

# Walker Chandiook & Co LLP

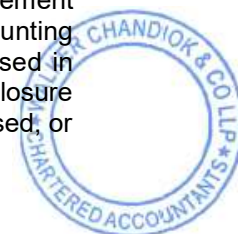
---

Walker Chandiook & Co LLP  
L 41, Connaught Circus,  
Outer Circle,  
New Delhi – 110 001  
India  
T +91 11 45002219  
F +91 11 42787071

## Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of the Company Pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended)

### To the Board of Directors of CL Educate Limited

1. We have reviewed the accompanying statement of standalone unaudited financial results (the 'Statement') of CL Educate Limited (the 'Company') for the quarter ended 30 September 2021 and the year to date results for the period 1 April 2021 to 30 September 2021, being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time.
2. The Statement, which is the responsibility of the Company's management and approved by the Company's Board of Directors, has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34, Interim Financial Reporting ('Ind AS 34'), prescribed under Section 133 of the Companies Act, 2013 ('the Act'), and other accounting principles generally accepted in India and is in compliance with the presentation and disclosure requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including relevant circulars issued by the SEBI from time to time. Our responsibility is to express a conclusion on the Statement based on our review.
3. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with the Standards on Auditing specified under section 143(10) of the Act, and consequently, does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.
4. 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 the recognition and measurement principles laid down in Ind AS 34, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, has not disclosed the information required to be disclosed in accordance with the requirements 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.



# Walker Chandiook & Co LLP

## Independent Auditor's Review Report on Standalone Unaudited Quarterly Financial Results and Year to Date Results of CL Educate Limited pursuant to the Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended) (cont'd)

5. We draw attention to Note 5 to the Statement, which describes the uncertainties relating to COVID-19 pandemic outbreak and management's evaluation of its impact on the operations of the Company and accompanying Statement as at and for the period ended 30 September 2021, the extent of which is significantly dependent on future developments as they evolve.

Our conclusion is not modified in respect of this matter.

### For Walker Chandiook & Co LLP

Chartered Accountants

Firm Registration No: 001076N/N500013



**Neeraj Goel**

Partner

Membership No. 099514

UDIN: 21099514AAAAGT1073

**Place:** New Delhi

**Date:** 30 October 2021

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 AND HALF YEAR ENDED SEPTEMBER 30, 2021

(Rs. in lacs, except per share data)

Particulars	For the quarter ended			For the half year ended		For the year ended
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
<b>INCOME</b>						
I (a) Revenue From Operations	2,853.19	2,987.87	2,332.93	5,841.06	4,990.34	9,986.49
II (b) Other Income	153.63	141.70	168.69	295.33	410.28	837.50
III <b>Total income (I+II)</b>	<b>3,006.82</b>	<b>3,129.57</b>	<b>2,501.62</b>	<b>6,136.39</b>	<b>5,400.62</b>	<b>10,823.99</b>
<b>EXPENSES</b>						
IV (a) Purchases of stock-in-trade	239.46	135.60	126.03	375.06	187.97	444.33
(b) Changes in inventories of stock-in-trade	(18.58)	46.38	(2.93)	27.80	7.61	75.29
(c) Employee benefits expense	478.58	549.26	376.85	1,027.84	767.62	1,738.85
(d) Finance costs	68.83	81.92	107.91	150.75	212.93	369.94
(e) Depreciation and amortization expense	149.26	148.29	180.98	297.55	397.42	608.18
(f) Franchisee expenses	974.13	1,022.53	637.88	1,996.66	1,520.94	3,383.42
(g) Other expenses	982.84	863.27	1,023.41	1,846.11	1,969.34	4,829.33
<b>Total expenses (IV)</b>	<b>2,874.52</b>	<b>2,847.25</b>	<b>2,450.13</b>	<b>5,721.77</b>	<b>5,063.83</b>	<b>11,449.34</b>
V Profit/(loss) before tax (III-IV)	132.30	282.32	51.49	414.62	336.79	(625.35)
VI Tax expense	82.57	23.64	10.30	106.21	107.70	(112.55)
VII Profit/(loss) for the period/year (V-VI)	49.73	258.68	41.19	308.41	229.09	(512.80)
VIII <b>Other comprehensive income</b>						
(i) Items that will not be reclassified to profit or loss	1.11	1.12	1.69	2.23	3.38	4.46
(ii) Income-tax relating to items that will not be reclassified to profit or loss	(0.31)	(0.31)	(0.47)	(0.62)	(0.94)	(1.24)
IX <b>Total comprehensive income/(loss) for the period/year (Comprising Profit/(loss) and Other comprehensive Income for the period/year) (VII+VIII)</b>	<b>50.53</b>	<b>259.49</b>	<b>42.41</b>	<b>310.02</b>	<b>231.53</b>	<b>(509.58)</b>
X 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
XI Other equity						27,803.10
XII <b>Earnings per equity share*</b> :						
(a) Basic	0.35	1.83	0.29	2.18	1.62	(3.62)
(b) Diluted	0.35	1.83	0.29	2.18	1.62	(3.62)

