

**Auditor's Report on Annual Standalone Ind AS Financial Results of the Company Pursuant  
to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements)  
Regulations, 2015**

To,  
The Board of Directors  
CL Educate Limited

1. We have audited the accompanying Statement of Annual Standalone Ind AS Financial Results of CL Educate Limited ("the Company") for the year ended March 31, 2019 ("the Statement"), being submitted by the Company pursuant to the requirement 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. This Statement is the responsibility of the Company's management and has been approved by the Board of Directors. This Statement has been prepared on the basis of the annual standalone Ind AS financial statements. Our responsibility is to express an opinion on this Statement, based on our audit of such annual standalone Ind AS financial statements, which have been prepared in accordance with the Indian Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act") read with relevant rules issued there under and other accounting principles generally accepted in India.
2. We conducted our audit of the Statement in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Statement is free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts disclosed in the Statement. An audit also includes assessing the accounting principles used and significant estimates made by management.
3. We believe that the audit evidences obtained by us is sufficient and appropriate to provide a reasonable basis for our opinion on the Statement.
4. In our opinion and to the best of our information and according to the explanations given to us, the Statement:
  - (i) Is presented in accordance with 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; and
  - (ii) gives a true and fair view of the net profit (including other comprehensive income) and other financial information of the Company for the year ended March 31, 2019.



# HARIBHAKTI & CO. LLP

Chartered Accountants

5. We draw attention to Note 7 to the Statements wherein the management has explained reasons for considering old vocational outstanding receivables as recoverable. Our report is not modified in respect of this matter.
  
6. The Statement includes the results for the quarter ended March 31, 2019, being the balancing figure between audited figures in respect of full financial year and the published year to date figures up to the third quarter of the current financial year which were subject to limited review by us.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Raj Kumar Agarwal

Partner

Membership No.: 074715



Place: New Delhi

Date: May 29, 2019



## CL Educate Limited

CIN No:- L74899HR1996PLC076897

Registered Office: Plot No.9A, Sector 27A, Mathura Road, Faridabad ,Haryana -121003

Corporate office:A-45, First Floor, Mohan Co-operative Industrial Estate, New Delhi-110044

## AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2019

(Rs.in lacs, except per share data)

Particulars	For the quarter ended			For the year ended	
	Audited	Unaudited	Audited	Audited	Audited
	March 31, 2019	December 31, 2018	March 31, 2018	March 31, 2019	March 31, 2018
<b>Income</b>					
I (a) Revenue From operations	4,029.29	2,832.93	4,072.62	17,000.96	15,521.39
II (b) Other income	381.90	296.09	12.88	1,510.84	1,344.24
<b>III Total income (I+II)</b>	<b>4,411.19</b>	<b>3,129.02</b>	<b>4,085.50</b>	<b>18,511.80</b>	<b>16,865.63</b>
<b>IV Expenses</b>					
(a) Purchases of Stock-in-Trade	247.05	218.87	216.93	1,107.21	1,091.87
(b) Changes in inventories of Stock-in-Trade	74.75	(81.27)	(31.21)	(8.93)	10.38
(c) Employee benefits expense	607.53	381.57	748.79	2,569.72	3,213.37
(d) Finance costs	101.54	115.40	91.03	428.74	340.10
(e) Depreciation and amortization expense	209.51	200.12	182.38	808.16	690.13
(f) Franchisee expenses	1,718.62	861.82	1,495.18	6,088.99	5,877.89
(g) Other expenses	1,551.43	1,139.69	1,724.51	6,309.84	5,778.14
<b>Total expenses (IV)</b>	<b>4,510.43</b>	<b>2,836.20</b>	<b>4,427.61</b>	<b>17,303.73</b>	<b>17,001.88</b>
V Profit/(Loss) before exceptional items and tax (III-IV)	(99.24)	292.82	(342.11)	1,208.07	(136.25)
VI Exceptional items	-	-	-	-	-
VII Profit/(Loss) before tax (V-VI)	(99.24)	292.82	(342.11)	1,208.07	(136.25)
VIII Tax expense:					
(a) Current tax	(133.12)	5.78		122.14	-
(b) Deferred tax	139.97	(1.04)	(102.66)	105.81	62.34
IX Profit/(Loss) from continuing operations for the period (VII-VIII)	(106.09)	288.08	(239.45)	980.12	(198.59)
X Other Comprehensive Income					
(i) Items that will not be reclassified to profit or loss	(1.77)	3.00	15.17	9.84	20.40
(ii) Income tax relating to items that will not be reclassified to profit or loss	1.28	(1.04)	(5.25)	(2.74)	(7.06)
<b>XI Total Comprehensive Income for the period (Comprising Profit and Other comprehensive Income for the period) (IX+X)</b>	<b>(106.58)</b>	<b>290.04</b>	<b>(229.53)</b>	<b>987.22</b>	<b>(185.25)</b>
XII Paid-up Equity Share Capital (face value of Rs. 10 each)	1,416.57	1,416.57	1,416.57	1,416.57	1,416.57
XIII Earnings per equity share (for continuing operation)					
(a) Basic	(0.75)	2.03	(1.69)	6.92	(1.40)
(b) Diluted	(0.75)	2.03	(1.69)	6.92	(1.40)





