

Independent Auditor's Review Report on quarterly and year to date 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 September 30, 2019 and for the period from April 01, 2019 to September 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

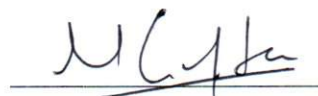
Chartered Accountants

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 5 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.
6. Attention is drawn to the fact that the cash flow figures for the corresponding period April 01, 2018 to September 30, 2018, have been approved by the Board of Directors of the Company, but have not been subjected to limited review or audit.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Mayur Gupta

Partner

Membership No.: 505629

UDIN: 19505629AAAAAH1251



Place: New Delhi

Date: November 13, 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

STATEMENT OF UNAUDITED STANDALONE ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2019

(Rs. in lacs)

Particulars	September 30, 2019	March 31, 2019
	Reviewed	Audited
<b>A ASSETS</b>		
<b>1 Non-current assets</b>		
Property, plant and equipment	3,361.14	3,434.27
Right of Use Assets	712.78	-
Investment property	302.68	305.67
Goodwill	212.38	212.38
Other intangible assets	2,013.30	1,950.77
Intangibles under development	61.90	174.45
Investment in subsidiaries and associates	19,778.96	19,655.87
Financial assets		
(i) Loans	58.16	100.80
	1,495.28	1,476.47
Non-current tax assets	1,151.01	1,151.01
	406.83	376.69
Other non-current assets	95.36	55.43
<b>Total Non-Current assets</b>	<b>29,649.78</b>	<b>28,893.81</b>
<b>2 Current assets</b>		
Inventories	565.11	493.99
Financial assets		
(i) Investments	4,369.88	2,743.09
(ii) Trade receivables	5,412.45	4,835.88
(iii) Cash and cash equivalents	457.09	691.03
(iv) Bank balances other than (iii) above	34.94	30.55
(v) Loans	4,947.66	4,923.43
(vi) Other financial assets	478.40	284.51
Other current assets	2,125.48	1,843.81
<b>Total Current assets</b>	<b>18,391.01</b>	<b>15,846.29</b>
<b>TOTAL ASSETS</b>	<b>48,040.79</b>	<b>44,740.10</b>
<b>B EQUITY &amp; LIABILITIES</b>		
<b>1 Equity</b>		
Equity share capital	1,416.57	1,416.57
Other equity	34,663.03	33,786.56
<b>Total Equity</b>	<b>36,079.60</b>	<b>35,203.13</b>
<b>2 Non-current liabilities</b>		
Financial liabilities		
(i) Borrowings	157.79	278.86
(ii) Lease Liability	482.12	-
Provisions	276.50	258.00
Other non-current liabilities	175.46	208.88
<b>Total Non Current Liabilities</b>	<b>1,091.87</b>	<b>745.74</b>
<b>3 Current liabilities</b>		
Financial liabilities		
(i) Borrowings	3,589.00	3,041.45
(ii) Trade payables		
- total outstanding dues of micro and small enterprises; and	528.52	787.97
- total outstanding dues of creditors other than micro and small enterprises	2,644.09	2,938.72
(iii) Lease Liability	256.66	-
(iv) Other financial liabilities	707.20	1,009.08
Other current liabilities	2,476.62	551.94
Provisions	15.34	15.34
Current tax liabilities (net)	651.89	446.73
<b>Total Current Liabilities</b>	<b>10,869.32</b>	<b>8,791.23</b>
<b>Total Liabilities</b>	<b>11,961.19</b>	<b>9,536.97</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>48,040.79</b>	<b>44,740.10</b>



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CL Educate Limited

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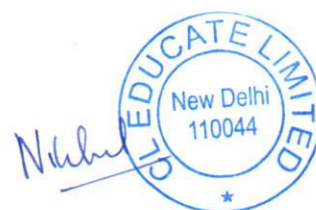
Registered Office: Plot No.9A, Sector 27A, Mathura Road, Faridabad ,Haryana -121003

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

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30,2019

(Rs. in lacs, except per share data)