\*Earnings per equity share for the quarter and half year ended have not been annualised



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 STATEMENT OF STANDALONE ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2021

(Rs. in lacs)

Particulars		September 30, 2021	March 31, 2021
		Unaudited	Audited
<b>A</b>	<b>ASSETS</b>		
<b>1</b>	<b>Non-current assets</b>		
	Property, plant and equipment	2,424.82	2,468.63
	Right-of-use assets	280.85	305.62
	Investment property	291.28	294.16
	Goodwill	212.38	212.38
	Other intangible assets	2,064.17	2,043.07
	Intangibles under development	154.97	51.10
	<b>Financial assets</b>		
	(i) Investments	15,700.52	15,698.57
	(ii) Other financial assets	71.78	68.43
	<b>Non-current tax assets</b>	933.15	933.15
	Deferred tax assets (net)	384.74	422.13
	Other non-current assets	82.98	83.50
	<b>Total non-current assets</b>	<b>22,601.64</b>	<b>22,580.74</b>
<b>2</b>	<b>Current assets</b>		
	Inventories	437.60	465.40
	<b>Financial assets</b>		
	(i) Investments	3,916.52	3,852.91
	(ii) Trade receivables	1,959.05	1,508.62
	(iii) Cash and cash equivalents	553.43	362.04
	(iv) Bank balances other than (iii) above	442.91	432.36
	(v) Loans	3,880.72	4,409.52
	(vi) Other financial assets	780.59	567.86
	Other current assets	2,310.80	2,296.64
	<b>Total current assets</b>	<b>14,281.62</b>	<b>13,895.35</b>
	Assets held for sale	546.16	546.16
	<b>Total assets</b>	<b>37,429.42</b>	<b>37,022.25</b>
<b>B</b>	<b>EQUITY AND LIABILITIES</b>		
<b>1</b>	<b>Equity</b>		
	Equity share capital	1,416.57	1,416.57
	Other equity	28,114.37	27,803.10
	<b>Total equity</b>	<b>29,530.94</b>	<b>29,219.67</b>
<b>2</b>	<b>Liabilities</b>		
	<b>Non-current liabilities</b>		
	<b>Financial liabilities</b>		
	(i) Borrowings	381.74	470.83
	(ia) Lease Liability	80.75	130.05
	Provisions	361.40	345.08
	Other non-current liabilities	131.89	97.07
	<b>Total non-current liabilities</b>	<b>955.78</b>	<b>1,043.03</b>
<b>3</b>	<b>Current liabilities</b>		
	<b>Financial liabilities</b>		
	(i) Borrowings	2,096.10	2,620.08
	(ia) Lease Liability	113.64	81.11
	(ii) Trade payables		
	- total outstanding dues of micro and small enterprises; and	810.17	763.63
	- total outstanding dues of creditors other than micro and small enterprises	1,614.52	1,609.62
	(iii) Other financial liabilities	420.93	645.24
	Other current liabilities	1,833.02	1,030.81
	Provisions	9.06	9.06
	Current tax liabilities (net)	45.26	-
	<b>Total current liabilities</b>	<b>6,942.70</b>	<b>6,759.55</b>
	<b>Total liabilities</b>	<b>7,898.48</b>	<b>7,802.58</b>
	<b>Total equity and liabilities</b>	<b>37,429.42</b>	<b>37,022.25</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

