

INDEPENDENT AUDITOR'S REPORT

To the Members of CL Educate Limited

Report on the Audit of the Consolidated Ind AS Financial Statements

Qualified opinion

We have audited the accompanying consolidated Ind AS financial statements of CL Educate Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") and its associates comprising of the Consolidated Balance Sheet as at March 31, 2019, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the consolidated Ind AS financial statements including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate Ind AS financial statements and on the other financial information of the subsidiaries and associates except for the possible effects of the matter described in Basis for Qualified Opinion section of our report, the aforesaid consolidated Ind AS financial statements give the information required by the Companies Act, 2013 ("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 Indian Accounting Standards ("Ind AS"), of the consolidated state of affairs of the Group and its associates as at March 31, 2019, their consolidated profit (including other comprehensive income), consolidated changes in equity and their consolidated cash flows for the year ended on that date.

Basis for Qualified Opinion

We refer to the qualification which is included by the statutory auditor of ICE Gate Educational Institute Private Limited, a subsidiary of the Holding Company, in the Basis of Qualification paragraph in their audit report:

The aforesaid subsidiary company has more than 10 employees on its payroll as at March 31, 2019. However, this subsidiary company has not registered itself under the provisions of The Employees Provident Fund & Miscellaneous Provisions Act, 1952 and The Employees State Insurance Act, 1948. The impact of such non-compliance, if any, is not ascertainable.



We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements section of our report. We are independent of the Group and its associates in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India ("ICAI") together with the ethical requirements that are relevant to our audit of the consolidated Ind AS financial statements under the provisions of the Act and Rules thereunder and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the consolidated Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. In addition to the matter described in the Basis for Qualified Opinion section, we have determined the matters described below to be the key audit matters to be communicated in our report.

Key Audit Matter	How our audit addressed the key audit matter
Revenue Recognition - Holding Company (Refer Note 2(ii) and Note 34 to the accompanying consolidated Ind AS financial statements)	
<p>Revenue is one of the key profit driver and is therefore susceptible to misstatement. Cut off is the key assertion in so far as revenue recognition is concerned. The revenue is also deferred for part of services which have not been rendered.</p> <p>Revenue is measured net of discounts and amounts collected on behalf of third parties (such as goods and services tax). There is a risk that these discounts are incorrectly recorded, resulting in understatement of the associated expenses and accrual.</p> <p>Additionally, the application of new revenue accounting standard - Ind AS 115 'Revenue from contracts with customers' involves reassessment of revenue recognition policy and collation of information like disaggregated revenue for the disclosure purpose.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Assessed the Company's revenue recognition policy prepared as per Ind AS 115 'Revenue from contracts with customers'. • Understood, evaluated and tested the key controls implemented by the Company in relation to revenue recognition and discounts. • Performed sample tests of individual service transaction and verified services invoices and other related documents of such samples. Further, in respect of such samples checked that the revenue has been recognized as per the accounting policy. • Performed cut off procedures on sample basis for revenue transactions made to ensure correctness of period of revenue recognition.



<p>Considering the significant risk associated with revenue recognition, it was determined to be a key audit matter in our audit of the consolidated Ind AS financial statements.</p>	<ul style="list-style-type: none"> • Tested the calculations related to discounts and other supporting documents on test check basis. • Verified the relevant disclosures made in the financial statements in accordance with Ind AS 115.
<p>Impairment testing of Trade Receivables - Holding Company (Refer Note 2(x)(v) and Note 15 to the accompanying consolidated Ind AS financial statements)</p>	
<p>For the purpose of impairment assessment of trade receivable, significant judgments and assumptions, including the timing and amount of realization of these receivables, are required for the determination of the impairment charge.</p> <p>We have identified valuation of trade receivables as a key audit matter on account of the significant management judgment involved with respect to the realisation of trade receivables and the provisions for impairment of receivables.</p>	<p>Our audit procedures included the following:</p> <ul style="list-style-type: none"> • Understanding the trade receivables process with regards to valuation and evaluation of controls designed and implemented by the management. • Assessment of the appropriateness of the Company's credit risk policy and obtaining an understanding on management of credit risk. • Testing the accuracy of ageing of trade receivables at year end on sample basis. • Obtained a list of outstanding receivables, identified significant long outstanding receivables and discussed plan of recovery with management including, if applicable, review of recent correspondences with the customers. • Verified the appropriateness of judgments regarding provisions for trade receivables and assess as to whether these provisions were calculated in accordance with the Company's provisioning policies. • Tested subsequent settlement of trade receivables after the balance sheet date on a sample basis, as applicable.

Emphasis of Matter

- a) We draw attention to Note 54 of the accompanying consolidated Ind AS financial statements, wherein the Management has explained the reasons for considering old vocational outstanding receivables as recoverable.



- b) We draw attention to Note 55B to the consolidated Ind AS financial statements with regard to Business Transfer Agreement with I-Take Care Private Limited for sale of infrastructure services business, carried on by a step down subsidiary of the Holding Company, on slump sale basis. As on reporting date, the transaction is pending for closure as I-Take Care Private Limited has not been able to arrange the requisite funds to close the sale. The Holding Company is also in parallel discussions with other parties to give effect to the above-mentioned transaction. Thus, the Holding Company is still disclosing such business as discontinued operations and the assets as held for sale in accordance with IND AS 105 "Non-current Assets Held for Sale and Discontinued Operations".

Our opinion is not modified in respect of the above matters.

Other Information

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report and Report on Corporate Governance, but does not include the the consolidated Ind AS financial statements and our auditor's report thereon. The Board's Report including Annexures to Board's Report and Report on Corporate Governance are expected to be made available to us after the date of this auditor's report.

Our opinion on the consolidated Ind AS financial statements does not cover the other information and we will not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated Ind AS financial statements, our responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated Ind AS financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

Responsibilities of Management and Those Charged with Governance for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated Ind AS financial statements in terms of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group including its associates in accordance with the accounting principles generally accepted in India, including Ind AS specified under section 133 of the Act, read with relevant rules issued thereunder. The respective Board of Directors of the companies included in the Group and its associates are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and its associates and for preventing and detecting frauds and other irregularities; the 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, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated Ind AS financial statements, the respective Board of Directors of the companies included in the Group and of its associates are responsible for assessing the ability of the Group and of its associates 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 Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group and of its associates are responsible for overseeing the financial reporting process of the Group and of its associates.

Auditor's Responsibilities for the Audit of the Consolidated Ind AS Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated Ind AS financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated Ind AS financial statements. As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, have adequate internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.



- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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 ability of the Group and its associates to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated Ind AS financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its associates to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated Ind AS financial statements, including the disclosures, and whether the consolidated Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group and its associates, to express an opinion on the consolidated Ind AS financial statements. We are responsible for the direction, supervision and performance of the audit of the Ind AS financial statements of such entities included in the consolidated Ind AS financial statements of which we are the independent auditors. For the other entities included in the consolidated Ind AS financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated Ind AS financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated Ind AS financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure



about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

- (a) We did not audit the Ind AS financial statements of 2 (Two) subsidiaries, whose Ind AS financial statements reflects total assets of Rs. 992.09 lacs and net assets of Rs. 49.56 lacs as at March 31, 2019, total revenues of Rs. 1,589.44 lacs and net cash outflow amounting to Rs. 16.27 lacs for the year ended on that date, as considered in the consolidated Ind AS financial statements. The consolidated Ind AS financial statements also include Group's share of net profit of Rs. 4.57 lacs for the year ended March 31, 2019, as considered in the consolidated Ind AS financial statements, in respect of 2 (Two) associates, whose Ind AS financial statements have not been audited by us. These Ind AS financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and associates and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries and associates, is based solely on the reports of the other auditors.
- (b) We did not audit the Ind AS financial statements of 2 (Two) subsidiaries, whose Ind AS financial statements reflects total assets of Rs. 509.79 lacs and net assets of Rs. 111.02 lacs as at March 31, 2019 and total revenues of Rs. 641.10 lacs for the year ended on that date, as considered in the consolidated Ind AS financial statements. These Ind AS financial statements are unaudited and have been furnished to us by the management and our opinion on the consolidated Ind AS financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of section 143(3) of the Act, in so far as it relates to the aforesaid subsidiaries, is based solely on such unaudited Ind AS financial statements. In our opinion and according to the information and explanations given to us by the management, these Ind AS financial statements are not material to the Group.

Our opinion on the consolidated Ind AS financial statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the Ind AS financial statements certified by the management.



Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report, to the extent applicable, 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 of the aforesaid consolidated Ind AS financial statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
- d. In our opinion, except for the possible effects of the matters described in the Basis for Qualified Opinion section of our report, the aforesaid consolidated 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 the written representations received from the directors of the Holding Company as on March 31, 2019 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies, incorporated in India, none of the directors of the Group companies and its associate companies, incorporated in India, is disqualified as on March 31, 2019 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 with reference to financial statements of the Holding Company, its subsidiary companies and its associate companies, incorporated in India, and the operating effectiveness of such controls, we give our separate report in the "Annexure";
- g. With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of section 197(16) of the Act;

In our opinion and to the best of our information and according to the explanations given to us by the Holding Company and the reports of the statutory auditors of its subsidiary companies and associate companies, incorporated in India, the remuneration paid/ provided to their directors during the year by the



Holding Company, subsidiary companies and associate companies, incorporated in India, is in accordance with the provisions of section 197 of the Act;

h. 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 consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group and its associates - Refer Note 44 to the consolidated Ind AS financial statements;

(ii) The Group and its associates did not have any long term contracts including derivative contracts. Hence the question of any material foreseeable losses does not arise; and

(iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, its subsidiary companies and associate companies, incorporated in India.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048



Raj Kumar Agarwal

Partner

Membership No.: 074715

Place: New Delhi

Date : May 29, 2019

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to 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 consolidated Ind AS financial statements for the year ended March 31, 2019]

Report on the Internal Financial Controls with reference to Financial Statements under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of CL Educate Limited ("Company" or "Holding Company") as of and for the year ended March 31, 2019, we have audited the internal financial controls with reference to financial statements of the Holding Company, its subsidiary companies and associate companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") 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 the respective 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to financial statements of Holding Company, its subsidiary companies and its associate companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with 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 with reference to financial statements 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 with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, 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 and the audit evidence obtained by the other auditors, in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to financial statements.



Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements 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 with reference to financial statements 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 with reference to Financial Statements

Because of the inherent limitations of internal financial controls with reference to financial statements, 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 with reference to financial statements to future periods are subject to the risk that the internal financial control with reference to financial statements 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 and the report issued by other auditors, the following material weaknesses have been identified in the operating effectiveness of the internal financial control with reference to financial statements of the Holding Company and its subsidiary company as at March 31, 2019:

- a) The Holding Company's internal financial control in respect of authorisation of 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) The Holding Company's internal financial controls in respect of obtaining periodic balance confirmations and preparation of reconciliations of receivables / payables were not operating effectively during the year, which may result in unwarranted disputes and over/ understatement of party balances.
- c) In case of one of the subsidiary, Kestone Integrated Marketing Services Private Limited, comprehensive procurement policies for purchase of goods and services have not been documented, which could potentially result in the aforesaid subsidiary procuring unnecessary goods and services, or procuring goods of lower quality, or procure goods and services at higher prices.

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



HARIBHAKTI & CO. LLP

Chartered Accountants

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Holding Company has maintained, in all material respects, adequate internal financial controls with reference to financial statements and such internal financial controls with reference to financial statements were operating effectively as of March 31, 2019, based on the internal control with reference to financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2019 consolidated Ind AS financial statements of the Company, and these material weaknesses do not affect our opinion on the consolidated Ind AS financial statements of the Company.

Other Matters

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to financial statements in so far as it relates to two subsidiary companies and two associate companies, which are companies incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048



Raj Kumar Agarwal

Partner

Membership No.: 074715

Place: New Delhi

Date: May 29, 2019

CL Educate Limited
Consolidated Balance Sheet as at March 31, 2019
(All amounts are in Rupees lacs, unless otherwise stated)

Particulars	Notes	As at	As at
		March 31, 2019	March 31, 2018
Assets			
Non-current assets			
Property, plant and equipment	3	4,326.27	4,719.76
Capital work-in-progress	3	-	63.13
Investment property	4	305.67	108.78
Goodwill	5	3,345.05	3,345.05
Other intangible assets	6 a	2,089.88	2,058.64
Intangible assets under development	6 c	174.45	135.24
Investment in associates accounted by using equity method	60	5,430.68	5,053.00
Financial assets			
(i) Investments	7	-	-
(ii) Loans	8	175.88	282.83
(iii) Other financial assets	9	1,651.47	1,474.15
Deferred tax assets (net)	10	1,179.44	1,565.28
Non-current tax assets (net)	11	3,166.04	2,354.56
Other non-current assets	12	202.95	145.52
Total non-current assets		22,047.78	21,305.94
Current assets			
Inventories	13	980.64	799.67
Financial assets			
(i) Investments	14	2,743.09	-
(ii) Trade receivables	15	12,992.13	11,484.66
(iii) Cash and cash equivalents	16	1,041.10	1,365.90
(iv) Bank balances other than (ii) above	17	980.20	3,057.75
(v) Loans	18	2,117.88	2,009.44
(vi) Other financial assets	19	1,238.13	1,813.10
Other current assets	20	2,328.94	2,599.06
		24,422.11	23,129.58
Assets classified as held for sale	21	2,923.21	2,923.24
Total current assets		27,345.32	26,052.82
Total assets		49,393.10	47,358.76
Equity and liabilities			
Equity			
Equity share capital	22	1,416.57	1,416.57
Other equity	23	32,410.73	30,922.61
Equity attributable to owners of the company		33,827.30	32,339.18
Non-controlling interest		15.42	12.40
Total equity		33,842.72	32,351.58
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	24	804.73	521.32
Provisions	25	482.71	442.33
Deferred tax liabilities (net)	26	71.62	72.34
Other non-current liabilities	27	373.08	316.65
Total non-current liabilities		1,732.14	1,352.64



CL Educate Limited
 Consolidated Balance Sheet as at March 31, 2019
 (All amounts are in Rupees lacs, unless otherwise stated)

Particulars	Notes	As at	As at
		March 31, 2019	March 31, 2018
Current liabilities			
Financial liabilities			
(i) Borrowings	28	4,450.30	4,236.79
(ii) Trade payables	29		34.49
- total outstanding dues of micro and small enterprises; and		921.26	3,887.39
- total outstanding dues of creditors other than micro and small enterprises		3,887.39	4,607.36
(iii) Other financial liabilities	30	1,898.73	1,792.07
Other current liabilities	31	1,848.59	2,305.22
Provisions	32	18.21	33.34
Current tax liabilities (net)	33	793.76	645.27
Total current liabilities		13,818.24	13,654.54
Total liabilities		15,550.38	15,007.18
Total equity and liabilities		49,393.10	47,358.76

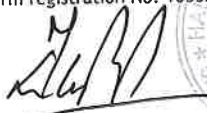
Summary of significant accounting policies

The accompanying notes 1 to 66 are an integral part of these financial statements.

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As per our 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 29, 2019

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


 Satya Narayanan .R
 Chairman

DIN: 00307326


 Rachna Sharma
 Company Secretary
 ICSI M. No.: A17780

Place: New Delhi
 Date: May 29, 2019


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


 Arjun Wadhwa
 Chief Financial Officer

CL Educate Limited
 Consolidated statement of profit and loss for the year ended March 31, 2019
 (All amounts are in Rupees lacs, unless otherwise stated)

	Notes	Year ended March 31, 2019	Year ended March 31, 2018
Continuing Operations			
Income			
Revenue from operations	34	33,925.95	28,888.97
Other income	35	1,323.66	1,291.23
Total Income		35,249.61	30,180.20
Expenses			
Cost of material consumed	36	1,172.61	1,286.76
Purchase of stock in trade	37	32.90	104.22
Changes in inventories of stock-in-trade	38	(98.07)	13.49
Employee benefit expense	39	5,813.21	6,109.56
Finance costs	40	619.88	642.98
Depreciation and amortisation expense	41	948.33	846.53
Franchisee expenses		6,944.48	6,121.53
Other expenses	42	17,371.88	14,271.32
Total expenses		32,805.22	29,396.39
Profit from continuing operation before share of net profits of investments accounted for using equity method and tax		2,444.39	783.81
Share of net profit of associates accounted for using the equity method	60	4.58	6.80
Profit before tax from continuing operations		2,448.97	790.61
Tax expense:			
Current tax		637.86	475.35
For earlier years		-	24.90
Deferred tax	61	40.23	(34.00)
Profit from continuing operations		1,770.88	324.36
Discontinued Operations			
Profit from discontinued operation before tax	55	226.75	249.58
Tax expense:	61		
Current tax			
Deferred tax			
Profit from discontinued operation		226.75	249.58
Profit for the year		1,997.63	573.94
Other comprehensive income			
Items that may be subsequently reclassified to statement of profit and loss			
Exchange difference on translation of foreign operation		(5.30)	(12.79)
Income tax relating to above		1.47	4.27
Items that will not be reclassified to statement of profit and loss			
Remeasurement of defined benefit plans		26.07	40.37
Income tax relating to these items		(7.21)	(13.14)
Other comprehensive income for the year, net of tax		15.03	18.71
Total comprehensive income for the year		2,012.66	592.65



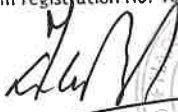
CL Educate Limited
 Consolidated statement of profit and loss for the year ended March 31, 2019
 (All amounts are in Rupees lacs, unless otherwise stated)

	Notes	Year ended March 31, 2019	Year ended March 31, 2018
Profit attributable to:			
Owners of the company		1,994.66	570.63
Non-controlling interests		2.97	3.31
		<u>1,997.63</u>	<u>573.94</u>
Other comprehensive income attributable to:			
Owners of the company		15.03	18.71
Non-controlling interests		-	-
		<u>15.03</u>	<u>18.71</u>
Total comprehensive income attributable to:			
Owners of the company		2,009.69	589.34
Non-controlling interests		2.97	3.31
		<u>2,012.66</u>	<u>592.65</u>
Earnings Per Share - continuing operations			
Basic	43	12.50	2.29
Diluted		12.50	2.28
Earnings Per Share - discontinuing operations			
Basic		1.60	1.76
Diluted		1.60	1.76
Earnings Per Share - continued & discontinuing operations			
Basic		14.21	4.18
Diluted		14.21	4.17

Summary of significant accounting policies 2
 The accompanying notes 1 to 66 are an integral part of these financial statements.

