

Limited Review Report on the Unaudited Consolidated Financial Results for the quarter ended September 30, 2018 pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

**To The Board of Directors
CL Educate Limited**

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of CL Educate Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group') and its associates for the quarter ended September 30, 2018 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016.
2. This Statement which is the responsibility of the Holding Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013 ("the Act") read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of Holding Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
4. We believe that the review procedures performed by us and the information and explanation provided by the Management as referred to in paragraph 7, is sufficient and appropriate to provide a basis for our reporting on the Statement.
5. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with aforesaid accounting standard and other recognised accounting practices and policies have not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.
6. We draw attention to Note 7 of the Statements wherein the Management has explained the reasons for considering certain old vocational outstanding receivables as recoverable. Our opinion is not modified in respect of this matter.



HARIBHAKTI & CO. LLP

Chartered Accountants

7. We did not review the financial results of 4 subsidiaries included in the Statement, whose financial results reflects Total Assets of Rs 1415.36 Lacs, Total revenue of Rs. 645.80 lacs and total profit after tax of Rs. 66.59 Lacs for the quarter ended September 30, 2018, as considered in the Statement. The Statement also includes Group's share of profit after tax of Rs. 7.49 Lacs for the quarter ended September 30, 2018, as considered in the Statement, in respect of 2 associates, whose financial results have not been reviewed by us. These financial results are not reviewed by their auditors and have been furnished to us by the Management and our reporting on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates, is based solely on such un-reviewed financial results. According to the information and explanations given to us by the Management, these financial results are not material to the Group including its associates.

Our report is not modified in respect of this matter.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Raj Kumar Agarwal

Partner

Membership No.: 074715



Place: New Delhi

Date: November 2, 2018

CL Educate Limited
CIN No:- L74899DL1996PLC078481
Registered Office: A-41, Espire Building, Lower Ground Floor, Mohan Cooperative Industrial Area,
Main Mathura Road, Delhi 110044

STATEMENT OF CONSOLIDATED ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2018

		(Rs. In Lacs)	
	Particulars	September 30, 2018	March 31, 2018
		Unaudited	Audited
A	ASSETS		
1	ASSETS		
	Non-current assets		
	Property, plant and equipment	4,621.68	4,719.76
	Capital work-in-progress	31.56	63.13
	Investment property	107.74	108.78
	Goodwill	3,345.05	3,345.05
	Other intangible assets	2,062.44	2,058.64
	Intangible assets under development	234.46	135.24
	Investments in associates accounted using equity method	5,200.00	5,053.00
	Financial assets		
	(i) Investments	3,581.36	-
	(ii) Loans	290.24	282.83
	(iii) Other financial assets	1,132.37	1,474.15
	Deferred tax assets (net)	1,272.85	1,565.28
	Non current tax assets (net)	2,334.39	2,354.56
	Other non-current assets	364.23	145.52
	Total non-current assets	24,578.37	21,305.94
2	Current assets		
	Inventories	880.74	799.67
	Financial assets		
	(i) Trade receivables	11,351.63	11,484.66
	(ii) Cash and cash equivalents	802.50	1,365.90
	(iii) Bank balances other than cash and cash equivalents	1,384.87	3,057.75
	(iv) Loans	2,040.88	2,009.44
	(v) Other financial assets	3,745.10	1,813.10
	Other current assets	3,869.40	2,599.06
	Total Current Assets	24,075.12	23,129.58
	Assets classified as held for sale	2,922.94	2,923.24
	TOTAL ASSETS	51,576.43	47,358.76
B	EQUITY & LIABILITIES		
1	Equity		
	Equity share capital	1,416.57	1,416.57
	Other equity	31,652.39	30,922.61
	Total Equity	33,068.96	32,339.18
2	Non controlling interest	28.31	12.40
3	Non-current liabilities		
	Financial liabilities		
	(i) Borrowings	408.51	521.32
	Provisions	469.30	442.33
	Deferred tax liabilities (net)	73.07	72.34
	Other non-current liabilities	578.74	316.65
	Total Non Current Liabilities	1,529.62	1,352.64
4	Current liabilities		
	Financial liabilities		
	(i) Borrowings	4,741.66	4,236.79
	(ii) Trade payables	5,562.81	4,641.85
	(iii) Other financial liabilities	2,094.51	1,792.07
	Other current liabilities	3,665.91	2,305.22
	Provisions	27.25	33.34
	Current tax liabilities (net)	857.40	645.27
	Total Current Liabilities	16,949.54	13,654.54
	Liabilities associated with assets held for sale	-	-
	TOTAL LIABILITIES	51,576.43	47,358.76



