

INDEPENDENT AUDITOR'S REPORT**To the Members of CL Educate Limited****Report on the Audit of the Standalone Ind AS Financial Statements****Opinion**

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

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the 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 state of affairs of the Company as at March 31, 2019, its profit including other comprehensive income, changes in equity and its cash flows for the year ended on that date.


Basis for Opinion

We conducted our audit in accordance with 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 Standalone Ind AS Financial Statements section of our report. We are independent of the Company 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 standalone 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 opinion.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone Ind AS financial statements of the current period. These matters were addressed in the context of our audit of the standalone Ind AS financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. 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 (Refer Note 2(i) and Note 33 to the accompanying standalone Ind AS financial statements)	
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.	Our audit procedures included the following: <ul style="list-style-type: none">Assessed the Company's revenue recognition policy prepared as per Ind AS 115 'Revenue from contracts with customers'.

<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>Considering the significant risk associated with revenue recognition, it was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.</p>	<ul style="list-style-type: none"> • 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. • 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><i>Impairment testing of Trade Receivables (Refer Note 2(ix)(v) and Note 15 to the accompanying standalone Ind AS financial statements)</i></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

We draw attention to Note 49 of accompanying standalone Ind AS financial statements, wherein the Management has explained the reasons for considering old vocational outstanding receivables as recoverable.

Our opinion is not modified in respect of this matter.

Other Information

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Board's Report, Report on Corporate Governance and Annexures to Board's Report, but does not include the Ind AS financial statements and our auditor's report thereon.

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

In connection with our audit of the standalone 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 standalone 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 Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the financial position, financial performance (including other comprehensive income), changes in equity and cash flows of the Company 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. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.



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

Our objectives are to obtain reasonable assurance about whether the standalone 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 this standalone 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 standalone 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 company has 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 Company's ability 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 standalone 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 Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone Ind AS financial statements, including the disclosures, and whether the standalone Ind AS financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance 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 standalone 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.

Report on Other Legal and Regulatory Requirements

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

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

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss, the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone Ind AS financial statements comply with the Indian Accounting Standards specified under section 133 of the Act read with relevant rules issued thereunder;
- e. The matter described under the Emphasis of Matter section of our report, in our opinion, may have an adverse effect on the functioning of the Company;
- f. On the basis of the written representations received from the directors as on March 31, 2019, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of section 164(2) of the Act;
- g. With respect to the adequacy of the internal financial controls with reference to financial statements of the Company and the operating effectiveness of such controls, we give our separate report in "Annexure 2".
- h. 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, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

- i. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

(i) The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements - Refer Note 42 on Contingent Liabilities and Contingent Assets to the standalone Ind AS financial statements; and



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(ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;

(iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

For Haribhakti & Co. LLP
Chartered Accountants

ICAI Firm Registration No. 103523W/W100048



Raj Kumar Agarwal

Partner

Membership No. : 074715

Place: New Delhi

Date: May 29, 2019

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ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of CL Educate Limited ("the Company") on the Standalone financial statements for the year ended March 31, 2019]

- (i)
- (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) It was informed to us that the title deeds of immovable properties recorded as fixed assets in the books of account of the Company are mortgaged with the banks/ financial institutions for availing the secured loan. Hence, we are unable to verify the original deed of immovable property held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) The Company has granted unsecured loans to companies and other parties covered in the register maintained under Section 189 of the Act.
- (a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of loans granted by the Company to a party covered in the register maintained under Section 189 of the Act, (total loan amount granted Rs. 1,213,064 and balance outstanding as at balance sheet date Rs. 54,243,016) are prejudicial to the Company's interest on account of the fact that the Company is not charging any interest on such loan.
- (b) The schedule of repayment of principal and payment of interest in respect of such loans has not been stipulated, thus we are unable to comment whether the repayments or receipts are regular and report amounts overdue for more than ninety days, if any, as required under paragraph 3(iii)(c) of the Order.
- (c) In respect of the aforesaid loans, as the schedule of repayment of principal has not been stipulated, we are unable to comment whether there is any overdue amount of loan granted to companies and other parties listed in the register maintained under Section 189 of the Act.
- (iv) According to the information and explanations given to us in respect of loans, investments, guarantees, and securities, the Company has complied with the provisions of Section 185 and 186 of the Act, except for the details given below:

Nature of non-compliance	Name of Company/party	Amount Involved	Balance as at March 31, 2019
Interest is not charged on loan	Career Launcher Education Foundation	1,213,064	54,243,016

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



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

(vii)

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

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

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

Name of the statute	Nature of dues	Amount Rs (in Lacs)	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service tax	166.36	-	October 2010 to September 2011	Commissioner of Service Tax, New Delhi
Finance Act, 1994	Service tax	125.53	-	October 2011 to June 2012	Commissioner of Service Tax, New Delhi
Finance Act, 1994	Cenvat Credit reversal	46.54	-	September 2004 to March 2007	Central Excise and Service Tax Appellate Tribunal, New Delhi
Finance Act, 1994	Cenvat Credit reversal	15.69	-	October 2007 to March 2008	Commissioner of Service Tax, New Delhi
Finance Act, 1994	Cenvat Credit reversal	400.97	-	April 2008 to March 2012	Commissioner of Service Tax, New Delhi
Income Tax Act, 1961	Income Tax	607.96	-	AY 2013-14	Commissioner of Income tax (Appeals), New Delhi
Income Tax Act, 1961	Income Tax	718.32	-	AY 2011-12	Income tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Income Tax	501.44	-	AY 2012-13	Income tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Income Tax	49.39	-	AY 2014-15	Income tax Appellate Tribunal, New Delhi



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- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution and bank. The Company has neither taken any loans or borrowings from government nor has it issued any debentures.
- (ix) In our opinion and according to the information and explanations given to us, the Company has fully utilized the money raised by way of IPO and the term loans during the year for the purposes for which they were raised (refer note no. 50).
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him during the year.
- (xvi) According to the information and explanation given to us, the Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048



Raj Kumar Agarwal
Partner
Membership No. 074715

Date: May 29, 2019
Place: New Delhi

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

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

We have audited the internal financial controls with reference to financial statements of CL Educate Limited ("the Company") as of March 31, 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (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 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.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements 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 controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls 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 controls 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, the following material weaknesses have been identified as at March 31, 2019:

- a) The 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 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.

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

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the 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



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Company 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 standalone Ind AS financial statements of the Company, and these material weaknesses do not affect our opinion on the standalone Ind AS financial statements of the Company.

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No. 103523W / W100048



Raj Kumar Agarwal

Partner

Membership No. : 074715

Place: New Delhi

Date: May 29, 2019

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

Notes	As at March 31, 2019	As at March 31, 2018	
Assets			
Non-current assets			
Property, plant and equipment	3	3,434.27	3,803.30
Investment property	4	305.67	108.78
Goodwill	5	212.38	212.38
Other intangible assets	6(a)	1,950.77	1,984.33
Intangibles under development	6(b)	174.45	117.74
Investment in subsidiaries and associates	7	19,655.87	19,429.86
Financial assets			
(i) Loans	8	100.80	217.22
(ii) Other financial assets	9	1,476.47	1,474.15
Deferred tax assets (net)	10	376.69	485.24
Non-current tax assets (net)	11	1,151.01	1,034.18
Other non-current assets	12	55.43	54.42
Total non-current assets		28,893.81	28,921.60
Current assets			
Inventories	13	493.99	462.91
Financial assets			
(i) Investment	14	2,743.09	-
(ii) Trade receivables	15	4,835.88	5,942.98
(iii) Cash and cash equivalents	16	691.03	1,158.92
(iv) Bank balances other than (ii) above	17	30.55	2,615.82
(v) Loans	18	4,923.43	4,327.98
(vi) Other financial assets	19	284.51	867.22
Other current assets	20	1,843.81	1,373.35
Total current assets		15,846.29	16,749.18
Total assets		44,740.10	45,670.78
Equity and liabilities			
Equity			
Share capital	21	1,416.57	1,416.57
Other equity	22	33,786.56	32,971.60
Total equity		35,203.13	34,388.17

