
Standalone Financial Statements of CL Educate Limited

For the year ended March 31,
2018

INDEPENDENT AUDITOR'S REPORT

To the Members of CL Educate Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying Standalone Ind AS financial statements of CL Educate Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended and a summary of significant accounting policies and other explanatory information, (hereinafter referred to as "Ind AS Financial Statements").

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Standalone Ind AS financial statements that give a true and fair view of the (state of affairs) financial position, profit or loss (financial performance including other comprehensive income) cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the Standalone Ind AS financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibility

Our responsibility is to express an opinion on these Standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS financial statements, whether due to fraud or error. In making those risk



assessments, the auditor considers internal financial control relevant to the Company's preparation of the Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS financial statements.

We are also responsible to conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the Standalone Ind AS financial statements or, if such disclosures are inadequate, to modify the opinion. Our conclusions are based on the audit evidence obtained up to the date of the auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs of the Company as at 31st March, 2018, its loss including other comprehensive income, its cash flows and changes in equity for the year ended on that date.

Emphasis of Matter

We draw attention to Note 50 of accompanying Standalone Ind AS financial statements, wherein the Management has explained the reasons for considering certain old vocational outstanding receivables as recoverable.

Our opinion is not modified in respect of this matter.

Other Matter

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening balance sheet as at April 01, 2016 included in these Standalone Ind AS financial statements, are based on the previously issued statutory financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 which were audited by us, on which we expressed an unmodified opinion dated May 29, 2017 and July 28, 2016 respectively. The adjustments to those financial statements for the differences in accounting principles adopted by the Company on transition to the Ind AS have been audited by us.

Report on Other Legal and Regulatory Requirements

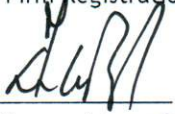
- (1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.



(2) As required by Section 143(3) of the Act, we report that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss, Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act read with relevant rules issued thereunder;
- e. On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2";
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 43 on Contingent Liabilities and Note 43 on Contingent Assets to the standalone Ind AS financial statements;
 - (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/W100048


Raj Kumar Agarwal
Partner
Membership No.: 074715



Place: New Delhi
Date: May 23, 2018

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of CL Educate Limited ("the Company") on the financial statements for the year ended March 31, 2018]

- (i)
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) It was informed to us that the title deeds of immovable properties recorded as fixed assets in the books of account of the Company are mortgaged with the banks/ financial institutions for availing the secured loan. Hence, we are unable to verify the original deed of immovable property held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) The Company has granted unsecured loans to companies and other parties covered in the register maintained under Section 189 of the Act.
- (a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of loans granted by the Company to 2 parties covered in the register maintained under Section 189 of the Act, (total loan amount granted Rs. 17,141 and balance outstanding as at balance sheet date Rs. 53,863,452) are prejudicial to the Company's interest on account of the fact that the Company is not charging any interest on such loan.
- (b) The schedule of repayment of principal and payment of interest in respect of such loans has not been stipulated thus we are unable to comment whether the repayments or receipts are regular and report amounts overdue for more than ninety days, if any, as required under paragraph 3(iii)(c) of the Order.
- (c) In respect of the aforesaid loans, as the schedule of repayment of principal has not been stipulated, we are unable to comment whether there is any overdue amount of loan granted to company and other parties listed in the register maintained under Section 189 of the Act
- (iv) According to the information and explanations given to us in respect of loans, investments, guarantees, and securities, the Company has complied with the provisions of Section 185 and 186 of the Act, except for the details given below:

Nature of non compliance	Name of Company/party	Amount Involved	Balance as at March 31, 2018
Loan given at rate of interest lower than prescribed	Kestone Asia Hub Pte Ltd.	Nil	833,500
	Career Launcher Education Foundation	17,141	53,029,952

- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.



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Chartered Accountants

(vi) We have broadly reviewed the books of account maintained by the Company in respect of products where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

(vii)

(a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, however, there have been slight delays in few cases.

According to the information and explanations given to us, no undisputed dues in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, which were outstanding, at the year end for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us, the dues outstanding with respect to, income tax, sales tax, service tax, value added tax, goods and service tax, customs duty, excise duty on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount Rs (in Lacs)	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	166.36	-	October 2010 to September 2011	Commissioner of Service Tax, New Delhi
Finance Act, 1994	Service tax	125.53	-	October 2011 to June 2012	Commissioner of Service Tax, New Delhi
Finance Act, 1994	Cenvat Credit reversal	46.54	-	September 2004 to March 2007	Central Excise and Service Tax Appellate Tribunal, New Delhi
Finance Act, 1994	Cenvat Credit reversal	15.69	-	October 2007 to March 2008	Commissioner of Service Tax, New Delhi
Finance Act, 1994	Cenvat Credit reversal	400.97	-	April 2008 to March 2012	Commissioner of Service Tax, New Delhi
Income Tax Act, 1961	Income Tax	46.18	-	AY 2010-11	Commissioner of Income tax (Appeals), New Delhi
Income Tax Act, 1961	Income Tax	607.47	-	AY 2013-14	Commissioner of Income tax (Appeals), New Delhi
Income Tax Act, 1961	Income Tax	718.32	-	AY 2011-12	Income tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Income Tax	501.44	-	AY 2012-13	Income tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Income Tax	48.75	-	AY 2014-15	Income tax Appellate Tribunal, New Delhi



- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution and bank. The Company has neither taken any loans or borrowings from government nor has it issued any debentures..
- (ix) The Company had during the previous financial year made an Initial Public Offer (IPO). The net proceeds of the IPO were received on 31 March 2017. The material portion of IPO proceeds were primarily utilised in current financial year. In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of IPO and the term loans during the year for the purposes for which they were raised (refer note no. 51 of the financial statements for details of issue size, utilisation and unutilised portion of IPO proceeds). The details of unutilised portion of the IPO proceeds as on March 31, 2018 are detailed here under:

Nature of the fund raised	Details of funds pending utilisation	Amount (Rs. In Lacs)	Remarks
Initial public offer	Meeting working capital requirement of Company and its subsidiaries	606.87	The unutilized funds have been temporarily deployed in bank fixed deposits.
	Funding acquisition and other strategic initiatives	164.89	
	General corporate purpose	1,010.25	
Total		1,782.01	

- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.

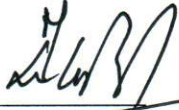


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- (xvi) According to the information and explanation given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048



Raj Kumar Agarwal
Partner
Membership No. 074715

Date: May 23, 2018
Place: New Delhi



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of CL Educate Limited on the standalone Ind AS financial statements for the year ended March 31, 2018]

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of CL Educate Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.



Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that:

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified opinion

According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified as at March 31, 2018:

- a) Procurement policy implemented for purchase of goods and services was not operating effectively, which could potentially result in the Company procuring unnecessary goods and services, or procuring goods of lower quality, or procure goods and services at higher prices.
- b) Policy of periodic balance confirmations and reconciliations of receivables / payables were not operating effectively during the year, which may result in unwarranted disputes and over/ understatement of party balances.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI.



HARIBHAKTI & CO. LLP

Chartered Accountants

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2018 standalone Ind AS financial statements of the Company, and the material weakness does not affect our opinion on the standalone Ind AS financial statements of the Company.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.103523W/100048



Raj Kumar Agarwal
Partner
Membership No.074715

Place: New Delhi
Date: May 23, 2018



CL Educate Limited
 Balance Sheet as at March 31, 2018
 (All amounts are in Rupees lacs, unless otherwise stated)

	Notes	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Assets				
Non-current assets				
Property, plant and equipment	3	3,803.30	3,756.99	3,316.19
Investment property	4	108.78	110.85	112.91
Goodwill	5	212.38	-	-
Other intangible assets	6	1,984.33	1,181.83	1,030.49
Intangibles under developemnt		117.74	-	-
Investment in subsidiaries and associates	7	19,429.86	17,031.97	17,025.59
Financial assets				
(i) Investments	8	-	50.00	50.00
(ii) Loans	9	217.22	123.38	87.27
(iii) Other financial assets	10	1,474.15	1,211.65	1,120.30
Deferred tax assets (net)	11	485.24	696.18	637.55
Non-current tax assets (net)	12	1,034.18	532.88	532.88
Other non-current assets	13	54.42	237.05	241.58
Total non-current assets		28,921.60	24,932.78	24,154.76
Current assets				
Inventories	14	462.91	476.01	421.26
Financial assets				
(i) Trade receivables	15	5,942.98	6,457.55	6,324.02
(ii) Cash and cash equivalents	16	1,158.92	8,514.89	761.58
(iii) Bank balances other than (ii) above	17	2,615.82	12,947.37	37.52
(iv) Loans	18	4,327.98	3,383.04	1,472.88
(v) Other financial assets	19	867.22	514.05	792.13
Other current assets	20	1,373.35	1,024.98	1,675.80
		16,749.18	33,317.89	11,485.19
Assets classified as held for sale	21	-	-	518.65
Total current assets		16,749.18	33,317.89	12,003.84
Total assets		45,670.78	58,250.67	36,158.60
Equity and liabilities				
Equity				
Equity share capital	22	1,416.57	1,416.33	1,193.96
Other equity	23	32,971.60	33,106.75	22,970.12
Total equity		34,388.17	34,523.08	24,164.08

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CL Educate Limited
 Balance Sheet as at March 31, 2018
 (All amounts are in Rupees lacs, unless otherwise stated)

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Liabilities

Non-current liabilities

Financial liabilities

(i) Borrowings	24	490.09	341.37	483.01
Provisions	25	272.46	244.48	229.28
Other non-current liabilities	26	246.93	301.88	296.54
Total non-current liabilities		1,009.48	887.73	1,008.83

Current liabilities

Financial liabilities

(i) Borrowings	27	3,148.91	3,311.81	3,305.30
(ii) Trade payables	28	3,920.53	5,448.67	5,145.88
(iii) Other financial liabilities	29	1,460.67	12,589.02	1,071.71
Other current liabilities	30	1,299.21	1,074.35	1,205.37
Provisions	31	16.22	5.71	5.96
Current tax liabilities (net)	32	427.59	410.30	251.47
Total current liabilities		10,273.13	22,839.86	10,985.69

Total liabilities

	11,282.61	23,727.59	11,994.52
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Total equity and liabilities

	45,670.78	58,250.67	36,158.60
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Summary of significant accounting policies 2

The accompanying notes 1 to 60 are an integral part of these financial statements.

As per report of even date.

For Haribhakti & Co. LLP
 Chartered Accountants
 Firm registration No. 107523W/W/00048

Raj Kumar Agarwal
 Partner
 Membership No.: 074715



Place: New Delhi
 Date: May 23, 2018

For and on behalf of the Board of Directors of
 CL Educate Limited

Gautam Puri
 Vice Chairman and MD
 DIN: 00038548

Rachna Sharma
 Company Secretary
 and Compliance Officer
 ICSI M. No.: A17780

Place: New Delhi
 Date: May 23, 2018



Nikhil Mahajan
 Nikhil Mahajan
 Executive Director and
 Group CEO Enterprise
 Business
 DIN: 00033404
 Sudhir Bhargava
 Chief Financial Officer

CL Educate Limited

Statement of profit and loss for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

	Notes	Year ended March 31, 2018	Year ended March 31, 2017
Income			
Revenue from operations	34	15,521.39	14,285.33
Other income	35	1,344.24	960.73
Total income		16,865.63	15,246.06
Expenses			
Purchases of stock in trade	36	1,091.87	1,065.77
Changes in inventories of stock in trade	37	10.38	(65.96)
Employee benefit expense	38	3,213.37	2,695.12
Finance costs	39	340.10	541.71
Depreciation and amortisation expense	40	690.13	479.27
Franchisee expenses		5,877.89	4,865.36
Other expenses	41	5,778.14	4,950.32
Total expenses		17,001.88	14,531.59
(Loss)/Profit before tax		(136.25)	714.47
Tax expense/(benefit)			
- Current tax	33	-	282.70
- Deferred tax		62.34	(61.01)
Total tax expense		62.34	221.69
(Loss)/Profit for the year		(198.59)	492.78
Other comprehensive Income			
Items that will not be reclassified to statement of profit and loss			
Remeasurement of defined benefit plans		20.40	6.85
Income tax relating to these items		(7.06)	(2.37)
Total other comprehensive Income for the year		13.34	4.48
Total comprehensive income/(expense) for the year		(185.25)	497.26
Earnings per equity share			
Basic	42	(1.40)	4.12
Diluted		(1.40)	4.11

Summary of significant accounting policies

2

The accompanying notes 1 to 60 are an integral part of these financial statements.

As per report of even date.

For Haribhakti & Co. LLP

Chartered Accountants

Firm registration No. 103523W/W100048

Raj Kumar Agarwal
Partner

Membership No.: 074715



For and on behalf of the Board of Directors of
CL Educate Limited

Gautam Puri
Vice Chairman and MD
DIN: 00033548

Rachna Sharma
Company Secretary
and Compliance Officer
ICSI M. No.: A17780



Nikhil Mahajan
Executive Director and
Group CEO Enterprise
Business
DIN: 00033404

Sudhir Bhargava
Chief Financial Officer

Place: New Delhi
Date: May 23, 2018

Place: New Delhi
Date: May 23, 2018

CL Educate Limited
Statement of cash flows for the year ended March 31, 2018
(All amounts are in Rupees lacs unless otherwise stated)

	Year ended March 31, 2018	Year ended March 31, 2017
A. Cash flow from operating activities		
Net Profit before tax	(136.25)	714.47
Adjustment for:		
Depreciation and amortisation	690.13	479.27
Depreciation on investment property	2.06	2.06
Loss on sale of property, plant and equipment	-	0.24
Provision for obsolescence of inventory	12.78	11.21
Finance cost	319.71	511.18
Rent income on investments property	(23.05)	(21.19)
Advances written off	11.53	98.31
Liability no longer required written back	(21.74)	(17.74)
Unwinding of interest on security deposits	(21.65)	(16.19)
Transfer to stock options outstanding	14.26	(62.07)
Unrealised net loss on foreign currency transactions and translation	-	(16.83)
Expense recognized on amortized cost	23.31	16.70
Commission income on financial guarantee	(3.66)	(21.98)
Interest Income	(690.89)	(188.08)
Loss allowance on advances	-	14.65
Loss allowance on doubtful debtors	100.42	12.60
Bad debts written off	673.93	461.87
Operating profit before working capital changes	950.89	1,978.48
Movements in working capital :-		
- (Increase)/Decrease in Trade receivables	(259.78)	(588.00)
- (Increase)/Decrease in Inventories	0.32	(65.96)
- (Increase)/Decrease in Non-current loans and other financial assets	(72.19)	(19.92)
- (Increase)/Decrease in Current loans and other financial assets	22.06	12.13
- (Increase)/Decrease in Other non current assets	184.25	1.25
- (Increase)/Decrease in Other current assets	(374.94)	521.58
- Increase/(Decrease) in Other non-current liabilities	(61.33)	(1.04)
- Increase/(Decrease) in Trade payables	(1,528.14)	300.60
- Increase/(Decrease) in Provisions	58.89	21.80
- Increase/(Decrease) in Other current financial liabilities	(11,395.69)	11,737.49
- Increase/(Decrease) in Other current liabilities	248.97	(99.21)
Cash Generated from/ (used in) operations	(12,226.69)	13,799.20
Less: Income Tax Paid (net of refunds)	(484.01)	(123.87)
Net Cash generated from / (used in) operating activities (A)	(12,710.70)	13,675.33
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(40.97)	(175.19)
Purchase/development of other intangible assets	(1,153.58)	(257.84)
Internally generated intangible assets	(181.59)	(165.99)
Purchase of investment of in subsidiaries/associates and businesses	(2,517.43)	(150.00)
Purchase of investment/business out of IPO utilisation	-	-
Purchase of ETEN business	-	-
Net proceeds of property, plant and equipment	-	0.60
Rent income on investments property	23.05	21.19
Loans given to subsidiaries	(2,396.57)	(2,319.33)
Proceeds from realisation of loan given to subsidiaries	1,220.23	589.87
Term deposits not considered as cash and cash equivalents	10,069.05	(13,001.20)
Interest received	565.26	195.92
Net Cash Generated from / (Used in) Investing Activities (B)	5,587.45	(15,261.97)
C. Cash Flow from Financing Activities		
Proceeds from issue of equity share capital (including securities premium)	10.80	11,075.70
IPO expenses paid	(11.16)	(1,082.87)
Proceeds from long-term borrowings	700.00	150.00
Repayment of long-term borrowings	(457.20)	(314.40)
Net decrease/(increase) in working capital borrowings	(162.90)	6.51
Interest expense Paid	(312.26)	(494.99)
Net Cash generated from / (used in) Financing Activities (C)	(232.72)	9,339.95
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	(7,355.97)	7,753.31
Balance at the beginning of the year		
Cash and cash equivalents at the beginning of the year	8,514.89	760.51
Effect of exchange differences on cash and cash equivalents held in foreign currency	-	1.07
Balance at the end of the year	1,158.92	8,514.89



Notes to cash flow statement

(i) Components of cash and cash equivalents (refer note 16 and 27)

Balances with banks		
- on current account	1,037.66	8,419.37
Cheques/ drafts on hand	36.24	32.42
Cash on hand	85.02	63.10
	<u>1,158.92</u>	<u>8,514.89</u>

(ii) Reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities:

Particulars	Non-current borrowings (including current maturities)	Current borrowings	Interest on borrowings
For the year ended March 31, 2018			
Balance as at April 1, 2017	592.61	3,311.81	6.85
Loan draws (in cash) /Interest accrued during the year	700.00	(162.90)	303.36
Loan repayments/interest payment during the year	(457.20)	-	(312.26)
Other non cash changes	(8.90)	-	3.67
Balance as at March 31, 2018	<u>826.51</u>	<u>3,148.91</u>	<u>1.62</u>

There are no non-cash changes on account of effect of changes in foreign exchange rates and fair values.

(iii) The above Cash Flow Statement has been prepared in accordance with the "Indirect Method" as set out in the Ind AS - 7 on "Cash Flow Statements" specified under Section 133 of the Companies Act, 2013, as applicable.

(iv) The above statement of cash flows should be read in conjunction with the accompanying notes 1 to 60.

As per our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
Firm registration No. 107623W/W100048

Raj Kumar Agarwal
Partner
Membership No. 074715



Place: New Delhi
Date: May 23, 2018

For and on behalf of the Board of Directors of
CL Educate Limited

Gautam Puri
Vice Chairman and MD
DIN: 00038548

Rachna Sharma
Company Secretary
and Compliance Officer
ICSI M. No.: A17780

Place: New Delhi
Date: May 23, 2018



Nikhil Mahajan
Executive Director and
Group CEO Enterprise
Business
DIN: 00033404

Sudhir Bhargava
Chief Financial Officer

CL Educate Limited
Statement of changes in equity for the year ended March 31, 2018
(All amounts are in Rupees lacs, unless otherwise stated)

(a) Equity share capital	Amount
Particulars	
Balance as at April 1, 2016	1,193.96
Change in equity share capital during the year	222.37
Balance as at March 31, 2017	1,416.33
Change in equity share capital during the year	0.24
Balance as at March 31, 2018	1,416.57

Particulars	Attributable to owners of the company							Total
	Retained earnings	Security premium reserve	Share options outstanding amount	Reserves and surplus	Deemed equity contribution	Capital reserve	Items of OCI Remeasurement of defined benefit plans	
Balance as at April 1, 2016	2,513.03	20,083.60	283.75	64.69	24.84	0.20	-	22,970.11
Profit/(loss) for the year	492.78	-	-	-	-	-	-	492.78
Addition during the year	-	10,853.33	-	-	8.40	-	-	10,861.73
Share issue expenses	-	(1,082.87)	-	-	-	-	-	(1,082.87)
Gross compensation for the year	-	-	(139.48)	-	-	-	-	(139.48)
Other comprehensive income/(expense) for the year	-	-	-	-	-	-	4.48	4.48
Total comprehensive income for the year	492.78	9,770.46	(139.48)	-	8.40	-	4.48	10,136.64
Balance as at March 31, 2017	3,005.81	29,854.06	144.27	64.69	33.24	0.20	4.48	33,106.75
Profit/(loss) for the year	(198.59)	-	-	-	-	-	-	(198.59)
Addition during the year	-	10.56	-	-	18.24	-	-	28.80
Share issue expenses	-	(11.16)	-	-	-	-	-	(11.16)
Gross compensation for the year	-	-	32.46	-	-	-	-	32.46
Other comprehensive income for the year	-	-	-	-	-	-	13.34	13.34
Total comprehensive income for the year	(198.59)	(0.60)	32.46	-	18.24	-	13.34	(135.15)
Balance as at March 31, 2018	2,807.22	29,853.46	176.73	64.69	51.48	0.20	17.82	32,971.60

The accompanying notes 1 to 60 an integral part of these financial statements.

As per our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
Firm registration No. 108524W/1000046

Raj Kumar Agarwal
Partner
Membership No.: 074715



For and on behalf of the Board of Directors of
CL Educate Limited

Nikhil Mahajan
Executive Director and Group CEO
Enterprise Business
DIN: 00033404

Gautam Puri
Vice Chairman and MD
DIN: 00033448

Rachna Sharma
Company Secretary
and Compliance Officer
ICSI M. No.: A17780



Place: New Delhi
Date: May 23, 2018

Reporting Entity

CL Educate Limited ('the Company') is a company domiciled in India, with its registered office situated at A-41, Espire Building, Lower Ground Floor, Mohan Co-operative Industrial Area, Main Mathura Road, New Delhi - 110 044. The Company was incorporated in India on April 25, 1996 to conduct various educational and consulting programmes. The Company is providing education and test preparation training programmes which include tuitions to school students and coaching to aspirants for a variety of entrance examinations both at the school and graduate / post graduate levels.

The company's equity shares are listed with Bombay Stock Exchange Limited (BSE) and National Stock Exchange (NSE) in India

1. Basis of preparation.

(i) Statement of compliance:

These standalone financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of Companies Act, 2013, (the 'Act') and other relevant provisions of the Act.

The Company's standalone financial statements up to and for the year ended March 31, 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act as per IGAAP ("Previous GAAP").

As these are the Company's first standalone financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 58.

The financial statement provides comparative information in respect of previous year. In addition, the company presents balance sheet as at beginning of the previous year (April 1, 2016), which is the transition date of Ind AS.

These standalone financial statements were authorised for issue by the Company's Board of Directors on May 23, 2018.

The significant accounting policies adopted in the preparation of these financial statements are included in note 2. These policies have been consistently applied to all the years presented, unless otherwise stated.

(ii) Current and non-current classification

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act.

Based on the nature of services, the operating cycle of the Company cannot be ascertained as it typically ranges from 1 month to 2 years given the wide range of various tuitions and test preparation coaching programmes being offered by the Company. In absence of any ascertainable operating cycle, the same has been taken as 12 months for the purpose of current and non-current classification of assets and liabilities except in case of trade receivables, unearned revenue, trade payables related to franchisee fees and prepaid franchisee fees which in view of the management are directly linked to revenue from coaching and hence have been treated as current for the purpose of classification.



(iii) Functional and presentation currency

These standalone financial statements are presented in Indian Rupees (Rs.), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lacs, unless otherwise indicated.