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CL Educate Limited
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Registered Office: A-41, Espire Building, Lower Ground Floor, Mohan Cooperative Industrial Area,
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UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR HALF YEAR ENDED SEPTEMBER 30, 2018

(Rs. in lacs, except per share data)

Particulars	For the quarter ended			For half year ended		Year ended
	September 30, 2018	June 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	March 31, 2018
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
Income						
I (a) Revenue From operations	10,187.75	8,713.82	7,154.57	18,901.57	14,453.52	28,888.97
II (b) Other Income	239.31	368.57	569.50	607.88	810.64	1,291.23
III Total Income (I+II)	10,427.06	9,082.39	7,724.07	19,509.45	15,264.16	30,180.20
IV Expenses						
(a) Cost of material consumed	392.12	279.60	165.79	671.72	525.26	1,286.76
(b) Purchases of Stock-in-Trade	25.78	4.37	36.36	30.15	145.50	104.22
(c) Changes in inventories of finished goods, Stock-in -Trade and work-In-progress	5.42	(65.51)	96.60	(60.09)	41.12	13.49
(d) Employee benefits expense	1,548.68	1,607.72	1,663.12	3,156.40	3,079.47	6,109.56
(e) Finance costs	193.16	109.90	102.81	303.06	274.01	642.98
(f) Depreciation and amortization expense	242.00	225.54	212.37	467.54	415.97	846.53
(g) Franchisee expenses	2,052.05	1,851.33	1,573.69	3,903.38	3,236.49	6,121.53
(h) Other expenses	5,034.56	4,372.51	3,238.91	9,407.07	6,539.96	14,271.32
Total expenses	9,493.77	8,385.46	7,089.65	17,879.23	14,257.78	29,396.39
V Profit before exceptional items and tax (III-IV)	933.29	696.93	634.42	1,630.22	1,006.38	783.81
VI Exceptional items	-	-	-	-	-	-
VII Profit before tax (V-VI)	933.29	696.93	634.42	1,630.22	1,006.38	783.81
Share of profit of equity accounted investees	7.43	(8.96)	(1.20)	(1.53)	(1.20)	6.80
Profit before tax	940.72	687.97	633.22	1,628.69	1,005.18	790.61
VIII Tax expense:						
(a) Current tax	306.56	251.26	18.40	557.82	308.23	475.35
(b) Current tax expense relating to prior years	-	-	10.23	-	10.23	24.90
(c) Deferred tax	(28.99)	(22.59)	138.75	(51.58)	(5.54)	(34.00)
IX Profit from continuing operations for the period (VII-VIII)	663.15	459.30	465.84	1,122.45	692.26	324.36
X Profit from discontinued operations	124.03	24.47	(19.47)	148.50	93.79	249.58
XI Tax expenses of discontinued operations	16.33	-	(11.27)	16.33	9.99	-
XII Profit from Discontinued operations (after tax) (X-XI)	107.70	24.47	(8.20)	132.17	83.80	249.58
XIII Net Profit for the period (IX+XII)	770.85	483.77	457.64	1,254.62	776.06	573.94
XIV Profit from continuing operations for the period attributable to						
(a) Owners of the Company	650.84	455.76	465.84	1,106.60	692.26	319.82
(b) Non-controlling Interest	12.31	3.55	-	15.86	-	4.54
XV Profit from discontinued operations for the period attributable to						
(a) Owners of the Company	107.70	24.47	-8.20	132.17	83.80	249.58
(b) Non-controlling Interest	-	-	-	-	-	-
XVI Other Comprehensive Income						
A (i) Items that will not be reclassified to profit or loss	10.01	6.66	7.84	16.67	14.92	40.37
(ii) Income tax relating to items that will not be reclassified to profit or loss	(2.97)	(2.23)	(2.68)	(5.20)	(5.09)	(13.14)
B. (i) Items that will be reclassified to profit or loss	3.73	3.12	22.49	6.85	4.55	(12.79)
(ii) Income tax relating to items that will be reclassified to profit or loss	(1.04)	(0.87)	(7.79)	(1.91)	(1.58)	4.27
XVII Total Comprehensive Income for the period (Comprising Profit and Other comprehensive Income for the period) (XIII+XVI)	780.58	490.45	477.50	1,271.03	788.86	592.65
XVIII Paid-up Equity Share Capital (face value of Rs. 10 each)	1,416.57	1,416.57	1,416.33	1,416.57	1,416.33	1,416.57
XIX Earnings per equity share (for continuing operation), excluding Other Comprehensive Income						
(a) Basic	4.68	3.24	3.29	7.92	4.89	2.29
(b) Diluted	4.68	3.24	3.29	7.92	4.89	2.28
XX Earnings per equity share (for discontinued operation):						
(a) Basic	0.76	0.17	(0.06)	0.93	0.59	1.76
(b) Diluted	0.76	0.17	(0.06)	0.93	0.59	1.76
XXI Earnings per equity share (Total) including Other Comprehensive Income						
(a) Basic	5.51	3.46	3.37	8.97	5.57	4.18
(b) Diluted	5.51	3.46	3.37	8.97	5.57	4.17