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

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Notes	As at March 31, 2019	As at March 31, 2018	
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	23	278.86	490.09
Provisions	24	258.00	272.46
Other non-current liabilities	25	208.88	246.93
Total non-current liabilities		745.74	1,009.48
Current liabilities			
Financial liabilities			
(i) Borrowings	26	3,041.45	3,148.91
(ii) Trade payables	27		
- total outstanding dues of micro and small enterprises; and		921.26	19.80
- total outstanding dues of creditors other than micro and small enterprises		2,805.43	3,900.73
(iii) Other financial liabilities	28	1,009.08	1,460.67
Other current liabilities	29	551.94	1,299.21
Provisions	30	15.34	16.22
Current tax liabilities (net)	31	446.73	427.59
Total current liabilities		8,791.23	10,273.13
Total liabilities		9,536.97	11,282.61
Total equity and liabilities		44,740.10	45,670.78

Summary of significant accounting policies

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

As per report of even date.

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

Raj Kumar Agarwal
Partner
Membership No.:074715

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

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

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

Arjun Wadhwa
Chief Financial Officer

Place: New Delhi
Date: May 29, 2019

CL Educate Limited
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
Income			
Revenue from operations	33	17,000.96	15,521.39
Other income	34	1,510.84	1,344.24
Total income		18,511.80	16,865.63
Expenses			
Purchases of stock in trade	35	1,107.21	1,091.87
Changes in inventories of stock in trade	36	(8.93)	10.38
Employee benefit expense	37	2,569.72	3,213.37
Finance costs	38	428.74	340.10
Depreciation and amortisation expense	39	808.16	690.13
Franchisee expenses		6,088.99	5,877.89
Other expenses	40	6,309.84	5,778.14
Total expenses		17,303.73	17,001.88
Profit/(Loss) before tax		1,208.07	(136.25)
Tax expense/(benefit)	32		
- Current tax		122.14	-
- Deferred tax		105.81	62.34
Total tax expense		227.95	62.34
(Loss)/Profit for the year		980.12	(198.59)
Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
Remeasurement of defined benefit plans		9.84	20.40
Income tax relating to these items		(2.74)	(7.06)
Total other comprehensive income for the year		7.10	13.34
Total comprehensive income/(expense) for the year		987.22	(185.25)
Earnings per equity share			
Basic	41	6.92	(1.40)
Diluted		6.92	(1.40)
Summary of significant accounting policies 2			
The accompanying notes 1 to 60 are an integral part of these financial statements.			

As per report of even date.

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


Raj Kumar Agarwal
Partner
Membership No.:074715

Place: New Delhi
Date: May 29, 2019




Satya Narayanan .R
Chairman
DIN: 00307326


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


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


Arjun Wadhwa
Chief Financial Officer

Place: New Delhi
Date: May 29, 2019

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

	Year ended March 31, 2019	Year ended March 31, 2018
A. Cash flow from operating activities		
Net Profit before tax	1,208.07	(136.25)
Adjustment for:		
Depreciation and amortisation	808.16	690.13
Depreciation on investment property	5.96	2.06
Loss / (Gain) on sale of property, plant and equipment	(8.08)	-
Provision for obsolescence of inventory	(22.15)	12.78
Finance cost	428.74	319.71
Rent income on investments property	(18.66)	(23.05)
Advances written off	153.53	11.53
Liability no longer required written back	(214.87)	(21.74)
Unwinding of interest on security deposits	(20.42)	(21.65)
Transfer to stock options outstanding	(5.26)	14.26
Unrealised net loss on foreign currency transactions and translation	(16.39)	-
Expense recognized on amortized cost	-	23.31
Commission income on financial guarantee	(4.76)	(3.66)
Interest income	(564.52)	(690.89)
Loss allowance on doubtful debtors	-	100.42
Bad debts written off	1,119.18	673.93
Remeasurement of defined benefit plans	(9.84)	-
Gain on Mutual fund	(211.09)	-
Net Gain on Fair value change	(124.56)	-
Operating profit before working capital changes	<u>2,503.04</u>	<u>950.89</u>
Movements in working capital :-		
- (Increase)/Decrease in Non-current Loans	116.42	(72.19)
- (Increase)/Decrease in Other current financial assets	490.90	-
- (Increase)/Decrease in Other non current assets	(1.99)	184.25
- (Increase)/Decrease in Inventories	(8.93)	0.32
- (Increase)/Decrease in Trade receivables	(12.08)	(259.78)
- (Increase)/Decrease in current Loans	(570.27)	22.06
- (Increase)/Decrease in other financial assets	(2.32)	-
- (Increase)/Decrease in Other current assets	(623.99)	(374.94)
- Increase / (Decrease) in Non-current provisions	5.22	-
- Increase / (Decrease) in Other non-current liabilities	(38.05)	(61.33)
- Increase / (Decrease) in Trade payables	21.02	(1,528.14)
- Increase / (Decrease) in Other current financial liabilities	(163.03)	(11,395.69)
- Increase / (Decrease) in Other current liabilities	(747.27)	248.97
- Increase / (Decrease) in current provisions	(0.89)	58.89
Cash Generated from/ (used in) operations	<u>967.77</u>	<u>(12,226.69)</u>
Less: Income Tax Paid (net of refunds)	<u>(219.83)</u>	<u>(484.01)</u>
Net Cash generated from / (used in) operating activities (A)	<u>747.94</u>	<u>(12,710.70)</u>
B. Cash flow from Investing activities		
Purchase of property, plant and equipment	(253.43)	(40.97)
Purchase/development of other intangible assets	(519.60)	(1,153.58)
Intangibles under development	(56.72)	(181.59)
Sale of property, plant & equipment	17.93	-
Purchase of investment of in subsidiaries/ associates and businesses	(112.73)	(2,517.43)
Sale of Investment (Mutual fund)	1,370.00	-
Purchase of Investment (Mutual fund)	(3,902.00)	-
Rent income on investments property	18.66	23.05
Loans given to subsidiaries	-	(2,396.57)
Proceeds from realisation of loan given to subsidiaries	-	1,220.23
Term deposits not considered as cash and cash equivalents	2,585.27	10,069.05
Interest received	672.72	565.26
Net Cash Generated from / (Used In) Investing Activities (B)	<u>(179.90)</u>	<u>5,587.45</u>
C. Cash Flow from Financing Activities		
Proceeds from issue of equity share capital (including securities premium)	-	10.80
IPO expenses paid	-	(11.16)
Proceeds from long-term borrowings	31.39	700.00
Repayment of long-term borrowings	(365.29)	(457.20)
Net decrease / (increase) in working capital borrowings	(107.46)	(162.90)
Net increase in Finance Lease Liability	6.38	-
Interest expense Paid	(430.18)	(312.26)
Dividend including tax	(170.77)	-
Net Cash generated from / (used in) Financing Activities (C)	<u>(1,035.93)</u>	<u>(232.72)</u>
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	<u>(467.89)</u>	<u>(7,355.97)</u>
Balance at the beginning of the year		
Cash and cash equivalents at the beginning of the year	1,158.92	8,514.89
Effect of exchange differences on cash and cash equivalents held in foreign currency	-	-
Balance at the end of the year	<u>691.03</u>	<u>1,158.92</u>



Notes to cash flow statement

(i) Components of cash and cash equivalents (refer note 16 and 26)

