

HARIBHAKTI & CO. LLP

Chartered Accountants

Limited Review Report on the Unaudited Standalone Financial Results for the quarter ended September 30, 2017, 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, 2017 ("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/GFD/FAC/62/2016 dated July 5, 2016. 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 ("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.
2. 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 the Company personnel and analytical and 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.
3. 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 recognized accounting practices and policies have not disclosed the



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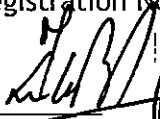
information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material misstatement.

4. As stated in Note 3 to the Statement, figures pertaining to the quarter ended September 30, 2016 have not been subject to limited review or audit.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.103523W/W100048



Raj Kumar Agarwal

Partner

Membership No.: 074715

Place: New Delhi

Date: November 21, 2017

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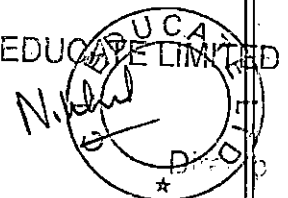
CL Educate Limited
CIN No:- L74899DL1996PLC078481
Registered Office: A-41, Espire Building, Lower Ground Floor, Mohan Cooperative Industrial Area, Main Mathura Road, Delhi 110044

STATEMENT OF STANDALONE ASSETS AND LIABILITIES AS AT SEPTEMBER 30, 2017

Particulars		(Rs. In Lacs)
		As at September 30, 2017 Unaudited
A	ASSETS	
1	Non-current assets	
a	Property, plant & equipment	3,865.45
b	Investment Property	109.81
c	Goodwill	303.38
d	Intangible assets	1,661.21
e	Investment in subsidiaries	18,805.55
f	Financial Assets	
(i)	Loans	147.19
(ii)	Other Financial Assets	1,124.15
g	Deferred Tax Assets (Net)	366.49
h	Non-current tax asset	532.88
i	Other non-current assets	400.18
	Total Non Current Assets	27,316.29
2	Current assets	
a	Inventories	415.44
b	Financial Assets	
(i)	Trade receivables	6,538.12
(ii)	Cash and cash equivalents	193.58
(iii)	Bank balances other (ii) above	4,825.39
(iv)	Loans	3,942.04
(v)	Other financial assets	618.42
c	Other current assets	3,481.76
	Total Current Assets	20,014.75
	TOTAL ASSETS	47,331.04
B	EQUITY & LIABILITIES	
1	Equity	
a	Equity share capital	1,416.33
b	Other equity	33,692.89
	Total Equity	35,109.22
2	Non-current liabilities	
a	Financial liabilities	
(i)	Borrowings	86.80
b	Provisions	274.60
c	Other non-current liabilities	277.38
	Total Non Current Liabilities	638.78
3	Current liabilities	
a	Financial liabilities	
(i)	Borrowings	2,520.32
(ii)	Trade payables	5,199.02
(iii)	Other financial liabilities	1,067.51
b	Other current liabilities	2,362.21
c	Provisions	6.39
d	Current tax liabilities (net)	427.59
	Total Current Liabilities	11,583.04
	TOTAL LIABILITIES	47,331.04



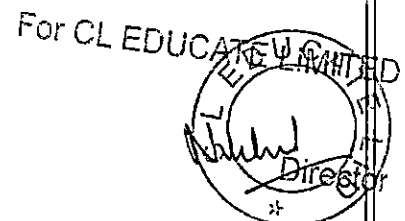
For CL EDUCATE LIMITED



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UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER AND HALF YEAR ENDED SEPTEMBER 30, 2017

