

Limited Review Report on the Unaudited Standalone Financial Results for the quarter ended June 30, 2017 pursuant to the Regulation 33 of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015

To the Board of Directors

CL Educate Limited

1. We have reviewed the accompanying Statement of Unaudited Standalone Financial Results of CL Educate Limited ('the Company') for the quarter ended June 30, 2017 ("the Statement"), being submitted by the Company pursuant to the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/ 62/2016 dated July 5, 2016. This Statement which is the responsibility of the Company's Management and approved by the Board of Directors, has been prepared in accordance with recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" as prescribed under Section 133 of Companies Act, 2013 ("the Act") read with relevant rules issued there under and other accounting principles generally accepted in India. Our responsibility is to issue a report on the Statement based on our review.
2. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the Statement is free of material misstatement. A review is limited primarily to inquiries of the Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.
3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with aforesaid accounting standard and other recognised accounting practices and policies have not



HARIBHAKTI & CO. LLP

Chartered Accountants

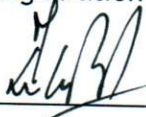
disclosed the information required to be disclosed in terms of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Circular No. CIR/CFD/FAC/62/2016 dated July 5, 2016, including the manner in which it is to be disclosed, or that it contains any material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

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

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W/W100048



Raj Kumar Agarwal

Partner

Membership No.: 074715



Place: New Delhi

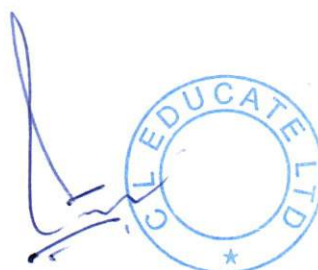
Date: August 24, 2017

CL. Educate Limited
CIN No:- U74899DL1996PLC078481
Registered Office: A-41, Espire Building, Lower Ground Floor, Mohan Cooperative Industrial Area,
Main Mathura Road, Delhi 110044

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2017

(Rs. In Lacs)

Particulars	Quarter Ended	
	June 30, 2017	June 30, 2016
	Unaudited	Unaudited
Income		
I (a) Revenue From operations	4,389.22	4,212.60
II (b) Other income	321.97	190.12
III Total income (I+II)	4,711.19	4,402.72
IV Expenses		
(a) Purchases of Stock-in-Trade	246.09	260.63
(b) Changes in inventories of Stock-in-Trade	72.68	58.00
(c) Franchisee expenses	1,662.80	1,320.73
(d) Employee benefits expense	722.64	709.35
(e) Finance costs	103.28	126.39
(f) Depreciation and amortization expense	162.32	113.54
(g) Other expenses	1,368.63	1,464.95
Total expenses (IV)	4,338.44	4,053.59
V Profit before exceptional items and tax (III-IV)	372.75	349.13
VI Exceptional items	-	-
VII Profit before tax (V-VI)	372.75	349.13
VIII Tax expense:		
(a) Current tax	226.39	153.38
(b) Deferred tax	(104.10)	(42.50)
IX Profit from continuing operations for the period (VII-VIII)	250.46	238.25
X Other Comprehensive Income		
(i) Items that will not be reclassified to profit or loss	1.83	3.15
(ii) Income tax relating to items that will not be reclassified to profit or loss	(0.63)	(1.09)
XI Total Comprehensive Income for the period (Comprising Profit and Other comprehensive Income for the period) (IX+X)	251.66	240.31
XII Paid-up Equity Share Capital (face value of Rs. 10 each)	1,416.33	1,193.96
XIII Earnings per equity share (for continuing operation), excluding Other Comprehensive Income		
(a) Basic	1.77	2.00
(b) Diluted	1.77	1.98
XIV Earnings per equity share (Total)) including Other Comprehensive Income		
(a) Basic	1.78	2.01
(b) Diluted	1.77	2.00



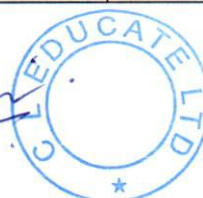
CL Educate Limited
CIN No:- U74899DL1996PLC078481

Registered Office: A-41, Espire Building, Lower Ground Floor, Mohan Cooperative Industrial Area,
Main Mathura Road, Delhi 110044