As per our 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 29, 2019

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


 Satya Narayanan R
 Chairman

DIN: 00307326


 Rachna Sharma
 Company Secretary
 ICSI M. No.: A17780

Place: New Delhi
 Date: May 29, 2019



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


 Arjun Wadhwa
 Chief Financial Officer

CL Educate Limited

Statement of cash flows for the year ended March 31, 2019

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

	For the year ended March 31, 2019	For the year ended March 31, 2018
A. Cash flow from operating activities		
Net Profit before tax from:		
Continuing operation	2,448.98	790.61
Discontinued operation	226.75	249.58
Profit before income tax including discontinued operation	2,675.73	1,040.19
Adjustment for:		
Depreciation and amortisation	948.33	854.28
Depreciation on investment property	5.96	2.07
Gain on sale of property, plant and equipment	(8.15)	(81.94)
Profit on sale of business on slump sale basis	-	(76.80)
Property, plant and equipment written off	-	1.12
Provision for slow moving inventory	-	27.77
Finance cost	616.35	568.81
Lease equalisation reserve	4.84	(7.13)
Share of profits of associates	(4.58)	(6.80)
Advances written off	187.23	11.53
Rent income on investment property	(24.62)	(23.05)
Liability no longer required written back	(332.25)	(193.78)
Unwinding of interest on security deposits	(27.47)	(29.11)
Transfer to stock options outstanding	(5.26)	32.46
Unrealised foreign exchange (gain) / loss (net)	(9.90)	(29.02)
Gain on Mutual fund	(211.09)	-
Expense recognized on amortized cost	3.53	30.88
Movement in financial guarantee	3.14	7.24
Other comprehensive income	15.03	-
Interest Income	(216.95)	(421.72)
Provision for sales return	-	8.45
Reversal of loss allowance on doubtful debtors	(267.02)	(34.84)
Loss allowance on trade receivables	-	363.77
Bad debts written off	1,445.29	806.11
Operating profit before working capital changes	4,798.14	2,850.49
Movements in working capital :-		
- (Increase)/Decrease in Trade receivables	(2,684.47)	(1,442.83)
- (Increase)/Decrease in Inventories	(180.97)	(10.45)
- (Increase)/Decrease in Non-current financial assets	(149.85)	(196.93)
- (Increase)/Decrease in Non-current Loans	106.95	(18.70)
- (Increase)/Decrease in current Loans	(98.99)	210.79
- (Increase)/Decrease in current financial assets	319.00	(428.97)
- (Increase)/Decrease in Other non current assets	(61.65)	117.02
- (Increase)/Decrease in Other current assets	270.12	(1,464.77)
- Increase/(Decrease) in Other non-current liabilities	51.27	21.81
- Increase/(Decrease) in Trade payables	166.80	403.89
- Increase/(Decrease) in Provisions	25.25	114.46
- Increase/(Decrease) in Other current financial liabilities	147.96	(11,809.12)
- Increase/(Decrease) in Other current liabilities	(124.06)	587.12
Cash Generated from/ (used in) operations	2,585.50	(11,066.19)
Less: Income Tax Paid (net of refunds)	(955.97)	(1,506.46)
Net Cash generated from / (used in) operating activities (A)	1,629.53	(12,572.65)
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(178.64)	(1,034.45)
Purchase of other intangible assets	(663.19)	(951.92)
Disposal of property, plant & equipment	86.05	841.41
Purchase of investment in associates	(372.61)	(6,998.76)
Sale of investment (Mutual fund)	1,370.00	-
Purchase of investment in mutual funds	(3,902.00)	-
Assets classified as held for sale	0.03	-
Loan given to related parties	(26.95)	(33.81)
Proceeds from realisation of loan given	17.50	3,810.65
Term deposits not considered as cash and cash equivalents	2,077.55	10,434.99
Non controlling interest	(345.98)	-
Interest received	294.31	372.38
Rent income on investment property	24.62	23.05
Net Cash Generated from / (Used in) Investing Activities (B)	(1,619.31)	6,463.54



CL Educate Limited

Statement of cash flows for the year ended March 31, 2019

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

C. Cash Flow from Financing Activities

Proceeds from issue of equity share capital (including securities premium)	-	0.24
Share issue expenses paid	-	(11.16)
Security premium received	-	10.56
Proceeds from long-term borrowings	750.00	700.00
Repayment of long-term borrowings	(509.65)	(1,176.91)
Net increase in working capital borrowings	213.51	(150.06)
Interest Expense Paid	(618.11)	(556.71)
Dividend adjusted	-	0.02
Dividend paid including tax	(170.77)	-
Repayment of loan from related party	-	(100.00)
Net Cash generated (used in) Financing Activities (C)	<u>(335.02)</u>	<u>(1,284.02)</u>
Net (Decrease) in Cash and Cash Equivalents (A+B+C)	<u>(324.80)</u>	<u>(7,393.13)</u>
Balance at the beginning of the year	1,365.90	8,759.03
Cash and cash equivalents at the beginning of the year	-	-
Effect of exchange differences on cash and cash equivalents held in foreign currency	-	-
Balance at the end of the year	<u>1,041.10</u>	<u>1,365.90</u>

Notes to cash flow statement

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

Balances with banks	791.85	1,241.82
- on current account	74.38	36.23
Cheques/ drafts on hand	174.87	87.85
Cash on hand	<u>1,041.10</u>	<u>1,365.90</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, 2019			
Balance as at April 1, 2018	1,028.78	4,236.79	3.96
Loan draws (in cash) /interest accrued during the year	750.00	213.51	519.57
Adjustment for processing fee	(3.02)	-	-
Loan repayments/interest payment during the year	(509.65)	-	(593.07)
Other non cash changes	25.87	-	(3.53)
Balance as at March 31, 2019	<u>1,291.98</u>	<u>4,450.30</u>	<u>(73.08)</u>
For the year ended March 31, 2018			
Balance as at April 1, 2017	1,493.58	4,386.85	12.78
Loan draws (in cash) /interest accrued during the year	700.00	(150.06)	551.39
Loan repayments/interest payment during the year	(1,176.91)	-	(556.71)
Other non cash changes	12.11	-	(3.50)
Balance as at March 31, 2018	<u>1,028.78</u>	<u>4,236.79</u>	<u>3.96</u>



CL Educate Limited
Statement of cash flows for the year ended March 31, 2019
(All amounts are in Rupees lacs, unless otherwise stated)

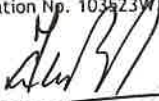
There are no non-cash changes on account of effect of changes in foreign exchange rates and fair values.

(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 66.

As per our 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 29, 2019

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


Satya Narayanan .R
Chairman

DIN: 00307326


Rachna Sharma
Company Secretary
ICSI M. No.: A17780



Place: New Delhi
Date: May 29, 2019



Nikhil Mahajan
Executive Director &
Group CEO Enterprise
Business

DIN: 00033404


Arjun Wadhwa
Chief financial officer

CL Educate Limited
Statement of Changes in Equity for year ended March 31, 2019
(All amounts are in Rupees lacs, unless otherwise stated)

(a) Equity share capital	Amount
Particulars	
Balance as at April 1, 2017	1,416.33
Change in equity share capital during the year	0.24
Balance as at March 31, 2018	1,416.57
Change in equity share capital during the year	
Balance as at March 31, 2019	1,416.57

Particulars	Attributable to owners of the company										Non-controlling interests	Total	
	Reserves and Surplus					Items of OCI							Total attributable to owners of the company
	Retained earnings	Security premium reserve	Share options outstanding amount	General reserve	Equity component of compound financial instruments	Deemed equity	Capital reserve	Exchange differences on translation of foreign operation	Remeasurement of defined benefit plans				
Adjusted balance as at April 1, 2017	2,175.67	29,854.05	144.27	64.70	4.85	16.91	0.20	5.39	16.34	32,282.38	(675.44)	31,606.94	
Addition during the year	-	10.56	-	-	-	15.87	-	-	-	26.43	-	26.43	
Gross compensation for the year	-	-	32.46	-	-	-	-	-	-	32.46	-	32.46	
Share issue expenses	570.63	(11.16)	-	-	-	-	-	-	-	(11.16)	-	(11.16)	
Profit for the year	570.63	-	-	-	-	-	-	-	-	570.63	3.31	573.94	
Transaction with NCI	-	-	-	-	-	-	-	(8.52)	27.23	18.71	(1,312.31)	(1,312.31)	
Other comprehensive income for the year	570.63	(0.60)	32.46	-	-	15.87	-	(8.52)	27.23	637.07	(1,309.00)	(671.93)	
Total comprehensive income for the year	2,746.30	29,853.45	176.73	64.70	4.85	32.78	0.20	(3.13)	43.57	32,919.45	(1,984.44)	30,935.01	
Balance as at March 31, 2018	1,994.66	-	-	-	-	0.49	-	-	-	1,994.66	2.97	1,997.63	
Profit for the year	-	-	(5.26)	-	-	-	-	-	-	0.49	-	0.49	
Addition during the year	-	-	(136.67)	-	-	-	-	-	-	(5.26)	-	(5.26)	
Gross compensation for the year	-	-	-	136.67	-	-	-	-	-	-	-	-	
Transfer to general reserve	-	-	-	(170.77)	-	-	-	-	-	(170.77)	-	(170.77)	
Share issue expenses	-	-	-	-	-	-	-	-	-	-	-	-	
Dividend & tax on dividend paid during the year	-	-	-	-	-	-	-	-	-	-	-	-	
Transaction with NCI	-	-	-	-	-	-	-	(3.82)	18.85	15.03	(345.98)	(345.98)	
Other comprehensive income for the year	1,994.66	-	(141.93)	(34.10)	-	0.49	-	(3.82)	18.85	1,834.15	(343.01)	1,491.14	
Total comprehensive income for the year	4,740.96	29,853.45	34.80	30.60	4.85	33.27	0.20	(6.95)	62.42	34,753.60	(2,327.45)	32,426.15	
Balance as at March 31, 2019													

The accompanying notes 1 to 66 an integral part of these financial statements.

As per our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
Firm registration No. 103523/W/1994-06

Raj Kumar Agarwal
Partner
Membership No.: 026645

Place: New Delhi
Date: May 29, 2019

For and on behalf of the Board of Directors of
CL Educate Limited
Sanya Nahayandhar
Chairman
DIN: 00307326

Nikhil Mahajan
Executive Director and Group
CEO Enterprise Business
DIN: 00032604

Rachna Sharma
Company Secretary
ICSI M. No.: A17780

Arjun Wadhwa
Chief Financial Officer

Place: New Delhi
Date: May 29, 2019

Reporting Entity

CL Educate Limited ('the Company') is a company domiciled in India, with its registered office situated at Plot No. 9A, Sector-27A, Mathura Road, Faridabad, Haryana- 121003. 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 i.e. 10+2 level and graduate / post graduate levels, education infrastructure service, event management, manpower resourcing and publication of books through formation/acquisition of various subsidiaries.

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

The Company along with its subsidiaries its associates and its joint venture have been collectively hereinafter referred to as "the Group".

1. Basis of preparation.

(i) Statement of compliance:

These consolidated 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.

These consolidated financial statements were authorised for issue by the Board of Directors on May 29, 2019.

The significant accounting policies adopted in the preparation of these consolidated 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 Group'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 Group 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 Group. 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 consolidated financial statements are presented in Indian Rupees (Rs.), which is also the Group's functional currency. All amounts have been rounded-off to the nearest lacs, unless otherwise indicated.



(iv) Basis of measurement

The consolidated 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 consolidated 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 consolidated financial statements is included in the following notes:

- Note no 45: leases: whether an arrangement contains a lease;
- Note no 45: lease classification.
- Note no 58: 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 55: 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, 2019 is included in the following notes:

- Note no 46: 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 6: measurement of useful lives of intangible assets;
- Note no 58: fair value measurement of financial instruments;



- Note no 44: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources;
- Note no 61: recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used.
- Note no 5 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 58: impairment of financial assets.
- Note no 5: impairment of goodwill.
- Note 57: 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 Group.

All assets and liabilities for which fair value is measured or disclosed in the consolidated 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 Group 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 Group measures financial instruments, such as, investments (other than investment in subsidiaries), at fair value at each reporting date. The same are disclosed in Note 58.

2. Significant accounting policies

(i) Basis of consolidation:

a) Subsidiaries:

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are



included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

The acquisition method of accounting is used to account for business combinations by the group.

The group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Inter-Group transactions, balances and unrealised gain on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests (NCI) in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and balance sheet respectively. NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition.

b) Associates:

The Group's interests in equity accounted investees comprise interests in associates. An associate is an entity in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates are accounted for using the equity method. They are initially recognised at cost which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of profit or loss and OCI of equity-accounted investees until the date on which significant influence ceases.

c) Loss of control:

The Group treats transactions with non-controlling interests that do not result in a loss of control as transaction with equity owners of the group. A change in ownership interest results in an adjustment between the carrying amounts of the controlling and non-controlling interests to reflect their relative interests in the subsidiary. Any difference between the amount of the adjustment to non-controlling interests and any consideration paid or received is recognised within equity.

When the group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the equity is remeasured to its fair value with the change in carrying amount recognised in profit or loss. This fair value becomes the initial carrying amount for the purpose of subsequently accounting for the retained interest as an associate or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognised in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income are reclassified to profit or loss where appropriate.

(ii) Revenue

Effective April 1, 2018, the Group has applied Ind AS 115 which establishes a comprehensive framework for determining whether, how much and when revenue is to be recognized. The Standard requires apportioning revenue earned from contracts to individual promises, or performance obligations, on a relative stand-alone selling price basis, using a five-step model. Ind AS 115 replaces Ind AS 18 Revenue and Ind AS 11 Construction Contract. The Group has adopted Ind AS 115 using the cumulative effect



method. The effect of initially applying this standard is recognized at the date of initial application (i.e. April 1, 2018) and the comparative information in the statement of profit and loss is not restated - i.e. the comparative information continues to be reported under Ind AS 18.

Refer note 2(i) - Significant accounting policies - Revenue recognition in the Annual report of the Group for the year ended March 31, 2018, for the revenue recognition policy as per Ind AS 18.

Revenue is recognised upon transfer of control of promised product or services to customer in an amount that reflect the consideration which the Group expects to receive in exchange for those product or services 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 Group 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 over the period of contract 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 for marketing & sales service, online marketing support services is recognised in profit & loss statement over the period of time in proportion to stage of completion of the service at the reporting date. The stage of completion is assessed as per terms of respective agreement.

Revenue for manpower management services is recognised at the point in time on an accrual basis, in accordance with the terms of the respective contract.

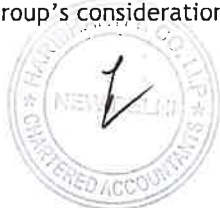
Revenue from advertising income is recognized on stage of completion basis as per the terms of the agreement over period of time.

The billing schedules agreed with customers include periodic performance-based payments and / or milestone-based progress payments. Invoices are payable within contractually agreed credit period.

Revenue as an agent

The Group derives its revenue from event & managed manpower services. When the Group determines that the nature of its promise, is a performance obligation to provide the specified goods or services itself (i.e. entity is the principal), then it recognises the revenue earned as the gross amount of consideration. However, where the Group promise, is to arrange, for the customer to provide goods/services as an agent then revenue is recognised only to extent of commission/markup/charges earned by it. In such cases the Group does not control the goods and services provided to a customer. The indicators evaluated by the Group to conclude if it is an agent are the following:

- (a) That another party is primarily responsible for fulfilling the contract;
- (b) The Group does not have any inventory risk
- (c) The Group does not have discretion in establishing prices for the other party's goods or services and, therefore, the benefit that the Company can receive from those goods or services is limited;
- (d) the Group's consideration is in the form of a commission / service charge or markup; and



(e) the Group is not exposed to credit risk for the amount receivable from a customer in exchange for the other party's goods or services.

Revenue from sale of text -books

Revenue from Sale of Textbooks is recognized at the point of time upon transfer of control of promised goods to the customer in an amount that reflects the consideration the Group expects to receive in exchange for those goods i.e. 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 recognized at the fair value of the consideration received or receivable, which is generally the contracted price, net of any taxes/duties and discounts considering the impact of variable consideration.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers. 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.

Variable Consideration

If the consideration in a contract includes a variable amount, estimates the amount of consideration to which it will be entitled in exchange for transferring the promised goods or services to a customer. The variable consideration is estimated at contract inception and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognized will not occur when the associated uncertainty with the variable consideration is subsequently resolved. The Company recognizes changes in the estimated amount of variable consideration in the period in which change occurs. Some contracts for the sale of goods provide customers with volume rebates and right to returns which give rise to variable consideration.

Revenue is measured based on the transaction price, which is the consideration, adjusted for volume discounts, service level credits, performance bonuses, price concessions and incentives, if any, as specified in the contract with the customer

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.
- License fee on account of grant of brand on non-exclusive basis is one-time fee charge from different schools and is recognised in the period in which contract is executed.
- Revenue from consultancy services and seminar and alliance income is recognised as and when services are actually rendered.
- Revenue in respect of training fee, school fee and subscription fee is recognised on accrual basis in the period to which it pertains.
- Pass-through revenue arises on account of facility provided to customers, in which debtors of the customers are realised through the Group. Revenue is generally a portion of such realisation and recognition of such revenue is made on receipt of request of such realisation from customers.
- Revenue from royalty is recognised on an accrual basis in accordance with the terms of the relevant agreement.
- Income from content development is recognized as and when services are rendered, as specified in the agreement entered or any amendments thereto.
- Revenue from advertising income is recognized on stage of completion basis as per the terms of the agreement over period of time. The billing schedules agreed with customers include periodic



performance-based payments and / or milestone-based progress payments. Invoices are payable within contractually agreed credit period

Contract Balances

Trade receivables

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only the passage of time is required before payment of the consideration is due). Refer to accounting policies of financial assets in section ix in Financial instruments.

Contract Liabilities (Unearned Revenue)

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. 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 contract liabilities as per the provisions of the Ind AS-115 and shown in other current liabilities.

Contract Assets (Unbilled Revenue)

Contract Assets is an entity's right to consideration in exchange of goods or service that the entity has transferred to a customer when that right is conditioned on something other than the passage of time. This is recognised when there is excess of revenue earned over billings on contracts. Contract assets are classified as unbilled receivables (only act of invoicing is pending) when there is unconditional right to receive cash, and only passage of time is required, as per contractual terms.

Use of significant judgements in revenue recognition: -

- The performance obligation is satisfied upon delivery of the books and study material. Some contracts provide customers with a right of return and volume rebates which give rise to variable consideration subject to constraint. Accordingly, refund liability towards expected return has been created.
- At the time of entering into the agreement / raising an invoice, performance obligations in the contract are identified. The Company delivers services as per the tenure and terms & condition of the contract. Contracts are of differing natures and sometimes have one specific performance obligation, and on other occasions have multiple performance obligations. Contract Liability has been created towards unsatisfied or partially satisfied performance obligations.
- Contract fulfilment costs are generally expensed as incurred except for certain incentive costs which meet the criteria for capitalisation. Such costs are amortised over the contractual period or useful life of contract whichever is less. The assessment of this criteria requires the application of judgement, in particular when considering if costs generate or enhance resources to be used to satisfy future performance obligations and whether costs are expected to be recovered.

Other income

- Revenue in respect of infrastructure fee and soft skills fee are charged from different institutions on revenue sharing basis and are recognised on accrual basis over the period of rendering services.
- 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.

- Income from infrastructure fees is recognised on straight line basis over the period of contract.

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.

(iii) 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.

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 Group 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.

The useful lives of the assets are as under:

Particulars	Useful lives (in years)
Tangible assets:	
Leasehold land	90 (period of lease)
Building	60
Furniture and fixtures	8-10
Plant & Machinery	10-15
Office equipment	5
Vehicle	8-10
Computer equipment,	3-5
Computer server 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.

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

Goodwill

For measurement of goodwill that arises on a business combination see Note 5 and 56. 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 Group 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 Group 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 Group 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.

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
Non-compete fee	3-4
Content development	5
License fees	Over the period of license
Website	5
Intellectual property rights	5-10
CAT online module	1-3
Melting Pot	10
IQM	10

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.

(v) **Business combinations**

In accordance with Ind AS 103, the Group accounts for these business combinations using the acquisition method when control is transferred to the Group. 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.

If a business combination is achieved in stages, any previously held equity interest in the acquiree is re-measured at its acquisition date fair value and any resulting gain or loss is recognised in the statement of profit and loss or OCI, as appropriate.

(vi) Impairment of non-financial assets

The Group'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.

(vii) 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.

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.



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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.

(viii) **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.

(ix) **Investment in subsidiaries and associates**

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

(x) **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 Group 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 Group 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 Group 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 Group 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 Group 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 Group'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 Group'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 Group 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 Group 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 Group'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 Group 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 Group 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 Group neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset.

If the Group 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 Group derecognises a financial liability when its contractual obligations are discharged or cancelled, or expire.

The Group 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 Group 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 Group 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 Group on terms that the Group 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 Group 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 Group 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 Group's historical experience and informed credit assessment and including forward looking information.

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

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

- the borrower is unlikely to pay its credit obligations to the Group in full, without recourse by the Group 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 Group in accordance with the contract and the cash flows that the Group 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 Group 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 Group's procedures for recovery of amounts due.

(xi) **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.

(xii) 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 Group is lessee

Finance lease

Finance leases, which effectively transfer to the Group 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 Group 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 Group is lessor

Finance lease

Leases in which the Group 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 Group 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 Group 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 lease 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.

(xiii) Inventories

Raw materials are valued at lower of cost and net realisable value. The cost of inventories is based on the first in, first out formula.

The comparison of cost and net realisable value is made on an item by item basis. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Inventories comprising of traded goods are measured at the lower of cost and net realisable value.

Work in progress, manufactured finished goods and traded goods are valued at the lower of cost and net realisable value. The comparison of cost and net realisable value is made on an item by item basis. Cost of work in progress and manufactured finished goods is determined on the first in first out basis and comprises direct material, cost of conversion and other costs incurred in bringing these inventories to their present location and condition. Cost of traded goods is determined on a first in first out basis.

Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on an item by item basis.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

(xiv) Employee Benefits

Short term employee benefits:

Short term employee benefit obligations are measured on an undiscounted basis and are expenses off as the related services are 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 Group 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 Group 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 Group 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 Group 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 Group'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 Group'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 Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

The Plan assets of the Group are managed by Life Insurance Corporation of India through a trust managed by the Group in terms of an insurance policy taken on fund obligations with respect to its gratuity plan except in case of G.K. Publications Private Limited, Accendere Knowledge Management Services Private Limited and Ice GATE Educational Institute Private Limited.

Other long-term benefits: Compensated absences

Benefits under the Group'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 Group to its employees. The Scheme provides that employees are granted an option to acquire equity shares of the Group that vests in a graded manner. The options may be exercised within a specified period. The Group 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.

(xv) **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 Group's monetary items at rates different from those at which they initially recorded during the year or reported in previous financial 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 Group, 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.