(iv) Basis of measurement

The standalone financial statements have been prepared on the historical cost basis except for the following items:

Items	Measurement basis
Certain financial assets and liabilities	Fair value
Net defined benefit (asset)/ liability	Fair value of plan assets less present value of defined benefit obligations
Contingent consideration in business combination	Fair value
Share based payments	Fair value
Assets held for sale	Lower of carrying amount and fair value less cost to sell.

(v) Use of estimates and judgements

In preparing these standalone financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognised in the standalone financial statements is included in the following notes:

- Note no 44: leases: whether an arrangement contains a lease;
- Note no 44: lease classification.
- Note no 56: classification of financial assets: assessment of business model within which the assets are held and assessment of whether the contractual terms of the financial asset are solely payments of principal and interest on the principal amount outstanding.;
- Note no 21: assets held for sale: availability of the asset for immediate sale, management's commitment for the sale and probability of sale to conclude if their carrying amount will be recovered principally through a sale transaction rather than through continuing use.



Assumptions and estimation uncertainties

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2018 is included in the following notes:

- Note no 45: measurement of defined benefit obligations and plan assets: key actuarial assumptions;
- Note no 3: measurement of useful lives and residual values to property, plant and equipment;
- Note no 4: measurement of useful lives of intangible assets;
- Note no 56: fair value measurement of financial instruments;
- Note no 43: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources;
- Note no 33: recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used.
- Note no 3 and 6: impairment test of non-financial assets: key assumptions underlying recoverable amounts including the recoverability of expenditure on internally- generated intangible assets;
- Note no 56: impairment of financial assets.
- Note no 5: impairment of goodwill.
- Note 7: acquisition of subsidiary and associates: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis; and

(vi) Measurement of fair value

A number of accounting policies and disclosures require measurement of fair value for both financial and non-financial assets and liabilities.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an ordinary transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either -

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible to/ by the Company.

All assets and liabilities for which fair value is measured or disclosed in the standalone financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole-

Level 1 – Quoted (unadjusted) prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

The Company measures financial instruments, such as, investments (other than investment in subsidiaries), at fair value at each reporting date. The same are disclosed in Note 56.



2. Significant accounting policies

(i) Revenue

Revenue is recognised when it is probable that the entity will receive the economic benefits associated with the transaction and the related revenue can be reliably measured. Revenue is recognised at the fair value of the consideration received or receivable, which is generally the transaction price, net of any taxes/duties and discounts.

Educational and training business of the Company includes revenue from services and sales of text books.

Revenue from services

Revenue in respect of educational and training programme received from students is recognised in profit and loss in proportion to the stage of completion of the services at the reporting date. The stage of completion is assessed by reference to the curriculum. Fee is recorded at invoice value, net of discounts and taxes, if any.

Revenue in respect of vocational training is recognised over the period of the training duration, after taking into account the uncertainty involved in conditions to be fulfilled under the terms of the contract.

Revenue from sale of text books

In case of online sale of text books is recognised when the significant risk and rewards of ownership are passed onto the customers, which is generally on dispatch/delivery of goods to the customer.

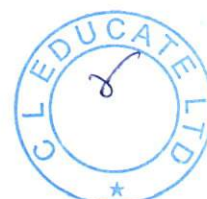
In case of test preparation services sale of text books is recognised at the time of receipt of payment on account of education and training program provided by the Company and is recorded net of discounts and taxes, if any.

Other operating income

- Revenue in respect of start-up fees from franchisees is recognised on performing a contractually agreed assignment over a period of time, whether during a single period or over more than one period as per agreed terms of the franchise agreement.

Other income

- Revenue from advertising income is recognised on stage of completion basis as per the terms of the agreement.
- Revenue from infrastructure fees is recognised on straight line basis over the period of contract.
- Rental income from investment property is recognised as part of revenue from operations in profit or loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation. Lease incentives granted are recognised as an integral part of the total rental income, over the term of the lease.



Interest income

Interest income on time deposits and inter corporate loans is recognised using the effective interest method.

The 'effective interest rate' is the rate that exactly discounts estimated future cash payments or receipts through the expected life of the financial instrument to the gross carrying amount of the financial asset.

Dividend

Dividend income is recognised in profit and loss on the date on which the company's right to receive payment is established.

Unbilled revenue

Unbilled revenue, included in other current financial assets, represents amounts recognised based on services performed in advance of billing in accordance with service terms.

Unearned revenue

Amounts billed and received or recoverable prior to the reporting date for services and such services or part of such services are to be performed after the reporting date are recorded as unearned revenue in other current liabilities.

(ii) Property, plant and equipment

Recognition and measurement

Items of property, plant and equipment are measured at cost, net of recoverable taxes (wherever applicable), which includes capitalised borrowing costs less accumulated depreciation and accumulated impairment losses, if any.

Cost of an item of property, plant and equipment comprises its purchase price, including import duties and non-refundable purchase taxes, if any, after deducting trade discounts and rebates, any directly attributable cost of bringing the item to its working condition for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for as separate items (major components) of property, plant and equipment.

Any gain or loss on disposal of an item of property, plant and equipment is recognised in the statement of profit and loss.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its property, plant and equipment recognised as at April 1, 2016, measured as per the Previous GAAP, and use that carrying value as the deemed cost of such property, plant and equipment.

Subsequent expenditure

Subsequent expenditure are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only if it is probable that future economic benefits associated with the expenditure will



flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

All other repairs and maintenance are charged to the statement of profit and loss during the reporting year in which they are incurred.

Depreciation methods, estimated useful lives and residual values

Depreciation is calculated on cost of items of property, plant and equipment less their estimated residual value over their useful life using straight line method, and is recognised in the statement of profit and loss.

The estimated useful lives of items of property, plant and equipment for the current and comparative periods are as under and the same are equal to lives specified as per schedule II of the Act.

Particulars	Useful lives (in years)
Tangible assets:	
Leasehold land	90 (period of lease)
Building	60
Furniture and fixtures	8-10
Plant & Machinery	15
Office equipment	5
Vehicle	8-10
Computer equipment	3
Computer servers and networks	6
Leasehold improvements	Lesser of 3 years or period of lease

Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on addition to property, plant and equipment is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation on sale/discard from property, plant and equipment is provided for up to the date of sale, deduction or discard of property, plant and equipment as the case may be.

Depreciation method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.

Reclassification to investment property

When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

(iii) **Goodwill and other intangible assets**

Goodwill

For measurement of goodwill that arises on a business combination (see Note 5). Subsequent measurement is at cost less any accumulated impairment losses.

Other intangible assets

An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the company and where its cost can be reliably measured.



Intangible assets are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Internally generated intangible assets.

Expenditure on research activities is recognised in the statement of profit and loss as incurred.

Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in the statement of profit and loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

Others

Other intangible assets including those acquired by the Company in a business combination are initially measured at cost. Such intangible assets are subsequently measured at cost less accumulated amortisation and any accumulated impairment losses.

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in the statement of profit and loss as incurred.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognised as at April 1, 2016, measured as per the Previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Amortisation

Goodwill is not amortised and is tested for impairment annually.

Amortisation is calculated to write off the cost of intangible assets over their estimated useful lives using the straight-line method, and is included in depreciation and amortisation in the statement of profit and loss.

The useful lives of intangible assets are as follows:

Intangible assets:	Useful lives (in years)
Brand	10
Software	5
Website	5
Content development	5
Non-compete fees	3-4
Intellectual property rights	5-10
CAT online module	1-3

Amortisation method, useful lives and residual values are reviewed at each financial year-end, and changes, if any, are accounted for prospectively.



Losses arising from the retirement of, and gain or losses arising from disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognised as income or expense in the statement of profit and loss.

(iv) Business combinations

As part of its transition to Ind AS, the Company has elected to apply the relevant Ind AS, viz. Ind AS 103, Business Combinations, to only those business combinations that occurred on or after the transition date.

In accordance with Ind AS 103, the Company accounts for these business combinations using the acquisition method when control is transferred to the Company. The consideration transferred for the business combination is generally measured at fair value as at the date the control is acquired (acquisition date), as are the net identifiable assets acquired. Any goodwill that arises is tested annually for impairment. Any gain on a bargain purchase is recognised in other comprehensive income ("OCI") and accumulated in equity as capital reserve if there exists clear evidence of the underlying reasons for classifying the business combination as resulting in a bargain purchase; otherwise the gain is recognised directly in equity as capital reserve. Transaction costs are expensed as incurred except to the extent of issue of debt or equity securities.

Any contingent consideration is measured at fair value at the date of acquisition. If an obligation to pay contingent consideration that meets the definition of a financial instrument is classified as equity, then it is not re-measured subsequently and settlement is accounted for within equity. Other contingent consideration is re-measured at fair value at each reporting date and changes in the fair value of the contingent consideration are recognised in profit or loss.

(v) Impairment of non-financial assets

The Company's non-financial assets, other than inventories and deferred tax assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, then the asset's or CGU's recoverable amount is estimated. Goodwill is tested annually for impairment.

For impairment testing, assets that do not generate independent cash inflows are grouped together into cash-generating units (CGUs). Each CGU represents the smallest group of assets that generates cash inflows that are largely independent of the cash inflows of other assets or CGUs.

Goodwill arising from a business combination is allocated to CGUs or groups of CGUs that are expected to benefit from the synergies of the combination.

The recoverable amount of a CGU (or an individual asset) is the higher of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the CGU (or the asset).

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

After impairment, depreciation/amortisation is provided on the revised carrying amount of the asset over its remaining useful life.



(vi) Investment property

Investment property is property held either to earn rental income or for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes. Upon initial recognition, an investment property is measured at cost. Subsequent to initial recognition, investment property is measured at cost less accumulated depreciation and accumulated impairment losses, if any.

Transition to Ind AS

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its investment property recognised as at April 1, 2016, measured as per the Previous GAAP and use that carrying value as the deemed cost of such investment property.

The fair value of investment property is disclosed in the notes. Fair value is determined by an independent valuer who holds a recognised and relevant professional qualification and has recent experience in the relevant location and category of the investment property being valued.

Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management, which are equal to useful lives specified as per Schedule II to the Act.

Particulars	Useful lives (in years)
Building	60

Any gain or loss on disposal of an investment property is recognised in the statement of profit and loss.

(vii) Borrowing costs

Borrowing costs are interest and other costs incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalised as part of the cost of that asset. Other borrowing costs are recognised as an expense in the period in which they are incurred.

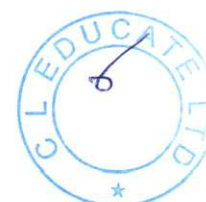
(viii) Investment in subsidiaries and associates

Investment in subsidiaries and associates are carried at cost, less any impairment in the value of investment, in these standalone financial statements.

(ix) Financial instruments**i. Recognition and initial measurement**

Trade receivables and debt securities issued are initially recognised when they are originated. All other financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument.

A financial asset or financial liability is initially measured at fair value plus, transaction costs that are directly attributable to its acquisition or issue, except for an item recognised at fair value through profit and loss. Transaction cost of financial assets carried at fair value through profit and loss is expensed in the statement of profit and loss.



ii. Classification and subsequent measurement

Financial assets

On initial recognition, a financial asset is classified as measured at

- amortised cost;
- Fair value through other comprehensive income (OCI), or
- Fair value through profit and loss (FVTPL)

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortised cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

A debt investment is measured at FVOCI if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

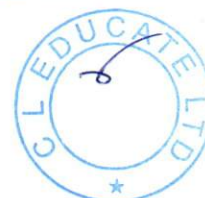
On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI (designated as FVOCI - equity investment). This election is made on an investment by investment basis.

All financial assets not classified to be measured at amortised cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortised cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would otherwise arise.

Financial assets: Business model assessment

The Company makes an assessment of the objective of the business model in which a financial asset is held at a portfolio level because this best reflects the way the business is managed and information is provided to management. The information considered includes:

- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
- how the performance of the portfolio is evaluated and reported to the Company's management;
- the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;



- how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
- the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity

Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets

Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.

Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

For the purposes of this assessment, 'principal' is defined as the fair value of the financial asset on initial recognition. 'Interest' is defined as consideration for the time value of money and for the credit risk associated with the principal amount outstanding during a particular period of time and for other basic lending risks and costs (e.g. liquidity risk and administrative costs), as well as a profit margin.

In assessing whether the contractual cash flows are solely payments of principal and interest, the Company considers the contractual terms of the instrument. This includes assessing whether the financial asset contains a contractual term that could change the timing or amount of contractual cash flows such that it would not meet this condition. In making this assessment, the Company considers:

- contingent events that would change the amount or timing of cash flows;
- terms that may adjust the contractual coupon rate, including variable interest rate features; prepayment and extension features; and
- terms that limit the Company's claim to cash flows from specified assets (e.g. non-recourse features).

A prepayment feature is consistent with the solely payments of principal and interest criterion if the prepayment amount substantially represents unpaid amounts of principal and interest on the principal amount outstanding, which may include reasonable additional compensation for early termination of the contract. Additionally, for a financial asset acquired at a significant discount or premium to its contractual par amount, a feature that permits or requires prepayment at an amount that substantially represents the contractual par amount plus accrued (but unpaid) contractual interest (which may also include reasonable additional compensation for early termination) is treated as consistent with this criterion if the fair value of the prepayment feature is insignificant at initial recognition.

Financial assets: Subsequent measurement and gains and losses

Financial assets at amortised cost: These assets are subsequently measured at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses, if any. Interest income and impairment are recognised in the statement of profit and loss. Any gain or loss on derecognition is recognised in statement of profit and loss.

Financial assets at FVTPL: These assets are subsequently measured at fair value. Net gains and losses, including any interest income, are recognised in the statement of profit and loss.

Debts investments at FVOCI: These assets are subsequently measured at fair value. Interest income under the effective interest method, foreign exchange gains and losses and impairment are recognised in profit or loss. Other net gains and losses are recognised in OCI. On Derecognition, gains and losses accumulated in OCI are reclassified to profit or loss.



Equity investments at FVOCI: These assets are subsequently measured at fair value. Dividends are recognised as income in profit or loss unless the dividend clearly represents a recovery of part of the cost of the investment. Other net gains and losses are recognised in OCI and are not reclassified to profit or loss.

Financial liabilities: classification, subsequent measurement & gain and loss

Financial liabilities are classified as measured at amortised cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held for trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognised in the statement of profit and loss. Other financial liabilities are subsequently measured at amortised cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognised in the statement of profit and loss. Any gain or loss on derecognition is also recognised in the statement of profit and loss.

iii. Offsetting

Financial assets and monetary liabilities are offset and the net amount presented in the balance sheet when, and only when, the Company currently has a legally enforceable right to set off the amounts and it intends either to settle them on a net basis or to realise the assets and settle the liabilities simultaneously.

iv. Derecognition

Financial assets

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Company enters into transactions whereby it transfers assets recognised on its balance sheet, but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognised.

Financial liabilities

The Company derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

v. Impairment of financial instruments:

The Company recognises loss allowances for expected credit losses on:-

- Financial assets measured at amortised cost; and
- Financial assets measured at FVOCI- debt investments



At each reporting date, the Company assesses whether financial assets carried at amortised cost and debt securities at FVOCI are credit impaired. A financial asset is 'credit-impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred. Evidence that a financial asset is credit-impaired includes the following observable data:

- significant financial difficulty of the borrower or issuer;
- a breach of contract such as a default or being past due for agreed credit period;
- the restructuring of a loan or advance by the Company on terms that the Company would not consider otherwise;
- it is probable that the borrower will enter bankruptcy or other financial reorganisation; or
- the disappearance of an active market for a security because of financial difficulties.

Expected credit loss:

Loss allowances for trade receivables are always measured at an amount equal to lifetime expected credit losses.

Lifetime expected credit losses are the expected credit losses that result from all possible default events over the expected life of a financial instrument.

12-month expected credit losses are the portion of expected credit losses that result from default events that are possible within 12 months after the reporting date (or a shorter period if the expected life of the instrument is less than 12 months).

In all cases, the maximum period considered when estimating expected credit losses is the maximum contractual period over which the Company is exposed to credit risk.

When determining whether the credit risk of a financial asset has increased significantly since initial recognition and when estimating expected credit losses, the Company considers reasonable and supportable information that is relevant and available without undue cost or effort. This includes both quantitative and qualitative information and analysis, based on the Company's historical experience and informed credit assessment and including forward looking information.

The Company assumes that the credit risk on a financial asset has increased significantly if it is more than agreed credit period.

The Company considers a financial asset to be in default when:

- the borrower is unlikely to pay its credit obligations to the Company in full, without recourse by the Company to actions such as realising security (if any is held); or
- the financial asset is past due and not recovered within agreed credit period.

Measurement of expected credit losses

Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive).

Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets disclosed in the Balance Sheet.



Write-off

The gross carrying amount of a financial asset is written off (either partially or in full) to the extent that there is no realistic prospect of recovery. This is generally the case when the Company determines that the debtor does not have assets or sources of income that could generate sufficient cash flows to repay the amounts subject to the write-off. However, financial assets that are written off could still be subject to enforcement activities in order to comply with the Company's procedures for recovery of amounts due.

(x) **Non-current assets held for sale**

Non-current assets or disposal groups comprising assets and liabilities are classified as held for sale if it is highly probable that the carrying value will be recovered primarily through sale rather than through continuing use.

Such assets or disposal group are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognised in the statement of profit and loss.

Once classified as held-for-sale the related assets are no longer amortised or depreciated, and any equity-accounted investee is no longer equity accounted.

The gain or loss arising from de-recognition of an item of property, plant and equipment, classified as held for sale, shall be included in profit or loss when the item is derecognised; which is determined as the difference between the net disposal proceeds, if any, and the carrying amount of the item.

(xi) **Leases:**

Determining whether an arrangement contains a lease.

The determination of whether an arrangement is, or contains, a lease is based on the substance of an arrangement at inception date: whether fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset, even if that right is not explicitly specified in an arrangement.

At inception or on reassessment of the arrangement that contains a lease, the payments and other consideration required by such an arrangement are separated into those for the lease and those for other elements on the basis of their relative fair values.

Where the Company is lessee

Finance lease

Finance leases, which effectively transfer to the Company substantially all the risks and benefits incidental to ownership of the leased item, are capitalized at the inception of the lease term at the lower of the fair value of the leased property and present value of minimum lease payments. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised as finance costs in the statement of profit and loss. Lease management fees, legal charges and other initial direct costs of lease are capitalised.

A leased asset is depreciated on a straight-line basis over the useful life of the asset as determined by the management or the useful life envisaged in Schedule II to the Act, whichever is lower. However, if there is no reasonable certainty that the Company will obtain the ownership by the end of the lease term, the capitalised asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term and the useful life envisaged in Schedule II to the Act.



Operating lease

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Payments made under operating leases are generally recognised in the statement of profit and loss on a straight-line basis over the term of the lease unless such payments are structured to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. Lease incentives received are recognised as an integral part of the total lease expense over the term of the lease.

Where the Company is the lessor

Finance lease

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognised in the statement of profit and loss. Initial direct costs are included in the initial measurement of the finance lease receivable and reduces the amount of income recognised over the lease term.

Operating lease

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. Lease income on an operating leases is recognised in the statement of profit and loss on a straight-line basis over the lease term unless such payments are structured to increase in line with expected general inflation.

(xii) **Inventories**

Inventories comprising of traded goods are measured at the lower of cost and net realisable value. The cost of inventories is based on the first in, first out formula.

The Cost comprises all costs of purchases and other costs incurred in bringing the inventory to their present location and condition. Net realisable value is the estimated selling price in the ordinary course of business less estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item by item basis.

(xiii) **Employee Benefits**

Short term employee benefits:

Short term employee benefit obligation are measured on an undiscounted basis and are expenses off as the related services is provided. Benefits such as salaries, wages, and bonus etc. are recognised in the statement of profit and loss in the year in which the employee renders the related service. The liabilities are presented as current employee benefit obligation in the balance sheet..



Long term employee benefits***Defined contribution plan: Provident fund***

All employees of the Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952. These contributions are made to the fund administered and managed by the Government of India. The Company has no further obligations under the plan beyond its monthly contributions. Obligation for contribution to defined contribution plan are recognised as an employee benefit expenses in statement of profit and loss in the period during which the related services are rendered by the employees.

Defined Benefit Plan: Gratuity

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan.

The Company provides for retirement benefits in the form of Gratuity, which provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. Benefits payable to eligible employees of the company with respect to gratuity is accounted for on the basis of an actuarial valuation as at the balance sheet date.

The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation or change in return of the plan assets is recognised as an income or expense in the other comprehensive income. The Company's obligation in respect of defined benefit plans is calculated by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount and deducting the fair value of any plan assets.

The Company's determines the net interest expense (income) on the net defined benefit liability (asset) for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period to the then-net defined benefit liability (asset), taking into account any changes in the net defined benefit liability (asset) during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in the statement of profit and loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service ('past service cost' or 'past service gain') or the gain or loss on curtailment is recognised immediately in the statement of profit and loss. The Company recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Plan assets of the Company are managed by Life Insurance Corporation of India through a trust managed by the Company in terms of an insurance policy taken on fund obligations with respect to its gratuity plan.

Other long-term benefits: Compensated absences

Benefits under the Company's compensated absences scheme constitute other employee benefits. The liability in respect of compensated absences is provided on the basis of an actuarial valuation using the Projected Unit Credit Method. done by an independent actuary as at the balance sheet date. Actuarial gain and losses are recognised immediately in the statement of profit and loss.



Share based payments

The Employee Stock Option Scheme ('the Scheme') provides for the grant of equity shares of the Company to its employees. The Scheme provides that employees are granted an option to acquire equity shares of the Company that vests in a graded manner. The options may be exercised within a specified period. The Company uses the grant date fair value to account for its equity settled share based payment plans granted to employee, with a corresponding increase in equity over the period that the employees unconditionally become entitled to the awards. Compensation cost is measured using independent valuation by Black-Scholes model. Compensation cost, if any is amortised over the vesting period.

(xiv) Foreign exchange transactions and translations

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying the foreign currency amount of exchange rate between the reporting currency and foreign currency at the date of transaction.

Conversion

Foreign currency monetary assets and liabilities outstanding as at balance sheet date are restated/translated using the exchange rate prevailing at the reporting date.. Non-monetary assets and liabilities which are measured in terms of historical cost denomination in foreign currency, are reported using the exchange rate at the date of transaction except for non-monetary item measured at fair value which are translated using the exchange rates at the date when fair value is determined.

Exchange difference arising on the settlement of monetary items or on restatement of the Company's monetary items at rates different from those at which they initially recorded during the year or reported in previous financials statement (other than those relating to fixed assets and other long term monetary assets) are recognised as income or expenses in the year in which they arise.

Foreign operations:

The assets and liabilities of foreign operations are translated into INR the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transaction or an average rate if the average rate approximates the actual rate at the date of the transaction.

(xv) Income tax

Income tax comprises current and deferred tax. It is recognised in the statement of profit and loss except to the extent that it relates to a business combination or to an item recognised directly in equity or in other comprehensive income.

Current tax

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.



Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognised amounts, and it is intended to realise the asset and settle the liability on a net basis or simultaneously.