Notes to the Unaudited Standalone Financial Results for the quarter ended June 30, 2017

1. The above results have been reviewed and recommended by the Audit Committee and approved by the Board at their meeting held on August 24, 2017.
2. The financial results for the quarter ended June 30, 2017 have been prepared in accordance with the Companies (Indian Accounting Standards) Rules, 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013 and other recognized accounting practices and policies, to the extent applicable. Beginning April 01, 2017, the company has for the first time adopted Ind AS together with Ind AS compliant comparatives for FY 2016-17 (transition date April 01, 2016). Accordingly, figures for the previous period are recast/ regrouped as per new requirements wherever considered necessary.
3. As the Company got listed on March 31, 2017, the statement was drawn in accordance with regulation 33 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the first time for the quarter and year ended March 31, 2017. Therefore, the Ind AS compliant financial results pertaining to period June 30, 2016 have not been subjected to limited review. However, the management has exercised necessary due diligence to ensure that the financial results provide a true & fair view of its affairs in accordance with Ind AS.
4. Reconciliation of the financial results of corresponding quarter of financial year 2016-17 to those reported under previous IGAAP are summarized below:

Particulars	For the quarter ended June 30, 2016 (in lacs)
Profit after tax as reported under previous IGAAP (A)	390.27
Adjustments on account of:	
Discounting of security deposits	(0.12)
Financial guarantees given	0.79
Financial guarantees taken	(1.99)
Effective Interest Rate adjustment on Borrowings	(0.98)
Finance lease adjustment-Greater Noida Land	(1.26)
Deferred revenue adjustment of Franchisee start up fees	(20.48)
Deferred revenue adjustment of admission fees	(367.30)
Prepaid Franchise fees	170.68
Defined benefits plans	(3.15)
Expected Credit Loss Provision for Doubtful debts	(8.03)
Deferred tax impact on above benefit / (charge)	79.82
Total (B)	(152.02)
Profit after tax as reported under Ind AS (A-B)	238.25
Other Comprehensive Income	
Re-measurements of defined benefit plans-OCI	2.06
Total Income as reported under Ind AS	240.31



5. During the previous year ended March 31, 2017, pursuant to Initial Public Offering ("IPO"), 2,180,119 equity shares of Rs. 10 each were allotted to public at a premium of Rs. 492 per share along with offer for sale of 2,579,881 equity shares by the selling shareholders.

The shares were listed at BSE and NSE on March 31, 2017, pursuant to an initial public offering ("IPO"). Details of the utilisation of IPO proceed till quarter ended June 30, 2017 is as under:

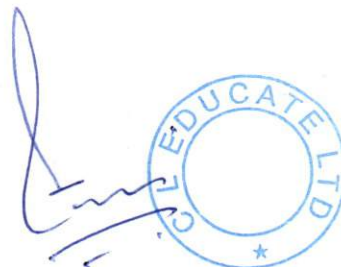
Objects	Amount (Rs. in lacs)	Utilised till June 30, 2017 (Rs. in lacs)#
Repayment of loan taken by Career Launcher Infrastructure Private Limited (a step down subsidiary) from HDFC Bank Limited	1,860.40	1,860.40
Meeting the working capital requirements of CL Educate and its subsidiaries namely Kestone Integrated Marketing Services Private Limited and GK Publications Private Limited	5,250.00	4,119.66
Funding acquisitions and other strategic initiatives	2,000.00	-
General corporate purposes	*1,006.28	-
Total	10,116.68	5,980.06

* subject to finalization/ reconciliation of pending fees/ charges

Balance funds of Rs 4,136.62 lacs, pending utilization, are parked in bank fixed deposits.

6. In accordance with Ind AS -108 "Operating Segments" and based on "management evaluation", the Chief Operating Decision Maker evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along these business segments. The accounting principles used in preparing financial statements are consistently applied to record revenue & expenditure in individual segments. The reportable segments comprising of Consumer Test Prep and Others which comprises primarily scaled down vocational training businesses.
7. The basic and diluted earnings per share have been calculated in accordance with the Ind AS-33 "Earnings Per Share".
8. (a) During March 2017, the Group entered into a Business Transfer Agreement with I-Take Care Private Limited for sale of its infrastructure services business carried on by its step down subsidiary Career Launcher Infrastructure Private Limited on slump sale basis. The proposed sale of business is consistent with group's long term strategy to discontinue the K-12 business. The operations of K-12 business, has now been disclosed under discontinued operations.