(xvi) **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

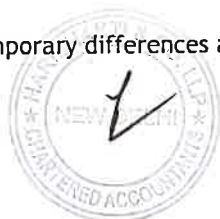
Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering 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 Group 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 Group 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 Group and the asset can be measured reliably. MAT credit entitlement is set off to the extent allowed in the year in which the Group 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 it 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.

(xvii) **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 Group. 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 Group.

Provisions

The Group 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.

(xviii) 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.

(xix) 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.

(xx) 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 Group'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 including inter-segment revenue.
2. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Group as a whole and not allocable to segments are included under unallocable expenditure.
3. Income which relates to the Group 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 Group as a whole and not allocable to any segment.

The Board of Director(s) are collectively the Group's 'Chief Operating Decision Maker' or 'CODM' within the meaning of Ind AS 108. Refer Note 55 for segment information.



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Notes to the Consolidated Financial Statements for the year ended March 31, 2019

(xxi) 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.

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CL Educate Limited
Notes to consolidated financial statements for year ended March 31, 2019
(All amounts are in Rupees lacs, unless otherwise stated)

3. Property, plant and equipment

Reconciliation of carrying amount	Freehold land	Leasehold land (refer note iii)	Buildings	Building improvements	Plant and machinery	Leasehold improvement	Furniture and fixtures	Office equipments	Computers	Vehicles	Printing Negative Films	Total	Capital work in progress
Cost or deemed cost (Gross carrying amount)													
Balance as at 1 April 2017	1,632.58	196.78	2,745.89	0.40	63.72	148.42	259.37	236.46	401.98	90.78	-	5,776.38	63.13
Additions during the year	6.10	-	-	7.89	11.07	77.17	90.31	59.61	71.12	35.31	-	358.58	-
Acquisitions through business combination (refer note 57)	-	-	-	-	-	-	15.95	61.88	80.29	-	-	158.12	-
Disposals during the year	566.29	-	9.39	0.40	23.79	20.27	142.12	22.79	7.23	12.78	-	805.06	-
Balance as at March 31, 2018	1,072.39	196.78	2,736.50	7.89	51.00	205.32	223.51	335.16	546.16	113.31	-	5,488.02	63.13
Balance as at 1 April 2018	1,072.39	196.78	2,736.50	7.89	51.00	205.32	223.51	335.16	546.16	113.31	-	5,488.02	63.13
Additions during the year	-	-	-	-	-	20.16	30.49	38.09	46.11	30.48	-	174.77	-
Transfer to investment property	-	-	210.63	-	-	0.40	-	-	1.37	10.86	-	210.63	-
Disposals during the year	-	-	-	-	0.66	2.94	-	6.69	-	-	-	22.92	-
Balance as at March 31, 2019	1,072.39	196.78	2,525.87	7.89	50.34	222.54	253.60	366.56	590.90	132.93	9.44	5,429.24	-
Accumulated depreciation and Impairment losses													
Balance as at April 1, 2017	-	2.51	48.15	-	7.28	54.04	36.54	59.48	162.73	24.90	-	395.63	-
Depreciation for the year	-	2.51	48.03	1.02	6.52	58.33	30.69	76.77	173.53	19.71	-	417.11	-
Disposals during the year	-	-	0.20	-	1.37	5.41	19.75	8.41	1.53	7.81	-	44.48	-
Balance as at March 31, 2018	-	5.02	95.98	1.02	12.43	106.96	47.48	127.84	334.73	36.80	-	768.26	-
Balance at 1 April 2018	-	5.02	95.98	1.02	12.43	106.96	47.48	127.84	334.73	36.80	-	768.26	-
Depreciation for the year	-	2.53	43.57	1.50	4.48	55.90	29.00	80.13	119.25	18.52	0.70	355.58	-
Transfer to investment property	-	-	7.78	-	-	2.28	-	-	1.03	6.44	-	7.78	-
Disposals during the year	-	-	-	-	0.46	2.28	-	2.76	-	-	-	13.09	-
Balance as at March 31, 2019	-	7.55	131.77	2.52	16.45	160.58	76.36	205.21	452.95	48.88	0.70	1,102.97	-
Carrying amount (net)													
As at March 31, 2018	1,072.39	191.76	2,640.52	6.87	38.57	98.36	176.03	207.32	211.43	76.51	-	4,719.76	63.13
As at March 31, 2019	1,072.39	189.23	2,394.10	5.37	33.89	61.96	177.24	161.35	137.95	84.05	8.74	4,326.27	-

Notes:

- For details related to assets identified for slump sale (discontinued operations) (Refer note 55)
- Please refer note 45 for details of assets held under finance lease
- Please refer note 44 for capital commitments.
- The Group has not carried out any revaluation of property, plant and equipment for the year ended March 31, 2019 and March 31, 2018.
- Certain property, plant and equipment, are subject to charge against secured borrowings of group companies referred in notes as secured term loans from banks and bank overdrafts. (Refer note 24 and 28).
- There are no impairment losses recognised during the year.
- There are no exchange differences adjusted in property, plant & equipment.
- During the year building at pune have been reclassified from PPE to investment property (refer note 4)



4. Investment property

A. Reconciliation of carrying amount
Cost or deemed cost

	Amount
Balance as at April 1, 2017	112.91
Additions during the year	112.91
Balance as at March 31, 2018	210.63
Additions/reclassification from property, plant & equipment during the year	323.54
Balance as at March 31, 2019	
Accumulated depreciation	
Balance as at April 1, 2017	(2.06)
Depreciation for the year ended March 31, 2018	(4.13)
Balance as at March 31, 2018	(7.78)
Additions / Reclassification from PPE during the year	(5.96)
Depreciation for the year ended March 31, 2019	(17.87)
Balance as at March 31, 2019	
Carrying amounts	108.78
As at March 31, 2018	305.67
As at March 31, 2019	

B. Amounts recognised in statement of profit or loss for investment property

Rental income
Profit from investment properties before depreciation

Depreciation expense

Profit from investment property

	As at March 31, 2019	As at March 31, 2018
Rental income	24.62	23.05
Profit from investment properties before depreciation	24.62	23.05
Depreciation expense	(5.96)	(2.07)
Profit from investment property	18.66	20.98
C. Measurement of fair value		
Investment property	755.00	480.00
	755.00	480.00

D. Estimation of fair values

The Group 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 Group 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 Group 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	Observable inputs
Market method	Guideline rate (Per sq. m.) Similar piece of land rate (Per sq. m.)

Investment property mainly consists of buildings in Mumbai & Pune. During the year the company has revalued investment property for Mumbai building only and for Pune building the company believes that the fair value of investment property as at March 31, 2019 significantly approximates with the fair value computed as at March 31, 2018.

E. Leasing arrangements

The Group 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. 5.96 lacs (March 31, 2018: Rs. 2.06 lacs) during the year amounts to Rs. 24.62 lacs (March 31, 2018: Rs 23.04 lacs). Further information about these leases is included in Note 45.



5. Goodwill

	Amount
Reconciliation of carrying amount	
Cost or deemed cost	
Opening Balance as at April 1, 2017	2,518.45
Acquisitions through business combinations	826.60
Balance as at March 31, 2018	<u>3,345.05</u>
Acquisitions through business combinations	
Balance as at March 31, 2019	<u>3,345.05</u>

5.1 Impairment tests for Goodwill

Goodwill is monitored by management at the level of the five operating segments identified in note 56.

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

	As at March 31, 2019	As at March 31, 2018
a) Consumer test prep	826.60	826.60
b) Consumer publishing	610.44	610.44
c) Enterprise corporate	488.20	488.20
d) Enterprise institutional	1,351.33	1,351.33
e) Others (Incl Vocational and K12)	68.48	68.48

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

The group 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, 2019	Consumer test prep	Consumer publishing	Enterprise corporate	Enterprise institutional	Others
Sales volume (% annual growth rate)	15.00%	12.00%	15.00%	25.00%	5.00%
Long term growth rate (%)	6.00%	6.00%	6.00%	6.00%	6.00%
Pre-tax discount rate (%)	16.00%	17.00%	16.00%	13.50%	10.70%
March 31, 2018	Consumer test prep	Consumer publishing	Enterprise corporate	Enterprise institutional	Others
Sales volume (% annual growth rate)	21.00%	10.00%	17.00%	35.00%	5.00%
Long term growth rate (%)	6.00%	6.00%	6.00%	6.00%	6.00%
Pre-tax discount rate (%)	17.12%	16.00%	16.00%	16.60%	10.70%

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.

The management believes that any reasonably possible change in the key assumptions would not cause the carrying amount to exceed the recoverable amount of the cash generating unit.



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6 (a). Other intangible assets

Reconciliation of carrying amount	Brand	Intellectual property rights and trademarks	Computer softwares	License fees	Content development	Web Site	Distribution network	Non-competes fees	CAT Online Module	Wain Connect	IQM	Melting Pot	Online video content	Total
Cost or deemed cost (Gross carrying amount)														
Balance as at April 1, 2017		739.08	62.24	87.29	601.33	22.04	28.56	5.00	9.60					1,555.14
Additions during the year			24.80		366.69				17.38					488.87
Additions - Internally developed (refer note 6 (b) below)					181.59							112.69		435.18
Acquisitions through business combination (refer note 57)	330.00							79.00						409.00
Disposals during the year														
Balance as at March 31, 2018	330.00	739.08	87.04	87.29	1,149.61	22.04	28.56	84.00	26.98	22.50	118.40	112.69		2,808.19
Additions during the year	330.00	739.08	87.04	87.29	1,149.61	22.04	28.56	84.00	26.98	22.50	118.40	112.69		2,808.19
Additions - Internally developed (refer note 6 (b) below)			113.46		219.18			15.00				12.08		347.63
Disposals during the year					220.78									276.36
Balance as at March 31, 2019	330.00	739.08	200.49	87.29	1,589.57	22.04	28.56	99.00	26.98	22.50	118.40	124.77	43.50	3,432.18
Accumulated amortisation and impairment losses														
Balance as at April 1, 2017		138.21	16.34	26.42	89.95	0.05	28.56	5.00	8.65					313.18
Amortisation for the year	33.00	140.62	17.24	26.42	181.10	7.33		22.57	1.14	1.13	2.98	2.84		436.37
Disposals during the year														
Balance as at March 31, 2018	33.00	278.83	33.58	52.84	271.05	7.38	28.56	27.57	9.79	1.13	2.98	2.84		749.55
Balance as at April 2018	33.00	278.83	33.58	52.84	271.05	7.38	28.56	27.57	9.79	1.13	2.98	2.84		749.55
Amortisation for the year	33.00	138.63	26.27	26.32	284.02	7.35		39.42	5.79	4.50	11.84	11.26		592.75
Disposals during the year														
Balance as at March 31, 2019	66.00	417.46	59.85	79.16	555.07	14.73	28.56	66.99	15.58	5.63	14.82	14.10	4.35	1,342.30
Carrying amount (net)	297.00	460.25	53.46	34.45	878.56	14.66		56.43	17.19	21.37	115.42	109.85		2,058.64
As at March 31, 2018		321.62	140.84	8.13	1,034.50	7.31		32.01	11.40	16.87	103.58	110.66	39.15	2,087.88
As at March 31, 2019	264.00													

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

Note:

- Intangible assets are subject to first past charge to secure the Group's borrowings referred in notes as secured term loan from banks and bank overdrafts. (Refer note 24 and 28)
- For details related to assets identified for slump sale (discontinued operations) (Refer note 55)
- Content is at the 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 tests, 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-competes fee is the outcome of an agreement entered between company and IndiaCan for on-going business should be protected from competition by the outgoing entity. Amortisation is calculated to write off the cost of non-competes fees over its useful life of 5 years using the straight-line method. During the year company has paid consideration against the non-competes agreement.
- Brand is recognised separately for ETEN acquisition, ETEN was 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 Group 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 Group has not carried out any revaluation of intangible assets for the year ended March 31, 2019 and March 31, 2018.
- The Group 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.
- There are no exchange differences adjusted in intangible assets.
- Refer note 41 for amortisation.



CL Educate Limited

Notes to consolidated financial statements for year ended March 31, 2019

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

6 (b) Details of internally generated intangible assets

Reconciliation of carrying amount	Content development
Cost or deemed cost (Gross carrying amount)	
Balance as at April 1, 2017	214.84
Additions during the year	181.59
Disposals during the year	-
Balance as at March 31, 2018	396.43
Balance as at April 1, 2018	396.43
Additions during the year	220.78
Disposals during the year	-
Balance as at March 31, 2019	617.21
Accumulated amortisation and impairment losses	
Balance as at April 1, 2017	23.72
Amortisation for the year	39.95
Disposals during the year	-
Balance as at March 31, 2018	63.67
Balance as at 1 April 2018	63.67
Amortisation for the year	33.13
Disposals during the year	-
Balance as at March 31, 2019	96.80
Carrying amount (net)	
As at March 31, 2018	332.76
As at March 31, 2019	520.41

i. Content is at the 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 tests, video lectures and analysis of test papers. Amortisation is calculated to write off the cost of content over their estimated useful life (5 years) using the straight-line method.

6 (c) Details of Intangibles under development

Particulars

	As at March 31, 2019	As at March 31, 2018
Opening Balance	135.24	-
Add: Addition during the year	140.49	135.24
Less: Capitalized during the year	(63.50)	-
Less: Expensed Off during the year	(37.78)	-
Closing Balance	174.45	135.24



7 Non-current Investments

In equity instruments

Unquoted at fair value through profit and loss

50,000 (Previous year 50,000) shares of Rs. 10 each fully paid up in Investment in Energy Plantation Project Private Limited

Sub total

Impairment in the value of investments

Energy Plantation Project Private Limited

Sub total

Total

Aggregate amount of unquoted investments

Aggregate amount of quoted investments

Aggregate amount of impairment in value of investments

	As at March 31, 2019	As at March 31, 2018
	5.00	5.00
	5.00	5.00
	5.00	5.00
	5.00	5.00
	-	-
	5.00	5.00
	-	-
	5.00	5.00

Note:

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

8 Non-current financial assets - loans

Unsecured, considered good

Security deposits

Note:

i. The Group's exposure to credit and currency risks are disclosed in Note 58.

	As at March 31, 2019	As at March 31, 2018
	175.88	282.83
	175.88	282.83

9 Other non-current financial assets

Non-current bank balances (Deposits with maturity for more than 12 months from reporting date) (Refer note i)

Note:

i. Non-current bank balance include:

- Deposits of Rs. 1.01 lacs (March 31, 2018: Rs. 1.01 lacs) for issue of guarantees in favor of value added tax authorities,
- Deposits of Rs. Nil (March 31, 2018: Rs. 19.75 lacs) for issue of guarantees in favor of Development Support Agency of Gujarat- TDD Project,
- Deposits of Rs. 3.18 lacs (March 31, 2018: Rs. 2.56 lacs) for issue of guarantees in favor of The Directorate of Employment Training, Gandhi Nagar-TDD,
- Deposits aggregating to Rs. 1100.00 lacs (March 31, 2018: Rs. 1100.00 lacs) pledged with banks for certain loan facility (Refer note 24),
- Deposits of Rs. 0.93 lacs (March 31, 2018: Rs. 0.82 lacs) submitted in bank against consumer court case appeal,
- Deposits of Rs. 371.35 lacs (March 31, 2018 Rs. 350 lacs) pledged with RBL Bank for term loan facility (Refer note 24),
- Deposits of Rs. 175 Lacs (March 31, 2018 Rs. Nil) are under lien towards Term Loan from Tata Capital Financial Services Ltd

ii. The Group's exposure to credit and currency risks are disclosed in Note 58.

	As at March 31, 2019	As at March 31, 2018
	1,651.47	1,474.15
	1,651.47	1,474.15

10 Deferred tax assets (net)

Deferred tax assets (net) (refer note 61)

	As at March 31, 2019	As at March 31, 2018
	1,179.44	1,565.28
	1,179.44	1,565.28

11 Non-current tax assets (net)

Advance tax (Net of provision for income tax of Rs. 1886.88 lacs)
[March 31, 2018 - Rs. 1751.94 lacs]

	As at March 31, 2019	As at March 31, 2018
	3,166.04	2,354.56
	3,166.04	2,354.56



12 Other non-current assets

	As at March 31, 2019	As at March 31, 2018
Capital advances (refer note 47)	17.04	18.11
Prepaid expenses	181.47	126.11
Gratuity fund (refer note 46)	1.30	1.30
Financial guarantee commission	3.14	-
	<u>202.95</u>	<u>145.52</u>

13 Inventories

Valued at lower of cost and Net Realisable value unless otherwise stated

	As at March 31, 2019	As at March 31, 2018
Raw materials (refer note i)	19.61	35.09
Work-in-progress (refer note ii)	6.69	-
Finished goods produced	777.51	826.50
Less: Provision for slow moving inventory	(13.76)	(61.92)
Right to return assets (refer note v)	190.59	-
	<u>980.64</u>	<u>799.67</u>

Note:

- Includes raw materials lying with third parties Rs. 19.61 lacs (March 31, 2018: Rs. 35.09 lacs).
- Includes work-in-progress lying with third parties Rs. 6.69 lacs (March 31, 2018: Rs. Nil).
- Inventories are pledged as securities for borrowings taken from banks (refer note 24)
- All inventories categories represent text books and paper.
- For explanation regarding right to return asset. Refer note 34(i)

14 Current Investments

Investment in mutual funds

Unquoted at fair value through profit and loss

	As at March 31, 2019	As at March 31, 2018
	2,743.09	-
	<u>2,743.09</u>	<u>-</u>
	2,743.09	-

Aggregate amount of unquoted investments

Aggregate amount of impairment in value of investments

Details of Investment in liquid mutual fund units

The balances held in liquid mutual fund as at March 31, 2019 and March 31, 2018 are as follows:

Particulars	As at March 31, 2019		As at March 31, 2018	
	Unit	Amount	Unit	Amount
ICICI Prudential MF Collection	188,372	520.69	-	-
HDFC Mutual Fund	11,262	414.25	-	-
UTI Mutual Fund	22,883	700.38	-	-
Birla SunLife MF	190,627	572.71	-	-
DSP Mutual Fund	20,014	535.06	-	-
Total	433,158	2,743.09	-	-

Note:

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

15 Trade receivables

Unsecured

Considered good

Credit impaired

Less: Allowances for credit impaired

	As at March 31, 2019	As at March 31, 2018
Considered good	12,992.13	11,484.66
Credit impaired	1,572.83	2,010.86
Less: Allowances for credit impaired	(1,572.83)	(2,010.86)
	<u>12,992.13</u>	<u>11,484.66</u>

Of the above, trade receivables from related parties are as below

Total trade receivables from related parties

	75.28	75.28
	<u>75.28</u>	<u>75.28</u>

Note:

- For trade receivables from related parties refer note 47.
- The Group's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in Note 58.
- Trade receivable are non interest bearing and are normally received in normal operating cycle.
- Trade receivable are pledged as securities for borrowings taken from banks (refer note 24).
- Trade receivable for amounting Rs. 136.34 lacs (March 31, 2018: Rs. 136.34 lacs) considered good (refer note 50).



16 Cash and cash equivalents

Balances with banks:
- on current account
Cheques/ drafts on hand
Cash on hand

As at March 31, 2019	As at March 31, 2018
791.85	1,241.82
74.38	36.23
174.87	87.85
1,041.10	1,365.90

Note:

i. The Group's exposure to liquidity risks are disclosed in Note 58.

17 Bank balances other than cash and cash equivalent

Unpaid dividend account- bank balance (refer note (vi))
Deposits with original maturity for more than three months but less than twelve months from the reporting date

As at March 31, 2019	As at March 31, 2018
1.57	0.18
978.63	3,057.57
980.20	3,057.75

Note :

- (i) Deposits of Rs. 290.00 lacs (March 31, 2018 Rs 290.00 lacs) are under lien towards cash credit facility from IndusInd Bank.
(ii) Fixed deposits amounting Rs. 200.00 lakhs (March 31, 2018 Rs Nil) are under lien towards term loan facility from Tata Capital Financial Services Limited
(iii) Fixed deposits amounting Rs. 300.00 lakhs (March 31, 2018 Rs Nil) are under lien towards overdraft facility taken from ICICI Bank.
(iv) Deposits of Rs. 15.50 lacs (March 31, 2018: Rs. Nil) for issue of guarantees in favor of Northern Eastern Council Secretariat, Shillong.
(v) Deposits of Rs. 150 lacs (March 31, 2018 Rs Nil) are under lien towards overdraft facility from Indusind Bank to GK Publication Private Limited (A subsidiary with common Directors).
(vi) During the year company had declared an interim dividend as on August 07, 2018, out of which Rs.1.57 lacs not claimed by the shareholder as on March 31, 2019.
(vii) The amount in respect of previous year represents minimum balance required to be maintained in current account and does not represent unpaid dividend amount.
(viii) The Group's exposure to liquidity risks are disclosed in Note 58.