UNAUDITED STANDALONE STATEMENT OF CASH FLOWS FOR THE HALF YEAR ENDED SEPTEMBER 30, 2021

(Rs. in lacs)

Particulars	For the half year ended	
	September 30, 2021	September 30, 2020
	Unaudited	Unaudited
<b>A. Cash flow from operating activities</b>		
Net profit before tax	414.62	336.79
Adjustment for:		
Depreciation and amortisation	297.55	397.42
Loss on sale of property, plant and equipment	8.66	-
Finance costs	150.75	212.93
Rental income on investments property	(5.85)	(6.64)
Advances written off	-	30.20
Liability no longer required written back	-	(78.22)
Unwinding of interest on security deposits	(7.85)	(20.27)
Unrealised foreign exchange gain (net)	(6.37)	-
Commission income on financial guarantee	(0.93)	(0.93)
Interest income	(195.53)	(229.03)
Bad debts written off	234.66	503.00
Gain on mutual fund	(63.61)	(75.69)
Rent concessions	(14.25)	-
<b>Operating profit before working capital changes</b>	<b>811.85</b>	<b>1,069.56</b>
Adjustment for (increase)/decrease in assets		
-Inventories	27.80	7.61
-Trade receivables	(685.09)	(313.74)
-Non current and current loans	4.95	22.81
-Other non current and current financial assets	(198.61)	290.22
-Other non current and current assets	(9.78)	333.11
Adjustment for increase/(decrease) in liabilities		
-Non-current and current provisions	18.55	(5.83)
-Other non current and current liabilities	537.28	21.23
-Trade payables	51.44	(1,024.07)
-Other current financial liabilities	(226.02)	(48.58)
<b>Cash generated from operations (gross)</b>	<b>332.37</b>	<b>352.32</b>
Less: Income-tax paid (net of refunds)	(24.18)	(5.41)
<b>Net cash generated from operating activities (A)</b>	<b>308.19</b>	<b>346.91</b>
<b>B. Cash flow from investing activities</b>		
Purchase of property, plant and equipment, other intangible assets and intangibles under development (including capital creditors and capital advances)	(344.34)	(212.48)
Proceeds from sale of property, plant and equipment	299.75	-
Purchase of investment of in subsidiaries	(1.01)	-
Rent received	5.85	6.64
Proceeds from realisation of loan given to subsidiaries	523.85	457.29
Term deposits not considered as cash and cash equivalents	(11.72)	(0.74)
Interest received	193.46	20.41
<b>Net cash flow generated from investing activities (B)</b>	<b>665.84</b>	<b>271.12</b>
<b>C. Cash flow from financing activities</b>		
Repayment of long-term borrowings	(121.90)	-
Proceeds from long-term borrowings	-	54.88
Repayment of working capital borrowings (net)	(491.17)	(349.04)
Payment of lease liabilities	(33.96)	(57.33)
Interest expense paid	(135.61)	(209.22)
<b>Net cash used in financing activities (C)</b>	<b>(782.64)</b>	<b>(560.71)</b>
<b>Net increase in cash and cash equivalents (A+B+C)</b>	<b>191.39</b>	<b>57.32</b>
Cash and cash equivalents at the beginning of the period	362.04	434.79
<b>Cash and cash equivalents at the end of the period</b>	<b>553.43</b>	<b>492.11</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

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2021  
STANDALONE SEGMENT REVENUE, RESULTS, ASSETS AND LIABILITIES

(Rs. In Lacs)