Balances with banks		
- on current account	555.49	1,037.66
Cheques/ drafts on hand	27.92	36.24
Cash on hand	107.62	85.02
	<u>691.03</u>	<u>1,158.92</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 period ended March 31, 2019			
Balance as at April 1, 2018	826.51	3,148.91	1.62
Loan draws (in cash) /interest accrued during the year	-	(6,190.36)	412.34
Loan repayments/interest payment during the year	(333.90)	-	(430.18)
Other non cash changes	(1.44)	-	16.41
Balance as at March 31, 2019	<u>491.17</u>	<u>(3,041.45)</u>	<u>0.19</u>
For the year ended March 31, 2018			
Balance as at April 1, 2017	592.61	3,311.81	6.85
Loan draws (in cash) /interest accrued during the year	700.00	(162.90)	303.36
Loan repayments/interest payment during the year	(457.20)	-	(312.26)
Other non cash changes	(8.90)	-	3.67
Balance as at March 31, 2018	<u>826.51</u>	<u>3,148.91</u>	<u>1.62</u>

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

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

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

As per our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
Firm registration No. 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
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



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

Particulars	Amount
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

(b) Other equity

Particulars	Attributable to owners of the company							Total
	Retained earnings	Security premium reserve	Share options outstanding amount	General reserve	Deemed equity contribution	Capital reserve	Items of OCI Remeasurement of defined benefit plans	
Balance as at April 1, 2017	3,005.81	29,854.06	144.27	64.69	33.24	0.20	4.48	33,106.75
Profit/(loss) for the year	(198.59)	-	-	-	-	-	-	(198.59)
Addition during the year	-	10.56	-	-	18.24	-	-	28.80
Share issue expenses	-	(11.16)	-	-	-	-	-	(11.16)
Gross compensation for the year	-	-	32.46	-	-	-	-	32.46
Other comprehensive income/(expense) for the year	-	-	-	-	-	-	13.34	13.34
Total comprehensive income for the year	(198.59)	(0.60)	32.46	-	18.24	-	13.34	(135.15)
Balance as at March 31, 2018	2,807.22	29,853.46	176.73	64.69	51.48	0.20	17.82	32,971.60
Profit/(loss) for the year	980.12	-	-	-	-	-	-	980.12
Addition during the year	-	-	-	136.67	3.77	-	-	140.44
Dividend paid during the year	-	-	-	(170.77)	-	-	-	(170.77)
Gross compensation for the year	-	-	(5.26)	-	-	-	-	(5.26)
Transfer to general reserve	-	-	(136.67)	-	-	-	-	(136.67)
Other comprehensive income for the year	980.12	-	(141.93)	(34.10)	3.77	-	7.10	814.96
Total comprehensive income for the year	3,787.34	29,853.46	34.80	30.59	55.25	0.20	24.92	33,786.56
Balance as at March 31, 2019								

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

As per our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants
Firm registration No. 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

Saty Narayanan, R.
Chairman
DIN: 00307936

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



Nikhil Mahajan
Executive Director and Group CEO
Enterprise Business
DIN: 00933404

Arjun Wadhwa
Chief Financial Officer

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 and graduate / post graduate levels.

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

1. Basis of preparation.

(i) Statement of compliance:

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

These standalone IND AS financial statements were authorised for issue by the Company's Board of Directors on May 29, 2019.

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

(ii) Current and non-current classification

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

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

(iii) Functional and presentation currency

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

(iv) Basis of measurement

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



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

(v) Use of estimates and judgements

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

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

Judgements

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

- Note no 43: leases: whether an arrangement contains a lease;
- Note no 43: lease classification;
- Note no 55: 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.;

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 3: measurement of useful lives and residual values to property, plant and equipment;
- 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 5: impairment of goodwill.
- Note no 6: measurement of useful lives of intangible assets;
- Note 7: acquisition of subsidiary and associates: fair value of the consideration transferred (including contingent consideration) and fair value of the assets acquired and liabilities assumed, measured on a provisional basis;
- Note no 32: recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used.



- Note no 42: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources;
- Note no 44: measurement of defined benefit obligations and plan assets: key actuarial assumptions;
- Note no 55: Fair value measurement of financial instruments and impairment of financial assets.

(vi) **Measurement of fair value**

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

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

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

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

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

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

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

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

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

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

2. Significant accounting policies

(i) **Revenue**

Effective April 1, 2018, the Company 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 Company 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 Company 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 company 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.

The company earns revenue from Educational and training business and sales of text books.

Revenue from related parties is recognized based on transaction price which is at arm's length.

The Company disaggregates revenue from contracts with customers by industry verticals, geography and nature of services.

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 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 Company 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.

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.

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.

Use of significant judgements in revenue recognition: -

- The performance obligation is satisfied upon delivery of the books and study material.
- 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

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

Interest income

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

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

Dividend

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

(ii) Property, plant and equipment

Recognition and measurement

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



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

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

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

Subsequent expenditure

Subsequent expenditure are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only if it is probable that future economic benefits associated with the expenditure will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognised when replaced.

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

Depreciation methods, estimated useful lives and residual values

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

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

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

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

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



Reclassification to investment property

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

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

Goodwill

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

Other intangible assets

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

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

Internally generated intangible assets

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

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

Others

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

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

Amortisation

Goodwill is not amortised and is tested for impairment annually.

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

The useful lives of intangible assets are as follows:

Intangible assets:



Useful lives (in years)



Brand	10
Software	5
Website	5
Content development	5
Non-compete fees	3-4
Intellectual property rights	5-10
CAT online module	1-3
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.

(iv) Business combinations

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

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

(v) Impairment of non-financial assets

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

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

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



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

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

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

(vi) Investment property

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

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

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

Particulars	Useful lives (in years)
Building	60

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

(vii) Borrowing costs

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

(viii) Investment in subsidiaries and associates

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

(ix) Financial instruments

i. Recognition and initial measurement



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

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

ii. Classification and subsequent measurement

Financial assets

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

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

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

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

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

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

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

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

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

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

Financial assets: Business model assessment

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



- the stated policies and objectives for the portfolio and the operation of those policies in practice. These include whether management's strategy focuses on earning contractual interest income, maintaining a particular interest rate profile, matching the duration of the financial assets to the duration of any related liabilities or expected cash outflows or realising cash flows through the sale of the assets;
 - how the performance of the portfolio is evaluated and reported to the Company's management;
 - the risks that affect the performance of the business model (and the financial assets held within that business model) and how those risks are managed;
 - how managers of the business are compensated - e.g. whether compensation is based on the fair value of the assets managed or the contractual cash flows collected; and
 - the frequency, volume and timing of sales of financial assets in prior periods, the reasons for such sales and expectations about future sales activity
- Transfers of financial assets to third parties in transactions that do not qualify for derecognition are not considered sales for this purpose, consistent with the Company's continuing recognition of the assets
- Financial assets that are held for trading or are managed and whose performance is evaluated on a fair value basis are measured at FVTPL.
- Financial assets: Assessment whether contractual cash flows are solely payments of principal and interest

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

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

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

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

Financial assets: Subsequent measurement and gains and losses

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



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

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

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

Financial liabilities: classification, subsequent measurement & gain and loss

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

iii. Offsetting

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

iv. Derecognition

Financial assets

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

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

Financial liabilities

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

The Company also derecognises a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on



the modified terms is recognised at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognised in the statement of profit and loss.

v. Impairment of financial instruments:

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

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

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

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

Expected credit loss:

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

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

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

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

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

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

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

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

Measurement of expected credit losses



Expected credit losses are a probability-weighted estimate of credit losses. Credit losses are measured as the present value of all cash shortfalls (i.e. the difference between the cash flows due to the Company in accordance with the contract and the cash flows that the Company expects to receive). Loss allowances for financial assets measured at amortised cost are deducted from the gross carrying amount of the assets disclosed in the Balance Sheet.

