

**Independent Auditor's Review Report on quarterly Unaudited Standalone Financial Results of CL Educate Limited 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 Standalone Financial Results of CL Educate Limited ("the Company") for the quarter ended June 30, 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, as amended.
2. This Statement, which is the responsibility of the 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 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 of the Statement 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 the 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.



# HARIBHAKTI & CO. LLP

Chartered Accountants

4. Based on our review conducted and procedures performed as stated in paragraph 3 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with the recognition and measurement principles laid down in the aforesaid Indian Accounting Standard and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. We draw attention to Note 6 to the Statement wherein the management has explained reasons for considering old vocational outstanding receivables as recoverable. 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

UDIN: 19074715AAAACK6260

Place: New Delhi

Date: August 05, 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

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019

(Rs.in lacs, except per share data)

Particulars	For the quarter ended			For the year ended
	Unaudited	Audited	Unaudited	Audited
	June 30, 2019	March 31, 2019	June 30, 2018	March 31, 2019
<b>Income</b>				
I (a) Revenue From operations	5,036.47	4,029.29	5,142.30	17,000.96
II (b) Other income	413.15	381.90	423.73	1,510.84
<b>III Total income (I+II)</b>	<b>5,449.62</b>	<b>4,411.19</b>	<b>5,566.03</b>	<b>18,511.80</b>
<b>IV Expenses</b>				
(a) Purchases of Stock-in-Trade	316.81	247.05	301.36	1,107.21
(b) Changes in inventories of Stock-in-Trade	(11.29)	74.75	(16.19)	(8.93)
(c) Employee benefits expense	630.62	607.53	858.58	2,569.72
(d) Finance costs	125.85	101.54	105.86	428.74
(e) Depreciation and amortization expense	268.54	209.51	191.44	808.16
(f) Franchisee expenses	1,911.06	1,718.62	1,887.33	6,088.99
(g) Other expenses	1,539.41	1,551.43	1,719.86	6,309.84
<b>Total expenses (IV)</b>	<b>4,781.00</b>	<b>4,510.43</b>	<b>5,048.24</b>	<b>17,303.73</b>
V Profit/(Loss) before exceptional items and tax (III-IV)	668.62	(99.24)	517.79	1,208.07
VI Exceptional items	-	-	-	-
VII Profit/(Loss) before tax (V-VI)	668.62	(99.24)	517.79	1,208.07
VIII Tax expense:	154.34	6.85	109.37	227.95
IX Profit /(Loss) for the period (VII-VIII)	514.28	(106.09)	408.42	980.12
X Other Comprehensive Income				
(i) Items that will not be reclassified to profit or loss	3.87	(1.77)	5.61	9.84
(ii) Income tax relating to items that will not be reclassified to profit or loss	(1.08)	1.28	(1.94)	(2.74)
<b>XI Total Comprehensive Income for the period (Comprising Profit and Other comprehensive Income for the period ) (IX+X)</b>	<b>517.07</b>	<b>(106.58)</b>	<b>412.09</b>	<b>987.22</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
<b>XIII Earnings per equity share</b>				
(a) Basic	3.63	(0.75)	2.88	6.92
(b) Diluted	3.63	(0.75)	2.88	6.92





UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2019  
STANDALONE SEGMENT REVENUE, RESULTS, ASSETS AND LIABILITIES

Segment Wise Performance	For the quarter ended			(Rs. In Lacs)
	Unaudited	Audited	Unaudited	Year ended
	June 30, 2019	March 31, 2019	June 30, 2018	Audited March 31, 2019
<b>Segment Revenue</b>				
Consumer Test Prep	5,036.47	4,029.29	5,142.30	17,000.96
Vocational	-	-	-	-
<b>Total Segment Revenue from Operations (Gross)</b>	<b>5,036.47</b>	<b>4,029.29</b>	<b>5,142.30</b>	<b>17,000.96</b>
<b>Segment Results</b>				
Consumer Test Prep	936.45	205.83	882.37	2,406.86
Vocational	(214.47)	(242.19)	(134.75)	(830.67)
<b>Total Segment Results</b>	<b>721.98</b>	<b>(36.36)</b>	<b>747.62</b>	<b>1,576.19</b>
Add: Other Income	413.15	381.90	423.73	1,510.84
Less:- Finance Cost	125.85	101.54	105.86	428.74
Less:- Unallocated expenses	340.64	343.24	547.70	1,450.22
<b>Profit/(Loss) before tax</b>	<b>668.62</b>	<b>(99.24)</b>	<b>517.79</b>	<b>1,208.07</b>
Less: Tax Expenses	154.34	6.85	109.37	227.95
<b>Net Profit / (Loss) for the period</b>	<b>514.28</b>	<b>(106.09)</b>	<b>408.42</b>	<b>980.12</b>
Other Comprehensive Income	2.79	(0.49)	3.67	7.10
<b>Total Comprehensive Income</b>	<b>517.07</b>	<b>(106.58)</b>	<b>412.09</b>	<b>987.22</b>
<b>Segment Assets</b>				
Consumer Test Prep	9,509.78	8,920.30	9,050.33	8,920.30
Vocational	2,701.36	2,827.31	3,536.43	2,827.31
Unallocated	33,808.60	32,992.49	34,469.31	32,992.49
<b>Total</b>	<b>46,019.74</b>	<b>44,740.10</b>	<b>47,056.07</b>	<b>44,740.10</b>
<b>Segment Liabilities</b>				
Consumer Test Prep	3,909.75	3,812.78	4,998.79	3,812.78
Vocational	1,312.52	1,329.44	2,010.33	1,329.44
Unallocated	5,075.08	4,394.75	5,245.82	4,394.75
<b>Total</b>	<b>10,297.35</b>	<b>9,536.97</b>	<b>12,254.94</b>	<b>9,536.97</b>





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

**Notes to the Unaudited Standalone Financial Results ("financial results") for the quarter ended June 30, 2019**

1. The above standalone financial results of CL Educate Limited ("the Company") have been reviewed and recommended by the Audit Committee and approved by the Board of Directors at its meeting held on August 05, 2019.
2. The standalone financial results for the quarter ended June 30, 2019 have been prepared in accordance with Indian Accounting Standards (Ind AS) as prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other recognized accounting practices and policies, to the extent applicable.
3. The figures for the quarter ended March 31, 2019, as reported in these standalone financial results, are the balancing figure 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. 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 and expenditure in individual segments. The reportable segments comprising of "Consumer Test Prep" and "Others", which comprises primarily 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. 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 June 30, 2019 (Rs. in lacs)	Amount outstanding for more than 3 years (Out of total outstanding) (Rs. in lacs)	Expected Credit Loss (ECL) provision on amount outstanding as on June 30, 2019 (Rs. in lacs)	Amount of write off considered in the current quarter (Rs. In lacs)
Vocational Trade Receivables	2,657.59	2,657.59	363.50	175.00

7. The Board of Directors of the Company has approved a scheme of arrangement for amalgamation of its subsidiary companies into the Company ("the Scheme") 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"). During the current quarter the Scheme has been approved by NSE and BSE. 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.
8. Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" and applied the Standard to all lease contracts existing as on April 1, 2019 using the modified retrospective method. Accordingly, comparatives for the year ended March 31, 2019 have not been adjusted. This has resulted in recognizing a Right-to-Use asset and a corresponding Lease Liability of Rs. 856.62 lacs as at April 1, 2019 and a corresponding impact of Rs. 13.75 lacs on Total Expenses for the current quarter.
9. Figures for the previous period have been regrouped/ reclassified wherever necessary to conform to the current period's classification.

Place: New Delhi  
Date: August 05, 2019



By the order of the Board

*Nikhil Mahajan*  
Nikhil Mahajan  
Executive Director & Group CEO Enterprise  
Business