Deferred tax

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognised in respect of carried forward tax losses and tax credits. Deferred tax is not recognised for:

- temporary differences arising on the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss at the time of the transaction;
- taxable temporary differences arising on the initial recognition of goodwill.

Deferred tax assets are recognised to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognises a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realised. Deferred tax assets - unrecognised or recognised, are reviewed at each reporting date and are recognised/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realised.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Company expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be real.

Minimum alternate tax

Minimum Alternative Tax ('MAT') credit entitlement under the provisions of the Income-tax Act, 1961 is recognised as a deferred tax asset when it is probable that future economic benefit associated with it in the form of adjustment of future income tax liability, will flow to the Company and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Company becomes liable to pay income taxes at the enacted tax rates. MAT credit entitlement is reviewed at each reporting date and is recognised to the extent that is probable that future taxable profits will be available against which they can be used. Significant management judgement is required to determine the probability of recognition of MAT credit entitlement.

(xvi) **Contingent Liability, Contingent Asset and Provisions**

Contingent liability

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be



required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Provisions

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation.

If the effect of the time value of money is material, provisions are determined by discounting the expected future cash flows (representing the best estimate of the expenditure required to settle the present obligation at the balance sheet date) at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

(xvii) **Cash and cash equivalents**

Cash and cash equivalents includes cash on hand, other short-term, highly liquid investments with original maturities of three months or less that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value, and bank overdrafts. Bank overdrafts are shown within borrowings in current financial liabilities in the balance sheet.

(xviii) **Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events such as bonus issue, share split or consolidation of shares.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted into equity shares as at the beginning of the period, unless they have been issued at a later date.

(xix) **Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision maker.

In accordance with Ind AS 108 - Operating Segments, the operating segments used to present segment information are identified on the basis of internal reports used by the Company's Management to allocate resources to the segments and assess their performance.

Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing is determined on an arm's length basis.

The operating segments have been identified on the basis of the nature of products/services. Further:

1. Segment revenue includes sales and other income directly identifiable with / allocable to the segment.



2. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallocable expenditure.
3. Income which relates to the Company as a whole and not allocable to segments is included in unallocable income.
4. Segment assets and liabilities include those directly identifiable with the respective segments. Unallocable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

The Board of Director(s) are collectively the Company's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. Refer Note 54 for segment information.

(xx) Dividends paid

Dividend to shareholders is recognised as a liability and deducted from equity, in the year in which the dividends are approved by the shareholders. However, interim dividends, if any, declared by the Board of directors, which does not need shareholder's approval, are recognised as a liability and deducted from retained earnings, in the year in which the dividends are so declared.

(xxi) Recent accounting pronouncements

Appendix B to Ind AS 21, Foreign currency transactions and advance consideration: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. The amendment will come into force from April 1, 2018. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

Ind AS 115- Revenue from Contract with Customers: On March 28, 2018, Ministry of Corporate Affairs ("MCA") has notified the Ind AS 115, Revenue from Contract with Customers. The core principle of the new standard is that an entity should recognize revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. Further the new standard requires enhanced disclosures about the nature, amount, timing and uncertainty of revenue and cash flows arising from the entity's contracts with customers.

The standard permits two possible methods of transition:

- Retrospective approach - Under this approach the standard will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Changes in Accounting Estimates and Errors
- Retrospectively with cumulative effect of initially applying the standard recognized at the date of initial application (Cumulative catch - up approach). The effective date for adoption of Ind AS 115 is financial periods beginning on or after April 1, 2018.

The Company will adopt the standard on April 1, 2018 by using the cumulative catch-up transition method and accordingly comparatives for the year ending or ended March 31, 2018 will not be retrospectively adjusted. The Company is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018
(All amounts are in Rupees lacs, unless otherwise stated)

3. Property, plant and equipment

Reconciliation of carrying amount	Freehold land	Leasehold land (refer note vi)	Buildings	Plant and equipment	Leasehold improvement	Furniture and fixtures	Office equipments	Computers	Vehicles	Total
Cost or deemed cost (Gross carrying amount)										
Deemed cost as at April 1, 2016	-	196.78	2,736.50	30.89	55.35	27.12	45.15	185.36	39.04	3,316.19
Additions during the year	-	-	-	0.34	85.02	6.82	22.19	15.40	-	129.77
Reclassification from asset held for sale during the year	518.65	-	-	-	-	-	-	-	-	518.65
Disposals during the year	-	-	-	-	-	-	-	-	0.84	0.84
Balance as at March 31, 2017	518.65	196.78	2,736.50	31.23	140.37	33.94	67.34	200.76	38.20	3,963.77
Balance as at April 1, 2017	518.65	196.78	2,736.50	31.23	140.37	33.94	67.34	200.76	38.20	3,963.77
Additions during the year	-	-	-	-	64.94	14.25	40.09	38.78	6.39	164.45
Acquisitions through business combination (refer note 55)	-	-	-	-	-	15.95	61.55	79.55	-	157.05
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	518.65	196.78	2,736.50	31.23	205.31	64.14	168.98	319.09	44.59	4,285.27
Accumulated depreciation										
Depreciation for the year	-	2.51	47.99	4.73	49.79	4.99	15.22	70.60	10.95	206.78
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2017	-	2.51	47.99	4.73	49.79	4.99	15.22	70.60	10.95	206.78
Balance as at April 1, 2017	-	2.51	47.99	4.73	49.79	4.99	15.22	70.60	10.95	206.78
Depreciation for the year	-	2.51	47.99	4.72	57.17	11.13	40.89	100.40	10.38	275.19
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	-	5.02	95.98	9.45	106.96	16.12	56.11	171.00	21.33	481.97
Carrying amount										
As at April 1, 2016	-	196.78	2,736.50	30.89	55.35	27.12	45.15	185.36	39.04	3,316.19
As at March 31, 2017	518.65	194.27	2,688.51	26.50	90.58	28.95	52.12	130.16	27.25	3,756.99
As at March 31, 2018	518.65	191.76	2,640.52	21.78	98.35	48.02	112.87	148.09	23.26	3,803.30

Notes:

- The Company has elected Ind AS 101 exemption and will continue with the carrying value for all of its property, plant and equipment as its deemed cost as at the date of transition, for details refer note 58.
- Pursuant to the board resolution dated October 31, 2012, the Company had classified freehold land amounting Rs. 518.65 lacs located at Faridabad, as property, plant and equipment held for sale shown under assets classified as held for sale (refer note 21). However, during the year ended March 31, 2017, due to non-availability of buyers the same has been re-classified in property, plant and equipment.
- Please refer note 43 for capital commitments.
- Please refer note 44 for details of assets held under finance lease.
- The Company has not carried out any revaluation of property, plant and equipment for the year ended March 31, 2018 and March 31, 2017.
- All property, plant and equipment, are subject to charge against secured borrowings of the company referred in notes as secured term loans from others and secured term loans from banks and bank overdrafts. (refer note 24 and 29)
- There are no impairment losses recognised during the year.
- There are no exchange differences adjusted in property, plant & equipment.
- See Accounting Policy in Note 2.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

4. Investment property

A. Reconciliation of carrying amount

Cost or deemed cost	Amount
Deemed cost as at April 1, 2016	112.91
Additions during the year	-
Balance as at March 31, 2017	112.91
Additions during the year	-
Balance as at March 31, 2018	112.91
Accumulated depreciation	
Depreciation for the year ended March 31, 2017	(2.06)
Balance as at March 31, 2017	(2.06)
Depreciation for the year ended March 31, 2018	(2.07)
Balance as at March 31, 2018	(4.13)
Carrying amounts	
As at April 1, 2016	112.91
As at March 31, 2017	110.85
As at March 31, 2018	108.78

B. Amounts recognised in Statement of profit and loss for investment property

Rental income	23.04	21.20
Profit from investment properties before depreciation	23.04	21.20
Depreciation expense	(2.06)	(2.07)
Profit from investment property	20.98	19.13

C. Measurement of fair value

	March 31, 2018	March 31, 2017	April 1, 2016
Investment property	480.00	480.00	480.00
	480.00	480.00	480.00



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

D. Estimation of fair values

The Company obtains independent valuations for each of its investment property by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued.

Fair market value is the amount expressed in terms of money that may be reasonably be expected to be exchanged between a willing buyer and a willing seller, with equity or both. The valuation by the valuer assumes that Company shall continue to operate and run the assets to have economic utility.

Valuation technique:

Under the market comparable method (or market comparable approach), a property's fair value is estimated based on comparable transactions. The market comparable approach is based upon the principle of substitution under which a potential buyer will not pay more for the property than it will cost to buy a comparable substitute property. In theory, the best comparable sale would be an exact duplicate of the subject property and would indicate, by the known selling price of the duplicate, the price for which the subject property could be sold. The unit of comparison applied by the Company is the price per square metre (sqm).

Fair value hierarchy

The fair value measurement for the investment property has been categorised as a Level 2 fair value based on the inputs to the valuation technique used.

The valuation techniques and the inputs used in the fair value measurement categorised within Level 2 of the fair value hierarchy is as follows:

Valuation technique

Market method

Observable inputs

Guideline rate (Per sq. m.) Similar piece of land rate (Per sq. m.)

The fair values of the investment property as at March 31, 2018 and March 31, 2017 significantly approximates with the fair value computed as at April 1, 2016.

E. Leasing arrangements

The Company has given its premises on cancellable operating lease to one of its franchise. Lease receipts recognized in the Statement of profit and loss (including of depreciation of Rs. 2.07 lacs (March 31, 2017: Rs. 2.06 lacs) during the year amounts to Rs. 23.05 lacs (March 31, 2017: Rs 21.20 lacs). Further information about these leases is included in Note 44.

Notes:

- i. The Company has elected Ind AS 101 exemption and continue with the carrying value for all of its property, plant and equipment as its deemed cost as at the date of transition, for details refer note 58.
- ii. The Company has not carried out any revaluation of investment property for the year ended March 31, 2018 and March 31, 2017.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018
(All amounts are in Rupees lacs, unless otherwise stated)

5. Goodwill

Reconciliation of carrying amount

	Amount
Cost or deemed cost	-
Deemed cost as at April 1, 2016	-
Acquisitions through business combinations	-
Impairment charge	-
Balance as at March 31, 2017	-
Acquisitions through business combination	212.38
Impairment charge	-
Balance as at March 31, 2018	212.38

5.1 Impairment tests for Goodwill

Goodwill is monitored by Management at the level of operating segments identified in note 54.

For the purpose of impairment testing, goodwill is allocated to the Company's operating divisions which represent the lowest level within the Company at which goodwill is monitored for internal management purposes, which is not higher than the Company's operating segments. The aggregate carrying amounts of goodwill allocated to segments are as follows:

	March 31, 2018	March 31, 2017	April 1, 2016
Consumer test prep	212.38	-	-

5.2 Significant estimate: key assumptions used for value-in-use calculations

The Company tests whether goodwill has suffered any impairment on an annual basis. The recoverable amount of a cash generating unit (CGU) is determined based on value-in-use calculations which require the use of assumptions. The calculations use cash flow projections based on financial budgets approved by management covering a five-year period. Cash flows beyond the five-year period are extrapolated using the estimated growth rates stated below. These growth rates are consistent with forecasts included in industry reports specific to the industry in which each CGU operates.

The following table sets out the key assumptions for those CGUs that have significant goodwill allocated to them. The values assigned to the key assumptions represent management's assessment of future trends in the relevant industries and have been on historical data from both external and internal sources.

	March 31, 2018	March 31, 2017	April 1, 2016
Sales volume (% annual growth rate)	21.00%	-	-
Long term growth rate (%)	6.00%	-	-
Pre-tax discount rate (%)	17.12%	-	-

Management has determined the values assigned to each of the above key assumptions as follows:

Assumption Approach used to determining values

Sales volume :	Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.
Long-term growth rate:	This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.
Pre-tax discount rates:	Reflect specific risks relating to the relevant segments and the countries in which they operate.



CL Educate Limited
Notes to the standalone financial statements for the year ended March 31, 2018
(All amounts are in Rupees lacs, unless otherwise stated)

6. Other intangible assets

Reconciliation of carrying amount	Intellectual property rights and trademarks	Softwares	Content development (refer note ii)	CAT online module	Non compete fees (refer note iii)	Brand (refer note iv)	Wain Connect	IQM (refer note v)	Melting Pot (refer note vi)	Total
Cost or deemed cost (Gross carrying amount)										
Balance as at April 1, 2016	712.65	39.23	274.74	3.87	-	-	-	-	-	1,030.49
Acquisitions through business combination (refer note 55)	-	-	-	-	-	-	-	-	-	-
Other additions during the year	26.43	14.14	211.55	5.72	-	-	-	-	-	257.84
Additions - internally developed (refer note a below)	-	-	165.99	-	-	-	-	-	-	165.99
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2017	739.08	53.37	652.28	9.59	-	-	-	-	-	1,454.32
Balance as at April 1, 2017	739.08	53.37	652.28	9.59	-	-	-	-	-	1,454.32
Acquisitions through business combination (refer note 55)	-	-	-	-	79.00	330.00	-	-	-	409.00
Other additions during the year	-	24.72	331.15	17.38	-	-	22.50	118.40	-	626.84
Additions - Internally developed (refer note a below)	-	-	181.59	-	-	-	-	-	-	181.59
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	739.08	78.09	1,165.02	26.97	79.00	330.00	22.50	118.40	112.69	2,671.75
Accumulated amortisation										
Balance as at April 1, 2016	-	-	-	-	-	-	-	-	-	-
Amortisation for the year	138.19	12.42	113.23	8.65	-	-	-	-	-	272.49
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2017	138.19	12.42	113.23	8.65	-	-	-	-	-	272.49
Balance as at April 1, 2017	138.19	12.42	113.23	8.65	-	-	-	-	-	272.49
Amortisation for the year	140.61	14.58	196.08	1.14	22.57	33.00	1.13	2.98	2.84	414.93
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	278.80	27.00	309.31	9.79	22.57	33.00	1.13	2.98	2.84	687.42
Carrying amount										
As at April 1, 2016	712.65	39.23	274.74	3.87	-	-	-	-	-	1,030.49
As at March 31, 2017	600.89	40.95	539.05	0.94	-	-	-	-	-	1,181.83
As at March 31, 2018	460.28	51.09	855.71	17.18	56.43	297.00	21.37	115.42	109.85	1,984.33

Refer note 'a' below for internally generated intangible assets.

- The Company has elected Ind AS 101 exemption and continue with the carrying value for all of its intangible assets as its deemed cost as at the date of transition, for details refer note 58.
- Content is at core of the offering of the test preparation product and is an intellectual property. It includes content in form of books, questions and solutions, mock test, video lectures and analysis of test papers. Amortisation is calculated to write off the cost of content over their estimated useful life (range 1 to 5 years) using the straight-line method.
- A non-competee fee is the outcome of an agreement entered between company and Indicaan for on-going business should be protected from competition by the outgoing entity. Amortisation is calculated to write off the cost of non compete fees over its useful life of 5 years using the straight-line method.
- Brand is recognised separately for ETEN acquisition, ETEN was a business division of Indicaan, engaged in the test preparation business for chartered accountancy courses and civil services entrance examination supported by VSAT (very small aperture terminal) network in India, and was acquired by the Company via Business Transfer Agreement. Amortisation is calculated to write off the cost of brand over its useful life of 10 years using the straight-line method.
- Inquisitive Minds (IQM) is India's biggest quiz challenge at school and college level. It is an endeavour to encourage young India to learn through contests and know more about what's happening around the world. Amortisation is calculated to write off the cost of IQM over its useful life of 10 years using the straight-line method.
- Melting Pot 2020 Innovation Summit is the platform for enabling collaboration, networking and knowledge sharing between the various stakeholders in the innovation eco-system to catalyze the transformation of the region into a global innovation hub. Amortisation is calculated to write off the cost of 'Melting Pot' over its useful life of 10 years using the straight-line method.
- The Company has not carried out any revaluation of intangible assets for the year ended March 31, 2018 and March 31, 2017.
- The company does not have acquired intangible assets free of charge, or for nominal consideration, by way of a government grant.
- There are no other restriction on title of intangible assets other than as already disclosed.
- Intangible assets are subject to first pari passu charge to secure the Company's borrowings referred in notes as secured term loan from banks and bank overdrafts. (refer note 24 and 29).
- There are no exchange differences adjusted in intangible assets.
- Refer note 40 for amortisation.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

a. Details of internally generated intangible assets

Reconciliation of carrying amount	Content development (refer note i)	Total
Cost or deemed cost (Gross carrying amount)		
Balance as at April 1, 2016	18.61	18.61
Additions	165.99	165.99
Disposals		
Balance as at March 31, 2017	184.60	184.60
Balance as at April 1, 2017	184.60	184.60
Additions	181.59	181.59
Disposals		
Balance as at March 31, 2018	366.19	366.19
Accumulated amortisation		
Balance as at April 1, 2016	-	-
Amortisation for the year	19.77	19.77
Disposals		
Balance as at March 31, 2017	19.77	19.77
Balance as at April 1, 2017	19.77	19.77
Amortisation for the year	33.90	33.90
Disposals		
Balance as at March 31, 2018	53.67	53.67
Carrying amount		
As at April 1, 2016	18.61	18.61
As at March 31, 2017	164.83	164.83
As at March 31, 2018	312.52	312.52

i. Content is at core of the offering of the test preparation product and is an intellectual property. It includes content in form of books, questions and solutions, mock test, video lectures and analysis of test papers. Amortisation is calculated to write off the cost of content over their estimated useful life (range 1 to 5 years) using the straight-line method.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018
(All amounts are in Rupees lacs, unless otherwise stated)

7 Investments in subsidiaries and associates

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<i>Unquoted, at cost</i>			
9,447,606 (March 31, 2017: 9,447,606; April 1, 2016: 9,447,606) fully paid up equity shares of Rs. 10 each of Career Launcher Education Infrastructure and Services Limited	13,528.43	13,528.43	13,528.43
10,000 (March 31, 2017: 10,000; April 1, 2016: 10,000) fully paid up equity shares of Rs. 10 each of CL Media Private Limited	1.00	1.00	1.00
1,000,000 (March 31, 2017: 1,000,000; April 1, 2016: 1,000,000) fully paid up equity shares of Rs. 10 each of Kestone Integrated Marketing services Private Limited.	691.00	691.00	691.00
190,000 (March 31, 2017: 190,000; April 1, 2016: 190,000) fully paid up equity shares of Rs. 10 each of G.K. Publications Private Limited	1,433.89	1,433.89	1,433.89
12,000 (March 31, 2017: 6,120; April 1, 2016: 6,120) fully paid of equity shares of Rs. 10 each of Accendere Knowledge Management Services Private Limited	2,669.40	1,346.40	1,346.40
909 (March 31, 2017: Nil; April 1, 2016: Nil) fully paid up equity shares of Rs. 10 each of Threesixtyone Degree Minds Consulting Private Limited (refer note 8)	50.00	-	-
5,070 (March 31, 2017: Nil, April 1, 2016: Nil) fully paid up equity shares of Rs. 10 each of Ice Gate Educational Institute Private Ltd	623.61	-	-
400000 (March 31, 2017: Nil; April 1, 2016: Nil) Compulsory convertible preference share (CCPS) of Rs 100 each (face value Rs. 10 each) of Threesixtyone Degree Minds Consulting Private Limited	400.00	-	-
Deemed investment on account of financial guarantee issued for:			
- Career Launcher Education Infrastructure and Services Limited	26.77	26.78	21.48
- Kestone Integrated Marketing services Private Limited.	5.76	4.47	3.39
	19,429.86	17,031.97	17,025.59
Aggregate amount of unquoted investments	19,429.86	17,031.97	17,025.59
Aggregate amount of quoted investments	-	-	-
Aggregate amount of impairment in value of investments	-	-	-

i. There are no significant restrictions on the right of ownership, realisability of investments or the remittance of income and proceeds of disposal.

Name of entities	Relationship	Place of business	% of ownership interest	Accounting method
Career Launcher Education Infrastructure and Services Limited	Subsidiary	India	100%	Cost
CL Media Private Limited	Subsidiary	India	100%	Cost
Kestone Integrated Marketing Services Private Limited.	Subsidiary	India	100%	Cost
G.K. Publications Private Limited	Subsidiary	India	100%	Cost
Accendere Knowledge Management Services Private Limited	Subsidiary	India	100%	Cost
Ice Gate Educational Institute Private Limited	Subsidiary	India	50.70%	Cost
Threesixtyone Degree Minds Consulting Private Limited	Associate	India	4.43%	Cost

8 Non-Current Investments

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<i>In equity instruments</i>			
<i>Unquoted at fair value through profit and loss</i>			
Nil (March 31, 2017: 909; April 1, 2016: 909) fully paid up equity shares of Rs. 10 each of Threesixtyone Degree Minds Consulting Private Limited	-	50.00	50.00
	-	50.00	50.00
Aggregate amount of unquoted investments	-	50.00	50.00
Aggregate amount of impairment in value of investments	-	-	-

Note:

- There are no significant restrictions on the right of ownership, realisability of investments or the remittance of income and proceeds of disposal.
- Three sixty one degree became an associate on August 3, 2017, due to compulsory representation in the board of directors by the director nominated by the Company.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

9 Non-current financial assets - loans

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<i>Unsecured, considered good</i>			
Loans to employees	-	-	0.61
Security deposits	217.22	123.38	86.66
	<u>217.22</u>	<u>123.38</u>	<u>87.27</u>

The Company's exposure to credit and currency risks are disclosed in Note 56.

10 Other non-current financial assets

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Non-current bank balances (Deposits with maturity for more than 12 months from reporting date) (refer note i)	1,474.15	1,211.65	1,120.30
	<u>1,474.15</u>	<u>1,211.65</u>	<u>1,120.30</u>

Note: (i)

Non-current bank balance include:

- Deposits of Rs. 1.01 lacs (March 31, 2017: Rs. 1.01 lacs; April 1, 2016: Rs. 0.75 lacs) for issue of guarantees in favor of value added tax authorities.
- Deposits of Rs. 19.75 lacs (March 31, 2017: Rs. 19.75 lacs; April 1, 2016: Rs. 16.84 lacs) for issue of guarantees in favor of Development Support Agency of Gujarat- TDD Project.
- Deposits of Rs. 2.56 lacs (March 31, 2017: Rs. 2.56 lacs; April 1, 2016: Rs. 2.00 lacs) for issue of guarantees in favor of The Directorate of Employment Training, Gandhi Nagar-TDD.
- Deposits aggregating Rs. 1100.00 lacs (March 31, 2017: Rs. 1100.00 lacs; April 1, 2016: Rs. 1100.00 lacs) pledged with banks for certain loan facility (Refer note 24).
- Deposits of Rs. 0.82 lacs (March 31, 2017: Rs. 0.82 lacs; April 1, 2016: Rs. 0.70 lacs) submitted in bank against consumer court case appeal.
- Deposits of Rs. Nil (March 31, 2017: Rs. 87.50 lacs; April 1, 2016: Rs. Nil) pledged with Shri Ram City Union Finance Limited for loan taken (Refer note 24).
- Deposits of Rs. 350.00 lacs (March 31, 2017 Rs. Nil; 1 April 2016 Rs. Nil) pledged with RBL Banks for term loan facility (Refer note 24).