Write-off

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

(x) Leases:

Determining whether an arrangement contains a lease.

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

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

Where the Company is lessee

Finance lease

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

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

Operating lease

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



Where the Company is the lessor

Finance lease

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

Operating lease

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in property, plant and equipment. Lease income on an operating 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.

(xi) Inventories

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

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

(xii) 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 Company are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952. These contributions are made to the fund administered and managed by the Government of India. The Company has no further obligations under the plan beyond its monthly contributions. Obligation for contribution to defined contribution plan are recognised as an employee



benefit expenses in statement of profit and loss in the period during which the related services are rendered by the employees.

Defined Benefit Plan: Gratuity

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

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

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

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

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

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

Other long-term benefits: Compensated absences

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

Share based payments

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

(xiii) Foreign exchange transactions and translations

Initial recognition



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

Conversion

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

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

Foreign operations:

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

(xiv) Income tax

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

Current tax

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

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

Deferred tax

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

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



- taxable temporary differences arising on the initial recognition of goodwill.

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

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

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

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

Minimum alternate tax

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

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

Contingent liability

Contingent liabilities are possible obligations that arise from past events and whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company. Where it is not probable that an outflow of economic benefits will be required, or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability, unless the probability of outflow of economic benefits is remote.

Contingent assets

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

Provisions



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

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

(xvi) 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.

(xvii) 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.

(xviii) Segment reporting

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

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

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

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

1. Segment revenue includes sales and other income directly identifiable with / allocable to the segment.
2. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under unallowable expenditure.
3. Income which relates to the Company as a whole and not allocable to segments is included in unallowable income.



4. Segment assets and liabilities include those directly identifiable with the respective segments. Unallowable assets and liabilities represent the assets and liabilities that relate to the Company as a whole and not allocable to any segment.

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

(xix) 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.



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)

3. Property, plant and equipment

Reconciliation of carrying amount	Freehold land	Leasehold land (refer note ii)	Buildings	Plant and equipment	Leasehold improvement	Furniture and fixtures	Office equipments	Computers	Vehicles	Total
Cost or deemed cost (Gross carrying amount)										
Deemed cost as at April 1, 2017	518.65	196.78	2,736.50	31.23	140.37	33.94	67.34	200.76	38.20	3,963.77
Additions during the year	-	-	-	-	64.94	14.25	40.09	38.78	6.39	164.45
Acquisitions through business combination (refer note 54)	-	-	-	-	-	15.95	61.55	79.55	-	157.05
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	518.65	196.78	2,736.50	31.23	205.31	64.14	168.98	319.09	44.59	4,285.27
Balance as at April 1, 2018	518.65	196.78	2,736.50	31.23	205.31	64.14	168.98	319.09	44.59	4,285.27
Additions during the year	-	-	-	-	20.17	20.38	21.20	6.41	30.48	98.64
Reclassification to investment property	-	-	210.63	-	-	-	-	-	-	210.63
Disposals during the year	-	-	-	0.65	2.94	0.40	6.69	1.06	10.86	22.60
Balance as at March 31, 2019	518.65	196.78	2,525.87	30.58	222.54	84.12	183.49	324.44	64.21	4,150.68
Accumulated depreciation										
Balance as at April 1, 2017	-	2.51	47.99	4.73	49.79	4.99	15.22	70.60	10.95	206.78
Depreciation for the year	-	2.51	47.99	4.72	57.17	11.13	40.89	100.40	10.38	275.19
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	-	5.02	95.98	9.45	106.96	16.12	56.11	171.00	21.33	481.97
Balance at April 1, 2018	-	5.02	95.98	9.45	106.96	16.12	56.11	171.00	21.33	481.97
Depreciation for the year	-	2.51	43.58	2.97	55.90	11.98	46.13	82.95	8.95	254.97
Reclassification to investment property	-	-	7.78	-	-	-	-	-	-	7.78
Disposals during the year	-	-	-	0.43	2.28	0.12	2.76	0.72	6.44	12.75
Balance as at March 31, 2019	-	7.53	131.78	11.99	160.58	27.98	99.48	253.23	23.84	716.41
Carrying amount (net)										
As at March 31, 2018	518.65	191.76	2,640.52	21.78	98.35	48.02	112.87	148.09	23.26	3,803.30
Balance as at March 31, 2019	518.65	189.25	2,394.09	18.59	61.96	56.14	84.01	71.21	40.37	3,434.27

Notes:

- Please refer note 42 for capital commitments.
- Please refer note 43 for details of assets held under finance lease.
- The Company has not carried out any revaluation of property, plant and equipment for the year ended March 31, 2019 and March 31, 2018.
- All property, plant and equipment, are subject to charge against secured borrowings of the company referred in notes as secured term loans from banks and bank overdrafts. (refer note 23 and 26).
- 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).



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)

4. Investment property

A. Reconciliation of carrying amount

	As at March 31, 2019	As at March 31, 2018
Cost or deemed cost		
Opening balance	112.91	112.91
Additions/Reclassification from PPE during the year	210.63	-
Total	323.54	112.91
Accumulated depreciation		
Opening balance	4.13	2.06
Additions / Reclassification from PPE during the year	7.78	-
Depreciation for the year	5.96	2.07
Total	17.87	4.13
Carrying amounts		
Balance at date	305.67	108.78

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

Rental income	24.62	23.04
Profit from investment properties before depreciation	24.62	23.04
Depreciation expense	(5.96)	(2.06)
Profit from Investment property	18.66	20.98

C. Measurement of fair value

	As at March 31, 2019	As at March 31, 2018
Investment property	755.00	480.00
	755.00	480.00

D. Estimation of fair values

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

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

Valuation technique:

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

Fair value hierarchy

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

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

Valuation technique	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 Company has given its premises on cancellable operating lease to its franchisee. 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 43.



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)

5. Goodwill

Reconciliation of carrying amount

	As at March 31, 2019	As at March 31, 2018
Cost or deemed cost		
Opening balance	212.38	-
Acquisitions through business combinations	-	212.38
Impairment charge	-	-
Total	212.38	212.38

5.1 Impairment tests for Goodwill

Goodwill is monitored by Management at the level of operating segments identified in note 53.

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

	As at March 31, 2019	As at March 31, 2018
Consumer test prep	212.38	212.38

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

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

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

	As at March 31, 2019	As at March 31, 2018
Sales volume (% annual growth rate)	15.00%	21.00%
Long term growth rate (%)	6.00%	6.00%
Pre-tax discount rate (%)	16.00%	17.12%

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

Assumption Approach used to determining values

Sales volume :

Average annual growth rate over the five-year forecast period; based on past performance and management's expectations of market development.

Long-term growth rate:

This is the weighted average growth rate used to extrapolate cash flows beyond the budget period. The rates are consistent with forecasts included in industry reports.

Pre-tax discount rates:

Reflect specific risks relating to the relevant segments and the countries in which they operate.