18 Current financial assets - loans

Secured, considered good
Security deposits

Unsecured, considered good

Loan to employees
Advance to employees
Security deposits
Loans to related parties
Credit impaired
Less: Allowance for Credit Impaired

Loans to others

Unsecured, considered doubtful

Loans to CL USA
Less: Provision for loss allowance
Loans to related parties
Less: Provision for loss allowance
Security deposits
Less: Provision for loss allowance

As at March 31, 2019	As at March 31, 2018
33.75	16.81
45.37	50.58
2.96	-
-	138.44
1,498.95	1,803.61
75.00	-
(75.00)	-
249.90	-
399.49	399.49
(399.49)	(399.49)
-	8.34
-	(8.34)
315.00	28.05
(28.05)	(28.05)
2,117.88	2,009.44

Note:

- i. Refer note 47 for transactions with related party.
ii. The Group's exposure to credit and currency risks are disclosed in Note 58.

The Company has given unsecured loan to their group companies/parties for meeting their working capital requirement. Details of the same are as below:

Company Name	Amount Given	Rate of interest	March 31, 2019	March 31, 2018
- Career Launcher Education Foundation	12.13	Nil	1,322.64	1,328.01
- Nalanda Foundation*	Nil	Nil	-	27.54
- CLEF - AP	14.82	12.5% (till September, 2018)	251.31	236.49
Total	26.95		1,573.95	1,592.04

* Nalanda Foundation ceases to be a related party with effect from June 30, 2017.



19 Other current financial assets

	As at March 31, 2019	As at March 31, 2018
Unbilled Revenue	36.28	1,271.61
Contract assets (refer note 34 (i))	697.51	-
Amount recoverable from Non Banking Financial Company	1.52	0.27
Interest accrued but not due on deposits	55.31	135.73
Interest accrued but not due on loans		
- related parties	34.63	31.57
- others	1.35	-
Interest accrued but not due on loans to others		
Other receivables from related parties	5.80	-
Receivables on account of transfer of property, plant and equipment	-	26.35
Other receivables	61.03	10.54
Receivable on account of sale of business from related party (refer footnote i)	344.70	335.20
Application money paid towards securities	-	1.83
	1,238.13	1,813.10

Note:

- i. Refer note 47 for transactions with related party.
ii. The Group's exposure to credit and currency risks are disclosed in Note 58.

20 Other current assets

	As at March 31, 2019	As at March 31, 2018
Advances to related parties	80.42	95.50
Prepaid expenses	1,584.74	1,136.59
Advances to employees	48.46	9.84
Gratuity fund	-	0.13
Balances recoverable from government authorities	94.85	488.81
Advances to suppliers	505.55	868.19
Other advances	0.13	-
Right to return asset	14.79	-
	2,328.94	2,599.06

Note:

- i. Refer note 47 for transactions with related party.

21 Assets classified as held for sale

	As at March 31, 2019	As at March 31, 2018
Disposal group held for sale (note 55)	2,923.21	2,923.24
	2,923.21	2,923.24

Note:

Fair value measurements

- i. 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.

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22 Share capital

	As at March 31, 2019	As at March 31, 2018
Authorised shares 16,000,000 (March 31, 2018: 16,000,000;) equity shares of Rs. 10 each fully paid up	1,600.00	1,600.00
Issued, subscribed and paid-up shares 14,165,678 (March 31, 2018: 14,165,678;) equity shares of Rs. 10 each fully paid up	1,416.57	1,416.57
	<u>1,416.57</u>	<u>1,416.57</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 Group 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.

Year ended March 31, 2019	Year ended March 31, 2018
Re.1.00 per share	NIL

During the year, the company has distributed interim dividend as follows:

Liquidation

In the event of liquidation of the Group, the holders of equity shares shall be entitled to receive all of the remaining assets of the Group, 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 :

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	No. of shares	Amount	No. of shares	Amount
At the beginning of year	14,165,678	1,416.57	14,163,278	1,416.33
Add: Share issued during the year by way of:				
- Employee stock option plan (refer note i)			2,400	0.24
Outstanding at the end of the year	<u>14,165,678</u>	<u>1,416.57</u>	<u>14,165,678</u>	<u>1,416.57</u>

Note: i

For the year ended March 31, 2019

During the year company has not issued any fresh equity share on account of Employee stock option plan.

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	2,400.00	0.24	6.96	7.20

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

	As at March 31, 2019		As at March 31, 2018	
	No. of shares	Percentage	No. of shares	Percentage
Promoters' Holding				
Mr. Gautam Puri	2,270,351	16.03%	2,262,579	15.97%
Mr. Satya Narayanan R	2,280,579	16.10%	2,262,579	15.97%
GPE (India) Limited	946,473	6.68%	946,473	6.68%
Bilakes Consulting Private Limited	1,255,460	8.86%	1,253,090	8.85%
Sundaram Assest Management Company Limited (along with its Persons acting in Concern)	921,623	6.51%	787,229	5.56%
Flowering Tree Investment Management Pte. Ltd. (along with its Persons acting in Concern)	898,237	6.34%	655,058	4.62%
	<u>8,572,723</u>	<u>60.52%</u>	<u>8,167,008</u>	<u>57.65%</u>

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

i. The company has issued 1,193,229 equity shares as fully paid without payment being received in cash during the financial years 2014-15 to 2018-19, which includes 927,625 equity shares issued in financial year 2014-15 and 265,604 equity shares issued in financial year 2015-16. These do not include compulsory convertible preference shares which are considered as fully paid instead of other than cash.

ii. The Company has issued equity shares aggregating 77,700 (March 31, 2018: 77,700) of Rs. 10 each fully paid up during the financial years 2014-15 to 2018-19, on exercise of options granted under the employee stock option plans wherein part consideration was received in form of employee services.

iii. Nil equity shares has been issued by way of bonus shares during the financial years 2014-15 to 2018-19.

iv. Nil equity shares bought back pursuant to Section 68, 69 and 70 of the Companies Act, 2013 during the financial years 2014-15 to 2018-19.

e. No class of shares have been bought back by the Group 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 Group (refer to Note 52)

	As at March 31, 2019	As at March 31, 2018
23 Other equity		
a. Securities premium	29,853.45	29,854.05
Opening balance	-	6.96
-on issue of equity shares	-	3.60
-of ESOP	-	(11.16)
Less: Share issue expenses	-	-
Closing balance (A)	<u>29,853.45</u>	<u>29,853.45</u>
b. Capital reserves (B)	0.20	0.20
	<u>0.20</u>	<u>0.20</u>
c. General reserves	64.70	64.70
Opening balance	136.67	-
Add: Transferred from ESOP reserves	(170.77)	-
Less: Interim dividend paid during the year	-	-
Closing balance (C)	<u>30.60</u>	<u>64.70</u>
d. Employee stock option outstanding	176.73	144.27
Gross employee stock compensation for options granted in earlier years	(5.26)	14.26
Add: Gross compensation for options for the year	-	18.20
Add: Gross compensation for options granted to employees of subsidiary	-	-
Less: Transferred to general reserve	(136.67)	-
Closing balance (D)	<u>34.80</u>	<u>176.73</u>
e. Surplus in the Statement of Profit and Loss	2,746.30	2,175.67
Opening balance	1,997.63	573.94
Add: Net profit for the year	(2.97)	(3.31)
Transactions with NCI	4,740.96	2,746.30
	<u>4,740.96</u>	<u>2,746.30</u>
f. Other comprehensive income	43.57	16.34
Opening	18.85	27.23
Remeasurement of defined benefit obligation	62.42	43.57
Closing balance (E)	<u>4,803.38</u>	<u>2,789.87</u>
g. Foreign currency translation reserve	(3.13)	5.39
Opening balance	(3.82)	(8.52)
Addition during the year	(6.95)	(3.13)
Closing balance (F)	<u>(6.95)</u>	<u>(3.13)</u>
h. Deemed equity	32.78	16.91
Opening balance	0.49	15.87
Addition during the year	33.27	32.78
Closing balance (G)	<u>33.27</u>	<u>32.78</u>
i. Equity component of compound financial instruments	4.85	4.85
Closing balance (H)	<u>4.85</u>	<u>4.85</u>
j. Non-controlling interest reserve	(1,984.44)	(675.44)
Opening balance	(343.01)	(1,309.00)
Transaction during the year	(2,327.45)	(1,984.44)
Closing balance (I)	<u>(2,327.45)</u>	<u>(1,984.44)</u>
Total reserves and surplus (A+B+C+D+E+F+G+H+I)	<u>32,426.15</u>	<u>30,935.01</u>

Nature and purpose of other reserves/ other equity

- (i) **General reserve**
The Group 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 Act
- (ii) **Securities premium reserve**
Securities premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.
- (iii) **Employee stock options outstanding amount**
The Group 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 Act. Refer to note 53 for further details on these plans.
- (iv) **Foreign currency translation reserve**
The Group 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 Act
- (v) **Deemed equity**
Deemed equity arising out of financial guarantee received from its Promoters.
- (vi) **Capital reserve**
The capital reserve was generated on account of acquisition of erstwhile Paragon classes in the FY 2001-02.



24 Non-current borrowings

	As at March 31, 2019	As at March 31, 2018
Secured loans		
From banks		
-Term loans (refer note ii & iii)	463.29	818.37
-Vehicle loans (refer note i)	45.11	40.29
From financial Institutions		
-Term loans (refer note iv)	757.74	-
-Vehicle loans (refer note v)	-	4.16
Unsecured loans		
-Working capital term loan from bank (Refer note vi)	-	36.10
-Working capital term loan from others (Refer note vii)	-	129.88
Finance lease obligations	58.69	52.31
Total non-current borrowings	1,324.83	1,081.11
Less: Current maturities of non-current borrowing (included in note 30)	487.26	530.32
Less: Current maturities of finance lease obligations (included in note 30)	31.88	25.51
Less: Interest accrued but not due on borrowings (included in note 30)	0.96	3.96
Non-current borrowings (as per balance sheet)	804.73	521.32

The Group's exposure to currency risks, liquidity risks and interest rate risks are disclosed in Note 58.

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, 2019

Loan	Outstanding Amount	Equal monthly installment (EMI)	Rate of Interest	Date of Last EMI
	Amount	Amount		
Loan A	21.00	0.49	8.25%	05-Jun-23
Loan B	6.69	0.15	9.18%	01-Aug-23
Loan 6	8.57	0.25	8.76%	07-Jul-22
Loan 7	8.57	0.25	8.76%	07-Jul-22
	44.83			

For amount outstanding as at March 31, 2018

Loan	Outstanding Amount	Equal monthly installment (EMI)	Rate of Interest	Date of Last EMI
	Amount	Amount		
Loan 1	2.86	0.28	14.00%	05-Feb-19
Loan 2	1.31	0.13	14.00%	05-Feb-19
Loan 3	3.89	0.38	14.00%	05-Feb-19
Loan 4	8.05	0.78	13.50%	05-Feb-19
Loan 5	2.45	0.26	13.50%	05-Feb-19
Loan 6	10.69	0.25	8.76%	07-Jul-22
Loan 7	10.69	0.25	8.76%	07-Jul-22
	39.94			

ii. Secured term loans from Bank-other term loans

i. The Company had entered into a finance facility agreement with limit amounting Rs.3,155.00 lacs (March 31, 2018 :Rs.5,100.00 lacs) with Kotak Mahindra Bank, under which various term loans and overdrafts have been availed at different times. In previous years ,the term loans availed comprise of Rs. 440.00 lacs.Year end balances of these loans are Rs. Nil (March 31, 2018: 124.07 lacs).

Interest rate

a) These loans carry interest at bank's base rate + 2.35% (March 31, 2018: bank's base rate + 3.75%) per annum ranging from 11.55% to 11.95 % (March 31, 2018: 10.90% to 13.25%).

Repayment schedule:

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 was the last installment date.



Primary security

These loans together with short term 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 Group.

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 Group:

- 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 Group.

d) These loans are part of overall limit sanctioned by the bank to the Group, which comprise term loans as detailed above, overdraft facility upto Rs. 2,900.00 lacs (March 31, 2018: 3,850.00 lacs) (disclosed in current borrowings in the financial statements), cash management facility of Rs. 25.00 lacs (March 31, 2018: 25.00 lacs) and overdraft against credit card receivables of Rs. 150.00 lacs (availed) (March 31, 2018: 150.00 lacs). Securities mentioned above are securities provided by the Group for such overall limit.

iii. Unsecured loans represent term loan taken from Ratnakar Bank Limited (RBL). Year end balances of these loans are Rs. 459.67 lacs (March 31, 2018: 700 lacs)

Interest rate:

These loans carry interest at 10.50% per annum.

Repayment schedule:

a) In previous year, the Group 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 subservient charge by way of hypothecation on all present and future current assets inclusive of stock and book debts and moveable fixed assets of the Group.

b) Lien on fixed deposit of Rs. 371.35 lacs (March 31, 2018: Rs. 350.00 lacs) to be kept with Bank during the tenure of Loan.

Collateral security:

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

iv. Secured term loans- from financial institutions

During the year ended March 31, 2019, the Group has taken the long term loan amounting to Rs.750 lacs from Tata Capital.

Name of the Lender	Outstanding amount	Equal monthly Principal (EMP)	Rate of interest	Date of last EMP
Tata Capital	750.00	20.83	12.00%	01-Apr-22

v. Vehicle loans from financial institutions 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	Equal monthly installment (EMI)	Rate of Interest	Date of Last EMI
	Amount	Amount		
Loan 1	4.16	0.45	17.74%	01-Jan-19



vi. Unsecured working loans- from financial institutions

During the year, the Group has taken working loan from financial institution, details of the loans are as follows:

For amount outstanding as at March 31, 2019

Name of Bank	Loan taken	Rate of Interest	Tenure	Date of first EMI/EDI	EMI
Capital First Limited	40.00	18.50%	36 Months	05-Oct-16	1.46

Guarantees:

The loans taken from Magma Fincorp Limited and IndusInd bank are secured by corporate guarantee of CL Educate Limited, the Holding Company.

During the year, the Group has taken working loan from banks and financial institution, details of the loans are as follows:-

For amount outstanding as at March 31, 2018

Name of Bank	Loan taken	Rate of Interest	Tenure	Date of first EMI/EDI	EMI
Ratnakar Bank Limited	35.00	19.00%	36 Months	05-Jan-16	1.28
Name of financial institutions					
Edelweiss Retail Finance Limited	30.00	18.50%	36 Months	05-Mar-16	1.09
Capital First Limited	40.00	18.50%	36 Months	05-Oct-16	1.46
IIFL	35.00	19.50%	24 Months	03-Nov-16	1.77

vii. Unsecured working loans- from others

Loan from others represents interest free loan taken from directors of subsidiary and others. The said loans are payable on or after 24 months from the reporting date.

viii. Aggregate amount of loans guaranteed by directors of the Company are Rs. 4,644.69 lacs (March 31, 2018: 5,060.37 lacs) [Includes amount of Rs. 233.33 lacs (March 31, 2018 : 466.67 lacs) disclosed under non current borrowings and Rs.233.34 (March 31,2018 :Rs. 357.41lacs (Refer note 30)) disclosed under current maturities of non-current borrowing and current borrowings amounting Rs. 4,162.93 lacs (March 31, 2018: 4,194.05 lacs) (Refer note 28).

25 Non-current provisions

Provision for employee benefits (refer note 46)
Gratuity
Compensated absences

	As at March 31, 2019	As at March 31, 2018
	314.67	268.07
	168.04	174.26
	<u>482.71</u>	<u>442.33</u>

26 Deferred tax liabilities (net)

Deferred tax liabilities (refer note 61)

	As at March 31, 2019	As at March 31, 2018
	71.62	72.34
	<u>71.62</u>	<u>72.34</u>

27 Other non current liabilities

Unearned revenue
Financial guarantee payable
Lease equalisation reserve

	As at March 31, 2019	As at March 31, 2018
	355.53	304.26
	-	0.01
	17.55	12.38
	<u>373.08</u>	<u>316.65</u>



28 Current borrowings

	As at March 31, 2019	As at March 31, 2018
Secured		
-From banks		
-Cash credit from bank (Refer note i)	4,307.67	4,236.29
Unsecured		
-loan from NBFC (Refer note ii)	142.13	-
From others	0.50	0.50
Total current borrowings	4,450.30	4,236.79

Notes:

Details of these loans are as follows:

- i Cash credit represents two loans from Kotak Mahindra Bank taken by CL Educate Limited and G.K. Publications Private Limited and one loan from IndusInd Bank and one loan from ICICI Bank taken by Kestone Integrated Marketing Services Private Limited which are repayable on demand.

Cash credit from Kotak Mahindra Bank- loan 1

- It carries interest rate of bank's base rate plus 3.75 % ranging from 11.00% to 12.25% (Previous year 10.90% to 13.25%) calculated on monthly basis on the actual amount utilised.
- 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 58.

Cash credit from Kotak Mahindra Bank- loan 2

- This loan represents the limit availed out of the total fund limit of Rs. 150.00 lacs (March 31, 2018: Rs. 150.00 lacs). The loan is secured by the following:

2. Security details:

Primary security

First and exclusive charge on all present and future current and movable assets including movable fixed assets of the G.K. Publications Private Limited.

Collateral Security

Lien over the fixed deposit of Rs. 15,000,000.

The loan is further secured by personal guarantees of Mr. Satya Narayanan R., Mr. Gautam Puri and Mr. Nikhil Mahajan.

The facility carries an interest rate ranging between 11.05% p.a. and 12.40% p.a. (previous year 12.05% p.a. and 12.25% p.a.) payable on monthly basis.

This loan is repayable on demand.

Cash credit from IndusInd Bank- loan 3

Interest Rate

- 13.55% p.a till September 25, 2017 on CC Limit from IndusInd Bank.
- 11.50% p.a from September 26, 2017 on CC Limit & Loan from IndusInd Bank.

Security details:

Primary Security

First and exclusive charge on entire current assets of Kestone Integrated Marketing Services Private Limited both present and future for Cash credit from IndusInd Bank.

Collateral Security (Indus Ind Bank)

- First and exclusive charge on movable fixed assets of Kestone both present and future.
- Corporate guarantee of CL Educate Limited (Holding Group) amounting Rs. 1450.00 lacs (March 31, 2018 : Rs 1,450.00 lacs)
- Lien on fixed deposits amounting Rs. 290.00 lacs (March 31, 2018: Rs 290.00 lacs).
- Personal guarantee of directors, Mr Nikhil Mahajan and Mr. Gautam Puri.

Cash credit from ICICI Bank- loan 4

Interest Rate

0.75% p.a over and above the FD interest rate on OD facility from ICICI Bank.

Collateral security

Lien on fixed deposits amounting Rs. 300.00 lakhs (March 31, 2018: Rs Nil)

- ii During the year, The Group has taken a working capital loan from Northern Arc.

Terms and condition of the loans are as follows:

Name of Lender	Outstanding amount	Equal monthly instalment (EMI)	Rate of interest	Date of last EMI
Loan from Northern Arc	142.13	29.48	14.50%	13-Aug-19
	<u>142.13</u>			



29 Trade payables

Trade payables	
- to micro enterprises and small enterprises	
- to others	

	As at March 31, 2019	As at March 31, 2018
	921.26	34.49
	3,887.39	4,607.36
	4,808.65	4,641.85

Note:

- for trade payables to related parties please refer note 47.
- Refer note 52 for dues to micro and small enterprises.
- The Group's exposure to currency and liquidity risks related to trade payables are disclosed in Note 58.
- Other creditor are non interest bearing and are normally settled in normal trade cycle.

30 Other current financial Liabilities

Current maturities of non-current loan from bank	
Current maturities of non-current loan- vehicle loan from bank	
Current maturities of non-current loan- vehicle loan from others	
Current maturities of non-current loan from others	
Current maturity of finance lease obligations	
Interest accrued but not due on borrowings	
Unpaid dividend	
Payable to selling shareholders	
Payables for purchase of investments	
-to related parties (refer note 47)	
Payable for property, plant and equipment	
-to related parties (refer note 47)	
-to others	
Other payables	
Employee related payables	
Receipt on behalf of clients	
Payable towards business combination (refer note 57)	
Contingent consideration (refer note 57)	

	As at March 31, 2019	As at March 31, 2018
	241.91	383.49
	10.22	22.81
	-	4.16
	235.13	119.86
	31.89	25.51
	2.19	3.96
	1.57	-
	28.06	47.71
	-	15.08
	229.82	12.94
	11.76	5.15
	636.73	564.47
	275.64	226.80
	143.81	310.13
	50.00	50.00
	1,898.73	1,792.07

Note:

- The Group's exposure to currency risks, liquidity risks and interest rate risks are disclosed in Note 58.
- Refer note 47 for transactions with related party.