(b) Pursuant to the Business Transfer Agreement dated March 18, 2017 and its amendment dated July 18, 2017 with B&S Strategy Service Private Limited (B&S), effective July 01, 2017, the business of running and operating pre-schools and providing school management services carried on by the Company's subsidiary Career Launcher Education Infrastructure & Services Limited was sold on slump sale basis for a total consideration of Rs. 4650.00 lacs.

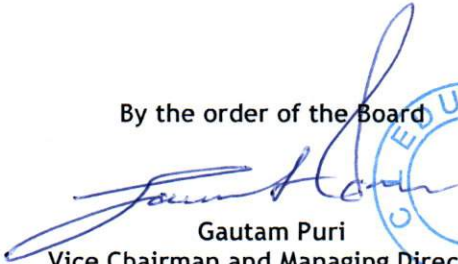


9. Subsequent to the quarter ended June 30, 2017, the Company has purchased Compulsorily Convertible Preference Shares (CCPS) amounting Rs. 400.00 lacs in the education technology Company namely, ThreesixtyOne Degree Minds Consulting Private Limited (361 DM). The Company already holds 4.43% of the paid up capital of 361 DM.
10. The Company owned 6,120 equity shares of Rs. 10 face value per share constituting 51% holding in Accendere Knowledge Management Services Private Limited till March 31, 2017. During the current quarter, the Company has purchased the balance 49% holding i.e. 5,880 number of equity shares of Rs. 10 face value per share in Accendere Knowledge Management Services Private Limited on April 12, 2017 for an aggregate purchase price of Rs. 1,323 lacs. Consequently, the Company now holds the entire 100% equity shares of Accendere Knowledge Management Services Private Limited, making it a wholly-owned subsidiary of the Company.
11. Figures for the previous period have been regrouped/reclassified wherever necessary to conform to the current period's classification.


Place: New Delhi
Date: August 24, 2017



By the order of the Board



Gautam Puri
Vice Chairman and Managing Director

A circular blue ink stamp for Educate Ltd. The text 'EDUCATE LTD' is written around the perimeter of the circle.

CL Educate Limited		
CIN No:- U74899DL1996PLC078481		
Registered Office: A-41, Espire Building, Lower Ground Floor, Mohan Cooperative Industrial Area, Main Mathura Road, Delhi 110044		
UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2017		
STANDALONE SEGMENT REPORTING		
	(Rs. In Lacs)	
Particulars	Quarter ended	
	Unaudited June 30, 2017	Unaudited June 30, 2016
Segment Revenue		
Consumer Test Prep	4,389.22	3,974.67
Others	0.00	237.93
Total	4,389.22	4,212.60
Segment Result		
Consumer Test Prep	823.14	779.78
Others	(166.11)	(73.87)
Total	657.03	705.91
Unallocated expenses	503.60	419.51
Operating profit	153.43	286.40
Finance costs	(103.28)	(126.39)
Other income	322.60	189.12
Profit before tax	372.75	349.13
Income taxes	(122.29)	(110.88)
Net profit	250.46	238.25
Other Comprehensive Income	1.20	2.06
Total Comprehensive Income	251.66	240.31
Segment Assets		
Consumer Test Prep	8,380.92	6,266.31
Others	4,768.45	4,726.38
Unallocated	33,974.63	25,697.87
Total	47,124.00	36,690.56
Segment Liabilities		
Consumer Test Prep	5,256.44	4,681.89
Others	2,385.38	2,442.74
Unallocated	4,293.16	4,299.57
Total	11,934.98	11,424.20
Capital Employed (Assets - Liabilities)		
Consumer Test Prep	3,124.48	1,584.42
Others	2,383.07	2,283.64
Unallocated	29,681.47	21,398.30
Total	35,189.02	25,266.36