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

6 (e) Other Intangible assets

Reconciliation of carrying amount	Intellectual property rights and trademarks	Softwares	Content development (refer note i)	CAT online module	Non compete fees (refer note ii)	Brand (refer note iii)	Wain Connect	IQM (refer note iv)	Melting Pot (refer note v)	Video clip	Total
Cost or deemed cost (Gross carrying amount)											
Balance as at April 1, 2017	739.08	53.37	652.28	9.59	-	-	-	-	-	-	1,454.32
Acquisitions through business combination (refer note 54)	-	-	-	-	79.00	330.00	-	-	-	-	409.00
Other additions during the year	-	24.72	331.15	17.38	-	-	22.50	118.40	112.69	-	626.84
Additions - Internally developed (refer note a below)	-	-	181.59	-	-	-	-	-	-	-	181.59
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	739.08	78.09	1,165.02	26.97	79.00	330.00	22.50	118.40	112.69	-	2,671.75
Balance as at April 1, 2018	739.08	78.09	1,165.02	26.97	79.00	330.00	22.50	118.40	112.69	-	2,671.75
Other additions during the year	-	64.29	219.14	-	15.00	-	-	-	12.08	43.50	354.01
Additions - Internally developed (refer note a below)	-	-	165.60	-	-	-	-	-	-	-	165.60
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2019	739.08	142.38	1,549.76	26.97	94.00	330.00	22.50	118.40	124.77	43.50	3,191.26
Accumulated amortisation											
Balance as at April 1, 2017	138.19	12.42	113.23	8.65	-	-	-	-	-	-	272.49
Amortisation for the year	140.61	14.58	196.08	1.14	22.57	33.00	1.13	2.98	2.84	-	414.93
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2018	278.80	27.00	309.31	9.79	22.57	33.00	1.13	2.98	2.84	-	687.42
Balance as at April 1, 2018	278.80	27.00	309.31	9.79	22.57	33.00	1.13	2.98	2.84	-	687.42
Amortisation for the year	138.63	22.48	281.90	5.79	39.42	33.00	4.50	11.84	11.26	4.35	553.17
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2019	417.43	49.48	591.21	15.58	61.99	66.00	5.63	14.82	14.10	4.35	1,240.59
Carrying amount											
Balance as at March 31, 2018	460.28	51.09	855.71	17.18	56.43	297.00	21.37	115.42	109.85	-	1,984.33
Balance as at March 31, 2019	321.65	92.90	958.55	11.39	32.01	264.00	16.87	103.58	110.67	39.15	1,950.77

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

Refer note 'b' below for intangible assets under development.

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 (range 1 to 5 years) using the straight-line method.

ii. A non-compete fee is the outcome of an agreement entered between company and IndiCan for on-going business should be protected from competition by the outgoing entity. Amortisation is calculated to write off the cost of non-compete fees over its useful life of 5 years using the straight-line method. During the year company has paid consideration against the non-compete agreement.

iii. Brand is recognised separately for ETEN acquisition, ETEN was a business division of IndiCan, engaged in the test preparation business for chartered accountancy courses and civil services entrance examination supported by VSAT (very small aperture terminal) network in India, and was acquired by the Company via Business Transfer Agreement. Amortisation is calculated to write off the cost of brand over its useful life of 10 years using the straight-line method.

iv. 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.

v. 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.

vi. The Company has not carried out any revaluation of intangible assets for the year ended March 31, 2019 and March 31, 2018.

vii. The company does not have acquired intangible assets free of charge, or for nominal consideration, by way of a government grant.

viii. There are no other restriction on title of intangible assets other than as already disclosed.

x. There are no exchange differences adjusted in intangible assets.

xi. Refer note 39 for amortisation expenses.



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)

(i) Details of internally generated intangible assets

Reconciliation of carrying amount	Content
Cost or deemed cost (Gross carrying amount)	
Balance as at April 1, 2017	184.60
Additions	-
Disposals	-
Balance as at March 31, 2018	184.60
Balance as at April 1, 2018	184.60
Additions during the year	165.60
Disposals during the year	-
Balance as at March 31, 2019	350.20
Accumulated amortisation	
Balance as at April 1, 2017	19.77
Amortisation for the year	33.90
Disposals during the year	-
Balance as at March 31, 2018	53.67
Balance as at April 1, 2018	53.67
Amortisation for the year	15.30
Disposals during the year	-
Balance as at March 31, 2019	68.97
Carrying amount (net)	
Balance as at March 31, 2018	130.93
Balance as at March 31, 2019	281.23

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 test, 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 (b) Details of Intangibles under developemnt

Particulars	As at March 31, 2019	As at March 31, 2018
Opening Balance	117.74	-
Add: Addition during the year	140.49	117.74
Less; Capitalized during the year	(63.50)	-
Less: Expensed Off during the year	(20.28)	-
Closing Balance	174.45	117.74



7 Investments in subsidiaries and associates

(a) Investment in equity shares

Unquoted, at cost

	As at March 31, 2019	As at March 31, 2018
9,447,606 (March 31, 2018: 9,447,606) fully paid up equity shares of Rs. 10 each of Career Launcher Education Infrastructure and Services Limited	13,528.43	13,528.43
10,000 (March 31, 2018: 10,000) fully paid up equity shares of Rs. 10 each of CL Media Private Limited	1.00	1.00
1,000,000 (March 31, 2018: 1,000,000) fully paid up equity shares of Rs. 10 each of Kestone Integrated Marketing services Private Limited.	691.00	691.00
190,000 (March 31, 2018: 190,000) fully paid up equity shares of Rs. 10 each of G.K. Publications Private Limited	1,433.89	1,433.89
12,000 (March 31, 2018:12,000) fully paid up equity shares of Rs. 10 each of Accendere Knowledge Management Services Private Limited	2,669.40	2,669.40
909 (March 31, 2018: 909) fully paid up equity shares of Rs. 10 each of Threesixtyone Degree Minds Consulting Private Limited (refer note 8)	50.00	50.00
5,070 (March 31, 2018 :5070) fully paid up equity shares of Rs. 10 each of Ice Gate Educational Institute Private Ltd	623.61	623.61

(b) Investment in preference shares (at fair value through profit and loss [FVTPL])

500,000 (March 31, 2018: 400,000) Compulsory convertible preference share (CCPS) of Rs 100 each (face value Rs. 10 each) of Threesixtyone Degree Minds Consulting Private Limited	624.55	400.00
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Deemed investment on account of financial guarantee Issued for:

- Career Launcher Infrastructure Private Limited	20.32	20.32
- Career Launcher Education Infrastructure and Services Limited	6.45	6.45
- Kestone Integrated Marketing services Private Limited	7.21	5.76
	19,655.87	19,429.86

Aggregate amount of unquoted investments

Aggregate amount of quoted investments

Aggregate amount of Impairment in value of Investments

19,655.87

19,429.86

Note:

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

Name of entities	Relationship	Place of business	% of ownership interest	Accounting method
Career Launcher Education Infrastructure and Services Limited	Subsidiary	India	100%	Cost
CL Media Private Limited	Subsidiary	India	100%	Cost
Kestone Integrated Marketing Services Private Limited.	Subsidiary	India	100%	Cost
G.K. Publications Private Limited	Subsidiary	India	100%	Cost
Accendere Knowledge Management Services Private Limited	Subsidiary	India	100%	Cost
ICE GATE Educational Institute Private Limited	Subsidiary	India	50.70%	Cost
Threesixtyone Degree Minds Consulting Private Limited (refer note i)	Associate	India	4.41%	FVTPL

Note :

i. Threesixtyone Degree Minds Consulting Private Limited became an associate company on August 3, 2017, due to compulsory representation in board of directors by the director nominated by the company.

8 Non-current financial assets - loans

Security deposits

	As at March 31, 2019	As at March 31, 2018
	100.80	217.22
	100.80	217.22

The Company's exposure to credit and currency risks are disclosed in Note 55.



9 Other non-current financial assets

	As at March 31, 2019	As at March 31, 2018
Non-current bank balances (Deposits with maturity for more than 12 months from reporting date) (refer note i)	1,476.47	1,474.15
	<u>1,476.47</u>	<u>1,474.15</u>

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.3.18Lacs (March 31,2018 Rs. 2.56 lacs) for issue of guarantees in favor of The Directorate of Employment Training, Gandhi Nagar-TDD.
- Deposits aggregating Rs.1100.00 Lacs (March 31,2018 Rs.1100.00 lacs) pledged with banks for certain loan facility (Refer note 23).
- Deposits of Rs.0.93Lacs (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. 350.00 lacs) pledged with RBL Banks for term loan facility (Refer note 23).