Particulars	For the quarter ended			For the Half Year ended		For the year ended
	Reviewed	Reviewed	Reviewed	Reviewed	Reviewed	Audited
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
<b>Income</b>						
I (a) Revenue From operations	4,877.77	5,036.47	4,996.44	9,914.24	10,138.74	17,000.96
II (b) Other income	348.51	413.15	409.12	761.66	832.85	1,510.84
<b>III Total income (I+II)</b>	<b>5,226.28</b>	<b>5,449.62</b>	<b>5,405.56</b>	<b>10,675.90</b>	<b>10,971.59</b>	<b>18,511.80</b>
<b>IV Expenses</b>						
(a) Purchases of Stock-in-Trade	391.38	316.81	339.93	708.19	641.29	1,107.21
(b) Changes in inventories of Stock-in-Trade	(59.84)	(11.29)	13.78	(71.13)	(2.41)	(8.93)
(c) Employee benefits expense	582.58	597.47	729.98	1,180.05	1,463.46	2,569.72
(d) Finance costs	123.98	125.85	105.94	249.83	211.80	428.74
(e) Depreciation and amortization expense	282.42	268.54	207.09	550.96	398.53	808.16
(f) Franchisee expenses	2,011.25	1,911.06	1,693.22	3,922.31	3,568.55	6,088.99
(g) Other expenses	1,459.32	1,572.56	1,818.92	3,031.88	3,675.88	6,309.84
<b>Total expenses (IV)</b>	<b>4,791.09</b>	<b>4,781.00</b>	<b>4,908.86</b>	<b>9,572.09</b>	<b>9,957.10</b>	<b>17,303.73</b>
V Profit before exceptional items and tax (III-IV)	435.19	668.62	496.70	1,103.81	1,014.49	1,208.07
VI Exceptional items	-	-	-	-	-	-
Profit before tax (V-VI)	435.19	668.62	496.70	1,103.81	1,014.49	1,208.07
VIII Tax expense	79.34	154.34	106.99	233.68	216.36	227.95
IX Profit for the period (VII-VIII)	355.85	514.28	389.71	870.13	798.13	980.12
X Other Comprehensive Income						
(i) Items that will not be reclassified to profit or loss	1.05	3.87	3.00	4.92	8.61	9.84
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.29)	(1.08)	(1.04)	(1.37)	(2.98)	(2.74)
<b>XI Total Comprehensive Income for the period (Comprising Profit and Other comprehensive Income for the period ) (IX+X)</b>	<b>356.61</b>	<b>517.07</b>	<b>391.67</b>	<b>873.68</b>	<b>803.76</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	1,416.57	1,416.57
XIII Earnings per equity share						
(a) Basic	2.51	3.63	2.75	6.14	5.63	6.92
(b) Diluted	2.51	3.63	2.75	6.14	5.63	6.92





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Unaudited Standalone Statement of Cash Flow for the Half Year ended September 30, 2019

(All amounts are in Rupees lacs)