31 Other current liabilities

Unearned revenue	
Lease equalisation reserve	
Statutory dues payable	
Provision for security	
Advance from customers	
Employee imprest	
Advance against slump sale	
Refund Liability created against right to return	

	As at March 31, 2019	As at March 31, 2018
	1,136.63	1,604.61
	-	0.32
	376.39	569.72
	-	1.55
	-	2.18
	51.50	16.46
	13.85	110.38
	270.22	-
	1,848.59	2,305.22

32 Current provisions

Provision for employee benefits (refer note 46)	
Gratuity	
Compensated absences	
Provision for sales return (refer note i)	

	As at March 31, 2019	As at March 31, 2018
	11.32	9.35
	6.89	8.51
	-	15.48
	18.21	33.34



Note:

i. Provision for sales return has been created for estimated loss of margin on expected sales returns in future period against products sold during the year. The provision has been recorded based on management's estimate as per past trend and actual sales return till the date of approval of financial statements. Following is the movement in provision made:

	As at March 31, 2019	As at March 31, 2018
Opening balance	15.48	7.03
(+) Additions during the year	-	15.48
(-) Utilised/reversed during the year	(15.48)	(7.03)
Closing balance	-	15.48

33 Current tax liabilities (net)

	As at March 31, 2019	As at March 31, 2018
Provision for income tax (Net of advance tax of Rs. 2153.49 lacs [March 31, 2018 Rs. 1758.55 lacs])	793.76	645.27
	793.76	645.27

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34 Revenue from operations

	Year ended March 31, 2019	Year ended March 31, 2018
Sale of products		
- Text books	4,396.88	5,034.54
Sale of services		
- Education and training programmes	15,025.40	13,490.64
- Manpower services income	1,449.45	643.93
- Event management Services income	11,150.85	8,084.79
Other operating revenue		
Start up fees from franchisees	413.36	250.77
Advertising Income	1,462.46	1,369.53
Infrastructure fees	27.55	13.09
Other miscellaneous operating Income	-	1.67
	33,925.95	28,888.97

Disaggregated revenue information as per geographical markets

Particulars	For the year ended 31st March, 2019		
	Geographical markets		
	India	Overseas	Total
Educational Training	14,771.98	253.42	15,025.40
Sale of Education Material	3,977.82	419.06	4,396.88
Income from advertisement services	1,462.46	-	1,462.46
Events	10,218.75	620.30	10,839.05
Digital	250.79	61.01	311.80
MWS	1,403.54	45.91	1,449.45
Start up fee	413.36	-	413.36
Infrastructure fees	27.55	-	27.55
Total	32,526.25	1,399.70	33,925.95

Changes in contract liability are as follows:-

Particulars	As at March 31, 2019
Balance at the beginning of the year	2,717.63
Revenue recognised that was deducted from trade receivables as unearned revenue balance at the beginning of the year	(2,314.99)
Increase due to invoicing during the year, excluding amount recognised as revenue during the year	2,509.70
Revenue not recognised and shown as contract liabilities arising out of unearned revenue at the end of the year	(1,420.18)
Balance at the end of the year	1,492.16

The transaction price allocated to the remaining performance obligations (unsatisfied or partially unsatisfied)

Particulars	Year ended March 31, 2019
Within one year	2,461.35
More than one year	450.98
	2,912.33

Changes in contract assets are as follows:-

Particulars	As at March 31, 2019
Balance at the beginning of the year	1,221.15
Revenue recognised that was deducted from trade receivables as unearned revenue balance at the beginning of the year	(1,162.58)
Increase due to invoicing during the year, excluding amount recognised as revenue during the year	638.94
Revenue not recognised and shown as contract liabilities arising out of unearned revenue at the end of the year	-
Balance at the end of the year	697.51

Reconciliation of Revenue Recognised with the Contracted Price is as follows.

Particulars	Year ended March 31, 2019
Contracted Price	2,541.30
Reduction towards variable consideration components	-
-on account of volume discount	-
-on account of returns	(1,242.91)
Revenue Recognised	1,298.39

*Reduction towards variable consideration components on account of returns includes Rs. 270.22 lacs towards expected returns against which refund liability has been created. The cost component of expected returns has been shown as right to return assets under inventory.



It includes revenue from Related Party. (Refer Note 47)

Revenue as an agent

The Group is involved in marketing and sale services. Such activities interalia involves, working at times, as agent of the customers for certain events or for certain activities in an event. For example the customer at times request for collection of registration fees for the event, which is collected by the Group and paid to the customers. In such cases normally there are, either the related event revenue or normal fees/commission. In such case the revenue disclosed in the financials includes only the amount of the fees/commission in accordance with para 34 to 38 of Ind As 115. During the financial year 2018-19 the details of the collectable amount on behalf of the customers are detailed as under. Such amount is generally paid as and when collected and balance if any is disclosed under "Receipts on behalf of clients" as other current financial liability.

	Year ended March 31, 2019
Amount collected/collectable on behalf of various customers	1,386.43
Add: GST	249.56
Total amount collectable	1,635.99
Amount of fees/commission/related charges forming part of the revenue for the year	90.11

The Group is involved in marketing and sale services. Such activities interalia involves, working at times, as agent of the customers for certain events or for certain activities in an event. For example the customer at times request for payment to various vendors for the services rendered to them, which is paid by the Group to various vendors and collected from customers. In such cases normally there are, either the related event revenue or normal fees/commission. In such case the revenue disclosed in the financials includes only the amount of the fees/commission in accordance with para 34 to 38 of Ind As 115. During the financial year 2018-19 the details of the amount paid/ payable on behalf of the customers are detailed as under. Such amount is generally collected from client as and when paid and balance if any is disclosed under "Trade Receivable" as current financial assets.

	March 31, 2019
Amount paid/payable on behalf of various customers during the year	503.44
Amount of fees/commission/related charges forming part of the revenue for the year	35.85

35 Other Income

	Year ended March 31, 2019	Year ended March 31, 2018
Interest income from financial assets measured at amortised cost		
-Security deposits	27.47	29.11
Interest income on		
-Fixed deposits	196.87	351.39
-Income tax refund	-	29.15
-Loan to related parties (refer note 47)	20.08	41.06
-Loan to others	-	0.12
Gain on mutual funds	211.09	-
Gain on fair value changes of Investment	124.56	-
Finance income on financial guarantees	-	0.36
Manpower cost sharing	-	279.71
Liabilities no longer required written back	332.25	193.78
Excess provision written back	91.55	-
Rent income on investment property net of expenses	19.41	20.98
Discount income	5.57	-
Reversal of loss allowance on doubtful debtors	33.92	34.84
Gratuity expense written back	0.02	-
Sale of scrap	17.66	-
Income on employee stock option (ESOP) scheme (refer note 53)	133.47	-
Net gain on foreign currency transactions and translations	17.99	27.38
Faculty service charge income	22.78	-
Miscellaneous income	60.82	124.61
Profit on sale of property, plant and equipment	8.15	81.94
Profit on sale of business on slump sale basis	-	76.80
	1,323.66	1,291.23



36 Cost of materials consumed

Inventory at the beginning of the year		
Add: Purchases during the year		
Sub-total (A)		
Less: Impact of right to return of asset		
Less: Inventory at the end of the year		
Sub-total (B)		
Printing cost		
Content editing and typing charges		
Packing material consumed		
Binding and cover pasting charges		
Sub-total (C)		
Cost of raw material and components consumed (A-B+C)		

Year ended March 31, 2019	Year ended March 31, 2018
35.09	41.65
569.19	804.27
604.28	845.92
50.23	-
19.61	35.09
69.84	35.09
627.49	454.74
2.04	3.92
	0.66
8.64	16.61
638.17	475.93
1,172.61	1,286.76

Notes:

Details of purchases are as follows:

Paper	
Lamination material	

Year ended March 31, 2019	Year ended March 31, 2018
567.10	802.05
2.09	2.23
569.19	804.27

37 Purchases of stock in trade

Text books

Year ended March 31, 2019	Year ended March 31, 2018
32.90	104.22
32.90	104.22

38 Changes in inventories of stock in trade

Inventories at the beginning of the year
Finished goods
On acquisition of subsidiary
Work-in-progress

Inventories at the end of the year
Finished goods
Work-in-progress
Right to return the asset

Net decrease/(increase) in inventories of stock in trade

Year ended March 31, 2019	Year ended March 31, 2018
816.43	740.65
-	16.14
-	73.13
816.43	829.92
767.45	816.43
6.69	-
140.36	-
914.50	816.43
(98.07)	13.49

39 Employee benefit expense

Salaries, wages and bonus
Expenses related to post-employment defined benefit plans (refer note 46)
Expenses related to compensated absences (refer note 46)
Staff welfare expenses
Contribution to provident and other funds
Employee share-based payment expense (refer note 53)

Year ended March 31, 2019	Year ended March 31, 2018
5,285.71	5,518.32
102.10	107.50
28.17	32.18
217.52	203.10
179.71	216.00
-	32.46
5,813.21	6,109.56

40 Finance cost

Interest expense on financial liabilities measured at amortised cost
Interest expense on term loans
Interest expense on overdraft
Interest on delayed payment of statutory dues
Finance cost on finance lease obligation
Finance cost on financial guarantees
Other borrowing costs

Year ended March 31, 2019	Year ended March 31, 2018
3.53	59.64
75.27	44.90
519.57	401.14
5.39	77.62
6.38	6.38
6.72	45.71
3.02	7.59
619.88	642.98



CL Educate Limited
Notes to consolidated financial statements for year ended March 31, 2019
(All amounts are in Rupees lacs, unless otherwise stated)

41 Depreciation and amortization expense

Depreciation on tangible assets
Amortisation on intangible assets

Year ended March 31, 2019	Year ended March 31, 2018
355.58	410.16
592.75	436.37
948.33	846.53

42 Other expenses

Giveaways
Event consultancy
Banquet and hotel charges
Rent (refer note 45)
Business promotion
Travelling and conveyance
Faculty expenses
Bad debts written off
Equipment hire charges
Communication
Legal and professional (Refer note i below)
CSR Expenses
Temporary manpower resources
Loss allowance on trade receivables
Advertisement, publicity and sales promotion
Office expenses
Sales incentive
Material printing cost
Sponsorship fee
Repairs to:
-Buildings
-Others
Freight and cartage expenses
Bank charges
Rates, taxes and fees
Provision for sales return
Provision for slow moving inventory
Insurance
Advances written-off
Commission to non executive directors
Recruitment, training and development expenses
Property, plant and equipment written off
Net loss on foreign currency transactions and translations
Miscellaneous expenses

Year ended March 31, 2019	Year ended March 31, 2018
1,589.04	1,735.31
1,979.44	1,363.10
1,512.63	1,282.55
878.07	1,072.26
2,034.07	1,243.59
1,034.55	1,021.58
937.19	913.60
1,445.29	806.11
1,291.57	758.26
455.97	525.38
387.29	448.62
68.84	-
609.00	497.92
75.00	363.77
910.89	491.04
751.65	561.18
101.65	153.22
143.52	176.09
141.25	128.59
90.94	127.16
100.02	49.66
102.45	97.11
0.16	65.57
30.80	65.71
-	15.48
-	27.77
66.53	36.14
187.23	11.53
11.20	12.28
168.46	96.10
-	1.12
-	1.36
267.18	122.16
17,371.88	14,271.32

Note:

i. Payment to auditors (excluding taxes)

Statutory audit
Limited review
Consolidation audit fee
Certificate & other audits
Out of pocket expenses

Year ended March 31, 2019	Year ended March 31, 2018
48.50	54.72
21.25	24.00
4.00	4.00
4.34	7.40
3.76	2.78
81.85	92.90



CL Educate Limited

Notes to consolidated financial statements for year ended March 31, 2019

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

43 Earning per share

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Basic earnings per share		
From continuing operations (a)/(e)	12.50	2.29
From discontinuing operations (b)/(e)	1.60	1.76
Total basic earnings per share attributable to the equity holders of the company	<u>14.21</u>	<u>4.18</u>
(b) Diluted earnings per share		
From continuing operations (c)/(f)	12.50	2.28
From discontinuing operations (d)/(f)	1.60	1.76
Total basic earnings per share attributable to the equity holders of the company	<u>14.21</u>	<u>4.17</u>
(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 (a)	1,770.88	324.36
From discontinuing operations (b)	226.75	249.58
From other comprehensive income	15.03	18.71
	<u>2,012.66</u>	<u>592.65</u>
Diluted earnings per share		
Profit attributable to the equity holders of the company used in calculating basic earnings per share:		
From continuing operations (c)	1,770.88	324.36
From discontinuing operations (d)	226.75	249.58
From other comprehensive income	15.03	18.71
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	<u>2,012.66</u>	<u>592.65</u>
(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 (e)	14,165,678	14,164,396
Adjustments for calculation of diluted earnings per share:		
Stock Options Plan	-	36,568
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share (f)	<u>14,165,678</u>	<u>14,200,964</u>

(e) Information concerning the classification of securities

Share 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.

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44 Contingent liabilities, contingent assets and commitments

A. Commitments

	As at March 31, 2019	As at March 31, 2018
--	-------------------------	-------------------------

- a. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)

-	-
-	-

B. Contingent liabilities

Claims against the Group not acknowledged as debts (refer note i)
Corporate guarantees given to bank for loan taken by the related party [refer note 47]

1,509.89	1,508.55
-	150.00
<u>1,509.89</u>	<u>1,658.55</u>

Service tax and CENVAT Matters in dispute under appeal for various years
Income Tax Matters in dispute under appeal for various years
Other cases (a) Matters in dispute under appeal for various years

755.09	755.09
657.35	702.89
97.45	50.57
<u>1,509.89</u>	<u>1,508.55</u>

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 Group.

ii. The Group 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 Group is of the view that since the disputed demand pertains to a specific issue which has been consistently decided in the favour of the Group, 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 Group and therefore there cannot be any contingent liability on the Group 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 Group.

a. Other cases

Triangle Education, a franchisee of the Group in Jaipur, had arbitrarily terminated the agreement and started a competing business using the brand of CL Educate. The Group has filed a statement of claim before the sole Arbitrator amounting Rs. 190.00 lacs (March 31, 2018: Rs. 190.00 lacs) against triangle education. Triangle Education also filed a counter claim against the Group amounting Rs. 32.06 lacs (March 31, 2018: Rs. 32.06 lacs) and the matter is fixed for final argument on August 27, 2019.

A student, has filed a case against the Group for refund of fees amounting Rs. 6.20 lacs (March 31, 2018: Rs. 6.20 lacs) on the ground that he paid fees to Brilliant Tutorials considering the fact that the Group has a tie-up with Brilliant Tutorial which was subsequently called off by the Group and the matter is fixed for final argument on October 30, 2019.

The Director of Industries and Commerce cum Chairman MSE- Chandigarh has sent a notice amounting Rs. 12.31 lacs (March 31, 2018: 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 Group has preferred an appeal against the same and the matter is fixed for final argument on June 23, 2019.

Bawadia Kala Shiksha Samiti , a lessor has filled a case against the Group for recovery of rent /arrears amounting Rs.46.88 lacs for non payment of rent, Group engaged a local lawyer who will file necessary application to transfer the case to New Delhi as the rent agreement have arbitration clause , which will be decided in New delhi. The matter is fixed for final argument on June 24, 2019.

C. Contingent Assets

The Group does not have any contingent assets as at March 31, 2019 and March 31, 2018.



45 Leases

Operating leases

A. Leases as a lessee

The Group is lessee under various operating leases for coaching centres across India. The lease terms of these premises range from 1 to 5 years and accordingly are short term leases. These lease agreements have varying terms, escalation clauses ranging from 0% to 10%, 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, 2019	As at March 31, 2018
i Future minimum lease payments		
Within one year	227.45	135.63
Later than one year but not later than five years	343.40	327.15
Later than five years	-	-
	<u>570.85</u>	<u>462.78</u>
ii Amounts recognised in profit and loss account		
	Year ended March 31, 2019	Year ended March 31, 2018
Rent expense	878.07	1,072.26

B. Leases as a lessor

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

Lease receipts are recognized in the statement of profit and loss during the year amounting Rs 24.62 lacs (March 31, 2018: Rs. 23.05 lacs). There are no non cancellable leases and hence disclosure relating to minimum lease receipts has not been provided.

Finance leases

A. Leases as a lessee

The Group 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%.

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

	As at 31 March 2019		
	Future minimum lease payments (MLP)	Interest element of MLP	Present value of minimum lease payments
i Particulars			
Within less than one year	12.75	6.38	6.38
Between one and five years	25.51	25.51	-
After more than five years	440.05	406.87	52.31
	<u>478.31</u>	<u>438.76</u>	<u>58.69</u>
	As at March 31, 2018		
	Future minimum lease payments (MLP)	Interest element of MLP	Present value of minimum lease payments
ii Particulars			
Within less than one year	12.75	6.38	6.38
Between one and five years	25.51	25.51	-
After more than five years	452.79	419.61	45.93
	<u>491.05</u>	<u>451.50</u>	<u>52.31</u>

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



46 Employee benefits
The Group contributes to the following post-employment defined benefit plans in India.

- (i) Defined Contribution Plans:
The Group makes contributions, determined as a specified percentage of employee salaries, in respect of qualifying employees towards provident fund and EDLI, which are defined contribution plans. The Group has no obligations other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue.

	For the year ended March 31, 2019	For the year ended March 31, 2018
Employers contribution to provident fund	198.35	201.74

- (ii) Defined Benefit Plan:

Gratuity

The Group 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 Group contributes to a trust set up by the Group 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 Group's financial statements as at balance sheet date:

	As at March 31, 2019	As at March 31, 2018
Net defined benefit (asset)/liability Gratuity (funded)	325.85	277.42
Total employee benefit liabilities	325.85	277.42
Non-current	314.52	268.07
Current	11.32	9.35
	As at March 31, 2019	As at March 31, 2018
Net defined benefit (asset)/liability Gratuity (funded)	1.30	1.30
Total employee benefit liabilities	1.30	1.30
Non-current	1.30	1.30
Current	-	-

- 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:

	As at March 31, 2019			As at March 31, 2018		
	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	303.57	27.45	276.12	250.41	28.56	221.85
Included in profit or loss						
Current service cost	79.17	-	79.17	76.76	-	76.76
Interest cost (income)	15.08	0.74	14.34	19.10	2.19	16.91
Past Service Cost including curtailment	8.60	0.31	8.29	13.84	-	13.84
Gains/Losses						
Adjustment acquisition Out	(0.27)	-	(0.27)	-	-	-
Adjustment acquisition In	0.57	-	0.57	-	-	-
	103.15	1.05	102.10	109.69	2.19	107.51
Included in OCI						
Remeasurements loss (gain)						
- Actuarial loss (gain) arising from:						
- financial assumptions	5.98	-	5.98	(11.95)	-	(11.95)
- demographic adjustment	0.01	-	0.01	1.44	-	1.44
- experience adjustment	(31.76)	-	(31.76)	(29.94)	-	(29.94)
Return on plan assets	-	0.31	(0.31)	-	(0.08)	0.08
	(25.77)	0.31	(26.08)	(40.45)	(0.08)	(40.37)
Other						
Not considered in last year	-	-	-	-	0.03	(0.03)
Contributions paid by the employer	-	29.46	(29.46)	-	21.53	(21.53)
Fund management charges	-	(2.05)	2.05	-	(3.58)	3.58
Admin charges	-	(0.11)	0.11	-	(0.12)	0.12
Received from LIC against provision	-	-	-	-	(2.64)	2.64
Acquisition adjustment IN	-	-	-	6.19	-	6.19
Acquisition adjustment Out	(0.29)	-	(0.29)	(3.25)	-	(3.25)
Benefits paid	(40.71)	(40.71)	-	(19.03)	(18.44)	(0.59)
	(41.00)	(13.41)	(27.59)	(16.09)	(3.22)	(12.87)
Balance at the end of the year	339.95	15.40	324.55	303.57	27.45	276.12

Expenses recognised in the Statement of profit and loss

	For the year ended March 31, 2019	For the year ended March 31, 2018
Service cost	78.52	90.59
Net interest cost	23.58	16.91
	102.10	107.50



C. Plan assets

The plan assets of the Group are managed by Life Insurance Corporation of India through a trust managed by the Group in terms of an Insurance policy taken to fund obligations of the Group 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, 2019	As at March 31, 2018
100.00%	100.00%

Funds Managed by Insurer (investment with insurer)

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 group.

	As at March 31, 2019	As at March 31, 2018
Discount rate	7.66-7.69%	7.80%
Expected rate of future salary increase	8.00%	8.00%

b) Demographic assumptions

	As at March 31, 2019	As at March 31, 2018
i) Retirement age (years)	58.00	58.00
ii) Mortality rates inclusive of provision for disability	100% of IALM (2006-08)	
iii) Ages	Withdrawal rate (%)	Withdrawal rate (%)
Upto 30 years	2.32-1.22	3.00-1.22
From 31 to 44 years	2.00-0.90	2.00-0.90
Above 44 years	1.00-0.06	1.00-0.06

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, 2019		As at March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(22.83)	24.24	(22.00)	22.84
Expected rate of future salary increase (0.5% movement)	22.31	(21.24)	21.53	(20.93)

Description of risk exposures:

Valuations are based on certain assumptions, which are dynamic in nature and vary over time. As such Group 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.