The Company's exposure to credit and currency risks are disclosed in Note 56.

11 Deferred tax assets (net)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Deferred tax assets (net) (refer note 33)	485.24	696.18	637.55
	<u>485.24</u>	<u>696.18</u>	<u>637.55</u>

12 Non-current tax assets (net)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance tax [net of provisions of Rs. 283.31 lacs (March 31, 2017: Rs. 283.31 lacs; April 1, 2016: Rs. 283.31 lacs)]	1,034.18	532.88	532.88
	<u>1,034.18</u>	<u>532.88</u>	<u>532.88</u>

13 Other non-current assets

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital advances	2.00	0.38	3.66
Prepaid expenses			
- financial guarantee commission	7.88	2.49	3.45
- prepaid rent	15.51	21.16	21.45
- franchisees recurring payments	29.03	-	-
Service tax paid under protest	-	213.02	213.02
	<u>54.42</u>	<u>237.05</u>	<u>241.58</u>



CL Educate Limited
Notes to the standalone financial statements for the year ended March 31, 2018
(All amounts are in Rupees lacs, unless otherwise stated)

14 Inventories

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<i>Valued at lower of cost and Net Realisable value unless otherwise stated</i>			
Stock in trade (text books)	491.07	491.39	425.43
Less: Provision for loss allowance	(28.16)	(15.38)	(4.17)
	<u>462.91</u>	<u>476.01</u>	<u>421.26</u>

Note i. Inventories are pledged as securities for borrowings taken from banks (refer note 24)

15 Trade receivables

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<i>Unsecured</i>			
Considered good	5,942.98	6,457.55	6,324.02
Doubtful	1,129.98	1,241.77	1,229.18
Less: Allowances for doubtful trade receivables	(1,129.98)	(1,241.77)	(1,229.18)
	<u>5,942.98</u>	<u>6,457.55</u>	<u>6,324.02</u>
Total receivable from related parties(included above)	-	-	69.21
	<u>-</u>	<u>-</u>	<u>69.21</u>

Note: For trade receivables from related parties refer note 46.

Trade receivable are non interest bearing and are normally received in normal operating cycle.

The Company's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in Note 56.

Trade receivable are pledged as securities for borrowings taken from banks (refer note 24)

16 Cash and cash equivalents

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with banks			
- on current account	1,037.66	8,419.37	684.83
Cheques/ drafts on hand	36.24	32.42	40.94
Cash on hand	85.02	63.10	35.81
	<u>1,158.92</u>	<u>8,514.89</u>	<u>761.58</u>

The Company's exposure to liquidity risks are disclosed in Note 56.

17 Bank balances other than cash and cash equivalent

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unpaid dividend account- bank balance (refer note iii)	0.18	0.19	0.26
Restricted balances with banks			
- on current account (refer note (i))	-	12,905.98	-
Deposits with original maturity for more than three months but less than twelve months (refer note (ii))	2,615.64	41.20	37.26
	<u>2,615.82</u>	<u>12,947.37</u>	<u>37.52</u>

Note :

(i) Rs. Nil (March 31, 2017: Rs. 12,905.98 lacs ; April 1, 2016: Nil) lying in public issue account CL Educate IPO and which is considered as restricted cash.

(ii) Deposits of Rs. 15.50 lacs (March 31, 2017: Rs. 15.50 lacs ; April 1, 2016: Rs. 13.34 lacs) for issue of guarantees in favor of Northern Eastern Council Secretariat, Shillong.

(iii) The amount represents minimum balance required to be maintained in current account and does not represent unpaid dividend amount.

The Company's exposure to liquidity risks are disclosed in Note 56.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

18 Current financial assets - loans

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<i>Unsecured, considered good</i>			
Loans to employees	34.05	10.42	12.02
Security deposits	105.36	360.39	178.09
Loans to related parties	4,188.57	3,012.23	1,282.77
<i>Unsecured, considered doubtful</i>			
Loans to CL USA	399.49	399.49	399.49
Less: Provision for loss allowance	(399.49)	(399.49)	(399.49)
Loans to related parties	8.34	8.34	14.04
Less: Provision for loss allowance	(8.34)	(8.34)	(14.04)
Security deposits	28.05	28.05	13.86
Less: Provision for loss allowance	(28.05)	(28.05)	(13.86)
	4,327.98	3,383.04	1,472.88

Refer note 46 for transactions with related party

The Company's exposure to credit and currency risks are disclosed in Note 56.

19 Other current financial assets

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Interest accrued on fixed deposits	131.12	5.49	13.33
Other receivables from related parties	736.10	508.56	778.80
	867.22	514.05	792.13

Refer note 46 for transactions with related party

The Company's exposure to credit and currency risks are disclosed in Note 56.

20 Other current assets

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advances to suppliers	220.69	59.54	578.45
Prepaid expenses	722.64	771.76	917.17
Prepaid financial guarantee commission	6.45	3.56	2.73
Prepaid rent	21.98	18.75	11.31
Advances to employees	-	12.23	60.09
Other advances to related parties	95.50	95.50	95.50
Service tax credit receivable	306.09	63.64	10.55
	1,373.35	1,024.98	1,675.80

Refer note 46 for transactions with related party

21 Assets classified as held for sale

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Property, plant and equipment held for sale	-	-	518.65
	-	-	518.65

Pursuant to the Board Resolution dated October 31, 2012, the Company had classified freehold land amounting Rs. 518.65 lacs located at Faridabad, as assets held for sale. However, during the year March 31, 2017, due to non availability of buyers the same has been re-classified in property, plant and equipment.

Fair value measurements

The fair value of asset classified as held for sale is higher than its carrying value as at April 1, 2016 and hence no impairment loss has been recognised.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

22 Share capital

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Authorised			
16,000,000 (March 31, 2017: 16,000,000; April 1, 2016: 16,000,000) equity shares of Rs. 10 each	1,600.00	1,600.00	1,600.00
Issued, subscribed and paid-up			
14,165,678 (March 31, 2017: 14,163,278; April 1, 2016: 11,939,588) equity shares of Rs. 10 each fully paid up	1,416.57	1,416.33	1,193.96
	<u>1,416.57</u>	<u>1,416.33</u>	<u>1,193.96</u>

a. Terms and rights attached to equity shares

Voting

Each holder of equity shares is entitled to one vote per share held.

Dividends

The Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting except in the case where interim dividend is distributed. The Company has not distributed any dividend in the current year and previous years.

Liquidation

In the event of liquidation of the Company, the holders of equity shares shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any. Such distribution amounts will be in proportion to the number of equity shares held by the shareholders.

b. Reconciliation of number of shares outstanding at the beginning and end of the year :

	Year ended March 31, 2018		Year ended March 31, 2017	
	No. of shares	Amount	No. of shares	Amount
At the beginning of year	14,163,278	1,416.33	11,939,588	1,193.96
Add: Share issued during the year by way of:				
- Employee stock option plan	2,400	0.24	43,571	4.36
- Allotment of share for a consideration in cash (Refer note i)	-	-	2,180,119	218.01
Outstanding at the end of the year	<u>14,165,678</u>	<u>1,416.57</u>	<u>14,163,278</u>	<u>1,416.33</u>

Note: (i)

For the year ended March 31, 2018

Pursuant to ESOP Plan, 2,400 equity shares of the Company of Rs.10 each were allotted at Rs. 300 per equity share.

Date of allotment	No. of shares	Share capital	Securities Premium	Total
October 13, 2017	2,400	0.24	6.96	7.20

For the year ended March 31, 2017

During the year ended March 31, 2017, the Company had completed the initial public offer (IPO), pursuant to which 2,180,119 equity shares of Rs. 10 each were allotted, at an issue price of Rs 502 per equity share.

The Equity Shares of the Company were listed on National Stock Exchange of India Limited (NSE) and BSE Limited (BSE) with effect from March 31, 2017.

c. Details of shareholders holding more than 5% shares in the Company:

	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	No. of shares	Percentage	No. of shares	Percentage	No. of shares	Percentage
Promoters' Holding						
Mr. Gautum Puri	2,262,579	15.97%	2,262,579	15.97%	2,562,579	21.46%
Mr. Satya Narayanan R	2,262,579	15.97%	2,262,579	15.97%	2,562,579	21.46%
GPE (India) Limited	946,473	6.68%	946,473	6.68%	1,426,473	11.95%
Bilakes Consulting Private Limited	1,253,090	8.85%	1,253,090	8.85%	1,253,090	10.50%
	<u>6,724,721</u>	<u>47.47%</u>	<u>6,724,721</u>	<u>47.47%</u>	<u>7,804,721</u>	<u>65.37%</u>

d. Aggregate number of shares issued for consideration other than cash during the period of five years immediately preceding the reporting date

	As at March 31, 2018 (No. of shares)	As at March 31, 2017 (No. of shares)	As at April 1, 2016 (No. of shares)
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash	1,511,627	1,511,627	2,092,555
	<u>1,511,627</u>	<u>1,511,627</u>	<u>2,092,555</u>



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

In addition to aforesaid, the Company has issued equity shares aggregating 77,700 (March 31, 2017: 75,300; April 1, 2016: 36,504) of Rs. 10 each fully paid up during the period of five years immediately preceding the reporting date, on exercise of options granted under the employee stock option plans wherein part consideration was received in form of employee services.

e. No class of shares have been bought back by the Company during the period of five years immediately preceding the reporting date.

f. Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option of the Company (refer to Note 53)

	As at March 31, 2018	As at March 31, 2017
23 Other equity		
23.1. Securities premium		
Balance at the beginning of the year	29,854.06	20,083.60
-on issue of equity shares		
-for consideration in cash	6.96	10,726.19
-of ESOP	3.60	127.14
Less: Share issue expenses	(11.16)	(1,082.87)
Closing balance (A)	29,853.46	29,854.06
23.2. Capital reserves (B)	0.20	0.20
23.3. General reserves		
Opening balance	64.69	64.69
Closing balance (C)	64.69	64.69
23.4. Employee stock option outstanding		
Gross employee stock compensation for options granted in earlier years	144.27	283.75
Add: Gross compensation for options for the year	14.26	(62.07)
Add: Gross compensation for options granted to employees of subsidiary	18.20	(77.41)
Closing balance (D)	176.73	144.27
23.5. Surplus in the Statement of Profit and Loss		
Opening balance	3,010.29	2,513.03
Add: Net profit/(loss) for the year	(198.59)	492.78
Other comprehensive income		
Remeasurement of defined benefit plans	13.34	4.48
Closing balance (E)	2,825.04	3,010.29
23.6. Deemed equity		
Opening balance	33.24	24.84
Add: Addition during the year	18.24	8.40
Closing balance (F)	51.48	33.24
Total reserves and surplus (A+B+C+D+E+F)	32,971.60	33,106.75

Nature and purpose of other reserves

(i) **General reserve**

The Company appropriates a portion to general reserves out of the profits either as per the requirements of the Companies Act 2013 (Act) or voluntarily to meet future contingencies. The said reserve is available for payment of dividend to the shareholders as per the provisions of the Companies Act, 2013.

(ii) **Securities premium reserve**

Securities premium has been created upon issue of shares at premium. The reserve shall be utilised in accordance with the provisions of the Companies Act, 2013.

(iii) **Employee stock options outstanding amount**

The Company has an equity-settled share-based payment plans for certain categories of employees of the Company. Refer to Note 53 for further details on these plans.

(iv) **Capital reserve**

The capital reserve was generated on account of acquisition of erstwhile Paragon classes in the FY 2001-02

(iv) **Deemed equity**

The Company have received financial guarantee from its promoters.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

24 Non-current borrowings

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured loan			
Vehicle loan from banks (refer note i)	8.14	15.90	27.61
Term loan from banks (refer note ii)	818.37	246.93	443.23
Unsecured loans			
Term loan from financial institutions (refer note iii)	-	329.78	284.89
Long term maturities of finance lease obligation	52.31	45.93	39.55
Total non-current borrowings	878.82	638.54	795.28
Less: Current maturities of non-current borrowings (included in note 29)	361.60	271.19	292.22
Less: Current maturities of finance lease obligation (included in note 29)	25.51	19.13	12.75
Less: Interest accrued but not due on borrowings (included in note 29)	1.62	6.85	7.30
Non-current borrowings (as per balance sheet)	490.09	341.37	483.01

The Company's exposure to currency risks, liquidity risks and interest rate risks are disclosed in Note 56.

Notes:

i. Vehicle loans from banks are secured against hypothecation of concerned vehicles.

The terms of the vehicle loans are as follows:

For amount outstanding as at March 31, 2018

Loan	Outstanding Amount	Rate of Interest	Equal monthly installment (EMI)	Date of Last EMI
	Amount		Amount	
Loan 1	2.86	14.00%	0.28	5-Feb-19
Loan 2	1.31	14.00%	0.13	5-Feb-19
Loan 3	3.89	14.00%	0.38	5-Feb-19
	8.06			

For amount outstanding as at March 31, 2017

Loan	Outstanding Amount	Rate of Interest	Equal monthly installment (EMI)	Date of Last EMI
	Amount		Amount	
Loan 1	5.58	14.00%	0.28	5-Feb-19
Loan 2	2.57	14.00%	0.13	5-Feb-19
Loan 3	7.59	14.00%	0.38	5-Feb-19
	15.74			

For amount outstanding as at April 1, 2016

Loan	Outstanding Amount	Rate of Interest	Equal monthly installment (EMI)	Date of Last EMI
	Amount		Amount	
Loan 1	0.65	11.99%	0.33	7-May-16
Loan 2	1.43	12.27%	0.25	7-Sep-16
Loan 3	3.10	11.53%	0.33	5-Jan-17
Loan 4	7.96	14.00%	0.28	5-Feb-19
Loan 5	3.66	14.00%	0.13	5-Feb-19
Loan 6	10.82	14.00%	0.38	5-Feb-19
	27.62			



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

ii. Secured term loans from bank-other term loans

- a) The Company had entered into a finance facility agreement with limit amounting Rs.5,100 lacs (March 31, 2017: 5,100 lacs; April 1, 2016: 5,100 lacs) with Kotak Mahindra Bank, under which various term loans and overdrafts have been availed at different times. The term loans so availed comprise two loans of Rs. 500 lacs and Rs. 440 lacs. Year end balances of these loans are Rs. Nil and Rs. 124.07 lacs (March 31, 2017: Nil and 245.14 lacs; April 1, 2016: 91.40 lacs and 350.09 lacs) respectively.

Interest rate

These loans carry interest at bank's base rate + 3.75% (March 31, 2017: bank's base rate + 3.75%; April 1, 2016: bank's base rate + 3.75%) per annum ranging from 10.90% to 13.25% (March 31, 2017: 13.25% to 14.25%; April 1, 2016: 13.25% to 14.25%).

Repayment schedule:

- a) The loan of Rs. 500.00 lacs was repayable in 24 equal monthly installments of Rs. 24.07 lacs (inclusive of interest) for which July 25, 2016 was the last installment date.
- b) The loan of Rs. 440.00 lacs is repayable in 48 equal monthly installments of Rs. 12.08 lacs (inclusive of interest) for which March 1, 2019 is the last installment date.

Primary security

These loans together with current borrowings are secured by way of first and exclusive charge on all present and future current and moveable assets including moveable fixed assets of the Company.

Collateral security

- a) Lien over fixed deposits of Rs. 1,100.00 lacs
- b) The loans are further secured by equitable mortgage on following properties of the Company:
- Plot No. 15-A, Block II, Knowledge Park, Greater Noida
 - Plot No. 9A, Sector 27-A, Faridabad
 - Office space No. 1 and 2, Third Floor, FC Road, Shivaji Nagar, Pune
 - Unit No. 207, Second Floor, District Centre, Laxmi Nagar, Delhi
 - Office Space No. 201, Second Floor, Business Point, Andheri West, Mumbai.
- c) The loans are further secured by personal guarantees of the promoter and directors (Satyanarayan R., Gautam Puri and Nikhil Mahajan) of the Company.
- d) These loans are part of overall limit sanctioned by the bank to the Company, which comprise term loans as detailed above, overdraft facility upto Rs. 3,850.00 lacs (March 31, 2017: 3,850.00 lacs; April 1, 2016: 4,400.00 lacs) (disclosed in current borrowings in the financial statements), cash management facility of Rs. 25.00 lacs (March 31, 2017: 25.00 lacs; April 1, 2016: 25.00 lacs) and overdraft against credit card receivables of Rs. 150.00 lacs (availed) (March 31, 2017: 150.00 lacs; April 1, 2016: 150.00 lacs). Securities mentioned above are securities provided by the Company for such overall limit.

- b) The Company had taken a term loan from Ratnakar Bank Limited (RBL). Year end balances of the loan is Rs. 700.00 lacs (March 31, 2017: Nil, April 1, 2016: Nil)

Interest rate:

- a) These loans carry interest at 10.50% per annum.

Repayment schedule:

- a) During the year, the Company has taken an loan of Rs. 700.00 lacs which is repayable in 12 equal quarterly installments of Rs. 58.33 lacs (exclusive of interest). The repayment of installments will commence from June 30, 2018 and the last installment will be due on March 31, 2021.

Primary security

- a) These loans together with current borrowings are secured by subvenient charge by way of hypothecation on all present and future current assets inclusive of stock and book debts and moveable fixed assets of the Company.
- b) Lien on fixed deposit of Rs. 3,50.00 lacs to be kept with Bank during the tenure of Loan.

Collateral security:

The loan is secured by personal guarantees of the promoter and directors (Satyanarayan R., Gautam Puri and Nikhil Mahajan) of the Company.

iii. Term Loans- from financial institutions

- a) Unsecured loans represent term loan taken from Shri Ram City Union Finance Limited was pre-paid on June 20, 2017.

Interest rate:

- a) These loans carry interest at 16.00% per annum.

Repayment schedule:

- a) During the year ended March 31, 2017, the Company has taken an additional loan of Rs. 150.00 lacs which is repayable in 36 equal monthly installments of Rs. 5.27 lacs (inclusive of interest) for which September 5, 2019 is the last installment date.
- b) As at April 1, 2016, the Company had taken loan of Rs. 300.00 lacs which is repayable in 36 equal monthly installments of Rs. 10.55 lacs (inclusive of interest) for which January 5, 2019 is the last installment date.

Collateral security:

- a) The loan is secured by personal guarantees of the promoter and directors (Satyanarayan R., Gautam Puri and Nikhil Mahajan) of the Company.
- b) Registered mortgage of agricultural land in Amritsar capitalised in the books of subsidiary named Career Launcher Infrastructure Private Limited.
- c) 125,000 shares of the Company held by Bilakes Consulting Private Limited.
- d) Deposit lien of Rs. 87.50 lacs.

- iv) Aggregate amount of loans guaranteed by directors of the Company are Rs. 3,972.99 lacs (March 31, 2017: 3,885.40 lacs; April 1, 2016: 4,031.42 lacs) [Includes amount of Rs.357.41 lacs (March 31, 2017: 266.38 lacs; April 1, 2016: 283.29 lacs) disclosed under other current financial liabilities as current maturities of non-current borrowing (Refer note 29)] and current borrowings amounting Rs. 3,148.91 lacs (March 31, 2017: 3,311.81 lacs; April 1, 2016: 3,305.30 lacs) (Refer note 27).



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

25 Non-current provisions

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits (refer note 45)			
Gratuity	134.42	116.63	107.54
Compensated absences	138.04	127.85	121.74
	272.46	244.48	229.28

Refer note 31 for current portion of provision.

26 Other non current liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unearned revenue	246.93	301.88	296.54
	246.93	301.88	296.54

27 Current borrowings

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured			
-From banks			
-Cash credit from bank (Refer note below)	3,148.91	3,311.81	3,305.30
Total current borrowings	3,148.91	3,311.81	3,305.30

Note: Details of these loans are as follows:

Cash credit represents overdrafts from Kotak Mahindra Bank which are repayable on demand.

1. It carries interest rate of 11.00% - 12.25% (March 31, 2017: 13.75% to 14.25%; April 1, 2016 13.75% to 14.00%) calculated on monthly basis on the actual amount utilised.

2. Refer note 24 for detail of security provided against such loans.

The Company's exposure to currency risks, liquidity risks and interest rate risks are disclosed in Note 56.

28 Trade payables

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Trade payables			
- to micro and small enterprises(refer note 52)	19.80	69.31	-
- to others	3,900.73	5,379.36	5,145.88
	3,920.53	5,448.67	5,145.88

Note:

i. for trade payables to related parties please refer note 46

ii. Other creditor are non interest bearing and are normally settled in normal trade cycle.

iii. The Company's exposure to currency and liquidity risks related to trade payables are disclosed in Note 56.

29 Other current financial liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current maturities of non-current term loan from banks	353.54	118.79	194.83
Current maturities of non-current term loan from others	-	145.04	85.52
Current maturities of non-current vehicle loan	8.06	7.36	11.87
Interest accrued but not due on borrowings	1.62	6.85	7.30
Current maturity of finance lease obligations	25.51	19.13	12.75
Payables for purchase of investments			
-to related parties (refer note 46)	15.08	15.08	15.08
-to others	-	100.00	250.00
Payable for property, plant and equipment			
-to related parties (refer note 46)	295.87	1.71	11.82
-to others	4.91	16.91	55.50
Employee related payables	348.24	383.84	427.04
Payable to selling shareholders	47.71	11,774.31	-
Payable towards business combination (refer note 55)	310.13	-	-
Contingent consideration (refer note 55)	50.00	-	-
	1,460.67	12,589.02	1,071.71

Note:

i. refer note 46 for payable to related parties

ii. The Company's exposure to currency risks, liquidity risks and interest rate risks are disclosed in Note 56.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

30 Other current liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Unearned revenue	961.15	856.58	902.14
Statutory dues payable	318.29	176.81	112.97
Deferred revenue for financial guarantee	3.31	5.68	21.28
Advance from customers	-	35.28	168.98
Employee imprest	16.46		
	1,299.21	1,074.35	1,205.37

31 Current provisions

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits (refer note 45)			
Gratuity	8.27	1.73	1.93
Compensated absences	7.95	3.98	4.03
	16.22	5.71	5.96

Refer note 25 for Non-current portion of provision.

