limited	-	13,500,032
xxii. Short term borrowings taken CL Educate Limited	21,600,000	-
xxiii. Short term borrowings repaid CL Educate Limited	21,600,000	2,160,056
xxiv. Liability taken over (on account of bonus, gratuity and leave encashment) Nalanda Foundation	-	122,732
Career Launcher Infrastructure Private Limited	75,000	-
xxv. Liability transferred to (on account of gratuity and leave encashment) Nalanda Foundation	86,822	-
xxvi. Revenue share (paid to) Career Launcher Infrastructure Private Limited	-	920,860
xxvii. Remuneration paid to KMPs Shiva Kumar	4,949,400	4,947,960
Sujit Bhattacharya	4,949,400	4,947,960
xxviii. Reimbursement of expenses to KMPs Sujit Bhattacharya	131,128	339,962
xxix. Balance outstanding as at the year end		
Trade receivables - Nalanda Foundation	11,303,775	8,773,797
Loan and advances - Career Launcher Infrastructure Private Limited	94,722,197	88,475,256
Nalanda Foundation	234,334,256	209,357,081
Career Launcher Education Foundation	75,700,680	75,700,680
CLEF AP Trust	16,116,375	14,137,169
Other receivables - Nalanda Foundation	-	122,732
Payable for expenses - CL Educate Limited	140,000	-
Career Launcher Infrastructure Private Limited	4,228,159	-
Career Launcher Education Infrastructure and Services Limited Employee Group Gratuity Trust	5,000	5,000
Payable for capital expenditure - Career Launcher Infrastructure Private Limited	2,331,996	-
Other payable - Nalanda Foundation	-	356,547
Short-term borrowings - CL Educate Limited	-	427,338
Trade payables - Career Launcher Infrastructure Private Limited	2,396,968	2,396,968



**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the financial statements for the year ended March 31, 2015**

Particulars	Year ended March 31, 2015	Year ended March 31, 2015
<b>Remuneration payable to KMPs -</b>		
Shiva Kumar	2,015,286	1,510,606
Sujit Bhattacharya	2,993,821	1,956,731
<b>Expenses payable to KMPs -</b>		
Sujeet Bhattacharya	131,128	339,962
<b>xxx. Guarantees given on behalf of (refer note 26)</b>		
Career Launcher Infrastructure Private Limited (Guarantee to bank for loan taken by the company)	280,000,000	280,000,000
Nalanda Foundation (Guarantee to bank for vehicle loan taken by the Trust)	15,000,000	15,000,000

**35. Employee share based payment plan**

Pursuant to shareholder resolution dated September 30, 2008, the Company introduced "CLEIS Employee Stock Options Plan 2008" which provides for the issue of 100,000 stock options to employees of the Company and its group companies/entities. The plan entitles employees to purchase equity shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options shall be settled by physical delivery of equity shares. As per the plan holders of vesting options are entitle to purchase one equity share for each option. Till date 29,000 (previous year 29,000) stock options have been granted under this scheme.

The terms and conditions related to grant of the share options are as follows:

Employees entitled	No. of options	Vesting conditions
Employees	25,000	3 years' services from the grant date

Expenses pertaining to employee stock option plan have been booked in CL Educate Limited, holding company, as stock options have been granted to employees of CL Educate Limited.

The information concerning stock options granted, exercised, forfeited and outstanding at the period end is as follows:

Particulars	March 31, 2015			March 31, 2014		
	No. Of stock Options	Weighted average exercise price (₹)	Weighted average remaining contractual life (in years)	No. Of stock Options	Weighted average exercise price (₹)	Weighted average remaining contractual life (in years)
<b>Employees Stock Option Plan 2008</b>						
Outstanding at the beginning of the period	20,000	97.50	2.25	15,000	80.00	1.00
Granted during the period	-	-	-	10,000	115.00	-
Exercised during the period	(7,500)	91.67	-	(5,000)	80.00	-
Forfeited during the period	-	-	-	-	-	-
Expired during the period	-	-	-	-	-	-
<b>Outstanding at the end of period</b>	<b>12,500</b>	<b>101.00</b>	<b>2.00</b>	<b>20,000</b>	<b>97.50</b>	<b>2.25</b>
<b>Exercisable at period end</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>10,000</b>	<b>80.00</b>	<b>1.00</b>
<b>Vested during the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>5,000</b>	<b>80.00</b>	<b>-</b>
Options to employees of the holding company	12,500	101.00	2.00	20,000	97.50	-
Weighted average grant date fair value per option for option granted during the period at less than fair value	-	-	-	10,000	224.00	-

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:



**Career Launcher Education Infrastructure and Services Limited**  
**Notes to the financial statements for the year ended March 31, 2015**

Particulars	March 31, 2015	March 31, 2014
Dividend yield (%)	-	-
Expected volatility*	48.54%	64.29%
Risk-free interest rate	7.88%	8.67%
Weighted average share price (in ₹)	222.89	223.46
Exercise price (in ₹)	80-115	80-115

\*Expected volatility has been determined using historical fluctuation in share issue prices of the Company.

36. The Company has filed legal cases against its debtors for recovery of outstanding receivables amounting ₹ 23,240,144 arising from violation of terms and conditions of business partner agreement etc. The company is hopeful of favorable outcome of such cases. However, the amount likely to be realized on settlement of such cases is currently not ascertainable realistically. The Company does not expect any adverse impact on the financial position as a consequence of these legal cases. The company has recorded all expenses pertaining to legal & professional charges in respect of all such cases.

37. The Company has reclassified/regrouped previous year figures where necessary to conform to the current period's classification.

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



**Pranav Jain**  
 Partner  
 Membership No.: 098308



For and on behalf of board of directors of  
**Career Launcher Education Infrastructure and Services Limited**



**Gautam Puri**  
 Director  
 DIN: 00033548



**Satya Narayanan R.**  
 Director  
 DIN: 00307326



**Arvind Khater**  
 Company Secretary  
 ICSI M. No: A33950



Place: New Delhi  
 Date: **June 23, 2015**

Place: New Delhi  
 Date: **June 23, 2015**