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

Particulars	As at March 31, 2019		As at March 31, 2018	
	Increase	Decrease	Increase	Decrease
Duration of defined benefit obligation				
Less than 1 year			11.54	9.36
Between 1-2 years			4.10	3.84
Between 2-5 years			15.29	15.74
Over 5 years			309.02	274.62
Total			339.95	303.56

Expected contributions to post-employment benefit plans for the year ending 31 March 2020 is Rs. 128.12 lacs.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 29.36-18.50 years (March 31, 2018: 22.89-18.78 years).

(ii) Other long-term employee benefits:

The Group 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 Group's financial statements as at balance sheet date:

	As at March 31, 2019	As at March 31, 2018
Net defined benefit liability		
Earned Leave (unfunded)	174.93	182.77
Total employee benefit liabilities	174.93	182.77
Non-current	168.04	174.26
Current	6.89	8.51



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:

	As at March 31, 2019			As at March 31, 2018		
	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	182.77	-	182.77	164.26	-	164.26
Included in profit or loss						
Acquisition adjustment Out	(0.18)	-	(0.18)	-	-	-
Acquisition adjustment In	0.31	-	0.31	-	-	-
Current service cost	27.13	-	27.13	42.02	-	42.02
Interest cost (income)	14.12	-	14.12	12.63	-	12.63
Past Service Cost including curtailment	0.13	-	0.13	0.42	-	0.42
Gains/Losses						
	41.51	-	41.51	55.07	-	55.07
Included in OCI						
Remeasurements loss (gain)						
- Actuarial loss (gain) arising from:						
- financial assumptions	2.34	-	2.34	(2.26)	-	(2.26)
- demographic adjustment	(0.01)	-	(0.01)	(0.01)	-	(0.01)
- experience adjustment	(3.54)	-	(3.54)	(20.63)	-	(20.63)
Return on plan assets	(12.14)	-	(12.14)	-	-	-
	(13.34)	-	(13.34)	(22.90)	-	(22.90)
Other						
Acquisition adjustment IN	-	-	-	3.37	-	3.37
Acquisition adjustment Out	(0.01)	-	(0.01)	(1.79)	-	(1.79)
Benefits paid	(36.00)	-	(36.00)	(15.23)	-	(15.23)
	(36.01)	-	(36.01)	(13.65)	-	(13.65)
Balance at the end of the year	174.93	-	174.93	182.77	-	182.77
Expenses recognised in the Statement of profit and loss				For the year ended March 31, 2019	For the year ended March 31, 2018	
Service cost				27.39	42.44	
Net interest cost				14.12	12.63	
Actuarial (Gain)/Loss on obligation				(13.34)	(22.89)	
				28.17	32.18	

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 group.

	As at March 31, 2019	As at March 31, 2018
Discount rate	7.66-7.80%	7.80%
Expected rate of future salary increase	8.00%	8.00%

b) Demographic assumptions

	As at March 31, 2019	As at March 31, 2018
i) Retirement age (years)	58.00	58.00
ii) Mortality rates inclusive of provision for disability	100% of IALM (2006-08)	
iii) Ages	Withdrawal rate (%)	Withdrawal rate (%)
Upto 30 years	3.00-0.0	3.00-0.0
From 31 to 44 years	2.23-2.00	2.23-2.00
Above 44 years	1.00-0.0	1.00-0.0

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, 2019		As at March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(8.11)	8.74	(9.34)	10.11
Expected rate of future salary increase (0.5% movement)	8.66	(8.16)	10.05	(9.37)

Description of risk exposures:

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

- 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.
- 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.
- Discount rate: Reduction in discount rate in subsequent valuations can increase the plan's liability.
- Mortality & disability - Actual deaths & disability cases proving lower or higher than assumed in the valuation can impact the liabilities.
- 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	As at
	March 31, 2019	March 31, 2018
Duration of defined benefit obligation		
Less than 1 year	6.78	8.50
Between 1-2 years	2.96	3.15
Between 2-5 years	29.63	29.87
Over 5 years	135.56	141.24
Total	174.93	182.76

Expected contributions to post-employment benefit plans for the year ending 31 March 2020 is Rs. 16.16 lacs.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 29.36-18.08 (March 31, 2018: 22.89-18.78 years).

47 Related parties

In accordance with the requirements of Ind AS 24 on Related Party Disclosures, the names of the related parties where control exists and/or with whom transactions have taken place during the year and description of relationships, as identified and certified by the management are:

A. Name and description of relationship of the related party

i. Associate companies

Three Sixty One Degree Minds Consulting Private Ltd (w.e.f. from August 3, 2017)
B&S Strategy Services Private Limited (w.e.f. from July 1, 2017)

ii. 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

iii. 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 30 June 2017)
Bilakes Consulting Private Limited, India
CL Media Employee Gratuity Trust
Phoenix Academy
Phoenix Education (upto November 2, 2017)
Zenith Learning Services Private Limited
Zeal Learning Services
Zest Learning Services

iv. 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. Sridhar Aravamudan Iyengar (Non-Executive Non Independent Director) (up to November 02, 2018)
Mr. Gopal Jain (Non-Executive Non Independent Director) (up to November 02, 2018)
Mr. Viraj Tyagi (Non executive Non Independent Director)
Mr. Kamil Hasan (Non executive Non Independent Director) (up to May 01, 2017)
Mr. Paresh Surendra Thakker (Non-Executive Independent Director) (up to November 15, 2018)
Mr. Girish Shilvani (Additional Non-Executive Independent Director) (w.e.f. September 30, 2018)
Mr. Imran Jafar (Additional Non-Executive Non Independent Director) (w.e.f. November 02, 2018)
Ms. Madhumita Ganguli (Non-Executive Independent Director) (w.e.f. July 02, 2017)
Ms. Sangeeta Modi (Non-Executive Non Independent Director) (up to July 03, 2017)
Mr. Safir Anand (Non-Executive Independent Director) (up to Feb 07, 2018)
Mr. Sushil Kumar Roongta (Additional (Non-Executive Independent) Director (w.e.f. March 13, 2018)

Close family member of key management personal

Mr. R Sreenivasan
Mr. R Shivakumar

B. Transactions during the year:

a. Enterprises in which KMP and their relatives are able to exercise significant influence

i. Revenue from operations

a. Soft skill fees
- Nalanda Foundation

b. License fees
- Nalanda Foundation

c. Infrastructure Fees
- Nalanda Foundation

ii. Other Income

Interest on loans
- Nalanda Foundation

Faculty service charge income
- Phoenix Education 7.88
- Zenith Learning Services Private Limited 1.21
- Zest Learning Services 0.27

Online education services
- Zenith Learning Services Private Limited 0.03
- Phoenix Education 0.03
- Phoenix Institute 0.01

iii. Conversion of interest accrued into unsecured loan
- Nalanda Foundation

iv. Repayment of loans
- Nalanda Foundation 17.50
- Career Launcher Education Foundation 56.95



	For the year ended March 31, 2019	For the year ended March 31, 2018
v Tuition Expenses		
Phoenix Institute	55.23	-
Phoenix Education	141.35	208.25
Zenith Learning Services Private Limited	153.20	113.00
Zeal Learning Services	-	39.82
Courier Service charges		
Zenith Learning Services Private Limited	0.50	-
Phoenix Institute	0.24	-
Phoenix Education	0.01	-
b Employees' benefit trusts, where control exists		
i Other Income		
a. Interest on loans		
- Career launcher education foundation	5.09	5.65
- CLEF AP Trust	14.82	16.97
b. Interest income on gratuity fund		
- CL Media Employee Gratuity Trust	0.65	0.54
ii Loan given		
-Career Launcher Education Foundation	12.13	0.17
- Nalanda foundation	-	55.00
Reimbursement of expenses from related parties		
- CLEF AP	-	0.40
- B&S Strategy Services Private Limited	-	15.27
Other expenses		
Material development and printing expenses		
- Three Sixty One Degree Minds Consulting Private Ltd	26.98	44.18
Reimbursement of expenses to related parties		
- B&S Strategy Services Private Limited	-	2.48
Payment received on behalf of		
- B&S Strategy Services Private Limited	148.53	48.31
iii Conversion of Interest accrued into unsecured loan		
- CLEF - AP	14.82	26.97
c Key management personnel (KMP)		
Short term employee benefits:		
- Mr. Gautam Puri	111.91	57.96
- Mr. Satya Narayanan R.	115.63	58.61
- Mr. Nikhil Mahajan	116.49	62.04
Post employment benefits:		
- Mr. Gautam Puri	1.18	5.19
- Mr. Satya Narayanan R	1.01	2.94
- Mr. Nikhil Mahajan	0.96	2.37
Other long term benefits		
- Mr. Gautam Puri	0.07	0.34
- Mr. Satya Narayanan R	1.37	1.35
- Mr. Nikhil Mahajan	0.24	0.44
Commisson to non-executive Directors	10.83	12.28
C. Related party balances as at the year end:		
Enterprises in which KMP and their relatives are able to exercise significant influence		
Current Loans		
- Career Launcher Education Foundation	1,322.64	1,328.01
- Nalanda Foundation	-	27.54
- CLEF - AP	251.31	236.49
Other non current assets		
-Bilakes Consulting Private Limited	16.00	16.02
Interest accrued on loans		
- Nalanda Foundation	-	1.35
- Career Launcher Education Foundation	34.63	30.21



	As at March 31, 2019	As at March 31, 2018
Other receivables		
Other non current assets		
- Bilakes Consulting Private Limited	80.42	95.50
Other non current financial assets		
- CLEF AP Trust	-	0.40
- B&S Strategy Services Private Limited	344.70	337.03
Trade receivables		
- Career Launcher Education Foundation	75.28	75.28
- Zeal Learning Services	-	1.60
Trade payable		
- Career Launcher Education Foundation	3.92	8.92
- Zenith Learning Services Private Limited	12.33	11.84
- Phoenix Institute	1.03	-
- Phoenix Education	1.03	2.36
Non current financial assets		
-CL Media Employee Gratuity Trust	10.35	12.55
Other payable		
Phoenix Education	-	2.36
Zenith Learning Services Private Limited	-	11.84
Other receivable		
Zeal Learning Services	-	1.60
Payable for purchase of investments		
- Bilakes Consulting Pvt Ltd	-	15.08
Payable for expenses		
- Three Sixty One Degree Minds Consulting Private Ltd	29.13	29.38
Guarantees given to Group:		
- Bilakes Consulting Private Limited (Guarantee against loans given to Career Launcher Education Foundation)	457.58	457.58
Remuneration payable to KMPs		
Short term employee benefits:		
- Mr. Gautam Puri	52.30	3.89
- Mr. Satya Narayanan R	53.45	4.42
- Mr. Nikhil Mahajan	44.27	15.96
Post employment benefits:		
- Mr. Gautam Puri	16.37	15.19
- Mr. Satya Narayanan R	13.95	12.94
- Mr. Nikhil Mahajan	13.33	12.37
Other long term benefits		
- Mr. Gautam Puri	22.77	22.70
- Mr. Satya Narayanan R	22.82	21.46
- Mr. Nikhil Mahajan	22.16	21.92
Interim Dividend Paid		
- Mr. Satya Narayanan R	22.75	-
- Mr. Gautam Puri	22.70	-
- Bilakes Consulting Private Limited	12.53	-
- Mr. R Sreenivasan	3.50	-
- Mr. R Shivakumar	3.50	-

D. Terms and conditions of transactions with the related parties

i. 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, interest free and settlement occurs in cash. For the year ended 31 March 2019, the Group has not recorded any impairment of receivables relating to amounts owed by related parties except below. 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.

ii. For the year ended March 31, 2019 the Company has created provision on Loans and Advances to CLEF AP Trust ₹ 75 Lacs in FY 2018-19 (FY 2017-18: ₹ Nil) and no other impairment/ provision recorded on amounts owed by related party. 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.

iii. The Company has given unsecured loan to their group companies/parties for meeting their working capital requirement. Details of the same are as below:

Company Name	Terms	Rate of Interest	March 31, 2019
- Career Launcher Education Foundation	Unsecured and repayable on demand	12.55%	40.70
- Career Launcher Education Foundation	Unsecured and repayable on demand	Nil	739.51
- Career Launcher Education Foundation	Unsecured and repayable on demand	Nil	542.43
- CLEF - AP	Unsecured and repayable on demand	12.5% till September 2018	251.31
Total			1,573.95

The interest on loan is added to the loan amount at the end of every financial year, when it becomes due.

iv. Short term employee benefits includes the board recommended performance incentive of KMPs for current financial year as follows:

- Mr. Gautam Puri	41.00
- Mr. Satya Narayanan R	41.00
- Mr. Nikhil Mahajan	39.70



48 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013 read with guidelines issued by DPE, the Company is required to spend, in every financial year, at least two per cent of the average net profits of the Company made during the three immediately preceding financial years in accordance with its CSR Policy. The details of CSR expenses for the year are as under:

Particulars	March 31, 2019	March 31, 2018
A. Amount required to be spent during the year	24.65	113.65
B. Shortfall amount of previous year	153.87	46.50
C. Total (A+B)	178.52	160.15
D. Amount spent during the year on-		
- On purposes other than above	38.26	6.28
- from identified activities	21.20	-
Total	59.46	6.28
Shortfall amount carried forward to next year	119.06	153.87

49 In the financial year 2009-10, the Group 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 Group 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 Group 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 31 January 2013 and not deposited in the bank account of the Group.
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 Group;
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 Group.

In the financial year 2012-13, the Group 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 Group had initiated legal actions against Monica Oli to recover the said amounts. The Group had sent legal notice dated 6 November 2013 to Monica Oli asking her to pay the following amounts to the Group.

- 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 Group 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 Group.

The Group 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 Group.

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 previous year, the Company had 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. The case is in progress in Dubai court.

50 The Group has filed legal cases against certain debtors for recovery of outstanding receivables amounting Rs 136.34 lacs (March 31, 2018: Rs 136.34 lacs). The Group is of the view that all such balances are fully recoverable and no provision is required. Further, the Group has also filed cases against certain parties for recovery of damages arising from fraudulent use of Group's brand name, violation of terms and conditions of employment etc, amounting Rs 728.12 lacs (March 31, 2018: Rs. 728.12 lacs). The amount likely to be realised, in all these cases, is currently not ascertainable but the Group, 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 Group has recorded all expenses pertaining to legal and professional charges in respect of all such cases.

51 During the 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 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, 2019	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 has completely utilized the IPO proceed in financial year 2018-19 for purpose specified
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	10,120.65	-	



The designated utilisation of proceeds from the IPO net of share issue expenses during the previous year ending March 31, 2018 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	-	
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	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.
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	

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, 2019	As at March 31, 2018
The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting period included in	1,006.75	34.49
Principal amount due to micro and small enterprises	5.21	-
Interest due on above	1,011.96	34.49

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

Description of share-based payment arrangements

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 Group introduced "Career Launcher Employee Stock Options Plan 2008" which provides for the issue of 250,000 equity shares to employees of the Group 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, 2019 and March 31, 2018 the Group had 1,23,525 and 60,775 number of options that can be granted under the scheme respectively.

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 in its 22nd Annual General Meeting held on August 7, 2018 has ratified and renewed the "Amended and Restated Career Launcher Employee Stock Option Plan 2014" for further period of 3 year i.e. from September 5, 2018 to September 4, 2021.

The Group 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 Group and its subsidiary companies. The plan entitles directors and employees to purchase equity shares in the Group 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, 2018: 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.

a. 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 year)
Employees	44,000	3 years' service from the grant date	2.31



b. Reconciliation of outstanding share options:

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

ESOP to directors of the Group

	Year ended March 31, 2019		Year ended March 31, 2018	
	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
Granted during the year	-	-	-	-
Exercised during the year	-	-	300.00	2,400
Forfeited during the year	-	-	-	-
Outstanding at the end of the year	-	-	-	-
Vested during the year	-	-	-	-
Exercisable during the year	-	-	-	-

ESOP to person other than directors of the Group

	Year ended March 31, 2019		Year ended March 31, 2018	
	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	387.89	106,750	375.46	154,357
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	430.00	6,875	430.00	2,500
Expired during the year	387.14	55,875	343.02	45,107
Outstanding at the end of the year	430.00	44,000	387.89	106,750
Vested during the year	430.00	11,750	430.00	13,625
Exercisable during the year	387.14	26,500	368.53	73,125

c. Fair value of options granted:

No options were granted during the year. 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 Group.

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Dividend yield	-	-
Expected volatility (%) ^a	7.69%	7.80%
Risk-free interest rate (%)	590.00	590.00
Weighted average share price (in Rs.)	210-430	210-430
Exercise price (in Rs.)	-	-

d. 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 (Income)/expenses	For the year ended	For the year ended
	March 31, 2019	March 31, 2018
Employee option plan	(5.26)	14.26
Total employee share-based payment (Income)/expenses	(5.26)	14.26

54 The Group 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 58 for expected credit loss.

Vocational trade receivables	Total Amount	Amount O/s. for more than 3 years (out of total amount)	Expected Credit Loss (ECL) on total outstanding
As at March 31, 2019	2,832.59	2,594.66	449.10
As at March 31, 2018	4,196.88	746.44	837.31

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55 Discontinued operation

- A. Pursuant to the Business Transfer Agreement dated March 18, 2017 and its amendment dated July 18, 2017 entered into by one of the subsidiary Career Launcher Education Infrastructure & Services Limited (CLEIS) with B&S Strategy Service Private Limited effective July 01, 2017, the business of running and operating pre-schools and providing school management services carried on by CLEIS was sold on slump sale basis for a total consideration of ₹ 4,650 lacs of which ₹ 200 lacs was paid in cash, ₹ 4,050 lacs by way of share swap and balance ₹ 400 lacs was to be received as cash by March 31, 2018 which is receivable as of date.

- a. The following statement shows the revenue and expenses of the business subject to slump sale:

Particulars	Year ended March 31, 2019	Period ended July 1, 2017
Revenue	-	113.20
Employee benefits expense	-	17.00
Finance cost	-	0.78
Depreciation & amortisation expenses	-	82.61
Other expenses	-	12.81
Profit from discontinued operations before tax	-	-
Income tax expenses	-	12.81
Profit after tax	-	76.80
Gain on sale of discontinued operation	-	-
Income tax on gain on sale of discontinued operation	-	-
Profit from discontinued operation, net of tax	-	89.61

The profit from discontinued operation of Rs. Nil (2017-18: Rs. 89.61 lacs) is attributable entirely to the owners of the Group.

The carrying amounts of assets and liabilities as at the date of sale i.e. July 1, 2017 and as at previous year ended on March 31, 2019 were listed below.

Particulars	March 31, 2019	July 1, 2017
Property, plant and equipment	-	106.84
Non-current financial asset-loans	-	78.75
Trade receivables	-	598.67
Current financial asset-loans	-	3,819.99
Other current assets	-	0.04
Total Assets	-	4,604.29
Long term provision	-	3.66
Other current financial liabilities	-	32.91
Other current liabilities	-	22.63
Short term provisions	-	0.09
Total Liabilities	-	59.29
Net Asset Transferred	-	4,545.00
Consideration received (net of expenses)	-	4,621.80
Cash and cash equivalent disposed off	-	76.80
Net profit/ (loss)	-	76.80

- b. The net cash flows attributable to the business subject to slump sale are stated below:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Operating activities	-	13.59
Investing activities	-	76.80
Financing activities	-	-

- B. On March 16, 2017, one of the step down subsidiary named Career Launcher Infrastructure Private Limited (CLIP) had entered into a Business Transfer Agreement (BTA) with I-Take Care Private Limited for sale of its K-12 infrastructure services business 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, is being disclosed as discontinued operations. As on date, transaction is pending closure as I Take Care Private Limited hasn't been able to arrange the requisite funds to close the sale. The management is taking appropriate action to ensure that its right and interests are protected. The company is in parallel discussions with other parties to give effect to the above mentioned transaction. Thus the company is still disclosing such business as discontinued operations and the asset as held for sale in accordance with IND AS 105 "Non current assets held for Sale and Discontinued Operations".



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a. The following statement shows the revenue and expenses of the business subject to slump sale:

	Year ended March 31, 2019	Year ended March 31, 2018
Revenue	300.00	282.35
Finance cost	161.85	11.05
Depreciation and amortisation expenses	-	6.97
Other expenses	73.25	27.56
Profit/(loss) from discontinued operations before tax	64.90	236.77
Income tax expenses	-	-
Profit/(loss) from discontinued operations after tax	64.90	236.77

As at March 31, 2019, the carrying value of the fixed assets and other assets are listed below. The process of selling the said listed assets expected to be completed on March 31, 2020.