32 Current tax liabilities

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for income tax [net of advance tax of Rs. 1334.09 lacs (March 31, 2017: Rs 1251.95 lacs ; April 1, 2016: Rs. 1122.08 lacs)]	427.59	410.30	251.47
	427.59	410.30	251.47

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CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

33 Income tax

A. Amounts recognised in profit or loss

	March 31, 2018	March 31, 2017
Current tax expense		
Current year	-	282.70
Adjustment for prior years	-	-
	-	282.70
Deferred tax expense	62.34	(61.01)
Total Tax Expense	62.34	221.69

B. Amounts recognised in Other Comprehensive Income

	March 31, 2018	March 31, 2017
Income tax relating to items that will not be reclassified to profit or loss		
- Income tax relating to remeasurement of defined benefit plans	(7.06)	(2.37)
	(7.06)	(2.37)

C. Reconciliation of effective tax rate

	Year ended March 31, 2018		Year ended March 31, 2017	
	Rate	Amount	Rate	Amount
Profit before tax from continuing operations	34.61%	(136.25)	34.61%	714.47
Tax benefit/expenses		47.15		247.26
Tax effect of:				
Change of tax rate		-		(16.62)
Non-deductible expenses		(12.93)		(10.52)
Non-taxable income		2.18		(4.66)
Others		3.96		6.23
Deductible expenses		21.98		-
	-45.75%	62.34	31.03%	221.69

D. Movement in deferred tax balances

	March 31, 2017	Recognized in P&L	Recognized in OCI	March 31, 2018
Deferred Tax Assets				
Provision for employee benefit	80.83	20.51	7.06	94.29
Provision for obsolescence of inventory	5.09	4.66	-	9.75
Current loans	144.11	6.74	-	150.85
Amortisation of prepaid rent	14.26	8.07	-	22.33
Finance lease adjustment	14.77	2.35	-	17.12
Deferred revenue - Franchisee fees	124.11	-	-	124.11
Deferred revenue - admission fees	261.51	-	-	261.51
Provision for expected credit loss	497.91	(38.36)	-	459.55
Provision for incentive	29.10	2.19	-	31.29
Prepaid FRP expenses	18.62	-	-	18.62
Sub- Total (a)	1,190.31	6.16	7.06	1,189.42
Deferred Tax Liabilities				
Property, plant and equipment and intangibles	(443.49)	(61.16)	-	(504.65)
Impact of discounting of security deposits	(12.75)	(7.49)	-	(20.24)
Investment property	(36.65)	(1.00)	-	(37.65)
Impact for EIR adj on Borrowings	(1.24)	1.15	-	(0.09)
Goodwill	-	-	-	(141.55)
Sub- Total (b)	(494.13)	(68.50)	-	(704.18)
Net Deferred Tax Asset (a)+(b)	696.18	(62.34)	(7.06)	485.24



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

	As at April 1, 2016	Recognized in P&L	Recognized in OCI	March 31, 2017
Deferred Tax Assets				
Provision for employee benefit	77.78	5.43	2.37	80.83
Provision for obsolescence of inventory	1.38	3.71	-	5.09
Current loans	141.31	2.80	-	144.11
Amortisation of prepaid rent	8.48	5.78	-	14.26
Finance lease adjustment	12.42	2.35	-	14.77
Deferred revenue - Franchisee fees	103.21	20.90	-	124.11
Deferred revenue - admission fees	109.97	151.54	-	261.51
Provision for expected credit loss	493.73	4.18	-	497.91
Provision for incentive	59.71	(30.61)	-	29.10
Prepaid FRP expenses	67.23	(48.61)	-	18.62
Sub- Total (a)	1,075.22	117.47	2.37	1,190.31
Deferred Tax Liabilities				
Property, plant and equipment and intangibles	(391.36)	52.13	-	(443.49)
Impact of discounting of security deposits	(7.14)	5.61	-	(12.75)
Investment property	(37.33)	(0.68)	-	(36.65)
Impact for EIR adj on Borrowings	(1.84)	(0.60)	-	(1.24)
Sub- Total (b)	(437.67)	56.46	-	(494.13)
Net Deferred Tax Asset (a)+(b)	637.55	(61.01)	(2.37)	696.18



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

34 Revenue from operations

	Year ended March 31, 2018	Year ended March 31, 2017
Sale of products:		
- Text books	3,226.40	2,818.53
Sale of services:		
- Education and training programmes	12,044.22	11,031.56
Other operating revenue		
Start up fees from franchisees	250.77	197.32
Vocational training services	-	237.92
	15,521.39	14,285.33

35 Other income

	Year ended March 31, 2018	Year ended March 31, 2017
Interest income from financial assets measured at amortised cost		
-Security deposits	21.65	16.19
Interest income on		
-Fixed deposits	320.91	87.89
-Loan to related parties (refer note 46)	369.98	100.19
Liabilities no longer required written back	21.74	17.74
Advertising income	174.32	230.06
Infrastructure fees	97.09	84.72
Manpower cost sharing	279.71	294.72
Rent income on investment property net of depreciation (refer note 4)	20.98	19.13
Sale of scrap	-	0.67
Insurance claim received	-	0.42
Finance income on financial guarantees	3.66	21.98
Income on employee stock option (ESOP) scheme (refer note 53)	-	62.07
Miscellaneous income	34.20	24.95
	1,344.24	960.73

36 Purchases of stock in trade

	Year ended March 31, 2018	Year ended March 31, 2017
Text books	1,091.87	1,065.77
	1,091.87	1,065.77

37 Changes in inventories of stock in trade

	Year ended March 31, 2018	Year ended March 31, 2017
Inventories at the end of the year	481.01	491.39
Inventories at the beginning of the year	491.39	425.43
Net decrease/(increase) in inventories of stock in trade	10.38	(65.96)

38 Employee benefit expense

	Year ended March 31, 2018	Year ended March 31, 2017
Salaries and bonus	2,925.57	2,458.09
Expenses related to post-employment defined benefit plans (refer note 45)	43.81	35.60
Expenses related to compensated absences (refer note 45)	23.58	21.74
Contribution to provident and other funds	108.96	98.24
Staff welfare expenses	97.19	81.45
Employee share-based payment expense (refer note 53)	14.26	-
	3,213.37	2,695.12



CL Educate Limited
Notes to the standalone financial statements for the year ended March 31, 2018
(All amounts are in Rupees lacs, unless otherwise stated)

39 Finance costs

	Year ended March 31, 2018	Year ended March 31, 2017
Interest expense on financial liabilities measured at amortised cost	1.65	109.40
Interest expense on other borrowings	301.71	386.87
Interest on delayed payment of statutory dues	20.39	30.53
Finance cost on finance lease obligation	6.38	6.38
Finance cost on financial guarantees	9.97	8.53
	340.10	541.71

40 Depreciation and amortisation

	Year ended March 31, 2018	Year ended March 31, 2017
Depreciation on property, plant and equipment (refer note 3)	275.20	206.78
Amortisation of intangible assets (refer note 6)	414.93	272.49
	690.13	479.27

41 Other expenses

	Year ended March 31, 2018	Year ended March 31, 2017
Faculty expenses	920.38	817.00
Rent (refer note 44)	914.11	861.44
Bad debts written off	673.93	461.87
Advertisement, publicity and sales promotion	484.65	498.00
Business promotion	476.49	317.88
Legal and professional charges (refer note i below)	336.99	132.48
Travelling and conveyance	330.68	230.44
Communication expenses	258.50	197.19
Material printing cost	272.90	234.94
Office expenses	395.59	381.90
Equipment hire expenses	125.03	241.54
Rates and taxes	61.13	34.31
Sales incentive	61.49	83.57
Repairs to:		
-Buildings	74.42	71.43
-Others	42.66	25.39
Miscellaneous expenses	152.45	158.14
Insurance	13.29	14.77
Recruitment, training and development expenses	34.86	25.62
Advances written-off	11.53	98.31
Research and Development expenses	15.29	-
Provision for obsolescence of inventory	12.78	11.21
Net loss on foreign currency transactions and translation	1.36	18.43
Loss on sale of property, plant and equipment	-	0.24
Commission to non executive directors	7.21	6.97
Loss allowance on advances	-	14.65
Loss allowance on doubtful debtors	100.42	12.60
	5,778.14	4,950.32

Note:

(i) Remuneration to Auditor (excluding Service tax/GST)

	Year ended March 31, 2018	Year ended March 31, 2017
Statutory audit	23.50	27.50
Limited review	24.00	-
Consolidation audit fee	4.00	5.00
Other matters [including fee for Initial Public Offerings (IPO)]	6.00	67.50
Out of pocket expenses	2.47	2.27
	59.97	102.27



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

42 Earning per share

	Year ended March 31, 2018	Year ended March 31, 2017
(a) Basic earnings per share		
From continuing operations attributable to the equity holders of the company	(1.40)	4.12
(b) Diluted earnings per share		
From continuing operations attributable to the equity holders of the company	(1.40)	4.11
(c) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share:		
From continuing operations	(198.59)	492.78
	<u>(198.59)</u>	<u>492.78</u>
Diluted earnings per share		
Profit from continuing operation attributable to the equity share holders	(198.59)	492.78
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	<u>(198.59)</u>	<u>492.78</u>
	No of shares	No of shares
(d) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	14,164,396	11,964,183
Adjustments for calculation of diluted earnings per share:		
Stock Options Plan	-	18,817
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	<u>14,164,396</u>	<u>11,983,000</u>

(e) Information concerning the classification of securities

Options: Options granted to employees are considered to be potential equity shares. They have been included in the determination of diluted earnings per share to the extent to which they are dilutive. The options have not been included in the determination of basic earnings per share.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

43 Contingent liabilities, contingent assets and commitments

A. Commitments

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Estimated amount of contracts remaining to be executed on capital account and not provided for			
- to related party [Net of advances of Rs.Nil (March 31, 2017: Nil; April 1, 2016: Nil)]	144.00	144.00	60.00
- to others [Net of advances of Rs. 2.00 lacs (March 31, 2017: Rs. 0.38 lacs ; April 1, 2016: Rs. 3.66 lacs)]	-	-	3.88
Total capital commitments (A)	144.00	144.00	63.88
Other material commitments			
Commitment for maintenance of contents for related party	96.00	96.00	60.00
Commitment for purchase of study material for related party	-	-	72.52
Total other material commitments (B)	96.00	96.00	132.52
Total commitments (A+B)	240.00	240.00	196.40

B. Contingent liabilities

a. Corporate guarantee given to bank/ financial institutions for loan taken by subsidiaries (refer note 46)	1,595.00	1,795.00	3,865.00
b. Claims against the Company not acknowledged as debts (refer note i)	1,508.55	805.61	3,111.38

Note i: Details of claims against the Company not acknowledged as debt

Particulars	Year pertaining	755.09	755.04	3,073.12
Service Tax and CENVAT	Matters in dispute/under appeal for various years	755.09	755.04	3,073.12
Income Tax	Matters in dispute/under appeal for various years	702.89	-	-
Other cases (a)	Matters in dispute/under appeal	50.57	50.57	38.26
Total		1,508.55	805.61	3,111.38

Amount above includes:

i. The management is of the opinion that, based on issues decided in the earlier year and the legal advice that the ultimate outcome of the legal proceedings in respect to tax matters, as given above, will not have material adverse effect to the financial position of the Company.

ii. The Company received demand of income tax amounting to Rs.718.32 lacs and Rs.501.44 lacs pertaining to AY 2011-12 and 2012-13 respectively. Although the same is a disputed and appeals have been filed with the Appellate Authority and are pending for disposal, the management of the Company is of the view that since the disputed demand pertains to a specific issue which has been consistently decided in the favour of the Company, in earlier years, by the ITAT and Honourable High Court and there being no appeal filed by the department with Supreme Court, the issue is considered to be in favour of the company and therefore there cannot be any contingent liability on the company on this specific issue for these years. Accordingly, the same not included in contingent liability. Further, in AY 2013-14 and 2014-15, the department itself has not raised any demand on this issue, which further strengthen the view of the Company.

a. Other cases

Triangle Education, a franchisee of the Company in Jaipur, had arbitrarily terminated the agreement and started a competing business using the brand of CL Educate. The Company has filed a statement of claim before the sole Arbitrator amounting Rs. 190.00 lacs (March 31, 2017: Rs. 190.00 lacs; April 1, 2016: Rs. 190.00 lacs) against triangle education. Triangle Education also filed a counter claim against the Company amounting Rs. 32.06 lacs (March 31, 2017: Rs. 32.06 lacs; April 1, 2016: Rs. 32.06 lacs).

A student, has filled a case against the Company for refund of fees amounting Rs. 6.20 lacs (March 31, 2017: Rs. 6.20 lacs; April 1, 2016: Rs. 6.20 lacs) on the ground that he paid fees to Brilliant Tutorials considering the fact that the Company has a tie-up with Brilliant Tutorial which was subsequently called off by the Company.

The Director of Industries and Commerce cum Chairman MSE- Chandigarh has sent a notice amounting Rs. 12.31 lacs (March 31, 2017: Rs.12.31 lacs including interest of Rs. 3.30 lacs) on behalf of Reivera Fabricators regarding non payment of dues on account of uniforms supplied to Indus World Schools. The Company has preferred an appeal against the same and the matter is pending for final argument.

C. Contingent assets

The Company does not have any contingent assets as at March 31, 2018, March 31, 2017 and April 1, 2016.



44 Leases

Operating leases

A. Leases as a lessee

The Company is lessee under various operating leases for coaching centers across India. The lease terms of these premises range from 1 to 3 years and accordingly are short term leases. These lease agreements have varying terms, escalation clauses ranging from 0% to 5%, renewal rights and are usually renewable on mutually agreeable terms.

Disclosure in respect of such operating leases is as given below:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:			
i			
Not later than one year	-	-	72.64
Later than one year but not later than five years	-	-	-
Later than five years	-	-	-
	<u>-</u>	<u>-</u>	<u>72.64</u>
ii			
Amounts recognised in Statement of profit and loss		Year ended March 31, 2018	Year ended March 31, 2017
Rent expense		914.11	861.44

B. Leases as a lessor

The Company has given its premises on cancellable operating lease to one of its franchise

Lease receipts are recognized in the Statement of profit and loss including depreciation on investment property during the year amounting Rs 23.05 lacs (March 31, 2017: Rs. 21.20 lacs). There are no non-cancellable leases and hence disclosure relating to minimum lease receipts has not been provided.

Finance lease

A. Leases as a lessee

The Company has obtained a leasehold land on finance lease basis. The legal title to the leasehold land vests with the lessor. The lease term of such leasehold land is 90 years with annual payments subject to an escalation clause of maximum 50% after every 10 years post commencement of the agreement. The interest rate used for arriving at the finance lease obligation is 20%.

Refer note 3 for net carrying amount at the end of reporting period.

The minimum lease payments and the present value of minimum lease payments in respect of arrangements classified as finance leases are as below:

Particulars	March 31, 2018		
	Future minimum lease payments (MLP)	Interest element of MLP	Present value of minimum lease payments
Not later than one year	12.75	6.38	6.38
Later than one year but not later than five years	25.51	25.51	-
Later than five years	452.79	419.61	45.93
	<u>491.05</u>	<u>451.50</u>	<u>52.31</u>
Particulars	March 31, 2017		
	Future minimum lease payments (MLP)	Interest element of MLP	Present value of minimum lease payments
Not later than one year	12.75	6.38	6.37
Later than one year but not later than five years	25.51	25.51	-
Later than five years	465.54	425.98	39.56
	<u>503.80</u>	<u>457.87</u>	<u>45.93</u>
Particulars	April 1, 2016		
	Future minimum lease payments (MLP)	Interest element of MLP	Present value of minimum lease payments
Not later than one year	12.75	6.38	6.38
Later than one year but not later than five years	25.51	25.51	-
Later than five years	471.92	438.74	33.18
	<u>510.18</u>	<u>470.63</u>	<u>39.56</u>



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

45 Employee benefits

The Company contributes to the following post-employment defined benefit plans in India.

(i) **Defined contribution plans:**

The Company makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund, which are defined contribution plans. The Company has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

Employers contribution to provident fund

	Year ended March 31, 2018	Year ended March 31, 2017
Employers contribution to provident fund	103.37	97.24

(ii) **Defined benefit plan:**

Gratuity

The Company operates a post-employment defined benefit plan for Gratuity. This plan entitles an employee to receive half month's salary for each year of completed service at the time of retirement/exit. The Company contributes to a trust set up by the Company which further contributes to a policy taken from the Life Insurance Corporation of India. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognize each period of service as giving rise to additional employee benefit entitlement and measures each unit separately to build up the final obligation.

A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognised in the Company's financial statements as at balance sheet date:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Net defined benefit (asset)/liability			
Gratuity (funded)	142.69	118.36	109.47
Total employee benefit liabilities	142.69	118.36	109.47
Non-current	134.42	116.63	107.54
Current	8.27	1.73	1.93

B. **Movement in net defined benefit (asset)/liability**

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset)/liability and its components:

	Year ended March 31, 2018			Year ended March 31, 2017		
	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability	Defined benefit obligation	Fair value of plan assets	Net defined benefit (asset)/ liability
Balance at the beginning of the year	129.01	10.65	118.36	121.95	12.48	109.47
Included in profit or loss						
Current service cost	29.80	-	29.80	26.84	-	26.84
Interest cost (income)	9.92	0.82	9.10	9.76	1.00	8.76
Past service cost	4.91	-	4.91	-	-	-
	44.63	0.82	43.81	36.60	1.00	35.60
Included in OCI						
Remeasurements loss (gain)						
- Actuarial loss (gain) arising from:						
- financial assumptions	(1.91)	-	(1.91)	4.13	-	4.13
- experience adjustment	(18.53)	-	(18.53)	(11.08)	-	(11.08)
Return on plan assets (excluding interest income)	-	(0.04)	0.04	-	(0.11)	0.11
	(20.44)	(0.04)	(20.40)	(6.95)	(0.11)	(6.84)
Other						
Contributions paid by the employer	-	7.53	(7.53)	-	7.97	(7.97)
Acquisition adjustment	6.19	-	6.19	-	-	-
Fund management charges	-	(2.27)	2.27	-	(0.04)	0.04
Benefits paid	(8.54)	(8.53)	(0.01)	(22.59)	(10.65)	(11.94)
	(2.35)	(3.27)	0.92	(22.59)	(2.72)	(19.87)
Balance at the end of the year	150.85	8.16	142.69	129.01	10.65	118.36

Expenses recognised in the Statement of profit and loss

	Year ended March 31, 2018	Year ended March 31, 2017
Service cost	34.71	26.84
Net interest cost	9.10	8.76
	43.81	35.60

C. **Plan assets**

The plan assets of the Company are managed by Life Insurance Corporation of India through a trust managed by the Company in terms of an insurance policy taken to fund obligations of the Company with respect to its gratuity plan. The categories of plan assets as a percentage of total plan assets is based on information provided by Life Insurance Corporation of India with respect to its investment pattern for group gratuity fund for investments managed in total for several other companies.

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Funds Managed by Insurer (investment with insurer)	100%	100%	100%



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

D. Actuarial assumptions

a) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been selected by the company.

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Discount rate	7.80%	7.69%	8%
Expected rate of future salary increase	8%	8%	8%

b) Demographic assumptions

i) Retirement age (years)

ii) Mortality rates inclusive of provision for disability

iii) Ages

Upto 30 years

From 31 to 44 years

Above 44 years

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	58	58	58
	100% of IALM (2006 - 08)		
	Withdrawal rate (%)	Withdrawal rate (%)	Withdrawal rate (%)
	3%	3%	3%
	2%	2%	2%
	1%	1%	1%

E. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

Sensitivity due to mortality and withdrawals are not material and hence impact of change not calculated. Sensitivity as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

	As at March 31, 2018		As at March 31, 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(8.95)	9.79	(7.38)	7.62
Expected rate of future salary increase (0.5% movement)	8.57	(7.85)	7.56	(7.40)

Description of risk exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

- A) Salary increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Investment risk - If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- C) Discount rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D) Mortality & disability - Actual deaths and disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

F. Expected maturity analysis of the defined benefit plans in future years

Particulars

Duration of defined benefit obligation

Less than 1 year

Between 1-2 years

Between 2-5 years

Over 5 years

Total

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
	8.27	1.73	1.93
	2.05	1.70	1.80
	7.19	10.41	10.02
	133.33	115.16	108.19
Total	150.84	129.00	121.94

Expected contributions to post-employment benefit plans for the year ending March 31, 2019 is Rs. 52.22 lacs.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 19.47 years (March 31, 2017: 19.57 years, April 1, 2016: 19.75 years).

(ii) Other long-term employee benefits:

The company provides for compensated absences to its employees. The employees can carry-forward a portion of the unutilised accrued compensated absences and utilise it in future service periods or receive cash compensation on termination of employment. Since the compensated absences do not fall due wholly within twelve months after the end of the period in which the employees render the related service and are also not expected to be utilized wholly within twelve months after the end of such period, the benefit is classified as a long-term employee benefit.

The present value obligation in respect of earned leave is determined based on actuarial valuation using the projected unit credit method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligations. The summarised positions of various defined benefits are as under:

- A. Based on the actuarial valuation obtained in this respect, the following table sets out the status of the compensated absences and the amounts recognised in the Company's financial statements as at balance sheet date:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Net defined benefit liability			
Earned Leave (unfunded)	145.99	131.83	125.77
Total employee benefit liabilities	145.99	131.83	125.77
Non-current	138.04	127.85	121.74
Current	7.95	3.98	4.03



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018
(All amounts are in Rupees lacs, unless otherwise stated)

B. Movement in net defined benefit (asset) liability

The following table shows a reconciliation from the opening balances to the closing balances for net defined benefit (asset) liability and its components:

	Year ended March 31, 2018	Year ended March 31, 2017
Defined benefit obligation		
Net defined benefit liability at the beginning of the year	131.84	125.77
Included in profit or loss		
Current service cost	29.32	27.01
Interest cost (income)	10.14	10.06
Actuarial (Gain)/Loss on obligation		
- financial assumptions	(1.71)	4.35
- demographic assumptions	-	-
- experience adjustment	(14.17)	(19.68)
	23.58	21.74
Other		
Contributions paid by the employer	-	-
Acquisition adjustment	3.37	-
Benefits paid	(12.80)	(15.68)
	(9.42)	(15.68)
Net defined benefit liability at the end of the year	145.99	131.83
Expenses recognised in the statement of profit and loss		
	Year ended March 31, 2018	Year ended March 31, 2017
Service cost	29.32	27.01
Net interest cost	10.14	10.06
Actuarial (Gain)/Loss on obligation	(15.88)	(15.33)
	23.58	21.74

C. Actuarial assumptions

a) Economic assumptions

The principal assumptions are the discount rate and salary growth rate. The discount rate is based upon the market yields available on government bonds at the accounting date with a term that matches that of liabilities. Salary increase rate takes into account of inflation, seniority, promotion and other relevant factors on long term basis. Valuation assumptions are as follows which have been selected by the company.

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Discount rate	7.80%	7.69%	8%
Expected rate of future salary increase	8%	8%	8%

b) Demographic assumptions

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
i) Retirement age (years)	58	58	58
ii) Mortality rates inclusive of provision for disability	100% of IALM (2006 - 08)		
iii) Ages	Withdrawal rate (%)	Withdrawal rate (%)	Withdrawal rate (%)
Upto 30 years	3%	3%	3%
From 31 to 44 years	2%	2%	2%
Above 44 years	1%	1%	1%

Expected contributions to post-employment benefit plans for the year ending March 31, 2019 is Rs. 51.43 lacs

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 19.47 years (March 31, 2017: 19.57 years, April 1, 2016: 19.75 years).

D. Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the obligation by the amounts shown below.

Sensitivity due to mortality and withdrawals are not material and hence impact of change not calculated. Sensitivity as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

	As at March 31, 2018		As at March 31, 2017	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(7.40)	8.01	(6.92)	7.48
Expected rate of future salary increase (0.5% movement)	7.96	(7.42)	7.42	(6.93)

Description of risk exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such company is exposed to various risks as follow -

- A) Salary Increases- Actual salary increases will increase the Plan's liability. Increase in salary increase rate assumption in future valuations will also increase the liability.
- B) Investment Risk - If Plan is funded then assets liabilities mismatch & actual investment return on assets lower than the discount rate assumed at the last valuation date can impact the liability.
- C) Discount Rate : Reduction in discount rate in subsequent valuations can increase the plan's liability.
- D) Mortality & disability - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- E) Withdrawals - Actual withdrawals proving higher or lower than assumed withdrawals and change of withdrawal rates at subsequent valuations can impact Plan's liability.