Particulars	For the quarter ended			For the half year ended	
	September 30, 2017	June 30, 2017	September 30, 2016	September 30, 2017	September 30, 2016
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
(Rs. In Lacs)					
Income					
I (a) Revenue From operations	4,036.16	4,389.22	3,900.71	8,425.38	8,113.31
II (b) Other income	444.93	321.97	350.14	766.90	540.26
III Total income (I+II)	4,481.09	4,711.19	4,250.85	9,192.28	8,653.57
IV Expenses					
(a) Purchases of Stock-in-Trade	423.28	246.09	419.31	669.37	679.94
(b) Changes in inventories of Stock-in-Trade	(4.17)	72.68	(68.95)	68.51	(10.95)
(c) Franchisee expenses	1,573.69	1,662.80	1,354.87	3,236.49	2,675.60
(d) Employee benefits expense	834.80	722.64	698.87	1,557.44	1,408.22
(e) Finance costs	47.25	103.28	116.15	150.53	242.54
(f) Depreciation and amortization expense	169.43	162.32	119.24	331.75	232.78
(g) Other expenses	1,373.09	1,368.63	1,068.54	2,741.72	2,533.49
Total expenses (IV)	4,417.37	4,338.44	3,708.03	8,755.81	7,761.62
V Profit before exceptional items and tax (III-IV)	63.72	372.75	542.82	436.47	891.95
VI Exceptional items					
VII Profit before tax (V-VI)	63.72	372.75	542.82	436.47	891.95
VIII Tax expense:					
(a) Current tax	(126.95)	226.39	159.30	99.44	312.68
(b) Deferred tax	148.10	(104.10)	20.33	44.00	(22.77)
IX Profit from continuing operations for the period (VII-VIII)	42.57	250.46	363.19	293.03	601.44
X Other Comprehensive Income					
(i) Items that will not be reclassified to profit or loss	1.57	1.83	3.15	3.40	6.30
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.55)	(0.63)	(1.09)	(1.18)	(2.18)
XI Total Comprehensive Income for the period (Comprising Profit and Other comprehensive Income for the period) (IX+X)	43.59	251.66	365.25	295.25	605.56
XII Paid-up Equity Share Capital (face value of Rs. 10 each)	1,416.33	1,416.33	1,193.96	1,416.33	1,193.96
XIII Earnings per equity share (for continuing operation), excluding Other Comprehensive Income					
(a) Basic	0.30	1.77	3.04	2.07	5.04
(b) Diluted	0.30	1.77	3.02	2.07	5.00
XIV Earnings per equity share (Total) including Other Comprehensive Income					
(a) Basic	0.31	1.78	3.06	2.08	5.07
(b) Diluted	0.31	1.77	3.04	2.08	5.04



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UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2017
STANDALONE SEGMENT REVENUE, RESULTS, ASSETS AND LAIBILITIES

(Rs. In Lacs)

Segment Wise Performance	Quarter ended			Half Year Ended	
	Unaudited	Unaudited	Unaudited	Unaudited	Unaudited
	Sep 30, 2017	June 30, 2017	Sep 30, 2016	Sep 30, 2017	Sep 30, 2016
Segment Revenue					
Consumer Test Prep	4,036.16	4,389.22	3,900.71	8,425.38	7,875.38
Vocational					237.93
Total Segement Revenue from Operations (Gross)	4,036.16	4,389.22	3,900.71	8,425.38	8,113.31
Segment Results					
Consumer Test Prep	145.90	823.14	884.43	969.05	1,664.21
Vocational	(6.34)	(166.11)	(210.27)	(172.46)	(284.13)
Total Segment Results	139.56	657.03	674.16	796.59	1,380.08
Add: Other Income	444.30	322.60	351.14	766.90	540.26
Less:- Finance Cost	47.25	103.28	116.15	150.53	242.54
Less:- Unallocated expenses	471.87	502.40	364.27	974.27	781.73
Profit/(Loss) before tax	64.74	373.95	544.88	438.69	896.07
Less: Tax Expenses	21.15	122.29	179.63	143.44	290.51
Net Profit / (Loss) for the period	43.59	251.66	365.25	295.25	605.56
Segment Assets					
Consumer Test Prep	8,675.72	8,380.92	6,266.81	8,675.72	6,266.81
Vocational	4,375.89	4,768.45	4,608.44	4,375.89	4,608.44
Unallocated	34,279.43	33,974.63	26,566.76	34,279.43	26,566.76
Total	47,331.04	47,124.00	37,442.01	47,331.04	37,442.01
Segment Liabilities					
Consumer Test Prep	4,089.40	5,256.44	4,456.08	4,089.40	4,456.08
Vocational	614.60	2,385.38	2,556.86	614.60	2,556.86
Unallocated	7,517.81	4,293.16	5,323.70	7,517.81	5,323.70
Total	12,221.81	11,934.98	12,336.64	12,221.81	12,336.64



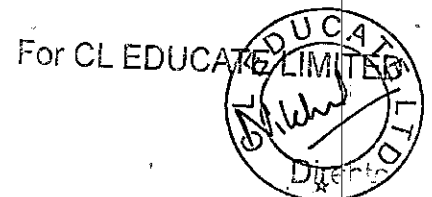
For CL EDUCATE LIMITED
Nikhil
Director

CL Educate Limited
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Notes to the Unaudited Standalone Financial Results ("financial results") for the quarter ended September 30, 2017