Particular	As at March 31, 2019	As at March 31, 2018
Property, plant and equipment	2,922.28	2,922.29
Other current assets	0.93	0.95
Total Assets	2,923.21	2,923.24

b. The net cash flows attributable to the business subject to slump sale are stated below:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Operating activities	129.58	9.44
Investing activities	-	-
Financing activities	-	-

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56 Operating segments

A. Basis for Segmentation

Segment information is presented in respect of the Group's key operating segments. The operating segments are based on the Group'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 Board of Directors examines the Group's performance both from a product and geographic perspective and have identified the following reportable segments of its business:

The following summary describes the operations in each of the Group's reportable segments:

Reportable segments	Operations
a) Consumer test prep	This mainly includes coaching for higher education entrance exams.
b) Consumer publishing	This mainly includes publishing and sale of educational books related and third parties.
c) Enterprise corporate	The Group provides integrated business marketing and sales service like managed manpower, training, event management, customer engagement, marketing communication and digital marketing services for corporates to conduct very large conferences and exhibitions.
d) Enterprise institutional	The Group offers integrated business advisory, research incubation and outreach support services to educational institutes and universities across India
e) Others (Incl Vocational and K12)	The Group provides soft skills, infrastructure facilities and other support services to schools and senior secondary studies and specific projects undertaken (including government projects)

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 Group'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.

For the year ended March 31, 2019	Reportable segment					Total
	Consumer test prep	Consumer publishing	Enterprise corporate	Enterprise institutional	Other segment	
- Segment revenue	18,208.02	3,897.81	12,600.30	2,485.13	27.55	37,218.81
- Inter segment revenue		2,652.57	-	640.29	-	3,292.86
Revenue from external customer	18,208.02	1,245.24	12,600.30	1,844.84	27.55	33,925.95
Segment profit before tax	2,386.51	563.41	479.82	547.83	(922.19)	3,055.38
Segment assets	10,300.92	9,746.50	9,224.98	3,146.30	10,512.73	42,931.43
Segment liabilities	4,535.34	5,370.39	5,391.80	1,372.22	4,904.68	21,574.43

For the year ended March 31, 2018	Reportable segment					Total
	Consumer test prep	Consumer publishing	Enterprise corporate	Enterprise institutional	Other segment	
- Segment revenue	15,826.82	4,382.47	10,196.43	1,767.13	13.09	32,185.94
- Inter segment revenue		2,732.47	286.90	277.60	-	3,296.97
Revenue from external customer	15,826.82	1,650.00	9,909.53	1,489.53	13.09	28,888.97
Segment profit before tax	1,862.15	686.68	331.41	229.94	(1,112.95)	1,997.23
Segment assets	9,382.20	8,914.33	7,513.46	2,831.77	12,270.55	40,912.31
Segment liabilities	4,433.09	4,588.99	4,035.15	1,550.22	5,586.63	20,194.08

C. Reconciliations of information on reportable segments

i Revenues

Total revenue for reportable segments

	For the year ended March 31, 2019	For the year ended March 31, 2018
Consumer test prep	18,208.02	15,826.82
Consumer publishing	3,897.81	4,382.47
Enterprise corporate	12,600.30	10,196.43
Enterprise institutional	2,485.13	1,767.13
Other segment	27.55	13.09
Intersegment eliminations	(3,292.86)	(3,296.97)
	33,925.95	28,888.97



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ii Profit before tax		
Total profit before tax for reportable segments	4,379.04	3,925.77
Elimination of inter-segment profits	286.74	(335.70)
Unallocated expenses:		
Finance cost	619.88	642.98
Other expenses	1,601.51	2,163.28
Profit before tax	2,444.39	783.81
Share of net profit of associates accounted for using the equity method	4.58	6.80
Tax expense	678.09	466.25
Profit after tax	1,770.88	324.36
Discontinued Operations		
Profit from discontinued operation before tax	226.75	249.58
Tax expense:		
Current tax		
Deferred tax (Benefit)/Charge		
Profit from discontinued operation	226.75	249.58
Other comprehensive income		
<i>Items that may be reclassified to profit or loss</i>		
Exchange difference on translation of foreign operation	(5.30)	(12.79)
Income tax relating to above	1.47	4.27
<i>Items that will not be reclassified to profit or loss</i>		
Remeasurement of defined benefit plans	26.07	40.37
Income tax relating to these items	(7.21)	(13.14)
Total comprehensive income for the year	2,012.66	592.65

iii Assets		
	As at	As at
	March 31, 2019	March 31, 2018
Total assets for reportable segments	10,300.92	9,382.20
Consumer test prep	9,746.50	8,914.33
Consumer publishing	9,224.98	7,513.46
Enterprise corporate	3,146.30	2,831.77
Enterprise institutional	10,512.73	12,270.55
Other segment	(7,377.67)	(7,386.13)
Intersegment eliminations	2,923.21	2,923.24
Assets held for sale	10,916.13	10,909.34
Unallocated amounts	5,430.68	5,053.00
Investments in associates accounted using equity method	5,485.45	5,856.34
Other corporate assets		
Total assets	49,393.10	47,358.76

iv Liabilities		
	As at	As at
	March 31, 2019	March 31, 2018
Total liabilities for reportable segments	4,535.34	4,433.09
Consumer test prep	5,370.39	4,588.99
Consumer publishing	5,391.80	4,035.15
Enterprise corporate	1,372.22	1,550.22
Enterprise institutional	4,904.68	5,586.63
Other segment	(10,771.99)	(10,537.05)
Intersegment eliminations	4,747.97	5,350.15
Unallocated amounts	15,550.41	15,007.18

v Other material items
For the year ended March 31, 2019

	Interest revenue	Interest expense	Depreciation and amortisation expense	Capital expenditure during the year
Consumer test prep	-	-	617.98	684.45
Consumer publishing	10.76	-	26.63	27.30
Enterprise corporate	6.61	-	91.53	81.45
Enterprise institutional	-	-	7.35	-
Other segment	-	-	64.15	-
Unallocable	163.02	619.88	140.69	5.57
	180.39	619.88	948.33	798.77



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For the year ended March 31, 2018

	Interest revenue	Interest expense	Depreciation and amortisation expense	Capital expenditure during the year
Consumer test prep	-	-	543.61	782.63
Consumer publishing	9.63	-	24.36	0.25
Enterprise corporate	71.00	-	128.52	72.25
Enterprise institutional	-	-	7.84	-
Other segment	349.85	-	88.55	-
Unallocable	20.35	635.39	53.64	68.04
	450.83	635.39	846.52	923.17

D. Geographic Information

The geographic information analyses the Group's revenue and non-current assets by the Group'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 Group 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

	For the year ended March 31, 2019	For the year ended March 31, 2018
Within India	32,526.25	27,674.43
Outside India	1,399.70	1,214.54
	33,925.95	28,888.97

b) Non-current assets*

	As at March 31, 2019	As at March 31, 2018
Within India	19,035.12	17,971.65
Outside India	5.87	12.02
	19,040.99	17,983.67

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

E. Major customer

There are no major customers which contribute more than 10% of the Group's total revenues in the current financial year.

Revenue from two major customers of the Group's Enterprise Institutional segment in March 31, 2018: Rs. 3,774.00 lacs and Rs. 2,344.00 lacs which is more than 10% of the Group's total revenues.

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57 Business combinations

Acquisition of IndiaCan Education Private Limited

Summary of acquisitions

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 Group via Business Transfer Agreement signed on April 19, 2017 and will effective from April 1, 2017. This acquisition enabled the Group to make its presence in the commercial coaching of prestigious courses like Civil Services and Chartered Accountancy in India. It will also enable the Group 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 Group at its fair value.

A. Consideration transferred

The following table summarises the acquisition date fair values of each major class of consideration transferred:

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

B. Acquisition-related costs

The Group 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	157.05
Intangible assets	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 Group 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 Group 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, 2019, the contingent consideration has remained same.

F. Revenue and profit contribution

The acquired business contributed revenues of Rs. 235.05 lacs (March 31, 2018: Rs. 471.29 lacs) and loss of Rs. 176.57 (March 31, 2018: Rs. 321.97 lacs) to the Company for the year ended March 31, 2019.

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

This acquisition will enable the Group 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 Group had acquired the brand name ETEN, the studios at various locations including alliances/partnerships for academic delivery, franchise relationships at about 25 locations.



58. 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.

As at March 31, 2019

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Investments	-	-	-	-	-	-	-
Loans	-	-	175.88	175.88	-	-	175.88
Other financial assets	-	-	1,651.47	1,651.47	-	-	-
Current							
Investments	-	-	2,743.09	2,743.09	-	-	-
Trade receivables	-	-	12,992.13	12,992.13	-	-	-
Cash and cash equivalents	-	-	1,041.10	1,041.10	-	-	-
Bank balances other than cash and cash equivalents	-	-	980.20	980.20	-	-	-
Loans	-	-	2,117.88	2,117.88	-	-	-
Other financial assets	-	-	1,238.13	1,238.13	-	-	-
Total	-	-	22,939.88	22,939.88	-	-	175.88
Financial liabilities							
Non-current							
Borrowings	-	-	804.73	804.73	-	-	804.73
Current							
Borrowings	-	-	4,450.30	4,450.30	-	-	-
Trade payables	-	-	4,808.65	4,808.65	-	-	-
Other financial liabilities	-	-	1,898.73	1,898.73	-	-	-
Total	-	-	11,962.41	11,962.41	-	-	804.73

As at 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							
Investments	-	-	-	-	-	-	-
Loans	-	-	282.83	282.83	-	-	282.83
Other financial assets	-	-	1,474.15	1,474.15	-	-	-
Current							
Trade receivables	-	-	11,484.66	11,484.66	-	-	-
Cash and cash equivalents	-	-	1,365.90	1,365.90	-	-	-
Bank balances other than cash and cash equivalents	-	-	3,057.75	3,057.75	-	-	-
Loans	-	-	2,009.44	2,009.44	-	-	-
Other financial assets	-	-	1,813.10	1,813.10	-	-	-
Total	-	-	21,487.83	21,487.83	-	-	282.83
Financial liabilities							
Non-current							
Borrowings	-	-	521.32	521.32	-	-	521.32
Current							
Borrowings	-	-	4,236.79	4,236.79	-	-	-
Trade payables	-	-	4,641.85	4,641.85	-	-	-
Other financial liabilities	-	-	1,792.07	1,792.07	-	-	-
Total	-	-	11,192.03	11,192.03	-	-	521.32



The Group'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, 2019 and March 31, 2018.

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 Group at each balance sheet date. The discount rate is based on the weighted average cost of borrowings of the Group at each balance sheet date.

Financial risk management

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

- Credit risk
- Liquidity risk
- Currency rate risk
- Interest rate risk

Risk management framework

The Group's Board of Directors has overall responsibility for the establishment and oversight of the Group'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 group.

The Group's risk management policies are established to identify and analyse the risks faced by the Group, 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 Group's activities.

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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 March 31, 2019	As at March 31, 2018
Trade receivables	12,992.13	11,484.66
Cash and cash equivalents	1,041.10	1,365.90
Balances other than cash and cash equivalents	980.20	3,057.75
Loans	2,293.76	2,292.27
Investments	2,743.09	-
Other financial assets	2,889.60	3,287.25

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

The Group'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 Group does monitor the economic environment in which it operates and the Group manages its Credit risk through credit approvals, establishing credit limits and continuously monitoring credit worthiness of customers to which the Group grants credit terms in the normal course of business.

On adoption of Ind AS 109, the Group uses expected credit loss model to assess the impairment loss or gain. The Group establishes an allowance for impairment that represents its expected credit losses in respect of trade receivable. The management uses a simplified approach (i.e. based on lifetime ECL) for the purpose of impairment loss allowance, the Group estimates amounts based on the business environment in which the Group operates, and management considers that the trade receivables are in default (credit impaired) when counter party fails to make payments as per terms of sale/service agreements. However the Group based upon historical experience determine an impairment allowance for loss on receivables.

The gross carrying amount of trade receivables is Rs. 14,564.96 lacs (March 31, 2018: Rs. 13,495.52 lacs). Trade receivables are generally realised within the credit period.

The Group believes that the unimpaired amounts that are past due by more than 30 days are still collectible in full, based on historical payment behaviour.

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

Particulars	Gross carrying amount	
	As at March 31, 2019	As at March 31, 2018
1-90 days past due	8,183.89	4,887.42
91 to 180 days past due	1,338.16	980.34
More than 180 days past due	5,042.91	7,627.76
	14,564.96	13,495.52

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

Particulars	For the year ended March 31, 2019	For the year ended March 31, 2018
Balance at the beginning	2,010.86	1,859.37
Impairment loss recognised / (reversed)	(438.03)	151.49
Balance at the end	1,572.83	2,010.86



b. Financial risk management (continued)

(ii) Liquidity risk

Liquidity risk is the risk that the Group will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Group'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 group's reputation.

The Group 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 Group'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 Group'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 Group'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.

As at March 31, 2019	Contractual cash flows			
	Total	Less than one year	Between one year and five years	More than 5 years
Borrowings				
Secured				
-From banks				
a) Vehicle loans	45.11	10.22	34.89	-
b) term loans	463.29	241.91	221.37	-
-From others/financial institution				
a) Term loan	757.74	235.13	522.61	-
Current borrowings				
Secured				
-Cash credit from banks	4,307.67	4,307.67	-	-
Unsecured				
-loan from nbfc	142.13	142.13	-	-
Unsecured				
-from related parties	0.50	0.50	-	-
Trade payables	4,808.65	4,808.65	-	-
Other financial liabilities				
Payable for property, plant and equipment	241.57	241.57	-	-
Unpaid dividend	1.57	1.57	-	-
Finance lease obligation	58.69	31.89	26.80	-
Payable for selling shareholders	28.06	28.06	-	-
Payable towards business combination (refer note 57)	143.81	143.81	-	-
Contingent consideration (refer note 57)	50.00	50.00	-	-
Employee related payables	636.73	636.73	-	-
Receipt on behalf of clients	275.64	275.64	-	-
Total	11,961.16	11,155.48	805.67	-



As at March 31, 2018	Contractual cash flows			
	Total	Less than one year	Between one year and five years	More than 5 years
Borrowings				
Secured				
-From banks				
a) Vehicle loans	40.29	23.16	17.13	-
b) term loans	825.70	359.03	466.67	-
-From others/financial institution				
b) Vehicle loans	4.16	4.16	-	-
Unsecured loans				
-Working capital term loan from bank	36.10	30.46	5.64	-
-Working capital term loan from others	131.35	122.69	8.66	-
Current borrowings				
Secured				
-Cash credit from banks	4,236.29	4,236.29	-	-
Unsecured				
-form related parties	0.50	0.50	-	-
Trade payables	4,641.85	4,641.85	-	-
Other financial liabilities				
Payables for purchase of investments	15.08	15.08	-	-
Payable for property, plant and equipment	18.09	18.09	-	-
Finance lease obligation	491.06	12.75	25.51	452.79
Payable to selling shareholders	47.71	47.71	-	-
Payable for business combination	310.13	310.13	-	-
Contingent consideration	50.00	50.00	-	-
Employee related payables	564.47	564.47	-	-
Receipt on behalf of clients	226.80	226.80	-	-
Total	11,639.58	10,663.17	523.61	452.79

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

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B. Financial risk management

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 Group 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 Group 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 Group'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 Group's exposure to currency risk, as expressed in Indian Rupees, as at March 31, 2019 and March 31, 2018 are as below:

Particulars	As at March 31, 2019									
	AED	Amount in Rs.	SGD	Amount in Rs.	USD	Amount in Rs.	AUD	Amount in Rs.	GBP	Amount in Rs.
Financial assets										
Trade receivables	31.39	587.32	0.38	19.15	0.54	37.23	-	-	-	-
Other financial asset	(1.50)	(28.30)	-	-	7.69	399.49	-	-	-	-
Other bank balances	5.41	102.11	-	-	-	-	-	-	-	-
Loan			5.70	289.10						
	35.30	661.13	6.08	308.25	8.23	436.72	-	-	-	-
Financial liabilities										
Trade payables	6.09	114.87	-	-	0.54	37.57	0.05	2.66	0.07	5.96
	6.09	114.87	-	-	0.54	37.57	0.05	2.66	0.07	5.96
Net exposure in respect of recognised assets and liabilities	29.21	546.26	6.08	308.25	7.69	399.15	(0.05)	(2.66)	(0.07)	(5.96)

Particulars	As at March 31, 2018					
	AED	Amount in Rs.	SGD	Amount in Rs.	USD	Amount in Rs.
Financial assets						
Trade receivables	32.33	521.95	-	-	0.54	35.40
Other financial asset	(1.18)	(20.92)	4.50	222.91	7.69	399.49
Other bank balances	2.68	47.52	-	-	-	-
	33.83	548.55	4.50	222.91	8.23	434.89
Financial liabilities						
Trade payables	6.65	117.89	-	-	0.55	36.13
	6.65	117.89	-	-	0.55	36.13
Net exposure in respect of recognised assets and liabilities	27.18	430.66	4.50	222.91	7.68	398.76



CL Educate Limited
Notes to consolidated financial statements for year ended March 31, 2019
(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, 2019 and March 31, 2018 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 currencies:				
For the year ended March 31, 2019				
AED	5.46	(5.46)	3.94	(3.94)
SGD	3.08	(3.08)	2.22	(2.22)
USD	3.99	(3.99)	2.88	(2.88)
AUD	(0.03)	0.03	(0.02)	0.02
GBP	(0.06)	0.06	(0.04)	0.04
Total	12.44	(12.44)	8.98	(8.98)
For the year ended March 31, 2018				
AED	4.31	(4.31)	2.82	(2.82)
SGD	2.23	(2.23)	1.46	(1.46)
USD	3.99	(3.99)	2.61	(2.61)
Total	10.53	(10.53)	6.89	(6.89)

AED: United Arab Emirates Dirham, SGD: Singapore Dollar and USD: United States Dollar, AUD: Australian Dollar, GBP: Great Britain Pound

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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 Group's main interest rate risk arises from long-term and short term borrowings with variable interest rates, which expose the Group to cash flow interest rate risk.

Exposure to interest rate risk

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

Variable-rate instruments	As at March 31, 2019	As at March 31, 2018
Term loans from banks and others	1,278.77	984.36
Vehicle loans	45.11	44.45
Cash credit from banks	4,307.67	4,236.29
Total	5,631.55	5,265.10

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, 2019	9.90	(9.90)	6.96	(5.95)
For the year ended March 31, 2018	(39.30)	39.30	(30.18)	37.91
Interest on term loans from others				
For the year ended March 31, 2019	(5.93)	5.93	(6.15)	6.15
For the year ended March 31, 2018	-	-	-	-

59 Capital Management

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

Management assesses the Group's capital requirements in order to maintain an efficient overall financing structure. The Group 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 Group may return capital to shareholders, raise new debt or issue new shares.

The Group 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, 2019	As at March 31, 2018
Borrowings	5,774.17	5,313.94
Less : Cash and cash equivalent	1,041.10	1,365.90
Adjusted net debt (A)	4,733.07	3,948.04
Total equity (B)	33,842.72	32,351.58
Adjusted net debt to adjusted equity ratio (A/B)	13.99%	12.20%



60 Interests in other entities

(a) - Subsidiaries

The Group's subsidiaries at March 31, 2019 are set out below. Unless otherwise stated, they have share capital consisting solely of equity shares that are held directly by the group, and the proportion of ownership interests held equals the voting rights held by the group. The country of incorporation or registration is also their principal place of business.

Name of the Entity	Place of business/ country of incorporation	Ownership interest held by the group as at		Ownership Interest held by non- controlling interests as at	
		March 31, 2019	March 31, 2018	March 31, 2019	March 31, 2018
Kestone Integrated Management Services Private Limited	India	100%	100%	-	-
G.K. Publications Private Limited	India	100%	100%	-	-
CL Media Private Limited	India	100%	100%	-	-
Career Launcher Education Infrastructure Services Private Limited	India	100%	100%	-	-
Career Launcher Infrastructure Private Limited	India	100%	100%	-	-
Kestone Asia Hub Pte Ltd	Singapore	100%	100%	-	-
Accendere Knowledge Management Services Private Limited	India	100%	100%	-	-
ICE Gate Educational Institute Private Limited	India	50.70%	50.70%	49.30%	49.30%
Kestone CL US Limited	USA	100%	100%	-	-

Principal activities of group companies

Kestone Integrated Management Services Private Limited and Kestone Asia Hub Pte Ltd

Kestone provides integrated business, marketing and sales services to the corporate customers, including event management, marketing support (including digital marketing support in the form of online marketing initiatives, to support offline marketing campaigns), customer engagement (including audience generation, lead generation, loyalty and reward programs and contest management), managed manpower and training services.