(ii)The Company's exposure to credit and currency risks are disclosed in Note 55.

10 Deferred tax assets (net)

	As at March 31, 2019	As at March 31, 2018
Deferred tax assets (net) (refer note 32)	376.69	485.24
	<u>376.69</u>	<u>485.24</u>

11 Non-current tax assets (net)

	As at March 31, 2019	As at March 31, 2018
Advance tax [net of provisions of Rs. 436.63 lacs (March 31, 2018: Rs. 283.31 lacs)]	1,151.01	1,034.18
	<u>1,151.01</u>	<u>1,034.18</u>

12 Other non-current assets

	As at March 31, 2019	As at March 31, 2018
Capital advances	1.02	2.00
Prepaid expenses		
- financial guarantee commission	3.14	7.88
- prepaid rent	14.13	15.51
- franchisees recurring payments	37.14	29.03
	<u>55.43</u>	<u>54.42</u>

13 Inventories

	As at March 31, 2019	As at March 31, 2018
<i>Valued at lower of cost and Net Realisable value unless otherwise stated</i>		
Stock in trade (text books)	500.00	491.07
Less: Provision for loss allowance	(6.01)	(28.16)
	<u>493.99</u>	<u>462.91</u>

Note:

(i). Inventories are pledged as securities for borrowings taken from banks (refer note 23)



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)

14 Investment

	As at March 31, 2019	As at March 31, 2018
<i>Mutual Fund - Unquoted at fair value thorough profit and loss</i>	2,743.09	-
	2,743.09	-
<i>Aggregate amount of unquoted investments</i>	2,743.09	-
<i>Aggregate amount of impairment in value of investments</i>	-	-

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	188,371.90	520.69	-	-
HDFC Mutual Fund	11,262.17	414.25	-	-
UTI Mutual Fund	22,882.51	700.38	-	-
Birla SunLife MF	190,627.42	572.71	-	-
DSP Mutual Fund	20,014.32	535.06	-	-
Total	433,158	2,743.09	-	-

Note:

i. 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

	As at March 31, 2019	As at March 31, 2018
<i>Unsecured, considered good, unless otherwise stated</i>		
Unsecured- considered good	4,835.88	5,942.98
Credit impaired	675.00	1,129.98
Less: Allowance for Credit Impairment	(675.00)	(1,129.98)
	4,835.88	5,942.98
Of the above, trade receivables from related parties are as below		
Total trade receivables from related parties	-	-

Note:

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

(ii) The Company's exposure to credit and currency risks and loss allowances related to trade receivables are disclosed in Note 55.

(iii) Trade receivable are pledged as securities for borrowings taken from banks (refer note 23).

16 Cash and cash equivalents

	As at March 31, 2019	As at March 31, 2018
Balances with banks		
on current account	555.49	1,037.66
Cheques/ drafts on hand	27.93	36.24
Cash on hand	107.62	85.02
	691.03	1,158.92

Note:

(i) The Company's exposure to liquidity risks are disclosed in Note 55.

17 Bank balances other than cash and cash equivalents

	As at March 31, 2019	As at March 31, 2018
Unpaid dividend account- bank balance (refer note (i) & (ii))	1.57	0.18
Deposits with original maturity for more than three months but less than twelve months	28.98	2,615.64
	30.55	2,615.82

Note :

(i) 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.

(ii) The amount in respect of previous year, represents minimum balance required to be maintained in current account and does not represent unpaid dividend amount

(iii) The Company's exposure to liquidity risks are disclosed in Note 55.



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)

18 Current financial assets - loans

	As at March 31, 2019	As at March 31, 2018
Loans to employees	26.15	34.05
Security deposits	286.95	105.36
Loans to related parties	4,387.96	3,977.00
Loans to others	222.37	211.57
<i>Unsecured, considered doubtful</i>		
Loans to CL USA	399.49	399.49
Less: Provision for loss allowance	(399.49)	(399.49)
Loans to related parties	-	8.34
Less: Provision for loss allowance	-	(8.34)
Security deposits	28.05	28.05
Less: Provision for loss allowance	(28.05)	(28.05)
	4,923.43	4,327.98

Note:

(i) Refer note 45 for transactions with related party.

(ii) The Company's exposure to credit and currency risks are disclosed in Note 55.

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
Accendere Knowledge Management Services Pvt. Ltd.	43.82	11.55%	109.55	96.53
Kestone Asia Educational Hub Pte. Ltd.	-	NIL	-	8.34
Career Launcher Education Infrastructure and Services Limited	320.77	11.55%	1,798.36	1,607.15
Career Launcher Infrastructure Private Limited	225.78	11.55%	1,509.11	1,286.32
GK Publications Private Limited	42.79	12.50%	421.26	404.97
ICE Gate Educational Institute Private Limited	11.84	12.00%	7.26	51.73
Career Launcher Education Foundation	12.13	NIL	542.43	530.30
Total	657.13		4,387.96	3,985.34

* Includes conversion of interest into loans.

19 Other current financial assets

	As at March 31, 2019	As at March 31, 2018
Interest accrued on fixed deposits	22.92	131.12
Other receivables from related parties	261.59	736.10
	284.51	867.22

Note:

(i) Refer note 46 for transactions with related party.

(ii) The Company's exposure to credit and currency risks are disclosed in Note 55.

20 Other current assets

	As at March 31, 2019	As at March 31, 2018
Advances to suppliers	233.11	220.69
Prepaid expenses	1,433.19	722.64
Prepaid financial guarantee commission	4.95	6.45
Prepaid rent	23.40	21.98
Deferred contract cost	6.13	-
Advances to employees	42.52	-
Other advances to related parties	80.42	95.50
Balance with Govt. Authorities	20.09	306.09
	1,843.81	1,373.35

Note:

(i) Refer note 45 for transactions with related party.



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)

21 Share capital

	As at March 31, 2019	As at March 31, 2018
Authorised		
16,000,000 (March 31, 2018: 16,000,000) equity shares of Rs. 10 each	1,600.00	1,600.00
Issued, subscribed and fully paid-up		
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 Company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in ensuing Annual General Meeting except in the case where interim dividend is distributed.

	Year ended March 31, 2019	Year ended March 31, 2018
During the year, the company has distributed interim dividend as follows:	Re.1.00 per share	NIL

Liquidation

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

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

	Year ended March 31, 2019		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) Employee stock option plan

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	0.24	6.96	7.20



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)

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%
Bilakes Consulting Private Limited	1,255,460	8.86%	1,253,090	8.85%
GPE (India) Limited	946,473	6.68%	946,473	6.68%
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%
	8,572,723	60.52%	8,167,008	57.65%

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 Company during the period of five years immediately preceding the reporting date.

f. Shares reserved for issue under options

For details of shares reserved for issue under the employee stock option of the Company (refer to Note 52)



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)

22 Other equity

	As at March 31, 2019	As at March 31, 2018
22.1. Securities premium		
Balance at the beginning of the year	29,853.46	29,854.06
-on issue of equity shares		
-for consideration in cash	-	6.96
-of Employee stock option plan (ESOP)	-	3.60
Less: Share issue expenses	-	(11.16)
Closing balance (A)	29,853.46	29,853.46
22.2. Capital reserves (B)	0.20	0.20
22.3. General reserves		
Opening balance	64.69	64.69
Add: Transfer from employee stock option outstanding	136.67	-
Less: Interim dividend paid during the year	(170.77)	-
Closing balance (C)	30.59	64.69
22.4. Employee stock option outstanding		
Gross employee stock compensation for options granted in earlier years	176.73	144.27
Add: Gross compensation for options for the year	(5.26)	14.26
Add: Gross compensation for options granted to employees of subsidiary	-	18.20
Less: Transfer to General reserve	(136.67)	-
Closing balance (D)	34.80	176.73
22.5. Surplus in the Statement of Profit and Loss		
Opening balance	2,825.04	3,010.29
Add: Net profit/(loss) for the year	980.12	(198.59)
Other comprehensive income		
Remeasurement of defined benefit plans	7.10	13.34
Closing balance (E)	3,812.26	2,825.04
22.6. Deemed equity		
Opening balance	51.48	33.24
Add: Addition during the year	3.77	18.24
Closing balance (F)	55.25	51.48
Total reserves and surplus (A+B+C+D+E+F)	33,786.56	32,971.60

Nature and purpose of other reserves

(i) General reserve

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

(ii) Securities premium

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

(iii) Employee stock options outstanding amount

The Company has an equity-settled share-based payment plans for certain categories of employees of the Company. Refer to Note 52 for further details on these plans.