E. Expected maturity analysis of the defined benefit plans in future years

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Duration of defined benefit obligation			
Less than 1 year	7.95	3.98	4.03
Between 1-2 years	2.52	5.45	2.11
Between 2-5 years	27.75	6.57	9.31
Over 5 years	107.77	115.83	110.31
Total	145.99	131.83	125.76



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

46 Related parties

The related parties as per the terms of Ind AS-24, "Related Party Disclosures", (specified under section 133 of the Companies Act, 2013, read with Rule 7 of Companies (Accounts) Rules, 2015) are disclosed below:-

A. Names of related parties and description of relationship:

i. Related parties where control exists

Subsidiary Companies	Kestone Integrated Marketing Services Private Limited Kestone CL Asia Hub Pte. Limited (Formerly known as "Kestone Asia Hub Pte. Limited") CL Media Private Limited G K Publications Private Limited Career Launcher Education Infrastructure and Services Limited Career Launcher Infrastructure Private Limited Accendere Knowledge Management Services Private Limited ICE Gate Educational Institute Private Limited (wef November 1, 2017)
Associate Company	Three Sixty One Degree Minds Consulting Private Ltd (wef August 3, 2017)
Employees' benefit trusts, where control exists	Career Launcher Education Infrastructure & Services Limited Employee Group Gratuity Trust Career Launcher Employee Group Gratuity Trust CL Media Employee Gratuity Trust Career Launcher Infrastructure Private Limited Employee Group Gratuity Trust
Key management personnel (KMP)	Mr. Satya Narayanan R (Chairman and Executive Director) Mr. Gautam Puri (Vice Chairman and Managing Director) Mr. Nikhil Mahajan (Executive Director and Group CEO Enterprise Business) Mr. Sridar Aravamudan Iyengar (Non-Executive Independent Director) Mr. Gopal Jain (Non-Executive Non Independent Director) Mr. Viraj Tyagi (Non-Executive Independent Director) Mr. Kamil Hasan (Non-Executive Independent Director) (upto May 01, 2017) Mr. Paresch Surendra Thakker (Non-Executive Independent Director) (wef. July 02, 2017) Ms. Madhumita Ganguli (Non-Executive Independent Director) (wef. July 02, 2017) Ms. Sangeeta Modi (Non-Executive Non Independent Director) (upto July 03, 2017) Mr. Safir Anand (Non-Executive Independent Director) (upto february 7, 2018) Mr. Sushil Kumar Roongta (Additional (Non-Executive Independent) Director) (wef. March 13, 2018)

ii. Names of other related parties with whom transactions have taken place during the year :

Enterprises in which KMP and their relatives are able to exercise significant influence	Career Launcher Education Foundation, India CLEF - AP, India Nalanda Foundation, India (upto June 30, 2017) Bilakes Consulting Private Limited, India Career Launcher Employee Welfare Society Career Launcher Employee Group Gratuity Trust CL Media Employee Gratuity Trust Career Launcher Infrastructure Private Limited Employee Group Gratuity Trust Career Launcher Education Infrastructure & Services Limited Employee Group Gratuity Trust
Key management personnel (KMP)	Mr. Satya Narayanan R (Chairman and Executive Director) Mr. Gautam Puri (Vice Chairman and Managing Director) Mr. Nikhil Mahajan (Executive Director and Group CEO Enterprise Business) Mr. Sridar Aravamudan Iyengar (Non-Executive Independent Director) Mr. Viraj Tyagi (Non-Executive Independent Director) Mr. Kamil Hasan (Non-Executive Independent Director) (upto May 01, 2017) Ms. Sangeeta Modi (Non-Executive Non Independent Director) (upto July 03, 2017) Mr. Safir Anand (Non-Executive Independent Director) (upto february 7, 2018)

B. Transactions during the year:		Year ended March 31, 2018	Year ended March 31, 2017
i	Other Income		
	a. Interest on loans		
	Subsidiary Companies		
	- Career Launcher Education Infrastructure and Services Limited	63.34	1.01
	- G K Publications Private Limited	51.10	15.86
	- Career Launcher Infrastructure Private Limited	234.30	0.74
	- CL Media Private Limited	0.33	19.55
	- Accendere Knowledge Management Services Private Limited	11.57	3.38
	- Ice Gate Educational Institute Private Limited	1.92	-
	Enterprises in which KMP and their relatives are able to exercise significant influence		
	- Nalanda Foundation	7.41	59.66
		369.97	100.20
	b. Advertising income		
	Subsidiary Companies		
	- CL Media Private Limited	174.32	230.06
		174.32	230.06
	c. Infrastructure fees		
	Subsidiary Companies		
	- CL Media Private Limited	60.00	60.00
	- Career Launcher Education Infrastructure & Services Limited	-	21.00
	- G.K. Publications Private Limited	24.00	-
		84.00	81.00



CL Educate Limited
Notes to the standalone financial statements for the year ended March 31, 2018
(All amounts are in Rupees lacs, unless otherwise stated)

ii	Purchase of traded goods		
	Subsidiary Companies		
	- CL Media Private Limited	1,005.68	1,020.99
	- G.K. Publications Private Limited	53.84	39.61
		1,059.52	1,060.60
iii	Other expenses		
	Subsidiary Companies		
	a. Material development and printing expenses		
	- CL Media Private Limited	96.00	48.60
		96.00	48.60
	b. Equipment hire expenses		
	- Kestone Integrated Marketing Services Private Limited	4.80	79.26
		4.80	79.26
iv	Other expenses		
	Subsidiary Companies		
	a. Marketing research		
	- Kestone Integrated Marketing Services Private Limited	11.01	24.16
		11.01	24.16
	b. Legal and professional charges		
	- Kestone Integrated Marketing Services Private Limited	-	12.86
		-	12.86
v	Employee benefits expenses		
	Key management personnel		
	Short term employee benefits:		
	- Mr. Gautam Puri	57.96	69.83
	- Mr. Satya Narayanan R	58.61	69.83
	- Mr. Nikhil Mahajan	62.04	69.28
	Post employment benefits:		
	- Mr. Gautam Puri	5.19	-
	- Mr. Satya Narayanan R	2.94	-
	- Mr. Nikhil Mahajan	2.37	-
	Other long term benefits		
	- Mr. Gautam Puri	0.34	0.86
	- Mr. Satya Narayanan R	1.35	2.12
	- Mr. Nikhil Mahajan	0.44	1.53
vi	Reimbursement of expense from related parties		
	Subsidiary Companies		
	- Career Launcher Education Infrastructure and Services Limited	-	63.41
	- Kestone Integrated Marketing Services Private Limited	199.03	118.18
	- CL Media Private Limited	286.62	124.72
	- G K Publications Private Limited	-	4.64
	- Accendere Knowledge Management Services Private Limited	-	32.73
	Enterprises in which KMP and their relatives are able to exercise significant influence		
	- CLEF AP Trust	0.40	-
vii	Reimbursement of expense to related parties		
	Subsidiary Companies		
	- CL Media Private Limited	36.39	-
	- Career Launcher Infrastructure Private Limited	-	6.76
		36.39	6.76
viii	Loans given to related party		
	Subsidiary Companies		
	- Career Launcher Education Infrastructure and Services Limited	1,517.23	62.00
	- Career Launcher Education Foundation	0.17	1.10
	- CL Media Private Limited	-	75.00
	- Career Launcher Infrastructure Private Limited	37.50	1,860.41
	- ICE Gate Educational Institute Pvt. Ltd	50.00	-
	- G K Publications Private Limited	317.50	-
	- Accendere Knowledge Management Services Pvt. Ltd.	141.18	87.00
	Enterprises in which KMP and their relatives are able to exercise significant influence		
	- Nalanda Foundation	-	136.68
		2,063.58	2,222.19
ix	Conversion of interest into loan		
	Subsidiary Companies		
	- Career Launcher Education Infrastructure and Services Limited	57.00	0.91
	- G K Publications Private Limited	45.99	14.20
	- CL Media Private Limited	0.30	17.59
	- Career Launcher Infrastructure Private Limited	210.87	0.67
	- Accendere Knowledge Management Services Pvt. Ltd.	10.42	3.04
	- ICE Gate Educational Institute Pvt. Ltd	1.73	-
	Enterprises in which KMP and their relatives are able to exercise significant influence		
	- Nalanda Foundation	6.67	53.70
		332.98	90.11
x	Repayment of loan given		
	Subsidiary Companies		
	- G K Publications Private Limited	82.07	-
	- CL Media Private Limited	139.93	61.18
	- Career Launcher Infrastructure Private Limited	823.12	-
	- Career Launcher Education Infrastructure and Services Limited	30.00	-
	- Accendere Knowledge Management Services Pvt. Ltd.	145.11	-
	- Kestone Asia Educational Hub Pte. Ltd.	-	78.69
	Enterprises in which KMP and their relatives are able to exercise significant influence		
	- Nalanda Foundation	-	450.00
		1,220.23	589.87



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018
(All amounts are in Rupees lacs, unless otherwise stated)

xi	Commission to non-executive Directors	7.21	6.97
xii	Purchase of assets from related party		
	Subsidiary Companies		
	- CL Media Private Limited	144.00	72.00
	- Accendere Knowledge Management Services Pvt. Ltd.	-	25.44
	- Kestone Integrated Marketing Services Private Limited	253.59	-

C. Related party balances as at the year end:	March 31, 2018	March 31, 2017	April 1, 2016
Subsidiary Companies			
Trade receivables			
- CL Media Private Limited	-	-	69.21
Current Loans			
- Kestone CL Asia Hub Pte. Limited	8.34	8.34	85.70
- Career Launcher Education Foundation	530.30	530.13	529.03
- CL Media Private Limited	-	139.63	108.22
- GK Publications Private Limited	404.97	123.55	109.35
- Career Launcher Education Infrastructure and Services Limited	1,607.15	62.91	-
- Career Launcher Infrastructure Private Limited	1,286.32	1,861.07	-
- Accendere Knowledge Management Services Private Limited	96.53	90.04	-
- Ice Gate Educational Institute Private Limited	51.73	-	-
Receivables on account of transfer of property, plant and equipment			
- Career Launcher Infrastructure Private Limited	3.17	3.17	13.94
Other receivables from related parties:			
- Career Launcher Education Infrastructure and Services Limited	90.18	90.72	71.25
- GK Publications Private Limited	9.72	8.63	3.99
- Kestone Integrated Marketing Services Private Limited	133.17	38.19	106.85
- CL Media Private Limited	314.14	213.20	384.56
- Accendere Knowledge Management Services Private Limited	46.30	33.83	-
Provision for doubtful loans			
- Kestone CL Asia Hub Pte. Limited	8.34	8.34	14.04
Employee share based payment expenses to be recovered from subsidiary			
- Career Launcher Education Infrastructure and Services Limited	128.21	110.01	187.42
Trade payables			
- CL Media Private Limited	696.54	1,785.34	1,615.34
- GK Publications Private Limited	151.63	117.80	277.42
- Kestone Integrated Marketing Services Private Limited	1,184.86	1,387.70	1,421.95
Payable for expenses			
- Kestone Integrated Marketing Services Private Limited	-	47.96	3.93
- Accendere Knowledge Management Services Private Limited	1.27	-	-
- Career Launcher Infrastructure Private Limited	8.88	8.88	2.15
- CL Media Private Limited	21.19	-	-
Payable for property, plant and equipment			
- Kestone Integrated Marketing Services Private Limited	295.87	1.71	11.82
Guarantees given for loan taken by subsidiary companies			
Kestone Integrated Marketing Services Private Limited	1,450.00	1,150.00	950.00
Career Launcher Infrastructure Private Limited	-	-	2,800.00
Career Launcher Education Infrastructure and Services Limited	145.00	645.00	115.00
Enterprises in which KMP and their relatives are able to exercise significant influence			
Current loans			
- Nalanda Foundation	-	204.90	464.53
Other receivables:			
- Bilakes Consulting Private Limited	95.50	95.50	95.50
- Nalanda Foundation	-	10.80	10.80
- CLEF AP Trust	0.40	-	-
Payable for purchase of investments			
- Bilakes Consulting Private Limited	15.08	15.08	15.08
Guarantee given:			
Bilakes Consulting Private Limited	457.58	457.58	457.58
Key management personnels			
Short term employee benefits:			
- Mr. Gautam Puri	3.89	29.29	30.99
- Mr. Satya Narayanan R	4.42	33.35	32.09
- Mr. Nikhil Mahajan	15.96	33.35	32.45



CL Educate Limited
 Notes to the standalone financial statements for the year ended March 31, 2018
 (All amounts are in Rupees lacs, unless otherwise stated)

Post employment benefits:			
- Mr. Gautam Puri	15.19	10.00	10.00
- Mr. Satya Narayanan R	12.94	10.00	10.00
- Mr. Nikhil Mahajan	12.37	10.00	10.00
Other long term benefits			
- Mr. Gautam Puri	22.70	22.36	21.50
- Mr. Satya Narayanan R	21.46	20.11	17.99
- Mr. Nikhil Mahajan	21.92	21.48	19.95

Terms and conditions

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions and are at market value. Outstanding balances at the year-end are unsecured and interest free and settlement occurs in cash. For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amounts owed by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

47 Corporate Social Responsibility

The board of directors approved CSR Policy of the Company at its meeting held on February 16, 2015. In accordance with the provisions of Section 135 of the Companies Act, 2013, the Company was required to spend Rs 46.31 lacs (March 31, 2017: Rs. 28.88 lacs; April 1, 2016: Rs 16.76 lacs) on prescribed CSR activities. The Company is yet to undertake CSR activities and in accordance with the guidance provided by the Institute of Chartered Accountants of India, no provision has been recorded in the books of account towards such unspent expenditure.

48 In the financial year 2009-10, the Company had given a franchisee to Ms Monica Oli in the name of Comprehensive Education and IT Training Institute to provide test preparation services in Dubai (UAE). In the financial year 2012-13, the Company had terminated the franchise agreement on account of non-recovery of fees collected by the franchisee from students. At the time of the cancellation of agreement the total amount of receivables from and payable to Ms Monica Oli in the name of Comprehensive Education and IT Training Institute were AED 1,019,842 (Rs. 150.88 lacs) and AED 261,318 (Rs. 38.66 lacs) respectively. The details of the amount recoverable are as follows:

1. An amount of AED 625,775 on account of short deposit of fee collected by Monica Oli in the name of the Company from the students;
2. An amount of AED 1,392,200 on account of fee collected by Monica Oli against the installment due as on January 31, 2013 and not deposited in the bank account of the Company.
3. An amount of AED 18,120 on account of settlement of wage account and cancellation of visa of Mr. Yogeshwar Singh Batyal by the Company;
4. An amount of AED 4,300 on account of payment of outstanding dues of bill in respect of communication expenses of Mr. Akhilesh Jha, an employee and erstwhile center manager of Dubai office of the Company.

In the financial year 2012-13, the Company had adjusted/squared off traded receivables of AED 261,318 (Rs. 38.66 lacs) against the amounts payable to AED 261,318 (Rs. 38.66 lacs) on account of its share in the books of account.

In the financial year 2013-14, the Company had initiated legal actions against Monica Oli to recover the said amounts. The Company had sent legal notice dated November 6, 2013 to Monica Oli asking her to pay the following amounts to the Company.

- 1) An amount of AED 2,040,395 as mentioned above;
- 2) An amount of AED 50,000 on account of losses suffered by the Company due to non-communication by Monica Oli regarding termination of agreement;
- 3) An amount of AED 1,000,000 on account of damages for starting a same/similar business in violation of terms of the agreement and unauthorizedly using data/information, manuals etc. pertaining to the Company;

The Company had preferred arbitration in the matter and the Hon'ble Arbitrator had issued notices to parties for appearance.

During the financial year 2014-15, on March 16, 2015 the Hon'ble Arbitrator has passed an award amounting AED 2,063,267 (equivalent to Rs. 351.37 lacs) in favour of the Company.

During the year 2015-16, the Company has filed execution petition to Delhi High Court for execution of award passed by Hon'ble Arbitrator and matter is listed for further proceedings.

During the year, the Company has obtained necessary documents from Delhi High Court and were submitted to Ministry of Law on 13 April 2017. The Company understands that these documents have been sent to UAE through Indian Embassy for depositing in Dubai Courts for execution. On receipt of submission detail the Company will follow up the case in Dubai court.

49 The Company has filed legal cases against certain debtors for recovery of outstanding receivables amounting Rs 136.34 lacs (March 31, 2017: Rs 136.34 lacs; April 1, 2016: Rs.139.31 lacs). The Company is of the view that all such balances are fully recoverable and no provision is required. Further, the Company has also filed cases against certain parties for recovery of damages arising from fraudulent use of Company's brand name, violation of terms and conditions of employment etc, amounting Rs 728.12 lacs (March 31, 2017: Rs. 740.93 lacs; April 1, 2016: Rs. 514.61 lacs). The amount likely to be realised, in all these cases, is currently not ascertainable but the Company, based on discussion with concerned lawyers and the proceedings of the cases is hopeful that there would not be any adverse impact on the financial position, and the realisation would be more than the outstanding amount. The Company has recorded all expenses pertaining to legal and professional charges in respect of all such cases.

50 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, wherever required and such balances are fully recoverable. The details of amount recoverable are as under and refer note 56 for expected credit loss.

Nature of balance	Total Amount	Amount O/s. for more than 3 years (out of total amount)	Expected Credit Loss (ECL) on total outstanding
Vocational trade receivables	4,196.88	746.44	837.31

51 During the year ended March 31, 2017, pursuant to initial public offering (IPO), 2,180,119 equity shares of face value 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 proceeds of the IPO was in Escrow account as at March 31, 2017. The details of which are as under:

Particulars	No. of Shares	Price per share	Amount
Gross proceeds from IPO - Fresh issue	2,180,119	502	10,944.20
Gross proceeds from IPO - Selling shareholders	2,579,881	502	12,951.00
Total share issue expenses			1,806.75
Net Proceeds from IPO			22,088.45

The designated utilisation of proceeds from the IPO net of share issue expenses during the current year are as below:

Objects	Amount	Utilised amount upto March 31, 2018	Unutilised amount	Remarks
Repayment of loan taken by Career Launcher Infrastructure Private Limited from HDFC Bank Limited	1,860.40	1,860.40	-	The Company expects to utilize remaining funds in financial year 2018-19. remaining Unutilized amounts have been deployed in Bank FDs till full amounts are utilized.
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	4,643.13	606.87	
Funding Acquisitions and other strategic Initiatives	2,000.00	1,835.11	164.89	
General Corporate purposes	1,010.25	-	1,010.25	
	10,120.65	8,338.64	1,782.01	



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018
(All amounts are in Rupees lacs, unless otherwise stated)

The designated utilisation of proceeds from the IPO net of share issue expenses during the previous year are as below:

Objects	Amount	Utilised amount upto March 31, 2017	Unutilised amount	Remarks
Repayment of loan taken by Career Launcher Infrastructure Private Limited from HDFC Bank Limited	1,860.40	1,860.40	-	The Company expects to utilize bulk of the remaining funds in financial year 2017-18. Pending utilization the amounts have been parked into the current account of the Company and would be deployed in Bank FDs till full amounts are utilized.
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	-	5,250.00	
Funding Acquisitions and other strategic Initiatives	2,000.00	-	2,000.00	
General Corporate purposes	1,010.25	-	1,010.25	
	10,120.65	1,860.40	8,260.25	

52 In terms of the clause 22 of chapter V Micro, Small and Medium Enterprises Development Act 2006 (MSMED act 2006), the disclosure of payments due to any supplier are as follows:

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting period included in			
Principal amount due to micro and small enterprises	19.80	69.31	-
Interest due on above	-	-	-
	19.80	69.31	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period	-	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the period) but without adding the interest specified under the MSMED Act, 2006.	-	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period	-	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible under section 23 of the MSMED Act 2006.	-	-	-

53 Share based payments

Pursuant to the resolution passed by the Board of Directors at its meeting on March 6, 2008 and the Special Resolution passed by the members in the EGM held on March 31, 2008, the Company introduced "Career Launcher Employee Stock Options Plan 2008" which provides for the issue of 250,000 equity shares to employees of the Company and its subsidiaries. All the above options granted are planned to be settled in equity at the time of exercise and have maximum vesting period of 3 years from the date of respective grants, unless otherwise stated in the grant letter. As on March 31, 2018 and March 31, 2017 the Company had 60,775 and 13,168 number of options that can be granted under the

Pursuant to the resolution passed by the Board of Directors at its meeting held on January 28, 2014 and special resolution passed by the members in the Extraordinary general meeting held on May 29, 2014, the Company renewed "Career Launcher Employee Stock Options Plan 2008" for a further period of one year i.e. from April 1, 2014 upto March 31, 2015 by Board and from May 30, 2014 upto May 29, 2015 by shareholders respectively. Further, pursuant to resolution passed by Board of Directors at its meeting held on August 11, 2014 and special resolution passed by the members in its Annual General Meeting held on September 5, 2014 adopted the amended and extended "Amended Career Launcher Employee Stock Options Plan 2008" the same is valid for further period of 3 years. Further, pursuant to resolution passed by Board of Directors at its meeting held on January 29, 2016 and special resolution passed by the members in its Extraordinary General Meeting held on March 22, 2016 adopted "Amended and Restated Career Launcher Employee Stock Options Plan 2014". Further, pursuant to resolution passed by the Members in the Annual General Meeting held on August 24, 2017, the Company ratified and renewed the "Amended and Restated Career Launcher Employee Stock Options Plan 2014" for further period of 1 year i.e. from September 5, 2017 upto September 4, 2018.

The Company has "Amended and Restated Career Launcher Employee Stock Options Plan 2014 (CL ESOP -2014)" which provides for the issue of 250,000 stock options to directors and employees of the Company and its subsidiary companies. The plan entitles directors and employees to purchase equity shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. The vesting period for the share options is 3 years from the grant date, unless otherwise stated in the grant letter. All exercised options shall be settled by physical/demat delivery of equity shares. As per the plan holders of vesting options are entitle to purchase one equity share for each option. Till date 312,468 (March 31, 2017: 312,468) stock options have been granted under this scheme.

Note: Although a total of 250,000 options were available to be granted, these include grants that had been forfeited/lapsed, and pooled back, and granted again. At no point of time did the total number of options granted under the plan exceed 250,000.

No options were granted during the year.