1. The above financial results have been reviewed and recommended by the Audit Committee and approved by the Board at their meeting held on November 21, 2017.
2. The financial results for the quarter ended September 30, 2017 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. Beginning April 01, 2017, the company has for the first time adopted Ind AS together with Ind AS compliant comparatives for FY 2016-17 (transition date April 01, 2016). Accordingly, figures for the previous period are recast/ regrouped as per new requirements wherever considered necessary.
3. The shares of the Company got listed on March 31, 2017, the financial results were drawn in accordance with regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the first time for the quarter and year ended March 31, 2017. Therefore, the Ind AS compliant financial results pertaining to quarter and half year ended September 30, 2016 have not been subjected to limited review. However, the management has exercised necessary due diligence to ensure that the financial results provide a true & fair view of its affairs in accordance with Ind AS.
4. Reconciliation of the financial results of corresponding quarter of financial year 2016-17 to those reported under previous IGAAP are summarized below:

Particulars	For the quarter ended September 30, 2016 (in lacs)
Profit after tax as reported under previous IGAAP (A)	294.53
Adjustments on account of:	
Discounting of security deposits	(0.20)
Financial guarantees given	0.83
Financial guarantees taken	(1.99)
Effective Interest Rate adjustment on Borrowings	(0.72)
Finance lease adjustment-Greater Noida Land	(2.18)
Deferred revenue adjustment of Franchisee start up fees	(24.16)
Deferred revenue adjustment of admission fees	121.19
Prepaid Franchise fees	(50.75)
Defined benefits plans	(3.15)
Expected Credit Loss Provision for Doubtful debts	62.86
Deferred tax impact on above benefit / (charge)	(33.07)
Total (B)	68.66
Profit after tax as reported under Ind AS (A-B)	363.19
Other Comprehensive Income	



Re-measurements of defined benefit plans-OCI	2.06
Total Income as reported under Ind AS	365.25

5. During the previous 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 proceed till September 30, 2017 is as under:

Objects	Amount as per prospectus (Rs. in lacs)	Utilised till September 30, 2017 (Rs. in lacs)#
Repayment of loan taken by Career Launcher Infrastructure Private Limited (a step down subsidiary) from HDFC Bank 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	4,207.08
Funding acquisitions and other strategic initiatives	2,000.00	400.00
General corporate purposes	*1,006.28	-
Total	10,116.68	6,467.68

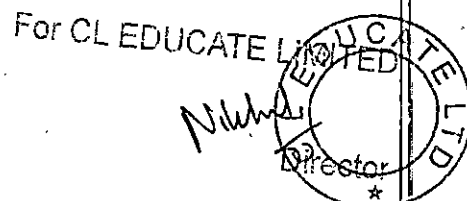
* subject to finalization/ reconciliation of pending fees/ charges

During the quarter ended June 30, 2017, the Company had acquired remaining 5,880 equity shares of Accendere Knowledge Management Services Private Limited (AKMS) constituting 49% of the total paid up capital of AKMS for Rs. 1,323.00 lacs, making AKMS a wholly owned subsidiary of the Company. Subsequent to quarter ended September 30, 2017, the Company has paid balance outstanding in this respect of Rs. 661.50 lacs, out of the proceeds from IPO.

Subsequent to quarter ended September 30, 2017, the company has acquired 5,070 equity shares of Ice Gate Educational Institute Private Limited (IceGate) constituting 50.7% of the total paid up capital, for Rs. 623.61 lacs. The said amount was paid by the Company out of the proceeds from IPO.

Subsequent to the quarter ended September 30, 2017, the Company has paid Rs. 150.00 lacs to Indiacan Education Private Limited in respect of the Eten business acquired by the Company vide Business Transfer Agreement dated April 18, 2017 out of the proceeds from IPO.


6. 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.
7. The basic and diluted earnings per share have been calculated in accordance with the Ind AS-33 "Earnings Per Share".



8. During the quarter ended September 30, 2017, the Company purchased Compulsorily Convertible Preference Shares (CCPS) amounting Rs. 400.00 lacs in the education technology Company namely, ThreesixtyOne Degree Minds Consulting Private Limited (361 DM). The Company already holds 4.43% of the paid up capital of 361 DM. 361 DM has been considered as an Associate of the Company and its results have been consolidated using the Equity method for the period ended September 30, 2017.
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 21, 2017

For CLE EDUCATE LIMITED
By the order of the Board


Nikhil Mahajan
Director

Executive Director and Group CEO Enterprise
Business