Particulars	For the Half Year Ended		Year Ended
	September 30, 2019	September 30, 2018	March 31, 2019
<b>A. Cash flow from operating activities</b>	<b>Reviewed</b>	<b>Unaudited</b>	<b>Audited</b>
<b>Net Profit before tax</b>	1,103.81	1,014.49	1,208.07
Adjustment For:			
Depreciation and amortisation	550.96	398.53	808.16
Depreciation on investment property	2.99	1.04	5.96
(Gain) on sale of property, plant and equipment	-	(8.08)	(8.08)
Provision for obsolescence of inventory	-	-	(22.15)
Finance cost	249.83	211.80	428.74
Rent income on investments property	(12.95)	(12.31)	(18.66)
Advances written off	22.65	25.68	153.53
Liability no longer required written back	(80.87)	(200.80)	(214.87)
Unwinding of interest on security deposits	(19.52)	(20.24)	(20.42)
Transfer to stock options outstanding	-	(7.09)	(5.26)
Unrealised net loss on foreign currency transactions and translation	(40.12)	(39.58)	(16.39)
Commission income on financial guarantee	(0.73)	(3.99)	(4.76)
Interest Income	(283.25)	(304.04)	(564.52)
Provision for doubtful advances	25.00	-	-
Loss allowance on doubtful debtors	(97.59)	292.33	(454.97)
Bad debts written off	748.61	697.79	1,574.15
Gain on Mutual fund	(119.77)	(99.36)	(211.09)
Net Gain on Fair value change	(56.21)	-	(124.56)
<b>Operating profit before working capital changes</b>	<b>1,992.84</b>	<b>1,946.17</b>	<b>2,512.88</b>
<b>Adjustment for (increase)/decrease in assets</b>			
Inventories	(71.13)	(2.41)	(8.93)
Trade receivables	(1,227.59)	(295.22)	(12.08)
Current and non current loans	60.78	(5.28)	(47.66)
Other current financial assets	53.57	437.71	490.90
Other non current and current assets	(324.14)	(820.37)	(625.98)
<b>Adjustment for increase/(decrease) in liabilities</b>			
Non-current and current provisions	24.64	8.90	(5.51)
Other non current and current liabilities	1,868.63	357.53	(785.32)
Trade payables	(523.33)	(406.09)	21.02
Other current financial liabilities	(168.92)	(147.70)	(163.03)
<b>Cash Generated from operations</b>	<b>1,685.35</b>	<b>1,073.24</b>	<b>1,376.29</b>
Less: Income Tax Paid (net of refunds)	(60.02)	(73.14)	(219.83)
<b>Net Cash generated from operating activities (A)</b>	<b>1,625.33</b>	<b>1,000.10</b>	<b>1,156.46</b>
<b>B. Cash flow from investing activities</b>			
Purchase of property, plant and equipment	(116.41)	(68.20)	(253.43)
Purchase/development of other intangible assets	(195.11)	(253.49)	(519.60)
Intangibles under development	(61.90)	(83.72)	(56.72)
Sale of property, plant & equipment	-	17.93	17.93
Purchase of investment of in subsidiaries/associates and businesses	(64.60)	(0.73)	(107.97)
Purchase of investment (Mutual fund)	(1,905.00)	(3,802.00)	(3,902.00)
Sale of Investment (Mutual fund)	278.22	220.64	1,158.91
Gain on mutual fund	119.77	99.36	211.09
Rent income on investments property	12.95	12.31	18.66
Loans given to subsidiaries	(66.75)	(194.88)	(657.14)
Proceeds from realisation of loan given to subsidiaries	18.90	72.50	246.18
Term deposits not considered as cash and cash equivalents	(23.33)	2,594.81	2,582.95
Interest received	75.90	222.43	672.72
<b>Net Cash Generated from Investing Activities (B)</b>	<b>(1,927.36)</b>	<b>(1,163.04)</b>	<b>(588.42)</b>
<b>C. Cash Flow from Financing Activities</b>			
Proceeds from long-term borrowings	-	-	31.39
Repayment of long-term borrowings	(114.58)	(153.44)	(365.29)
Net (decrease )/increase in working capital borrowings	547.54	(43.07)	(107.46)
Payment of lease liabilities	(164.50)	-	-
Net increase in Finance Lease Liability	-	-	6.38
Interest expense Paid	(200.37)	(212.61)	(430.18)
Dividend paid	-	(170.77)	(170.77)
<b>Net Cash generated from / (used in) Financing Activities (C)</b>	<b>68.09</b>	<b>(579.89)</b>	<b>(1,035.93)</b>
<b>Net (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(233.94)</b>	<b>(742.83)</b>	<b>(467.89)</b>
<b>Balance at the beginning of the year</b>			
Cash and cash equivalents at the beginning of the year	691.03	1,158.92	1,158.92
<b>Balance at the end of the year</b>	<b>457.09</b>	<b>416.09</b>	<b>691.03</b>
<b>Notes to cash flow statement</b>			
Components of cash and cash equivalents			
Balances with banks			
on current account	370.69	317.90	555.49
Cheques/ drafts on hand	7.12	18.21	27.92
Cash on hand	79.28	79.98	107.62
	<b>457.09</b>	<b>416.09</b>	<b>691.03</b>