Details of options outstanding at the year end with the range of exercise price and weighted average remaining contractual life:

Employees entitled	No. of options	Vesting conditions	Weighted Contractual life of options (in years)
Employees	106,750	3 years' service from the grant date	3.18

Reconciliation of outstanding share options:

The number and weight-average exercise prices of share options under the share option plans are as follows:

ESOP to directors of the Company

	Year ended March 31, 2018		Year ended March 31, 2017	
	Weighted Average exercise price per share option	Number of options	Weighted Average exercise price per share option	Number of options
Outstanding at the beginning of the year	300.00	2,400	300.00	4,800
Granted during the year	-	-	-	-
Exercised during the year	300.00	2,400	-	-
Forfeited during the year	-	-	300.00	2,400
Outstanding at the end of the year	-	-	300.00	2,400
Vested during the year	-	-	-	-
Exercisable during the year	-	-	300.00	2,400



CL Educate Limited
Notes to the standalone financial statements for the year ended March 31, 2018
(All amounts are in Rupees lacs, unless otherwise stated)

ESOP to person other than directors of the Company

	Year ended March 31, 2018		Year ended March 31, 2017	
	Weighted Average exercise price per share option	Number of options	Weighted Average exercise price per share option	Number of options
Outstanding at the beginning of the year	375.46	154,357	339.48	160,178
Granted during the year	-	-	430.00	40,000
Exercised during the year	-	-	301.80	43,571
Forfeited during the year	430.00	2,500	-	-
Expired during the year	343.02	45,107	210.00	2,250
Outstanding at the end of the year	387.89	106,750	375.46	154,357
Vested during the year	430.00	13,625	430.00	4,250
Exercisable during the year	368.53	73,125	350.47	105,857

Fair value of options granted:

No options were granted during the year. The fair value at grant date of options granted during the year ended March 31, 2017 was Rs. 496.29 and April 1, 2016 Rs. 495. The fair value at grant date is determined using the Black Scholes Model. Expected volatility has been determined using historical fluctuation in share issue prices of the Company.

Particulars	As at March 31, 2011	As at March 31, 2017	As at April 1, 2016
Dividend yield (%)	-	-	-
Expected volatility (%)	0.00%	0.00%	0.00%
Risk-free interest rate (%)	7.80%	7.69%	8.00%
Weighted average share price (in Rs.)	590.00	496.29	495
Exercise price (in Rs.)	210-430	210-430	210-430
Carrying amount of liability-included in employee benefit obligations			

Expense arising from share-based payment transactions

Total expenses arising from share-based payment transactions recognised in profit or loss as part of employee benefit expense were as follows:

Share based payment expenses	Year ended March 31, 2018	Year ended March 31, 2017
Employee option plan	14.26	(62.07)
Total employee share-based payment expense	14.26	(62.07)



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

54 Segment information

A. Basis for Segmentation

Segment information is presented in respect of the company's key operating segments. The operating segments are based on the company's management and internal reporting structure. The chief operating decision maker identifies primary segments based on the dominant source, nature of risks and returns and the internal organisation and management structure. The operating segments are the segments for which separate financial information is available and for which operating profit/loss amounts are evaluated regularly. All operating segments' operating results are reviewed regularly by the board of directors to make decisions about resources to be allocated to the segments and assess their performance.

The Board of Directors have been identified as the Chief Operating Decision Maker (CODM), since they are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget, planning, expansion, alliance, joint venture, merger and acquisition, and expansion of any facility.

The Company's board examines the Company's performance both from a product and geographic perspective and have identified the following reportable segments of its business:

Reportable segments	Operations
a) Consumer test prep	This mainly includes coaching for higher education entrance exams.
b) Vocational	This includes specific projects undertaken (including government projects)

The Company's board reviews the results of each segment on a quarterly basis. The Company's board of directors uses Profit before tax to assess the performance of the operating segments.

B. Information about reportable segments

Segment assets, segment liabilities and Segment profit and loss are measured in the same way as in the financial statements.

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit (before tax), as included in the internal management reports that are reviewed by the Company's Board of Directors. Segment profit is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries. Inter-segment pricing, if any, is determined on an arm's length basis.

Year ended March 31, 2018	Reportable segment		
	Consumer test prep	Vocational	Total
Segment revenue			
- External revenues	15,521.39	-	15,521.39
- Inter segment revenue	-	-	-
Total segment revenue	15,521.39	-	15,521.39
Segment results	1,882.07	(739.90)	1,142.17
Segment profit before income tax includes:			
Depreciation and amortisation expense	533.25	51.21	584.46
Interest revenue	-	-	-
Segment assets	9,092.41	3,737.39	12,829.80
Segment assets include:			
Capital expenditure during the year	1,443.05	-	1,443.05
Segment liabilities	3,874.48	2,037.73	5,912.21

Year ended March 31, 2017	Reportable segment		
	Consumer test prep	Vocational	Total
Segment revenue			
- External revenues	14,047.40	237.93	14,285.33
- Inter segment revenue	-	-	-
Total segment revenue	14,047.40	237.93	14,285.33
Segment results	2,459.04	(586.62)	1,872.42
Segment profit before income tax includes:			
Depreciation and amortisation expense	341.06	55.39	396.45
Interest revenue	1.69	3.56	5.25
Segment assets	5,792.77	4,360.33	10,153.10
Segment assets include:			
Capital expenditure during the year	507.42	-	507.42
Segment liabilities	3,954.37	2,394.23	6,348.60



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

Year ended April 1, 2016	Reportable segment		
	Consumer test prep	Vocational	Total
Segment assets	3,141.88	7,389.12	10,531.00
Segment assets include:			
Capital expenditure during the year	142.36	268.75	411.11
Segment liabilities	3,741.20	3,095.99	6,837.19

C. Reconciliations of information on reportable segments

	Year ended	Year ended
	March 31, 2018	March 31, 2017
i. Revenues		
Total revenue for reportable segments		
Consumer test prep	15,521.39	14,047.40
Vocational	-	237.93
Unallocated amounts	-	-
Total revenue	15,521.39	14,285.33

ii Profit before tax

Total profit before tax for reportable segments	1,142.17	1,872.42
Unallocated income:		
Other income	1,344.24	960.73
Unallocated expenses:		
Finance cost	340.10	541.71
Other expenses	2,282.56	1,576.97
Profit/(loss) before tax	(136.25)	714.47
Tax expense	62.34	221.69
Profit/(loss) after tax	(198.59)	492.78
Other comprehensive income		
Items that will not be reclassified to profit or loss	13.34	4.48
Total comprehensive income/(expense)	(185.25)	497.26



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
iii Assets			
Total assets for reportable segments			
Consumer test prep	9,092.41	5,792.77	3,141.88
Vocational	3,737.39	4,360.33	7,389.12
Unallocated amounts			
Investments in subsidiaries and associate	19,429.86	17,031.97	17,025.59
Deferred tax assets	485.24	696.18	637.55
Other corporate assets	12,925.88	30,369.42	7,964.46
Total assets	45,670.78	58,250.67	36,158.60

iv Liabilities

Total liabilities for reportable segments			
Consumer test prep	3,874.48	3,954.37	3,741.20
Vocational	2,037.73	2,394.23	3,095.99
Unallocated amounts			
Finance lease obligation	52.31	45.93	39.55
Other corporate liabilities	5,318.09	17,333.06	5,117.78
Total liabilities	11,282.61	23,727.59	11,994.53

v Other material items

Year ended March 31, 2018	Reportable segment total	Others	Total
Interest revenue	-	712.54	712.54
Interest expense	-	340.10	340.10
Capital expenditure during the year	1,443.05	137.43	1,580.48
Depreciation and amortisation expense	584.46	105.67	690.13
Other significant non cash items	844.52	-	844.52
Year ended March 31, 2017	Reportable segment total	Others	Total
Interest revenue	5.24	199.03	204.27
Interest expense	-	541.71	541.71
Capital expenditure during the year	507.42	46.18	553.60
Depreciation and amortisation expense	396.45	82.82	479.27
Other significant non cash items	621.99	12.00	633.99

D. Geographic information

The geographic information analyses the Company's revenue and non-current assets by the Company's country of domicile in other countries. In presenting the geographic information, segment revenue has been based on the geographic location of customers and segment assets were based on the geographic location of the assets.

The Company is domiciled in India. The amount of its revenue from external customers broken down by location of the customers is shown below;

a) Revenues from different geographies

	Year ended March 31, 2018	Year ended March 31, 2017
Within India	15,000.10	13,854.88
Outside India	521.29	430.45
	15,521.39	14,285.33

b) Non-current assets

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Within India	26,741.72	22,848.40	22,255.30
Outside India	3.27	3.17	4.34
	26,744.99	22,851.57	22,259.64

Non-current assets other than financial instruments, deferred tax assets, post-employment benefit assets

Major customers

E. During the years ended March 31, 2018, March 31, 2017 and 1 April 2016, no single customer represents 10% or more of the Company's total revenue



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

55 Business combinations

Pursuant to the term sheet dated December 23, 2016 with IndiaCan Education Private Limited (IndiaCan), all the assets and liabilities of ETEN, a business division of IndiaCan, engaged in the test preparation business for chartered accountancy courses and civil services entrance examination supported by VSAT (very small aperture terminal) network in India, were acquired by the Company via Business Transfer Agreement signed on April 19, 2017 and is effective from April 1, 2017. This acquisition will enable the Company to make its presence in the commercial coaching of prestigious courses like Civil Services and Chartered Accountancy in India. It will also enable the Company to connect with the students through the Digital VSAT network.

As per para 18 of Ind AS 103 (Business Combinations), all identifiable assets and liabilities were assumed by the Company at its fair value.

A. Consideration transferred

The following table summarises the details of the purchase consideration and the net assets acquired are as follows:

	Amount
Consideration committed in cash and equivalents	593.81
Contingent consideration	50.00
Total purchase consideration	643.81

B. Acquisition-related costs

The Company incurred acquisition-related costs of Rs 1 lac on professional and other costs. These costs were included in 'Miscellaneous expenses'.

C. Identifiable assets acquired and liabilities assumed

The following table summarises the recognised amounts of assets acquired and liabilities assumed at the date of acquisition.

	Amount
Property, plant and equipment (refer note 3)	157.05
Intangible assets (refer note 4)	409.00
Financial assets	93.58
Non financial assets	11.11
Deferred tax liabilities	(141.55)
Financial liabilities	(29.79)
Non Financial liabilities	(30.62)
Provisions	(37.35)
Total identifiable net assets acquired	431.43

D. Calculation of Goodwill

Consideration transferred (A)	643.81
Less: Net identifiable assets acquired (B)	431.43
Goodwill (A-B)	212.38

E. Contingent consideration

The Company had agreed to pay to the seller in each of the 3 years starting from FY 2017-18 consideration @ 4% per annum of the revenue generated from Chartered Accountancy and Civil Services business. Further, if cumulative revenues exceeds Rs. 15,000.00 lacs in 3 years starting FY 2017-18 an additional consideration @ 1% shall be payable to seller. The Company has included Rs.50.00 lacs as contingent consideration related to the additional consideration, which represents its fair value at the date of acquisition. As at March 31, 2018, the contingent consideration has remained same.

F. Revenue and profit contribution

The acquired business contributed revenues of Rs 471.29 lacs and loss of Rs 321.97 lacs to the Company for the year ended March 31, 2018.

G. Descriptive note on goodwill (explaining payment of goodwill)

This acquisition will enable the Company to launch CA product and also add General Studies product offering for the Civil Services entrance examination leading to strengthening and enhancing penetration of its test prep business. The Company had acquired the brand name ETEN, the studios at various locations including alliances/partnerships for academic delivery, franchise relationships at about 25 locations.



56. Fair value measurement and financial instruments

a. Financial instruments - by category and fair values hierarchy

The following table shows the carrying amounts and fair value of financial assets and financial liabilities, including their levels in the fair value hierarchy.

i. March 31, 2018

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Loans	-	-	217.22	217.22	-	-	217.22
Other financial assets	-	-	1,474.15	1,474.15	-	-	-
Current							
Trade receivables	-	-	5,942.98	5,942.98	-	-	-
Cash and cash equivalents	-	-	1,158.92	1,158.92	-	-	-
Bank Balances other than cash and cash equivalents	-	-	2,615.82	2,615.82	-	-	-
Loans	-	-	4,327.98	4,327.98	-	-	-
Other financial assets	-	-	867.22	867.22	-	-	-
Total	-	-	16,604.29	16,604.29	-	-	217.22
Financial liabilities							
Non-current							
Borrowings	-	-	490.09	490.09	-	-	490.09
Current							
Borrowings	-	-	3,148.91	3,148.91	-	-	-
Trade payables	-	-	-	-	-	-	-
Other financial liabilities	-	-	1,460.67	1,460.67	-	-	-
Total	-	-	5,099.67	5,099.67	-	-	490.09

ii. March 31, 2017

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Investments	50.00	-	-	50.00	-	-	50.00
Loans	-	-	123.38	123.38	-	-	123.38
Other financial assets	-	-	1,211.65	1,211.65	-	-	-
Current							
Trade receivables	-	-	6,457.55	6,457.55	-	-	-
Cash and cash equivalents	-	-	8,514.89	8,514.89	-	-	-
Bank Balances other than cash and cash equivalents	-	-	12,947.37	12,947.37	-	-	-
Loans	-	-	3,383.04	3,383.04	-	-	-
Other financial assets	-	-	514.05	514.05	-	-	-
Total	50.00	-	33,151.93	33,201.93	-	-	173.38
Financial liabilities							
Non-current							
Borrowings	-	-	341.37	341.37	-	-	341.37
Current							
Borrowings	-	-	3,311.81	3,311.81	-	-	-
Trade payables	-	-	-	-	-	-	-
Other financial liabilities	-	-	12,589.02	12,589.02	-	-	-
Total	-	-	16,242.20	16,242.20	-	-	341.37



iii April 1, 2016

Particulars	Carrying value				Fair value, measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Investments	50.00	-	-	50.00	-	-	50.00
Loans	-	-	87.27	87.27	-	-	87.27
Other financial assets	-	-	1,120.30	1,120.30	-	-	-
Current							
Trade receivables	-	-	6,324.02	6,324.02	-	-	-
Cash and cash equivalents	-	-	761.58	761.58	-	-	-
Bank Balances other than cash and cash equivalents	-	-	37.52	37.52	-	-	-
Loans	-	-	1,472.88	1,472.88	-	-	-
Other financial assets	-	-	792.13	792.13	-	-	-
Total	50.00	-	10,595.70	10,645.70	-	-	137.27
Financial liabilities							
Non-current							
Borrowings	-	-	483.01	483.01	-	-	483.01
Current							
Borrowings	-	-	3,305.30	3,305.30	-	-	-
Trade payables	-	-	-	-	-	-	-
Other financial liabilities	-	-	1,071.71	1,071.71	-	-	-
Total	-	-	4,860.02	4,860.02	-	-	483.01

The Company's borrowings have been contracted at floating rates of interest, which resets at short intervals. Accordingly, the carrying value of such borrowings (including interest accrued but not due) approximates fair value.

The carrying amounts of trade receivables, trade payables, cash and cash equivalents and other financial assets and liabilities, approximates the fair values, due to their short-term nature. Fair value of non-current financial assets which includes bank deposits (due for maturity after twelve months from the reporting date) and security deposits is similar to the carrying value as there is no significant differences between carrying value and fair value.

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 2018 and March 31, 2017.

Valuation technique used to determine fair value

Specific valuation techniques used to value non current financial assets and liabilities for whom the fair values have been determined based on present values and the appropriate discount rates of the Company at each balance sheet date. The discount rate is based on the weighted average cost of borrowings of the Company at each balance sheet date.

b. Financial risk management

The Company has exposure to the following risks arising from financial instruments:

- Credit risk ;
- Liquidity risk ; and
- Market risk

Risk management framework

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework. The Board of Directors have authorised senior management to establish the processes and ensure control over risks through the mechanism of properly defined framework in line with the businesses of the company.

The Company's risk management policies are established to identify and analyse the risks faced by the Company, to set appropriate risks limits and controls, to monitor risks and adherence to limits. Risk management policies are reviewed regularly to reflect changes in market conditions and the Company's activities.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

b. Financial risk management (continued)

(i) Credit risk

The maximum exposure to credit risks is represented by the total carrying amount of these financial assets in the Balance Sheet

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Trade receivables	5,942.98	6,457.55	6,324.02
Cash and cash equivalents	1,158.92	8,514.89	761.58
Bank Balances other than cash and cash equivalents	2,615.82	12,947.37	37.52
Loans	4,545.20	3,506.42	1,560.15
Investments	-	50.00	50.00
Other financial assets	2,341.37	1,725.70	1,912.43

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers. The carrying amount of financial assets represents the maximum credit exposure.

The Company's credit risk is primarily to the amount due from customers. The Company maintains a defined credit policy and monitors the exposures to these credit risks on an ongoing basis.

i. Credit risk on loans is limited as the loans are given to subsidiaries and other related parties.

ii. Credit risk on cash and cash equivalents is limited as the Company invests in deposits with scheduled commercial banks with high credit ratings assigned by domestic credit rating agencies.

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables. Trade receivables are unsecured and are derived from revenue earned from customers primarily located in India. The Company does monitor the economic environment in which it operates and the Company manages its Credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Company grants credit terms in the normal course of business.

On adoption of Ind AS 109, the Company establishes an allowance for impairment that represents its expected credit losses in respect of trade receivable and other financial assets. The management uses a simplified approach (i.e. based on lifetime ECL) for the purpose of impairment loss allowance, the company estimates amounts based on the business environment in which the Company operates, and management considers that the trade receivables are in default (credit impaired) when counterparty fails to make payments for receivable within the credit period allowed. However the Company based upon historical experience determine an impairment allowance for loss on receivables.

The gross carrying amount of trade receivables is Rs. 7,072.95 lacs (March 31, 2017 - Rs. 7,699.32 lacs , April 1, 2016 - Rs. 7,553.20 lacs). Trade receivables are generally realised within the credit period except receivable from government (refer note 50)

The Company believes that the unimpaired amounts that are past due by more than the credit period allowed are still collectible in full, based on historical payment behaviour.

The Company's exposure to credit risk for trade receivables are as follows:

Particulars	Gross carrying amount		
	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
1-90 days past due	1,210.88	1,257.72	1,563.59
91 to 180 days past due	296.38	230.96	2,892.52
More than 180 days past due	5,565.69	6,210.64	3,097.09
	7,072.95	7,699.32	7,553.20

Movement in the allowance for impairment in respect of trade receivables:

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
Balance at the beginning	1,241.77	1,229.18
Impairment loss recognised	-	12.59
Impairment loss reversed	111.79	-
Balance at the end	1,129.98	1,241.77



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

b. Financial risk management (continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they fall due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation.

The Company believes that its liquidity position, including total cash (including bank deposits under lien and the anticipated future internally generated funds from operations will enable it to meet its future known obligations in the ordinary course of business.

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's policy is to regularly monitor its liquidity requirements to ensure that it maintains sufficient reserves of cash and funding from group companies to meet its liquidity requirements in the short and long term.

The Company's liquidity management process as monitored by management, includes the following:

- Day to day funding, managed by monitoring future cash flows to ensure that requirements can be met.
- Maintaining rolling forecasts of the Company's liquidity position on the basis of expected cash flows.

Exposure to liquidity risk

The following are the remaining contractual maturities of financial liabilities at the reporting date.

March 31, 2018	Contractual cash flows			
	Total	Less than one year	Between one year and five years	More than 5 years
Borrowings				
-From banks				
a) Vehicle loans	8.14	8.14	-	-
b) Other term loans	825.70	359.03	466.67	-
Current borrowings				
-Cash credit from banks	3,148.91	3,148.91	-	-
Trade payables	3,920.53	3,920.53	-	-
Other financial liabilities				
Payables for purchase of investments	15.08	15.08	-	-
Payable for property, plant and equipment	300.78	300.78	-	-
Finance lease obligation	491.06	12.75	25.51	452.79
Payable for selling shareholders	47.71	47.71	-	-
Payable towards business combination (refer note 55)	310.13	150.00	160.13	-
Contingent consideration (refer note 55)	50.00	50.00	-	-
Employee related payables	348.24	348.24	-	-
Total	9,466.28	8,361.17	652.31	452.79

March 31, 2017	Contractual cash flows			
	Total	Less than one year	Between one year and five years	More than 5 years
Borrowings				
-From banks				
a) Vehicle loans	15.90	7.52	8.38	-
b) Other term loans	247.86	122.20	125.66	-
-From others				
a) Term loan	332.42	150.87	181.55	-
Current borrowings				
-Cash credit from banks	3,311.81	3,311.81	-	-
Trade payables	5,448.67	5,448.67	-	-
Other financial liabilities				
Payables for purchase of investments	115.08	115.08	-	-
Payable for property, plant and equipment	18.62	18.62	-	-
Finance lease obligation	503.80	12.75	25.51	465.54
Payable for selling shareholders	11,774.31	11,774.31	-	-
Employee related payables	383.84	383.84	-	-
Total	22,152.30	21,345.67	341.10	465.54



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

April 1, 2016	Contractual cash flows			
	Total	Less than one year	Between one year and five years	More than 5 years
Borrowings	-	-	-	-
-From banks				
a) Vehicle loans	27.61	11.87	15.74	-
b) Other term loans	445.46	200.09	245.37	-
-From others				
a) Term loan	287.96	90.50	197.46	-
Current borrowings				
-Cash credit from banks	3,305.30	3,305.30	-	-
Trade payables	5,145.88	5,145.88	-	-
Other financial liabilities				
Payables for purchase of investments	265.08	265.08	-	-
Payable for property, plant and equipment	67.32	67.32	-	-
Finance lease obligation	510.18	12.75	25.51	471.92
Employee related payables	427.04	427.04	-	-
Total	10,481.83	9,525.83	484.08	471.92

The above amounts reflects the contractual undiscounted cash flows, which may differ from the carrying value of the liabilities at the reporting date.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

B. Financial risk management (continued)

iii. Market risk

Market risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, the Company mainly has exposure to two type of market risk namely: currency risk and interest rate risk. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return.

Currency risk

Currency risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company is exposed to the effects of fluctuation in the prevailing foreign currency exchange rates on its financial position and cash flows to the extent of earnings and expenses in foreign currencies. Exposure arises primarily due to exchange rate fluctuations between the functional currency and other currencies from the Company's operating, investing and financing activities.

There are no derivative contracts entered by the Company. Hence, there is no associated risk.

Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk, as expressed in Indian Rupees, as at March 31, 2018, March 31, 2017 and April 1, 2016 are as below:

Particulars	March 31, 2018					
	AED	Amount	SGD	Amount	USD	Amount
Financial assets						
Trade receivables	32.33	521.95	-	-	-	-
Other financial asset	(1.18)	(20.92)	0.17	8.00	7.69	399.49
Other bank balances	2.68	47.52	-	-	-	-
	33.83	548.55	0.17	8.00	7.69	399.49
Financial liabilities						
Trade payables	6.65	117.89	-	-	-	-
	6.65	117.89	-	-	-	-
Net exposure in respect of recognised assets and liabilities	27.18	430.66	0.17	8.00	7.69	399.49

Particulars	March 31, 2017					
	AED	Amount	SGD	Amount	USD	Amount
Financial assets						
Trade receivables	33.08	444.20	-	-	-	-
Other financial asset	0.10	1.72	0.17	8.00	7.69	399.49
Other bank balances	1.75	30.91	-	-	-	-
	34.93	476.83	0.17	8.00	7.69	399.49
Financial liabilities						
Trade payables	6.08	100.40	-	-	-	-
	6.08	100.40	-	-	-	-
Net exposure in respect of recognised assets and liabilities	28.85	376.43	0.17	8.00	7.69	399.49

Particulars	April 1, 2016					
	AED	Amount	SGD	Amount	USD	Amount
Financial assets						
Trade receivables	21.85	393.34	-	-	-	-
Other financial asset	6.10	135.25	1.75	85.70	7.69	399.49
Other bank balances	0.70	12.55	-	-	-	-
	28.65	541.14	1.75	85.70	7.69	399.49
Financial liabilities						
Trade payables	3.26	60.09	-	-	-	-
	3.26	60.09	-	-	-	-
Net exposure in respect of recognised assets and liabilities	25.39	481.05	1.75	85.70	7.69	399.49



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at March 31, 2018, March 31, 2017 and April 1, 2016 would have affected the measurement of financial instruments denominated in a foreign currency and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant.