Segment Wise Performance	For the Quarter Ended			For the Half Year Ended		For the Year Ended
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited	Audited
	September 30, 2021	June 30, 2021	September 30, 2020	September 30, 2021	September 30, 2020	March 31, 2021
<b>Segment Revenue</b>						
Partner	1,424.83	1,667.93	986.18	3,092.76	2,399.11	5,432.73
Digital	1,428.36	1,319.94	1,346.75	2,748.30	2,591.23	4,553.76
Other	-	-	-	-	-	-
<b>Total Segment Revenue from Operations (Gross)</b>	<b>2,853.19</b>	<b>2,987.87</b>	<b>2,332.93</b>	<b>5,841.06</b>	<b>4,990.34</b>	<b>9,986.49</b>
<b>Segment Results</b>						
Partner	215.79	343.26	118.42	559.05	407.47	999.47
Digital	148.97	187.53	91.80	336.50	237.92	435.45
Other	(24.81)	(17.15)	(24.87)	(41.96)	(75.81)	(1,250.23)
<b>Total Segment Results</b>	<b>339.95</b>	<b>513.64</b>	<b>185.35</b>	<b>853.59</b>	<b>569.58</b>	<b>184.69</b>
Add: Other Income	153.63	141.70	168.69	295.33	410.28	837.50
Less:- Finance Cost	68.83	81.92	107.91	150.75	212.93	369.94
Less:- Unallocated expenses	292.45	291.10	194.64	583.55	430.14	1,277.60
<b>Profit/(Loss) before tax</b>	<b>132.30</b>	<b>282.32</b>	<b>51.49</b>	<b>414.62</b>	<b>336.79</b>	<b>(625.35)</b>
Less: Tax Expenses	82.57	23.64	10.30	106.21	107.70	(112.55)
<b>Net Profit / (Loss) for the period</b>	<b>49.73</b>	<b>258.68</b>	<b>41.19</b>	<b>308.41</b>	<b>229.09</b>	<b>(512.80)</b>
Other Comprehensive Income	0.80	0.81	1.22	1.61	2.44	3.22
<b>Total Comprehensive Income</b>	<b>50.53</b>	<b>259.49</b>	<b>42.41</b>	<b>310.02</b>	<b>231.53</b>	<b>(509.58)</b>
<b>Segment Assets</b>						
Partner	4,611.20	4,284.11	4,467.40	4,611.20	4,467.40	4,361.50
Digital	3,426.06	2,978.81	3,592.45	3,426.06	3,592.45	3,060.65
Other	408.48	399.18	1,490.73	408.48	1,490.73	397.71
Unallocated	28,983.68	29,701.63	29,157.70	28,983.68	29,157.70	29,202.39
<b>Total</b>	<b>37,429.42</b>	<b>37,363.73</b>	<b>38,708.28</b>	<b>37,429.42</b>	<b>38,708.28</b>	<b>37,022.25</b>
<b>Segment Liabilities</b>						
Partner	1,962.15	1,579.79	1,590.83	1,962.15	1,590.83	1,643.60
Digital	1,893.61	1,906.85	1,952.19	1,893.61	1,952.19	1,590.01
Other	674.60	696.08	850.44	674.60	850.44	695.30
Unallocated	3,368.12	3,701.24	4,355.54	3,368.12	4,355.54	3,873.67
<b>Total</b>	<b>7,898.48</b>	<b>7,883.96</b>	<b>8,749.00</b>	<b>7,898.48</b>	<b>8,749.00</b>	<b>7,802.58</b>



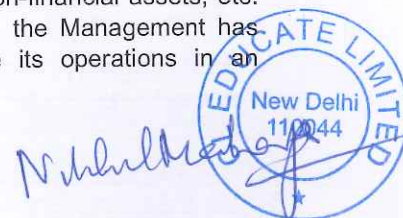
**Notes:**

1. The above standalone financial results of CL Educate Limited (the 'Company') for the quarter and half year ended September 30, 2021 have been reviewed by the Audit Committee and approved by the Board of Directors at their respective meetings held on October 30, 2021 and have been reviewed by the statutory auditors of the Company.
2. The above standalone financial results for the quarter and half year ended September 30, 2021 have been prepared in accordance with the Indian Accounting Standards ('Ind-AS') as notified under the Companies (Indian Accounting Standards) Rules, 2015 (as amended), specified under section 133 of the Companies Act, 2013.
3. In accordance with Ind AS-108 "Operating Segments" and based on "Management Evaluation", the Chief Operating Decision Maker (CODM) evaluates the Company's performance and allocates resources based on the analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments. The accounting principles used in preparation of financial statements are constantly applied to record revenue and expenditure in individual segments.