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STATEMENT OF STANDALONE ASSETS AND LIABILITIES AS AT March 31, 2019

(Rs. in lacs, except per share data)

Particulars		March 31, 2019	March 31, 2018
		Audited	Audited
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	Property, plant and equipment	3,434.27	3,803.30
	Investment property	305.67	108.78
	Goodwill	212.38	212.38
	Other intangible assets	1,950.77	1,984.33
	Intangibles under development	174.45	117.74
	Investment in subsidiaries and associates	19,655.87	19,429.86
	Financial assets		
	(i) Loans	100.80	217.22
	(ii) Other financial assets	1,476.47	1,474.15
	Non-current tax assets	1,151.01	1,034.18
	Deferred tax assets (net)	376.69	485.24
	Other non-current assets	55.43	54.42
	<b>Total Non-current assets</b>	<b>28,893.81</b>	<b>28,921.60</b>
<b>2</b>	<b>Current assets</b>		
	Inventories	493.99	462.91
	Financial assets		
	(i) Investments	2,743.09	-
	(ii) Trade receivables	4,835.88	5,942.98
	(iii) Cash and cash equivalents	691.03	1,158.92
	(iv) Bank balances other than (iii) above	30.55	2,615.82
	(v) Loans	4,923.43	4,327.98
	(vi) Other financial assets	284.51	867.22
	Other current assets	1,843.81	1,373.35
	<b>Total Current assets</b>	<b>15,846.29</b>	<b>16,749.18</b>
	<b>TOTAL ASSETS</b>	<b>44,740.10</b>	<b>45,670.78</b>
<b>B</b>	<b>EQUITY &amp; LIABILITIES</b>		
<b>1</b>	<b>Equity</b>		
	Equity share capital	1,416.57	1,416.57
	Other equity	33,786.56	32,971.60
	<b>Total Equity</b>	<b>35,203.13</b>	<b>34,388.17</b>
<b>2</b>	<b>Non-current liabilities</b>		
	Financial liabilities		
	(i) Borrowings	278.86	490.09
	Provisions	258.00	272.46
	Other non-current liabilities	208.88	246.93
	<b>Total Non Current Liabilities</b>	<b>745.74</b>	<b>1,009.48</b>
<b>3</b>	<b>Current liabilities</b>		
	Financial liabilities		
	(i) Borrowings	3,041.45	3,148.91
	(ii) Trade payables		
	- total outstanding dues of micro and small enterprises; and	921.26	19.80
	- total outstanding dues of creditors other than micro and small enterprises	2,805.43	3,900.73
	(iii) Other financial liabilities	1,009.08	1,460.67
	Other current liabilities	551.94	1,299.21
	Provisions	15.34	16.22
	Current tax liabilities (net)	446.73	427.59
	<b>Total Current Liabilities</b>	<b>8,791.23</b>	<b>10,273.13</b>
	<b>Total Liabilities</b>	<b>9,536.97</b>	<b>11,282.61</b>
	<b>TOTAL EQUITY AND LIABILITIES</b>	<b>44,740.10</b>	<b>45,670.78</b>





**AUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND YEAR ENDED MARCH 31, 2019**  
**STANDALONE SEGMENT REVENUE, RESULTS, ASSETS AND LIABILITIES**

(Rs. In Lacs)