(iv) Capital reserve

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

(iv) Deemed equity

The Company has received financial guarantee from its promoters.



23 Non-current borrowings

	As at March 31, 2019	As at March 31, 2018
Secured loan		
Vehicle loan from banks (refer note i)	27.87	8.14
Term loan from banks (refer note ii)	463.29	818.37
Unsecured loans		
Long term maturities of finance lease obligation	58.69	52.31
Total non-current borrowings	549.85	878.82
Less: Current maturities of non-current borrowings (included in note 28)	238.92	361.60
Less: Current maturities of finance lease obligation (included in note 28)	31.89	25.51
Less: Interest accrued but not due on borrowings (included in note 28)	0.18	1.62
Non-current borrowings (as per balance sheet)	278.86	490.09

The Company's exposure to currency risks, liquidity risks and interest rate risks are disclosed in Note 55.

Notes:

(i) Vehicle loans from banks are secured against hypothecation of concerned vehicles. Amount outstanding shown below are excluding accrued interest amount.

The terms of the vehicle loans are as follows:

For amount outstanding as at March 31, 2019

Loan	Outstanding Amount	Rate of Interest	Equal monthly installment (EMI)	Date of Last EMI
	Amount		Amount	
Loan A	6.69	9.18%	0.15	01-Aug-23
Loan B	21.00	8.25%	0.49	05-Jun-23
	27.69			

For amount outstanding as at March 31, 2018

Loan	Outstanding Amount	Rate of Interest	Equal monthly installment (EMI)	Date of Last EMI
	Amount		Amount	
Loan 1	2.86	14.00%	0.28	05-Feb-19
Loan 2	1.31	14.00%	0.13	05-Feb-19
Loan 3	3.89	14.00%	0.38	05-Feb-19
	8.06			

(ii) Secured term loans from bank-other term loans

- a) 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

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:

- a) The loan of Rs. 440.00 lacs was repayable in 48 equal monthly installments of Rs. 12.08 lacs (inclusive of interest) for which March 1, 2019 was the last installment date and same has been repaid during the year.

Primary security

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



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)

Collateral security

a) Lien over fixed deposits of Rs. 1,100.00 lacs

b) The loans are further secured by equitable mortgage on following properties of the Company:

- Plot No. 15-A , Block II , Knowledge Park, Greater Noida
- Plot No. 9A, Sector 27-A, Faridabad
- Office space No. 1 and 2, Third Floor, FC Road, Shivaji Nagar, Pune
- Unit No. 207, Second Floor, District Centre, Laxmi Nagar, Delhi
- Office Space No. 201, Second Floor, Business Point, Andheri West, Mumbai.

c) The loans are further secured by personal guarantees of the promoter and directors (Satyanarayan R., Gautam Puri and Nikhil Mahajan) of the Company.

d) These loans are part of overall limit sanctioned by the bank to the Company, which comprise term loans as detailed above, overdraft facility upto Rs. 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 Company for such overall limit.

b) The Company had taken a term loan from Ratnakar Bank Limited (RBL). Year end balances of the loan is Rs. 459.67 lacs (March 31, 2018: 700.00 lacs)

Interest rate:

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

Repayment schedule:

a) Previous year, the Company had taken a term 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 has 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 subrevent charge by way of hypothication on all present and future current assets inclusive of stock and book debts and moveable fixed assets of the Company.

b) Lein on fixed deposit of Rs. 371.35 lacs to be kept with Bank during the tenure of Loan.

Collateral security:

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

(iii) Aggregate amount of loans guaranteed by directors of the Company are Rs. 3,504.74 lacs (March 31, 2018: 3,972.99 lacs) [Includes amount of Rs. 229.96 lacs (March 31, 2018 : 466.67 lacs) disclosed under non current borrowings and Rs.233.33 (March 31,2018 :Rs. 357.41lacs (Refer note 28)) disclosed under current maturities of non-current borrowing and current borrowings amounting Rs. 3,041.45lacs (March 31, 2018: 3,148.91lacs) (Refer note 26).



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)

24 Non-current provisions

Provision for employee benefits (refer note 44)

Gratuity

Compensated absences

Note:

(i) Refer note 30 for current portion of provision.

As at March 31, 2019	As at March 31, 2018
132.07	134.42
125.93	138.04
258.00	272.46

25 Other non current liabilities

Unearned revenue

As at March 31, 2019	As at March 31, 2018
208.88	246.93
208.88	246.93

26 Current borrowings

Secured

-From banks

-Cash credit from bank (Refer note below)

Total current borrowings

As at March 31, 2019	As at March 31, 2018
3,041.45	3,148.91
3,041.45	3,148.91

Note:

(i) Details of these loans are as follows:

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

a). It carries interest rate of 10.95% - 13.45% (March 31, 2018: 11.00% - 12.25%) calculated on monthly basis on the actual amount utilised.

B). Refer note 23 for detail of security provided against such loans.

(ii) The Company's exposure to currency risks, liquidity risks and interest rate risks are disclosed in Note 55.

27 Trade payables

Trade payables

- to micro and small enterprises(refer note 51)

- to others

As at March 31, 2019	As at March 31, 2018
921.26	19.80
2,805.43	3,900.73
3,726.69	3,920.53

Note:

i. For trade payables to related parties please refer note 45

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

iii. The Company's exposure to currency and liquidity risks related to trade payables are disclosed in Note 55.



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)

28 Other current financial liabilities

	As at March 31, 2019	As at March 31, 2018
Current maturities of non-current term loan from banks	233.33	353.54
Current maturities of non-current vehicle loan	5.59	8.06
Interest accrued but not due on borrowings	0.18	1.62
Current maturity of finance lease obligations	31.89	25.51
Unpaid dividends	1.57	-
Payables for purchase of investments		
-to related parties (refer note 45)	-	15.08
Payable for property, plant and equipment		
-to related parties (refer note 45)	133.29	295.87
-to others	11.76	4.91
Employee related payables	369.60	348.24
Payable to selling shareholders	28.06	47.71
Payable towards business combination (refer note 54)	143.81	310.13
Contingent consideration (refer note 54)	50.00	50.00
	1,009.08	1,460.67

Note:

i. Refer note 45 for payable to related parties

ii. The Company's exposure to currency risks, liquidity risks and interest rate risks are disclosed in Note 55.

29 Other current liabilities

	As at March 31, 2019	As at March 31, 2018
Unearned revenue	396.60	961.15
Statutory dues payable	103.84	318.29
Deferred revenue for financial guarantee	-	3.31
Employee imprest	51.50	16.46
	551.94	1,299.21

30 Current provisions

	As at March 31, 2019	As at March 31, 2018
Provision for employee benefits (refer note 44)		
Gratuity	9.20	8.27
Compensated absences	6.14	7.95
	15.34	16.22

Note:

Refer note 24 for Non-current portion of provision.