Previously, the Company had considered "Consumer Test Prep" and "Others" as the only reportable segments of the Company. Over the last year, based on the increasing growth and focus on Digital delivery of services and the consequent changes to the nature of internal reporting provided to the CODM, the management during the year 2020-21 reassessed the Company's segments. Accordingly, reportable segments of the Company have been reclassified into "Partner", "Digital" and "Others". "Partner" segment includes the business generated and services rendered through our Business Partners (Franchisees), whilst our "Digital" segment includes business generated and services rendered through a combination of a digital / online channel and offline point of sale counselling-cum-service centres run by the Company. The segment "Others" comprises primarily the scaled down vocational training business. Accordingly, segment information provided in these results, including in respect of comparative periods, is based on such operating segments as described above.

4. The Board of Directors of the Company has approved the scheme of arrangement of amalgamation of its subsidiary companies into the Company ("the Scheme") in its meeting held on November 27, 2018. The scheme has been approved by the National Stock Exchange of India Limited ("the NSE") and BSE Limited ("the BSE"). During the previous year 2019-20, 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, which is pending as on date, predominantly on account of the COVID-19 pandemic. The appointed date as proposed date by the Company is April 1, 2019. The Company has filed a petition in NCLT to expedite the process of merger. The next hearing is scheduled to be held on January 7, 2022.
5. The nationwide lockdown due to spread of COVID-19 and other significant restrictions imposed on the movement had an impact on the education sector as well, as all of the Company's study centres across India continued to remain shut for major part of the year. The Management had, however, made necessary adjustments to its service and customer acquisition processes, moving to a largely Digital model, thereby minimizing the business impact of the pandemic.

During the current period, the Management has re-evaluated the likely impact of COVID-19 on its business operations, demand for its products/services, profitability, capital and financial resources, liquidity position, ability to service debt arrangements and financial and non-financial assets, etc. Based on the projected cash flows drawn for the current financial year, the Management has concluded that the Company will have sufficient liquidity to continue its operations in an



uninterrupted manner. Also, the Management is of the view that there is no material impact and is confident of recovering the carrying amount of all the assets. Any possibilities of delays in collection are covered by the Expected Credit Loss Model.

For the aforesaid evaluation, the Management has considered internal and external sources of information up to the date of approval of these financial results. The actual impact of the pandemic may, however, differ from that estimated as at date of approval of these financial results and the Management will continue to closely monitor any material changes to future economic conditions.

6. The management of the Company is in process of concluding the sale of its property at Faridabad, the proposal for which had been reviewed and approved by Board Members and Audit committee in its meeting held on June 24, 2021.
7. The Members of the Company at the 25th Annual General Meeting of the Company held on September 07, 2021, had approved the sub-division of each fully paid-up equity share of the Company of face value of Rs.10/- into 2 (two) fully paid-up equity shares of face value of Rs.5/- each w.e.f. October 01, 2021 ('record date').

Consequently, the equity shares of the Company have been sub-divided from 1,41,65,678 at face value of Rs. 10 (ten) each fully paid to 2,83,31,356 at face value of Rs. 5 (five) each fully paid on October 01, 2021.

8. Pursuant to Notification issued by Ministry of Corporate Affairs dated March 24, 2021, in respect of changes incorporated in Schedule III of the Companies Act, 2013, the figures of the corresponding previous period/ year have been regrouped/ reclassified wherever necessary, to make them comparable.



For and on behalf of the Board

*Nikhil Mahajan*

**Nikhil Mahajan**

Executive Director and Group CEO Enterprise Business



Place: New Delhi

Date: October 30, 2021