Nishu Mahajan
NISHU MAHAJAN
CHARTERED ACCOUNTANT

CL Educate Limited
CIN No:- L74899DL1996PLC078481
Registered Office: A-41, Espire Building, Lower Ground Floor, Mohan Cooperative Industrial Area,
Main Mathura Road, Delhi 110044

**Notes to the Unaudited Consolidated Financial Results ("financial results") for the
quarter ended September 30, 2018**

1. The above financial results have been reviewed and recommended by the Audit Committee and approved by the Board at it's meeting held on November 2, 2018.
2. The financial results for the quarter ended September 30, 2018 have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies, to the extent applicable.
3. During the year ended March 31, 2017, pursuant to Initial Public Offering ("IPO"), 2,180,119 equity shares of Rs. 10 each were allotted to public at a premium of Rs. 492 per share along with offer for sale of 2,579,881 equity shares by the selling shareholders. The shares were listed at BSE and NSE on March 31, 2017. Details of the utilisation of net IPO proceeds till September 30, 2018 is as under:

Objects	Amount as per prospectus (Rs. in lacs)	Utilised till September 30, 2018 (Rs. in lacs)
Repayment of loan taken by Career Launcher Infrastructure Private Limited (a stepdown subsidiary) from HDFC Limited	1,860.40	1,860.40
Meeting the working capital requirements of CL Educate and its subsidiaries namely Kestone Integrated Marketing Services Private Limited and GK Publications Private Limited	5,250.00	5250.00
Funding acquisitions and other strategic initiatives	2,000.00	1,835.11
General corporate purposes	*1,010.25	1,010.25
Total	10,120.65	9,955.76

* Post finalization of IPO expenses

The details of utilisation against the IPO proceeds for Funding acquisition and other strategic initiatives is as below :



Nikhil Mahajan

Utilisation of Acquisition Proceeds

Name of Companies	Rs. In Lakh
Accendere Knowledge Management Services Private Limited	661.50
ICE Gate Educational Institute Private Limited	623.61
Indiacan Education Private Limited	150.00
Three Sixty One Degree Minds Consulting Private Limited (361 DM)	400.00
Total	1835.11