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

Segment Wise Performance	For the Quarter Ended			For the Half Year Ended		For the Year Ended
	Reviewed	Reviewed	Reviewed	Reviewed	Reviewed	Audited
	September 30, 2019	June 30, 2019	September 30, 2018	September 30, 2019	September 30, 2018	March 31, 2019
<b>Segment Revenue</b>						
Consumer Test Prep	4,877.77	5,036.47	4,996.44	9,914.24	10,138.74	17,000.96
Vocational	-	-	-	-	-	-
<b>Total Segment Revenue from Operations (Gross)</b>	<b>4,877.77</b>	<b>5,036.47</b>	<b>4,996.44</b>	<b>9,914.24</b>	<b>10,138.74</b>	<b>17,000.96</b>
<b>Segment Results</b>						
Consumer Test Prep	883.28	936.45	837.45	1,819.73	1,719.82	2,406.86
Vocational	(234.96)	(214.47)	(282.84)	(449.43)	(417.59)	(830.67)
<b>Total Segment Results</b>	<b>648.32</b>	<b>721.98</b>	<b>554.61</b>	<b>1,370.30</b>	<b>1,302.23</b>	<b>1,576.19</b>
Add: Other Income	348.51	413.15	409.12	761.66	832.85	1,510.84
Less:- Finance Cost	123.98	125.85	105.94	249.83	211.80	428.74
Less:- Unallocated expenses	437.66	340.66	361.09	778.32	908.79	1,450.22
<b>Less: Tax Expenses</b>	<b>435.19</b>	<b>668.62</b>	<b>496.70</b>	<b>1,103.81</b>	<b>1,014.49</b>	<b>1,208.07</b>
	79.34	154.34	106.99	233.68	216.36	227.95
	<b>355.85</b>	<b>514.28</b>	<b>389.71</b>	<b>870.13</b>	<b>798.13</b>	<b>980.12</b>
Other Comprehensive Income	0.76	2.79	1.96	3.55	5.63	7.10
<b>Total Comprehensive Income</b>	<b>356.61</b>	<b>517.07</b>	<b>391.67</b>	<b>873.68</b>	<b>803.76</b>	<b>987.22</b>
<b>Segment Assets</b>						
Consumer Test Prep	10,813.99	9,509.78	8,604.41	10,813.99	8,604.41	8,920.30
Vocational	2,551.60	2,701.36	3,391.18	2,551.60	3,391.18	2,827.31
Unallocated	34,675.20	33,808.60	33,863.76	34,675.20	33,863.76	32,992.49
<b>Total</b>	<b>48,040.79</b>	<b>46,019.74</b>	<b>45,859.35</b>	<b>48,040.79</b>	<b>45,859.35</b>	<b>44,740.10</b>
<b>Segment Liabilities</b>						
Consumer Test Prep	5,732.22	3,909.75	3,224.65	5,732.22	3,224.65	3,812.78
Vocational	1,109.35	1,312.52	2,045.65	1,109.35	2,045.65	1,329.44
Unallocated	5,119.62	5,075.08	5,573.23	5,119.62	5,573.23	4,394.75
<b>Total</b>	<b>11,961.19</b>	<b>10,297.35</b>	<b>10,843.53</b>	<b>11,961.19</b>	<b>10,843.53</b>	<b>9,536.97</b>





**CL Educate Limited**

**CIN No: - L74899HR1996PLC076897**

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**Notes to the Unaudited Standalone Financial Results ("financial results") for the quarter and half year ended September 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 November 13, 2019.
2. The standalone financial results for the quarter and half year ended September 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. 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.
4. The basic and diluted earnings per share have been calculated in accordance with the Ind AS-33 "Earnings Per Share".
5. 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:

<b>Nature of balance</b>	<b>Total Amount outstanding as on September 30, 2019 (Rs. in lacs)</b>	<b>Amount outstanding for more than 3 years (Out of total outstanding) (Rs. in lacs)</b>	<b>Expected Credit Loss (ECL) provision on amount outstanding as on September 30, 2019 (Rs. in lacs)</b>	<b>Amount of write off considered in the half year ended September 30, 2019 (Rs. In lacs)</b>
Vocational Trade Receivables	2,557.59	2,557.59	369.46	275.00



6. 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. The Scheme has been approved by National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). During the current quarter, an application under Regulation 37 of the SEBI (LODR) Regulations, 2015 was filed with the National Company Law Tribunal (NCLT), 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 NCLT. The appointed date as finalized by the Company is April 1, 2019.
7. 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 on total expenses of Rs. 13.75 lacs during current quarter and Rs. 26.00 lacs for the current period.
8. On September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, the Government of India inserted Section 115BAB in the Income Tax Act, 1961 which provides domestic companies a non-reversible option to pay corporate tax at reduced rates effective April 01, 2019 subject to certain condition. The Company is currently in the process of evaluating this option.
9. Figures for the previous period have been regrouped/ reclassified wherever necessary to conform to the current period's classification.

**By the order of the Board**



**Nikhil Mahajan**

**Executive Director & Group CEO Enterprise  
Business**

**Place: New Delhi**

**Date: November 13, 2019**