Segment Wise Performance	For the quarter ended			For the year ended	
	Audited	Unaudited	Audited	Audited	Audited
	March 31, 2019	December 31 2018	March 31, 2018	March 31, 2019	March 31, 2018
<b>Segment Revenue</b>					
Consumer Test Prep	4,029.29	2,832.93	4,072.62	17,000.96	15,521.39
Vocational	-	-	-	-	-
<b>Total Segment Revenue from Operations (Gross)</b>	<b>4,029.29</b>	<b>2,832.93</b>	<b>4,072.62</b>	<b>17,000.96</b>	<b>15,521.39</b>
<b>Segment Results</b>					
Consumer Test Prep	205.83	481.21	959.83	2,406.86	1,882.07
Vocational	(242.19)	(170.89)	(404.97)	(830.67)	(739.90)
<b>Total Segment Results</b>	<b>(36.36)</b>	<b>310.32</b>	<b>554.86</b>	<b>1,576.19</b>	<b>1,142.17</b>
Add: Other Income	381.90	296.09	12.88	1,510.84	1,344.24
Less:- Finance Cost	101.54	115.40	91.03	428.74	340.10
Less:- Unallocated expenses	343.24	198.19	818.82	1,450.22	2,282.56
<b>Profit/(Loss) before tax</b>	<b>(99.24)</b>	<b>292.82</b>	<b>(342.11)</b>	<b>1,208.07</b>	<b>(136.25)</b>
Less: Tax Expenses	6.85	4.74	(102.66)	227.95	62.34
<b>Net Profit / (Loss) for the period</b>	<b>(106.09)</b>	<b>288.08</b>	<b>(239.45)</b>	<b>980.12</b>	<b>(198.59)</b>
Other Comprehensive Income	(0.49)	1.96	9.92	7.10	13.34
<b>Total Comprehensive Income</b>	<b>(106.58)</b>	<b>290.04</b>	<b>(229.53)</b>	<b>987.22</b>	<b>(185.25)</b>
<b>Segment Assets</b>					
Consumer Test Prep	8,920.30	8,335.00	9,092.41	8,920.30	9,092.41
Vocational	2,827.31	2,982.27	3,737.39	2,827.31	3,737.39
Unallocated	32,992.49	32,859.37	32,840.98	32,992.49	32,840.98
<b>Total</b>	<b>44,740.10</b>	<b>44,176.64</b>	<b>45,670.78</b>	<b>44,740.10</b>	<b>45,670.78</b>
<b>Segment Liabilities</b>					
Consumer Test Prep	3,812.78	3,266.29	3,874.48	3,812.78	3,874.48
Vocational	1,329.44	1,381.71	2,037.73	1,329.44	2,037.73
Unallocated	4,394.75	4,343.03	5,370.40	4,394.75	5,370.40
<b>Total</b>	<b>9,536.97</b>	<b>8,991.03</b>	<b>11,282.61</b>	<b>9,536.97</b>	<b>11,282.61</b>





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**Notes to the Audited Standalone Financial Results ("financial results") for the quarter and year ended March 31, 2019**

1. The above financial results have been reviewed and recommended by the Audit Committee and approved by the Board at its meeting held on May 29, 2019.
2. The financial results for the period ended March 31, 2019 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 & policies, to the extent applicable.
3. The figures for the quarter ended March 31, 2019 and the corresponding quarter ended in the previous year, as reported in these financial results, are the balancing figures between the audited figures in respect of the full financial year and the published year to date figures upto the end of third quarter of the relevant financial years. Also, the figures upto the end of third quarter had only been reviewed and not subject to audit.
4. 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 March 31, 2019 is as under:

Objects	Amount as per prospectus (Rs. in lacs)	Utilised till March 31, 2019 (Rs. in lacs)
Repayment of loan taken by Career Launcher Infrastructure Private Limited (a step down 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	2,000.00
General corporate purposes	*1,010.25	1,010.25
<b>Total</b>	<b>10,120.65</b>	<b>10,120.65</b>

\* Post finalization of IPO expenses





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

**Utilisation of Acquisition Proceeds**

Name of Companies	Amount (Rs. In Lacs)
Accendere Knowledge Management Services Private Limited	661.50
ICE Gate Educational Institute Private Limited	623.61
Indiacan Education Private Limited	300.00
Three Sixty One Degree Minds Consulting Private Limited (361 DM)	414.89
<b>Total</b>	<b>2,000.00</b>

- In accordance with 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 comprising of "Consumer Test Prep" and "Others", which comprises primarily scaled down vocational training businesses.
- The basic and diluted earnings per share have been calculated in accordance with the Ind AS-33 "Earnings Per Share".
- 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.

Nature of balance	Total Amount outstanding as on March 31, 2019  (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 March 31, 2019  (Rs. in lacs)
Vocational Trade Receivables	2,832.59	2,594.66	449.10





8. Effective April 01, 2018, the Group has applied Ind AS 115 – “Revenue from Contracts with Customers”. The standard has been applied using Modified retrospective approach. Accordingly, the comparatives have not been retrospectively adjusted. The adoption of Ind AS 115 did not have any material impact on financial results for the quarter and year ended March 31, 2019.
9. The Board of Directors of the Company has approved a scheme of arrangement for amalgamation of its subsidiary companies into the Company in its meeting held on November 27, 2018. An application under Regulation 37 of the SEBI (LODR) Regulations, 2015 was filed with the National Stock Exchange of India Limited (“NSE”) and BSE Limited (“BSE”), for the proposed amalgamation of Career Launcher Education Infrastructure and Services Limited, CL Media Private Limited, Accendere Knowledge Management Services Private Limited, G.K. Publications Private Limited and Kestone Integrated Marketing Services Private Limited (“Amalgamating Company”) with CL Educate Limited (“Amalgamated Company”). The scheme will be effective upon approval from National Company Law Tribunal (NCLT). The appointed date as finalized by the Company is April 1, 2019.
10. Figures for the previous period have been regrouped/ reclassified wherever necessary to conform to the current period's classification.

Place: New Delhi  
Date: May 29, 2019



By the order of the Board

  
Nikhil Mahajan  
Executive Director & Group CEO Enterprise  
Business