4. In accordance with the Ind AS-108 "Operating Segments" and based on "Management Evaluation", the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments. The accounting principles used in preparing financial statements are consistently applied to record revenue & expenditure in individual segments. The reportable segments represent (i) Consumer business comprising of Consumer Test Prep & Consumer Publishing (ii) Enterprise business comprising of Enterprise Corporate & Enterprise Institutional and (iii) Others which comprises primarily the discontinued K-12 and scaled down vocational training businesses.
5. The basic and diluted earnings per share have been calculated in accordance with the Ind AS-33 "Earnings Per Share".
6. (a) In March 2017, the Group had entered into a Business Transfer Agreement with I-Take Care Private Limited for sale of its K-12 infrastructure services business carried on by its step down subsidiary Career Launcher Infrastructure Private Limited on slump sale basis. The proposed sale of business is consistent with group's long term strategy to discontinue the K-12 business. The operations of K-12 business, is being disclosed as discontinued operations.
- (b) Pursuant to the Business Transfer Agreement dated March 18, 2017 and its amendment dated July 18, 2017 with B&S Strategy Service Private Limited (B&S), effective July 01, 2017, the business of running and operating pre-schools and providing school management services carried on by the Company's subsidiary Career Launcher Education Infrastructure & Services Limited was sold on slump sale basis for a total consideration of Rs. 4650.00 lacs of which Rs. 200.00 lacs was paid in cash, Rs. 4050.00 lacs by way of share swap and balance Rs. 400.00 lacs was to be received as cash by March 31, 2018 which is receivable as of date.
7. The company has in the past undertaken various Central and State Government / Agencies, projects in the education / skill development sector. Most of these projects are complete, however the dues from the concerned department / agency has not been realized mainly on account of delays and long process. The details of such vocational trade receivables which are outstanding for a considerable period of time are given below. In the opinion of the management it has made the necessary provision/ taken write off, wherever required and net balances, are fully recoverable. The details are as under.



Nikhil Mahajan

Nature of balance	Total Amount outstanding as on September 30, 2018 (Rs. in lacs)	Amount outstanding for more than 3 years (Out of total outstanding) (Rs. in lacs)	Expected Credit Loss (ECL)/ Provision in books of accounts on the amount outstanding as on September 30, 2018 (Rs. in lacs)
Vocational Trade Receivables	4,106.44	1,340.18	1040.31

8. The Board at its meeting held on August 7, 2018 had approved an interim dividend of Re. 1 per equity share and same has been paid by company.
9. Figures for the previous period have been regrouped/ reclassified wherever necessary to conform to the current period's classification.