G.K. Publications Private Limited

GKP is currently engaged in the business of distribution of test preparation guides, books and other academic material.

CL Media Private Limited

CL Media is currently engaged in the business of content development and advertisement for study material, publishing study material and books and providing sales & marketing services and research related services to Institutions and Universities.

Career Launcher Education Infrastructure Services Private Limited and Career Launcher Infrastructure Private Limited

The Group provides soft skills, infrastructure facilities and other support services to schools and senior secondary studies and specific projects undertaken (including govt projects).

Accendere Knowledge Management Services Private Limited (AKMS)

Accendere is currently engaged in the business of facilitating educational institutions and establishing their institutional credibility, International presence and thought leadership by improving their research output in terms of both the quality and quantity of research articles published by them.

ICE Gate Educational Institute Private Limited

This mainly includes test prep coaching examinations like Graduate Aptitude Test in Engineering/Indian Engineering Services.

Kestone CL US

Kestone CL Asia Hub Pte. Ltd has incorporated a wholly owned subsidiary in USA on March 22, 2018 in the name of Kestone CL US Limited with an objective to provide Integrated sales and marketing services to the corporate and institutions in USA.

(b) Associate Companies

Setout below are the associates of the group as at March 31, 2019 which, in the opinion of the directors, are material to the group.

Name of entity	Place of business	% of ownership interest		Accounting method	Carrying amount	
		As at	As at		As at	As at
		March 31, 2019	March 31, 2018		March 31, 2019	March 31, 2018
Threesixtyone Degree Minds Consulting Private Limited	Chennai	4.41% of equity shares	4.43% of equity shares	Equity	676.92	450.80
B & S Strategy Services Private Limited	New Delhi	44.18% of equity shares	43.40% of equity shares	Equity	4,753.76	4,602.20
Total equity accounted investments					5,430.68	5,053.00

Principal activities of each associate entity

- (i) Threesixtyone Degree Minds Consulting Private Limited- The Company provides learning and education solutions for corporations, colleges and universities, academic service providers, and government bodies in India and internationally. The Group offers graduation/diploma programs, as well as leadership programs to corporate managers.
- (ii) B & S Strategy Services Private Limited: The Company is mainly engaged in rendering consulting services in the education sector and managing schools.



i. Significant judgement: existence of significant influence

(i) Threesixtyone Degree Minds Consulting Private Limited- CL Educate have representation on the board of Threesixtyone Degree Minds Consulting Private Limited and right to nominate one Director on the Board, it also participates in all significant financial and operating decisions. The group has therefore determined that it has significant influence over this entity, even though it only holds 4.41% of the voting rights

(ii) B&S Strategy Services Private Limited: Through the shareholder agreement, CL Educate holds 44.18% of the voting rights in B&S Strategy Services Private Limited and is guaranteed two seats on the board of the Group, it also participates in all significant financial and operating decisions. The group has therefore determined that it has significant influence over this entity.

ii. Summarised financial information for associates

The tables below provide summarised financial information for the associates. The information disclosed reflects the amounts presented in the financial statements of the relevant associates and not CL Educate Limited's share of those amounts. They have been amended to reflect adjustments made by the entity when using the equity method and modifications for differences in accounting policies, if any.

	Three Sixty One Degree Minds Consulting Private Limited		B& S Strategy Services Private Limited	
	As at March 31, 2019	Unaudited As at March 31, 2018	As at March 31, 2019	Unaudited As at March 31, 2018
Summarised balance sheet				
Total current assets	882.13	746.63	1,095.69	1,101.75
Total non-current assets	260.96	197.20	4,573.13	4,337.89
Total assets	1,143.09	943.83	5,668.82	5,439.64
Total current liabilities	130.96	102.53	566.90	514.11
Total non-current liabilities	166.67	116.79	60.32	39.30
Total liabilities	297.63	219.32	627.22	553.41
Net assets	845.46	724.51	5,041.60	4,886.23
Summarised statement of profit and loss				
	For the year ended March 31, 2019	Unaudited numbers for the year ended March 31, 2018	For the year ended March 31, 2019	Unaudited numbers for the year ended March 31, 2018
Revenue	631.41	446.61	297.46	329.70
Other income	4.93	11.60	4.69	1.05
Depreciation and amortisation	96.09	68.93	28.07	20.48
Profit before tax	43.28	(54.10)	14.26	25.09
Tax expense	8.25	0.87	7.41	8.19
Profit for the year	35.03	(54.97)	6.85	16.90
Other comprehensive income	-	-	-	-
Total comprehensive income/(loss)	35.03	(54.97)	6.85	16.90
Dividends received	-	-	-	-
iii. Reconciliation to carrying amount of investments				
	As at March 31, 2019	As at March 31, 2018	As at March 31, 2019	As at March 31, 2018
Investment in associates	450.00	450.00	4,596.20	4,596.20
Investment during the year	100.00	-	148.54	-
Gain on fair valuation	124.57	-	-	-
Profit after the period of acquisition	53.10	18.06	20.66	13.81
Group's share in the profit	2.35	0.80	9.02	6.00
Carrying amount of investment in the associate	676.92	450.80	4,753.76	4,602.20
iv. Calculation of Goodwill				
Fair value of identifiable net assets of the associate as at acquisition date	61.48	61.48	3,139.78	3,139.78
Purchase consideration paid	450.00	450.00	4,050.00	4,050.00
Goodwill	388.52	388.52	910.22	910.22



CL Educate Limited

Notes to consolidated financial statements for the year ended March 31, 2019
(All amounts are in Rupees lacs, unless otherwise stated)

c. Non-controlling interest (NCI)

Set out below is summarised financial information for each subsidiary that has non-controlling interests that are material to the group. The amounts disclosed for each subsidiary are before inter-Group eliminations.

i. Icegate

Summarised balance sheet

	As at March 31, 2019	Unaudited as at March 31, 2018
Current assets	534.08	482.65
Non-current assets	219.76	101.90
Total assets	753.84	584.55
Current liabilities	567.98	501.28
Non-current liabilities	154.58	58.02
Total liabilities	722.56	559.30
Net assets	31.28	25.25
% of Non controlling interest	49.30%	49.30%
Accumulated NCI	15.42	12.45

Summarised statement of profit and loss A/c

	For the year ended March 31, 2019	Unaudited figures for the year ended March 31, 2018
Revenue	1,207.06	305.42
Profit/(loss) for the year	6.01	6.72
Other comprehensive income	-	-
Total comprehensive income	6.01	6.72
Profit allocated to NCI	-	3.31
Dividends paid to NCI	-	-

Summarised cash flow

	For the year ended March 31, 2019	Unaudited figures for the year ended March 31, 2018
Cash flows from operating activities	94.52	3.66
Cash flows from investing activities	(66.13)	(46.00)
Cash flows from financing activities	(44.73)	49.31
Net increase/ (decrease) in cash and cash equivalents	(16.34)	6.97

iii. Transactions with non-controlling interest

The group had acquired 51% stake in AKMS private limited on March 31, 2017. On 12 April 2017, the group acquired an additional 49% stake for Rs. 132,300,000. Immediately prior to the purchase, the carrying amount of the existing 49% NCI was (Rs. 4,870,049). The effect on the equity attributable to the owners of the Group during the year is summarised as follows:

	For the year ended March 31, 2019	For the year ended March 31, 2018
Carrying amount of non-controlling interests acquired	-	(48.70)
Consideration paid to non-controlling interests	-	1,323.00
Excess of consideration paid recognised in retained earnings within equity	-	(1,371.70)

There were no transactions with non-controlling interests during 2018-19.



CL Educate Limited
Notes to consolidated financial statements for year ended March 31, 2019
(All amounts are in Rupees lacs, unless otherwise stated)

61 Income tax

A. Amounts recognised in profit or loss

	For the year ended March 31, 2019	For the year ended March 31, 2018
Current tax expense		
Current year	637.86	475.35
Adjustment for prior years	-	24.90
	637.86	500.25
Deferred tax expense		
	40.23	(34.00)
	40.23	(34.00)
Total Tax Expense	678.09	466.25

B. Amounts recognised in Other Comprehensive Income

Income tax relating to items that will not be reclassified to profit or loss
- Income tax relating to remeasurement of defined benefit plans

	(5.74)	(8.87)
	(5.74)	(8.87)

C. Reconciliation of effective tax rate

	For the year ended March 31, 2019		For the year ended March 31, 2018	
	Rate	Amount	Rate	Amount
Profit before tax from continuing operations	27.82%	2,675.72	34.61%	1,040.20
Tax using the Company's domestic tax rate		744.39		359.99
Tax effect of:				
Non-deductible expenses		(40.79)		15.04
Non-taxable expenses		(94.70)		(2.18)
Tax incentives		(0.74)		(23.07)
Deductible expenses		24.95		(10.59)
Non-taxable income		(8.82)		-
Impact of rate changes		83.88		5.52
Tax adjustments relating to earlier years		-		20.05
Business loss of March 2018		(47.54)		-
Carried forward business losses on which deferred tax not considered		(3.17)		3.66
MAT credit entitlement		(11.46)		-
Recognition of Timing Differences		22.81		-
Reversal of deferred tax		21.64		13.16
Others		(12.36)		84.67
	27.82%	678.09	34.61%	466.24

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CL Educate Limited
Notes to consolidated financial statements for year ended March 31, 2019
(All amounts are in Rupees lacs, unless otherwise stated)

D. Movement in deferred tax balances

	As at March 31, 2018	Recognized in P&L	Recognized in OCI	As at March 31, 2019
Deferred Tax Assets				
Unabsorbed Losses	42.07	30.16	-	72.23
Elimination of inventory profit	168.83	8.94	-	159.89
Provision for employee benefit	147.42	1.89	(7.21)	142.09
Provision for bonus	25.11	(13.77)	-	11.34
Provision for sales incentive	2.31	53.33	-	55.64
Property, plant and equipment and intangibles	1.82	12.78	-	14.60
Provision for investment impairment	1.60	(1.60)	-	-
Loss allowance for doubtful debtors	720.85	(302.39)	-	418.46
Provision for loss allowance on doubtful advances	0.13	(0.13)	-	-
Provision for slow moving inventory	8.78	(8.78)	-	-
Provision for obsolescence of inventory	9.75	(46.58)	-	(36.83)
Provision for sales return	4.02	(4.02)	-	-
Lease equalisation reserve	4.32	0.56	-	4.88
Fair valuation of financial guarantee	0.12	(0.12)	-	-
Amortisation of deferred rent	26.24	(31.46)	-	(5.22)
Others	0.37	(0.37)	-	-
Current loans	150.82	(31.88)	-	118.94
Finance lease obligations	17.12	(0.79)	-	16.33
Deferred revenue - franchisee fees	124.11	0.00	-	124.11
Deferred revenue - admission fees	261.51	-	-	261.51
Other current liabilities	31.29	(31.29)	-	-
Other current financial liabilities	-	68.81	-	68.81
Prepaid FRP expenses	18.60	(18.60)	-	-
MAT credit entitlement	533.89	9.34	-	543.23
Sub- Total (a)	2,301.08	(305.97)	(7.21)	1,970.01
Deferred Tax Liabilities				
Bussiness combination-GKP	71.62	-	-	71.62
Other consol adjustment	-	-	-	320.47
Non current borrowings	-	(2.08)	-	2.08
Property, plant and equipment and intangibles	521.58	202.33	-	319.25
FCTR Impact	(1.42)	0.01	1.47	(2.90)
Deferred tax on equity accounting	0.28	0.28	-	-
Deemed capital contribution on corporate guarantee	6.50	6.50	-	-
Fair valuation of financial guarantee	1.69	1.69	-	-
Amortisation of security deposits	23.64	23.64	-	-
Amortisation of prepaid rent	-	(4.63)	-	4.63
Investment in subsidiary and associates	-	(34.65)	-	34.65
Investment property	37.65	37.65	-	-
Impact for EIR adjustment on Borrowings	5.05	4.11	-	0.94
Goodwill	141.55	30.10	-	111.45
MAT credit entitlement	-	0.79	-	-
Sub- Total (b)	808.14	265.74	1.47	862.19
Net Deferred Tax Asset (b)-(a)	(1,492.94)	(40.23)	(5.74)	(1,107.82)

	March 31, 2019	March 31, 2018
Total deferred tax assets of net deferred tax assets	1,179.44	1,565.28
Total deferred tax liabilities of net deferred tax assets	71.62	72.34
	1,107.82	1,492.94

E. Tax losses carried forward

Unused tax losses for which no deferred tax asset has been recognised	March 31, 2019	Expiry date	March 31, 2018	Expiry date
Expire	170.65	March 31, 2020	121.13	March 31, 2019
Expire	188.98	March 31, 2021	170.65	March 31, 2020
Expire	86.10	March 31, 2022	188.98	March 31, 2021
Expire	93.82	March 31, 2023	86.10	March 31, 2022
Expire	35.31	March 31, 2024	93.82	March 31, 2023
Expire	101.70	March 31, 2025	35.31	March 31, 2024
Expire	-	-	101.70	March 31, 2025



62 Additional information, as required under Schedule III to the Companies Act, 2013, of enterprises consolidated as Subsidiary and Associates.

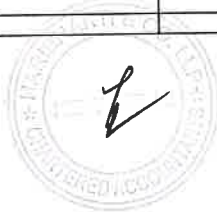
As at March 31, 2019

Name of Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net profit	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Holding								
CL Educate Limited	104.01%	35,200.13	49.14%	981.67	47.28%	7.10	49.13%	988.77
Subsidiaries								
Kestone Integrated Marketing Services Private Limited	9.51%	3,218.80	16.41%	327.80	45.29%	6.81	16.63%	334.61
CL Media Private Limited	13.80%	4,671.67	40.11%	801.28	-2.49%	(0.37)	39.79%	800.91
G.K. Publications Private Limited	-4.38%	(1,482.25)	-9.68%	(193.37)	7.03%	1.06	-9.55%	(192.31)
Accendere Knowledge Management Services Private Limited	-3.84%	(1,299.78)	3.49%	69.78	2.88%	0.43	3.49%	70.21
Career Launcher Education Infrastructure and Services Limited	-19.18%	(6,492.32)	0.22%	4.45	0.00%	-	0.22%	4.45
ICEGATE Educational Institute Private Limited	0.02%	6.47	0.14%	2.71	0.00%	-	0.13%	2.71
NCI in all subsidiaries	0.05%	15.42	0.17%	3.31	0.00%	-	0.16%	3.31
Associates (Investments as per Equity Method)	0.01%	4.58	0.00%	-	0.00%	-	0.00%	-
	100.00%	33,842.72	100.00%	1,997.63	100.00%	15.03	100.00%	2,012.66

As at March 31, 2018

Name of Enterprise	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	As % of consolidated net assets	Amount	As % of consolidated net profit	Amount	As % of consolidated net assets	Amount	As % of consolidated net assets	Amount
Holding								
CL Educate Limited	106.80%	34,550.73	-39.09%	(224.33)	71.30%	13.34	-35.6%	(210.99)
Subsidiaries								
Kestone Integrated Marketing Services Private Limited	8.94%	2,892.53	57.77%	331.56	-2.14%	(0.40)	55.9%	331.16
CL Media Private Limited	12.15%	3,929.21	112.77%	647.24	13.36%	2.50	109.6%	649.73
G.K. Publications Private Limited	-3.65%	(1,180.07)	-23.19%	(133.11)	6.36%	1.19	-22.3%	(131.92)
Accendere Knowledge Management Services Private Limited	-4.23%	(1,370.00)	6.23%	35.77	9.67%	1.81	6.3%	37.58
Career Launcher Education Infrastructure and Services Limited	-20.07%	(6,493.48)	-17.28%	(99.18)	1.44%	0.27	-16.7%	(98.92)
ICEGATE Educational Institute Private Limited	0.01%	3.46	1.03%	5.89	0.00%	-	1.0%	5.89
NCI in all subsidiaries	0.04%	12.40	0.58%	3.31	0.00%	-	0.6%	3.31
Associates (Investments as per Equity Method)	0.02%	6.80	1.18%	6.80	0.00%	-	1.1%	6.80
	100.00%	32,351.58	100.00%	573.94	100.00%	18.71	100.00%	592.65

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63 Standards issued but not yet effective

(a) Ind AS-116 Leases

On March 30, 2019, the Ministry of Corporate Affairs has notified Ind AS 116, Leases. Ind AS 116 will replace the existing leases standard, Ind AS 17, Leases, and related interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract i.e. the lessee and the lessor. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with an term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the Statement of Profit & Loss. The standard also contains enhanced disclosure requirements for lessee. Ind AS 116 substantially carries forward the lessor accounting requirements in Ind AS 17.

The Group is evaluating the requirements of Ind AS 116 and has not yet determined its impact on the financial statements.

(b) Amendment to Ind AS 19- plan amendment, curtailment or settlement

On March 30, 2019, Ministry of Corporate Affairs issued amendments to Ind AS 19, "Employee benefits", in connection with accounting for plan amendments, curtailments and settlements. The amendment requires an entity :

* to use updated assumptions to determine current service cost and net interest for the remainder of the period after a plan amendment, curtailment or settlement; and

* to recognize in profit or loss as a part of past service cost, or a gain or loss on settlement, any reduction in surplus, even if that surplus was not previously recognized because of the impact of the asset ceiling.

Effective date for application of this amendment is annual period beginning on or after April 1, 2019. The Group is currently evaluating the effect of this amendment.

(c) Amendment in Ind AS 23- Borrowing Costs

The amendments clarify that if any specific borrowing remains outstanding after the related asset is ready for its intended use or sale, that borrowing becomes part of the funds that an entity borrows generally when calculating the capitalisation rate on general borrowings. The Group does not expect any impact from this amendment.

(d) Ind AS - 12 Appendix C, Uncertainty over Income Tax treatments:

On March 30, 2019, Ministry of Corporate Affairs has notified Ind AS 12 Appendix C, Uncertainty over Income Tax Treatment which is to be applied while performing the determination of taxable profit (or loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. According to Appendix, companies need to determine the probability of the relevant tax authority accepting each tax treatment, or group of tax treatments, when determining tax profit (tax loss), tax bases, unused tax losses, unused tax credit and tax rates.

The Standard permits two possible methods of transition:-

* Full retrospective approach- Under this approach, Appendix C will be applied retrospectively to each prior reporting period presented in accordance with Ind AS 8 - Accounting Policies, Change in Accounting Estimates and Errors, without using hindsight

*Modified Retrospective Approach - Under this approach, the Cumulative effect will be recognized at the date of initial application of the standard. The effective date of adoption of Ind AS 116 is financial period begins on or after April 1, 2019.

The Group is proposing to use the the "Modified Retrospective Approach", for transitioning to Ind AS 116, and take the cumulative adjustment to retained earnings on the date of initial application (April 1, 2019). Accordingly comparatives for the year ending or ended March 31, 2019 will not be retrospectively adjusted. The Group is evaluating the requirements of the amendment and the effect on the financial statements is being evaluated.

(e) Amendment to Ind AS 12- Income Taxes

On March 30, 2019, Ministry of Corporate Affairs issued amendments to the guidance in Ind AS 12, "Income Taxes", in connection with accounting for dividend distribution taxes.

The amendment clarifies that an entity shall recognize the income tax consequences of dividend in profit or loss, other comprehensive income or equity according to where the entity originally recognized those past transactions or events.

The effect of adoption of this amendment of Ind AS 12 would be insignificant in the financial statements.

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CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2019
(All amounts are in Rupees lacs, unless otherwise stated)

- 64 The Board of Directors of the Group has approved a scheme of arrangement for amalgamation of its subsidiaries companies into the company in its meeting held on November 27, 2018. An application under Regulation 37 of the SEBI (LODR) Regulations, 2015 was filed with the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"), for the proposed amalgamation of Career launcher Education Infrastructure & Services Limited, CL Media Private Limited, Accendere Knowledge Management Services Private Limited, G.K. Publications Private Limited and Kestone Integrated Marketing Services Private Limited ("Amalgamating Company") with CL Educate Limited ("Amalgamated Company"). The scheme will be effective upon approval from National Company Law Tribunal (NCLT). The appointed date as finalized by the Company is April 1, 2019.
- 65 There are no borrowing cost that have been capitalised during the year ended March 31, 2019 and March 31, 2018.
- 66 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 29, 2019



For and on behalf of the Board of Directors of

CL Educate Limited

Satya Nakayanand
Chairman

DIN: 00307326

Rachha Sharma
Company Secretary
and Compliance Officer

ICSI M. No.: A17780

Place: New Delhi
Date: May 29, 2019

Nikhil Mahajan

Executive Director and Group CEO Enterprise
Business

DIN: 00033404

Arjun Wadhwa
Chief Financial Officer