Particulars	Profit or loss		Equity, net of tax	
	Strengthening	Weakening	Strengthening	Weakening
1% depreciation / appreciation in Indian Rupees against following foreign				
For the year ended March 31, 2018				
AED	4.31	(4.31)	2.82	(2.82)
SGD	0.08	(0.08)	0.05	(0.05)
USD	3.99	(3.99)	2.61	(2.61)
Total	8.38	(8.38)	5.48	(5.48)
For the year ended March 31, 2017				
AED	3.76	(3.76)	2.46	(2.46)
SGD	0.08	(0.08)	0.05	(0.05)
USD	3.99	(3.99)	2.61	(2.61)
Total	7.83	(7.83)	5.12	(5.12)

AED: United Arab Emirates Dirham, SGD: Singapore Dollar and USD: United States Dollar.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

B. Financial risk management (continued)

iii. Market risk

Interest rate risk

Interest rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's main interest rate risk arises from long-term and short term borrowings with variable interest rates, which expose the Company to cash flow interest rate risk.

Exposure to interest rate risk

The Company's interest rate risk arises majorly from the term loans from banks carrying floating rate of interest. These obligations exposes the Company to cash flow interest rate risk. The exposure of the Company's borrowing to interest rate changes as reported to the management at the end of the reporting period are as follows:

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Term loans from banks and others	818.37	576.71	728.12
Vehicle loans from banks	8.14	15.90	27.61
Cash credit from banks	3,148.91	3,311.81	3,305.30
Total	3,975.42	3,904.42	4,061.03

Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 50 basis points (bps) in interest rates at the reporting date would have increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant.

Particulars	Profit or loss		Equity, net of tax	
	50 bps increase	50 bps decrease	50 bps increase	50 bps decrease
Interest on term loans from banks				
For the year ended March 31, 2018	11.98	(11.98)	7.84	(7.84)
For the year ended March 31, 2017	16.01	(16.01)	10.47	(10.47)
Interest on loans from others				
For the year ended March 31, 2018	-	-	-	-
For the year ended March 31, 2017	1.59	(1.59)	1.04	(1.04)



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

57 Capital Management

For the purpose of the Company's capital management, capital includes issued equity share capital and all other equity reserves attributable to the equity holders of the Company.

Management assesses the Company's capital requirements in order to maintain an efficient overall financing structure. The Company manages the capital structure and makes adjustments to it in the light of changes in economic conditions and the risk characteristics of the underlying assets.

To maintain or adjust the capital structure, the Company may return capital to shareholders, raise new debt or issue new shares.

The Company monitors capital on the basis of the debt to capital ratio, which is calculated as interest-bearing debts divided by total capital (equity attributable to owners of the parent plus interest-bearing debts).

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Borrowings	3,639.00	3,653.18	3,788.31
Less : Cash and cash equivalent	1,158.92	273.50	761.58
Adjusted net debt (A)	2,480.08	3,379.68	3,026.73
Total equity (B)	34,388.17	34,523.08	24,164.08
Adjusted net debt to adjusted equity ratio (A/B)	7.21%	9.79%	12.53%

During the previous year ended March 31, 2017 The IPO proceeds received by the company had not been considered as part of cash and cash equivalent for calculation of adjusted net debt to adjusted equity ratio.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

58 First Time Adoption of Ind AS

As stated in note 2, these are the Company's first standalone financial statements prepared in accordance with Ind AS

The accounting policies set out in note 2 have been applied in preparing the financial statements for the year ended March 31, 2018, the comparative information presented in these financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS statement of financial position at April 1, 2016 (the Company's date of transition). In preparing its opening Ind AS statement of financial position, the Company has adjusted amounts reported previously in financial statements prepared in accordance with Indian GAAP (previous GAAP). An explanation of how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.

Exemptions and exceptions availed

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

A. Ind AS optional exemptions

(i) Deemed cost

Ind AS 101 permits a first-time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the previous GAAP and use that as its deemed cost as at the date of transition after taking necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets and investment property covered by Ind AS 40 Investment Properties.

Accordingly, the Company has elected to measure all of its property, plant and equipment, intangible assets and investment property at their previous GAAP carrying value.

(ii) Leases

Appendix C to Ind AS 17 requires an entity to assess whether a contract or arrangement contains a lease. In accordance with Ind AS 17, this assessment should be carried out at the inception of the contract or arrangement. Ind AS 101 provides an option to make this assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

(iii) Decommissioning liabilities included in the cost of property, plant and equipments

Ind AS 101 permits a first-time adopter to account for the asset retirement obligations as on date of transition in accordance with the Ind AS requirements. The Company has elected and make the assessment on the basis of facts and circumstances existing at the date of transition to Ind AS, except where the effect is expected to be not material.

(iv) Business combinations

Ind AS 101 provides the option to apply Ind AS 103 prospectively from the transition date or from a specific date prior to the transition date. This provides relief from full retrospective application that would require restatement of all business combinations prior to the transition date. The Company has elected to apply Ind AS 103 retrospectively to business combinations occurring after September 2011. Business combinations occurring prior to that date have not been restated.

(v) Share based payment

Ind AS 101 permits a first time adopter to elect not to apply principles of Ind AS 102 to liabilities arising from share based payment transactions that were vested before the date of transition. The Company has elected not to apply Ind AS 102- "Share based payment" on stock options that vested before date of transition.

B. Ind AS mandatory exceptions

(i) Estimates

An entity's estimates in accordance with Ind ASs at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies), unless there is objective evidence that those estimates were in error.

Ind AS estimates as at April 1, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for Impairment of financial assets based on expected credit loss model in accordance with Ind AS at the date of transition as these were not required under previous GAAP.

(ii) Classification and measurement of financial assets

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

(iii) Derecognition of financial assets and liabilities

As per Ind AS 101 an entity should apply derecognition requirements in Ind AS 109 prospectively for transaction occurring on or after the date of transition to Ind AS.



CL Educate Limited

Notes to the financial statements for the year ending March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

C. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

	Notes to first time adoption	April 1, 2016		
		Amount as per previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Assets				
Non-current assets				
Property, plant and equipment	9	3,293.93	22.26	3,316.19
Investment property		112.91		112.91
Intangible assets		1,030.49		1,030.49
Investment in subsidiaries	1	17,000.72	24.87	17,025.59
Financial assets				
(i) Investments		50.00		50.00
(ii) Loans	6	123.90	(36.63)	87.27
(iii) Other financial assets		1,120.30		1,120.30
Deferred tax assets (net)	3	(145.42)	782.97	637.55
Current tax assets (net)		532.88	-	532.88
Other non-current assets	6	216.68	24.90	241.58
Total non-current assets		23,336.39	818.37	24,154.76
Current assets				
Inventories		421.26	-	421.26
Financial assets				
(i) Trade receivables		7,741.73	(1,417.71)	6,324.02
(ii) Cash and cash equivalents	5	761.58	-	761.58
(iii) Bank balances other than (ii) above		37.52	-	37.52
(iv) Loans		1,472.88		1,472.88
(iii) Other financial assets		792.13		792.13
Other current assets	6	1,856.00	(180.20)	1,675.80
		13,083.10	(1,597.91)	11,485.19
Assets classified as held for sale		518.65		518.65
Total current assets		13,601.75	(1,597.91)	12,003.84
Total assets		36,938.14	(779.54)	36,158.60
Equity and liabilities				
Equity				
Equity share capital		1,193.96	-	1,193.96
Other equity	4	24,421.17	(1,451.05)	22,970.12
Total equity		25,615.13	(1,451.05)	24,164.08
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	7,9	458.57	24.44	483.01
(ii) Other financial liabilities				-
Provisions		229.28	-	229.28
Other non current liabilities	8	6.34	290.20	296.54
Total non-current liabilities		694.19	314.64	1,008.83
Current liabilities				
Financial liabilities				
(i) Borrowings		3,305.30	-	3,305.30
(ii) Trade payables		5,145.88	-	5,145.88
(iii) Other financial liabilities	9	1,061.90	9.81	1,071.71
Other current liabilities	1,8	858.31	347.06	1,205.37
Provisions		5.96	-	5.96
Current tax liabilities (net)		251.47		251.47
Total Current liabilities		10,628.82	356.87	10,985.69
Total liabilities		11,323.01	671.51	11,994.52
Total equity and liabilities		36,938.14	(779.54)	36,158.60

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.



CL Educate Limited

Notes to the financial statements for the year ending March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

C. Reconciliations between previous GAAP and Ind AS

Ind AS 101 requires an entity to reconcile equity, total comprehensive income and cash flows for prior periods. The following tables represent the reconciliations from previous GAAP to Ind AS.

	Notes to first time adoption	March 31, 2017		
		Amount as per previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Assets				
Non-current assets				
Property, plant and equipment	9	3,735.14	21.85	3,756.99
Investment property		110.85	-	110.85
Intangible assets		1,181.83	-	1,181.83
Investment in subsidiaries	1	17,000.71	31.26	17,031.97
Financial assets		-	-	-
(i) Investments		50.00	-	50.00
(ii) Loans	6	167.68	(44.30)	123.38
(iii) Other financial assets		1,211.65	-	1,211.65
Deferred tax assets (net)	3	(214.12)	910.30	696.18
Current tax assets (net)		532.88	-	532.88
Other non-current assets	6	213.40	23.65	237.05
Total non-current assets		23,990.02	942.76	24,932.78
Current assets				
Inventories		476.01	-	476.01
Financial assets		-	-	-
(i) Trade receivables	5	7,876.37	(1,418.82)	6,457.55
(ii) Cash and cash equivalents		8,514.89	-	8,514.89
(iii) Bank balances other than (ii) above		12,947.37	-	12,947.37
(iv) Loans		3,383.04	-	3,383.04
(iii) Other financial assets		514.05	-	514.05
Other current assets	6	1,056.42	(31.44)	1,024.98
		34,768.15	(1,450.26)	33,317.89
Assets classified as held for sale		-	-	-
Total current assets		34,768.15	(1,450.26)	33,317.89
Total assets		58,758.17	(507.50)	58,250.67
Equity and liabilities				
Equity				
Equity share capital		1,416.33	-	1,416.33
Other equity	4	34,776.53	(1,669.78)	33,106.75
Total equity		36,192.86	(1,669.78)	34,523.08
Liabilities				
Non-current liabilities				
Financial liabilities				
(i) Borrowings	7,9	315.59	25.78	341.37
(ii) Other financial liabilities		-	-	-
Provisions		244.48	-	244.48
Other non current liabilities	8	6.19	295.69	301.88
Total non-current liabilities		566.26	321.47	887.73
Current liabilities				
Financial liabilities				
(i) Borrowings		3,311.81	-	3,311.81
(ii) Trade payables		5,448.67	-	5,448.67
(iii) Other financial liabilities	9	12,572.44	16.58	12,589.02
Other current liabilities	1,8	250.12	824.23	1,074.35
Provisions		5.71	-	5.71
Current tax liabilities (net)		410.30	-	410.30
Total Current liabilities		21,999.05	840.81	22,839.86
Total liabilities		22,565.31	1,162.28	23,727.59
Total equity and liabilities		58,758.17	(507.50)	58,250.67

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.



CL Educate Limited
Notes to the financial statements for the year ending March 31, 2018
(All amounts are in Rupees lacs, unless otherwise stated)

C. Reconciliation of total comprehensive income for the year ended March 31, 2017:

	Notes to first-time adoption	Amount as per previous GAAP*	Effects of transition to Ind AS	Amount as per Ind AS
Income				
Revenue from operations	8	14,783.60	(498.27)	14,285.33
Other income	6,1	922.57	38.16	960.73
Total income		15,706.17	(460.11)	15,246.06
Expenses				
Purchase of raw materials		1,065.77	-	1,065.77
Changes in inventory		(65.96)	-	(65.96)
Employee benefits expense	2	2,688.27	6.85	2,695.12
Finance costs	7,9	525.08	16.63	541.71
Depreciation and amortisation expense	9	478.86	0.41	479.27
Franchise expenses		5,005.85	(140.49)	4,865.36
Other expenses	5,6	4,932.50	17.82	4,950.32
Total Expenses		14,630.37	(98.78)	14,531.59
Profit/(loss) before tax		1,075.80	(361.33)	714.47
Tax expense:				
Current tax		282.70	-	282.70
Deferred tax	3	68.69	(129.70)	(61.01)
Profit/(loss) for the year (A)		724.41	(231.63)	492.78
Other comprehensive income				
<i>Items that will not be reclassified to profit or loss</i>				
Remeasurement of defined benefit plans	2	-	6.85	6.85
<i>Income tax relating to items that will not be reclassified to profit or loss</i>				
Income tax relating to remeasurement of defined benefit plans	10	-	(2.37)	(2.37)
Total other comprehensive income for the year (B)		-	4.48	4.48
Total comprehensive income for the year (A + B)		724.41	(227.15)	497.26

*The previous GAAP figures have been reclassified to conform to Ind AS presentation requirements for the purposes of this note.



CL Educate Limited
Notes to the financial statements for the year ending March 31, 2018
(All amounts are in Rupees lacs, unless otherwise stated)

C. Reconciliation of total equity as at March 31, 2017 and April 1, 2016

	Notes to first-time adoption	March 31, 2017	April 1, 2016
Total equity as per Previous GAAP		36,192.86	25,615.13
Adjustments:			
Ind AS opening impacts		(1,451.05)	-
Fair valuation of security deposits	6	(0.51)	(3.87)
Deferred revenue on admission and franchise fees paid	8	(357.78)	(810.22)
Recognition of financial guarantees given at fair value	1	21.98	3.59
Recognition of financial guarantees received at fair value	1	(8.53)	(18.67)
Impact of finance lease obligation	9	(6.79)	(17.29)
Provision for expected credit losses on trade receivables	5	(1.11)	(1,219.82)
Measurement of borrowings as per effective interest rate method	7	(1.73)	5.31
Remeasurement of defined benefit plans	10	(6.85)	-
Impact on written off vocational trade receivable	5	-	(197.89)
Recognition of deemed equity from financial guarantee	1	8.40	24.84
Tax effects of above adjustments	3	129.71	782.97
Total adjustments		(1,674.26)	(1,451.05)
Total equity as per Ind AS		34,518.60	24,164.08
Other comprehensive income			
<i>Items that will not be reclassified to profit or loss</i>			
Remeasurement of defined benefit plans	11	6.85	-
<i>Income tax relating to items that will not be reclassified to profit or loss</i>			
Income tax relating to remeasurement of defined benefit plans	11	(2.37)	-
		4.48	-
Total equity as per Ind AS		34,523.08	24,164.08

C. Reconciliation of total comprehensive income/ (expense)

	Notes to first-time adoption	Year ended March 31, 2017
Profit after tax as per Previous GAAP		724.39
Recognition of financial guarantees given	1	21.98
Recognition of financial guarantees received	1	(8.53)
Deferred revenue on admission and franchise fees	8	(357.78)
Impact of finance lease obligations	9	(6.79)
Remeasurement of defined benefit plans	10	(6.85)
Measurement of borrowings as per effective interest rate method	7	(1.73)
Fair valuation of security deposits	6	(0.51)
Provision for expected credit losses on trade receivables	5	(1.11)
Tax effects of above adjustments	3	129.71
Total adjustments		(231.61)
Profit after tax as per Ind AS		492.78
Other comprehensive income		
<i>Items that will not be reclassified to profit or loss</i>		
Remeasurement of defined benefit plans	10	6.85
<i>Income tax relating to items that will not be reclassified to profit or loss</i>		
Income tax relating to remeasurement of defined benefit plans	10	(2.37)
Total comprehensive income as per Ind AS		497.26

Impact of Ind AS adoption on the statements of cash flows for the year ended March 31, 2017

There were no material differences between the statement of cash flows presented under Ind AS and the Previous GAAP except due to various re-classification adjustments recorded under Ind AS and difference in the definition of cash and cash equivalents under these two GAAPs.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

D. Notes to first-time adoption:

1. Financial guarantee

Under the previous GAAP, no accounting treatment was done for financial guarantee received by the company and guarantees given to its subsidiary companies. However under Ind AS, company has to recognise the guarantee at fair value with a corresponding impact under other equity.

The impact of the above change is as follows:

Financial guarantee received

Effect to Balance Sheet

Increase in deemed equity
(Decrease) in retained earnings
Increase in prepaid expense

	As at March 31, 2017	As at April 1, 2016
	33.24	24.84
	(27.19)	(18.67)
	6.05	6.18

Effect to Statement of profit and loss

Increase in notional finance income

Year ended March 31, 2017
21.98

Financial guarantee given

Effect to Balance Sheet

Increase in deemed investments
Increase in retained earnings
Increase in deferred revenue

	As at March 31, 2017	As at April 1, 2016
	31.25	24.87
	25.57	3.59
	5.68	21.29

Effect to Statement of profit and loss

Increase in notional finance expense

Year ended March 31, 2017
8.53

2. Remeasurements of post-employment benefit obligations

Under the previous GAAP, remeasurements i.e actuarial gains and losses on the net defined liability were forming part of the profit or loss for the year. Under Ind AS, actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined benefit liability are recognised in other comprehensive income instead of profit or loss. As a result, profit for the year ended March 31, 2017 decreased by Rs. 6.85 lacs and is reclassified to other comprehensive income. There is no impact on the total equity as at March 31, 2017.

3. Deferred tax

Under previous GAAP, deferred tax accounting was done using income statement approach, which focuses on difference between taxable profits and accounting profits for the period. Ind AS requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. Transition to Ind AS has resulted in increase of net deferred tax asset by Rs. 782.97 lacs as at April 1, 2016 and Rs. 910.30 lacs as at March 31, 2017.

4. Other equity

Retained earnings as at April 1, 2016 has been adjusted consequent to the above Ind AS transition adjustments.

5. Trade Receivables

As per Ind AS, the Company is required to apply expected credit loss model for recognising the allowance for doubtful debts.

The impact of the above change is as follows:

Effect to Balance Sheet

Increase in provision for expected credit losses on trade receivables
(Decrease) in retained earnings

	As at March 31, 2017	As at April 1, 2016
	1,220.93	1,219.82
	(1,220.93)	(1,219.82)

Effect to Statement of profit and loss

Increase in provision for expected credit losses on trade receivables

Year ended March 31, 2017
1.11



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

6 Security deposits

Under previous GAAP, interest free security deposits (that are refundable in cash on completion of the term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly the Company has fair valued these security deposits. Difference between the fair value and transaction value of the security deposits has been recognised as deferred rent.

The impact of the above change is as follows:

Effect to Balance Sheet

(Decrease) in security deposit
Increase in prepaid rent
(Decrease) in retained earnings

As at March 31, 2017	As at April 1, 2016
(44.30)	(36.63)
39.91	32.76
(4.38)	(3.87)

Effect to Statement of profit and loss

Increase in rent expense

Year ended March 31, 2017
0.51

7 Borrowings

Ind AS requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit or loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under previous GAAP, these transaction costs were charged to profit or loss as and when incurred.

The impact of the above change is as follows:

Effect to Balance Sheet

(Decrease) in borrowings

As at March 31, 2017	As at April 1, 2016
(3.58)	(5.31)

Effect to Statement of profit and loss

Increase in interest expense

Year ended March 31, 2017
1.73

8 Revenue

Under previous GAAP admission fees and initial start-up fees was recognised upfront in statement of profit and loss. However under Ind AS the company is required to recognise the admission fees as per the duration of the underlying course and recognise the initial start-up fees on a straight basis over the tenure of franchisee agreement.

The impact of the above change is as follows:

Effect to Balance Sheet

(Decrease) in retained earnings
(Decrease) in trade receivable

As at March 31, 2017	As at April 1, 2016
(357.78)	(810.22)
(197.89)	(197.89)

Effect to Statement of profit and loss

(Decrease) in revenue
(Decrease) in other expenses

Year ended March 31, 2017
(498.26)
(140.48)

9 Finance lease obligations

Under previous GAAP, leasehold land was capitalized at an amount equal to the upfront payments made at the time lease. However, under Ind AS, such leases are capitalised at the present value of the total minimum lease payments to be paid over the lease term. Accordingly, future lease rentals have been recognised as 'finance lease obligation' at their present values. The effect of the adjustment has resulted in reduction in retained earnings by Rs. 17.29 lacs with corresponding increase in non current borrowings by Rs. 26.80 lacs (April 1, 2016: Rs. 26.80 lacs) and current financial liabilities by Rs.19.13 lacs (April 1, 2016: Rs. 12.75 lacs). During financial year 2016-17 there was increase in PPE by Rs. 21.85 lacs (April 1, 2016: Rs. 22.26 lacs) and increase in finance cost was Rs. 6.38 lacs.



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

The impact of the above change is as follows:

Effect to Balance Sheet

Increase in non current borrowings
Increase in current financial liabilities
Increase in property, plant and equipment
(Decrease) in retained earnings

	As at March 31, 2017	As at April 1, 2016
	26.80	26.80
	19.13	12.75
	21.85	22.26
	(24.09)	(17.30)

Effect to Statement of profit and loss

Increase in interest expense
Increase in depreciation expense

	Year ended March 31, 2017
	6.37
	0.42

10 Other comprehensive income

Under previous GAAP, there was no requirement to disclose any item of statement of profit and loss in other comprehensive income. However as per requirement of Ind AS certain items of profit or loss are to be reclassified to other comprehensive income. Consequent to this, the Company has reclassified remeasurement of defined benefit plans from the statement of profit and loss to other comprehensive income.

11 Statement of cash flows

The transition from Indian GAAP to Ind AS has not had a material impact on the statement of cash flows.



CL Educate Limited

Notes to the financial statements for the year ending March 31, 2018

(All amounts are in Rupees lacs, unless otherwise stated)

- 59 There are no borrowing cost have been capitalised for the year ended March 31, 2018 and March 31, 2017.
- 60 Previous year's figures have been regrouped / reclassified as per the current year's presentation for the purpose of comparability.

As per report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
Firm registration No. 103523W/W100048

Raj Kumar Agarwal
Partner
Membership No.: 074715



Place: New Delhi
Date: May 23, 2018

For and on behalf of the Board of Directors of
CL Educate Limited

Gautam Puri
Vice Chairman and MD
DIN: 00033548

Rachna Sharma
Company Secretary
and Compliance Officer
ICSI M. No.: A17780

Place: New Delhi
Date: May 23, 2018

Nikhil Mahajan
Executive Director and Group CEO
Enterprise Business
DIN: 00033404

Sudhir Bhargave
Chief Financial Officer