Place: New Delhi
Date: November 2, 2018



By the order of the Board


Nikhil Mahajan

Executive Director and Group CEO Enterprise
Business

CL Educate Limited						
CIN No:- L74899DL1996PLC078481						
Registered Office: A-41, Espire Building, Lower Ground Floor, Mohan Cooperative Industrial Area, Main Mathura Road, Delhi 110044						
UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2018						
CONSOLIDATED SEGMENT REVENUE, RESULT, ASSETS AND LIABILITIES						
Particulars	For the quarter ended			For the half year ended		(Rs. In lacs)
	Unaudited		Unaudited	Unaudited		Audited
	September 30, 2018	June 30, 2018	September 30, 2017	September 30, 2018	September 30, 2017	March 31, 2018
Segment Revenue						
Consumer Test Prep	5,307.41	5,356.75	4,036.16	10,664.16	8,425.38	15,826.82
Consumer Publishing	1,277.12	1,034.42	1,406.21	2,311.54	1,965.92	4,382.47
Enterprise Corporate	3,829.71	2,896.35	2,333.36	6,726.06	4,749.03	10,196.43
Enterprise Institutional	826.16	296.93	529.49	1,123.09	675.43	1,767.13
Others	8.01	5.33	63.72	13.34	123.72	13.09
Inter-segment	(1,060.66)	(875.96)	(1,214.36)	(1,936.62)	(1,485.95)	(3,296.97)
Total	10,187.75	8,713.82	7,154.58	18,901.57	14,453.53	28,888.97
Segment Result - Continuing						
Consumer Test Prep	862.63	889.29	159.60	1,751.92	969.05	1,862.15
Consumer Publishing	280.38	226.24	246.11	506.62	250.54	686.68
Enterprise Corporate	171.46	64.90	120.63	236.36	200.75	331.41
Enterprise Institutional	188.96	14.77	117.08	203.73	113.04	229.94
Others	(309.95)	(155.07)	(129.76)	(465.02)	(241.14)	(1,112.95)
Inter-segment	102.77	(22.69)	(14.61)	80.08	150.38	301.61
Total Continuing	1,296.25	1,017.44	499.05	2,313.69	1,442.62	2,298.84
Less: Unallocated expenses	409.11	579.18	375.52	988.29	966.21	2163.28
Operating profit	887.14	438.26	123.53	1,325.40	476.41	135.56
Add: Other Income	246.74	359.61	619.42	606.35	809.69	1,298.03
Less: Finance cost	193.16	109.90	102.81	303.06	274.01	642.98
Profit before tax	940.72	687.97	640.14	1,628.69	1,012.09	790.61
Income taxes	277.57	228.67	174.30	506.24	319.84	466.25
Net profit from continuing operations	663.15	459.30	465.84	1,122.45	692.25	324.36
Profit/(Loss) from Discontinued operations (Net of taxes)	107.70	24.47	(8.20)	132.17	83.80	249.58
Net profit including Discontinued operations	770.85	483.77	457.64	1,254.62	776.05	573.94
Other Comprehensive Income	9.73	6.68	19.86	16.41	12.81	18.71
Total Comprehensive Income	780.58	490.45	477.50	1,271.03	788.86	592.65
Segment Assets						
Consumer Test Prep	9,904.10	10,329.54	9,859.61	9,904.10	9,859.61	9,382.20
Consumer Publishing	9,425.69	9,476.15	7,814.12	9,425.69	7,814.12	8,914.33
Enterprise Corporate	10,493.62	8,471.78	6,029.60	10,493.62	6,029.60	7,513.46
Enterprise Institutional	3,138.87	2,901.28	777.13	3,138.87	777.13	2,831.77
Others	11,026.19	11,104.70	10,622.41	11,026.19	10,622.41	12,270.55
Unallocated	11,819.62	11,894.08	17,531.84	11,819.62	17,531.84	10,909.34
Inter-segment	(7,154.58)	(7,799.51)	(6,715.46)	(7,154.58)	(6,715.46)	(7,386.13)
Assets held for sale	2,922.92	2,923.29	-	2,922.92	-	2,923.24
Total	51,576.43	49,301.31	45,919.25	51,576.43	45,919.25	47,358.76
Segment Liabilities						
Consumer Test Prep	3,851.26	5,630.44	5,301.64	3,851.26	5,301.64	4,433.09
Consumer Publishing	5,191.39	4,934.20	4,237.40	5,191.39	4,237.40	4,588.99
Enterprise Corporate	6,850.91	4,929.40	3,418.82	6,850.91	3,418.82	4,035.15
Enterprise Institutional	1,364.68	1,657.27	829.27	1,364.68	829.27	1,550.22
Others	5,668.95	5,536.11	4,003.11	5,668.95	4,003.11	5,586.63
Unallocated	5,977.49	5,233.17	7,150.01	5,977.49	7,150.01	5,350.15
Inter-segment	(10,425.52)	(11,121.40)	(9,171.28)	(10,425.52)	(9,171.28)	(10,537.05)
Liability associated with assets held for sale	-	-	-	-	-	-
Total	18,479.16	16,799.19	15,768.97	18,479.16	15,768.97	15,007.18



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