31 Current tax liabilities (net)

	As at March 31, 2019	As at March 31, 2018
Provision for income tax [net of advance tax of Rs. 1250.95 lacs (March 31, 2018: Rs 1334.09 lacs)]	446.73	427.59
	446.73	427.59



32 Income tax

A. Amounts recognised in profit or loss

	Year ended March 31, 2019	Year ended March 31, 2018
Current tax expense		
Current year	122.14	-
Adjustment for prior years	-	-
	122.14	-
Deferred tax expense	105.81	62.34
Total Tax Expense	227.95	62.34

B. Amounts recognised in Other Comprehensive Income

	Year ended March 31, 2019	Year ended March 31, 2018
Income tax relating to items that will not be reclassified to profit or loss		
- Income tax relating to remeasurement of defined benefit plans	(2.74)	(7.06)
	(2.74)	(7.06)

C. Reconciliation of effective tax rate

	Year ended March 31, 2019		Year ended March 31, 2018	
	Rate	Amount	Rate	Amount
Profit before tax from continuing operations				
Tax benefit/expenses	27.82%	1,208.07	34.61%	(136.25)
		336.08		47.15
Tax effect of:				
Change of tax rate				-
Non-deductible expenses		(88.65)		(12.93)
Non-taxable income		(94.70)		2.18
Others		(10.74)		3.96
Business Loss of March 2018		(47.54)		
Deductible expenses		24.95		21.98
Recognition of Timing Differences		108.55		
	18.87%	227.95	-45.75%	62.34

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				
Provision for employee benefit	94.29	(15.50)	(2.74)	76.05
Provision for Obsolescence of Inventory	9.75	(8.08)	-	1.67
Provision for Doubtful Current Loan	150.85	(31.91)	-	118.94
Amortisation of prepaid rent	18.62	(29.06)	-	(10.44)
Finance Lease Adjustment	17.12	(0.79)	-	16.33
Deferred Revenue- Franchise Fees	124.11	-	-	124.11
Deferred Revenue- Admission Fees	261.51	-	-	261.51
Impact of Discontinuing of Security Deposits	22.33	65.30	-	87.63
Provision for expected credit loss	459.55	(271.76)	-	187.79
Provision for Incentive	31.29	24.35	-	55.64
Sub- Total (a)	1,189.42	(267.46)	(2.74)	919.22
Deferred Tax Liabilities				
Property, plant and equipment (including investment property)	(542.30)	234.45	-	(307.85)
Prepaid FRP expenses	(20.24)	20.24	-	-
Investment in subsidiaries and associates	-	(34.65)	-	(34.65)
Impact for EIR adj on Borrowings	(0.09)	(0.85)	-	(0.94)
Intangibles	(141.55)	30.10	-	(111.45)
Loans	-	(87.63)	-	(87.63)
Sub- Total (b)	(704.18)	161.66	-	(542.53)
Net Deferred Tax Asset (a)+(b)	485.24	(105.81)	(2.74)	376.69



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)

33 Revenue from operations

	Year ended March 31, 2019	Year ended March 31, 2018
Sale of products:		
- Text books	3,031.64	3,226.40
Sale of services:		
- Education and training programmes	13,564.86	12,044.22
Other operating revenue		
- Start up fees from franchisees	404.46	250.77
	<u>17,000.96</u>	<u>15,521.39</u>

Disaggregated revenue information as per geographical markets	For the year ended March 31, 2019		
	Geographical markets		
	India	Overseas	Total
Education and training programmes	13,311.44	253.42	13,564.86
Sale of Education Material	2,612.58	419.06	3,031.64
Start up fees from franchisees	404.46	-	404.46
	<u>16,328.48</u>	<u>672.48</u>	<u>17,000.96</u>

Changes in contract liability are as follows:-

	Year ended March 31, 2019
Balance at the beginning of the year	1,981.26
Revenue recognised that was deducted from trade receivables as unearned revenue balance at the beginning of the year	(1,641.04)
	1,685.43
Increase due to invoicing during the year, excluding amount recognised as revenue during the year	
Gross Unearned revenue	<u>2,025.65</u>
Reclassification of unearned revenue that is not yet collected in cash from trade receivables	(1,420.17)
Balance at the end of the year	<u>605.48</u>

Note:

Opening balance of contract liability is inclusive of unearned revenue not yet collected cash from trade receivable.

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

	Year ended March 31, 2019
Within one year	1,721.32
More than one year	304.33

34 Other Income

	Year ended March 31, 2019	Year ended March 31, 2018
Interest Income from financial assets measured at amortised cost		
-Security deposits	20.42	21.65
Interest Income on		
-Fixed deposits	139.57	320.91
-Loan to related parties (refer note 45)	424.95	369.98
Gain on fair value change of Investment	124.56	-
Gain on mutual funds	211.09	-
Liabilities no longer required written back	237.01	21.74
Advertising income	103.21	174.32
Infrastructure fees	49.45	97.09
Manpower cost sharing	131.47	279.71
Rent income on Investment property net of depreciation (refer note 4)	18.66	20.98
Net gain on foreign currency transactions and translation	16.39	-
Gain on sale of property, plant and equipment	8.08	-
Finance income on financial guarantees	4.76	3.66
Income on employee stock option (ESOP) scheme (refer note 52)	5.26	-
Miscellaneous income	15.96	34.20
	<u>1,510.84</u>	<u>1,344.24</u>



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)

35 Purchases of stock in trade

	Year ended March 31, 2019	Year ended March 31, 2018
Text books	1,107.21	1,091.87
	<u>1,107.21</u>	<u>1,091.87</u>

36 Changes in inventories of stock in trade

	Year ended March 31, 2019	Year ended March 31, 2018
Inventories at the end of the year	489.94	481.01
Inventories at the beginning of the year	481.01	491.39
Net decrease/(Increase) in inventories of stock in trade	<u>(8.93)</u>	<u>10.38</u>

37 Employee benefit expense

	Year ended March 31, 2019	Year ended March 31, 2018
Salaries and bonus	2,372.72	2,925.57
Expenses related to post-employment defined benefit plans (refer note 44)	31.22	43.81
Expenses related to compensated absences (refer note 44)	17.58	23.58
Contribution to provident and other funds	91.39	108.96
Staff welfare expenses	56.81	97.19
Employee share-based payment expense (refer note 52)	-	14.26
	<u>2,569.72</u>	<u>3,213.37</u>

38 Finance costs

	Year ended March 31, 2019	Year ended March 31, 2018
Interest expense on financial liabilities measured at amortised cost	2.17	1.65
Interest expense on term loans	75.27	44.90
Interest expense on overdraft	334.90	256.81
-Overdrafts		
Interest on delayed payment of statutory dues	-	20.39
Finance cost on finance lease obligation	6.38	6.38
Finance cost on financial guarantees	10.03	9.97
	<u>428.75</u>	<u>340.10</u>

39 Depreciation and amortisation

	Year ended March 31, 2019	Year ended March 31, 2018
Depreciation on property, plant and equipment (refer note 3)	254.99	275.19
Amortisation of intangible assets (refer note 6)	553.17	414.94
	<u>808.16</u>	<u>690.13</u>



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)

40 Other expenses

	<u>Year ended March 31 , 2019</u>	<u>Year ended March 31, 2018</u>
Faculty expenses	881.04	920.38
Rent (refer note 43)	670.45	914.11
Bad debts written off	1,119.18	673.93
Advertisement, publicity and sales promotion	561.61	484.65
Business promotion	592.96	476.49
Legal and professional charges (refer note i below)	247.58	336.99
Travelling and conveyance	289.65	330.68
Communication expenses	203.02	258.50
Material printing cost	309.12	272.90
Office expenses	563.74	395.59
Equipment hire expenses	116.21	125.03
Rates and taxes	30.31	61.13
Sales incentive	91.07	61.49
Repairs to:		
-Buildings	90.94	74.42
-Others	32.05	42.66
Insurance	29.83	13.29
Recruitment, training and development expenses	121.05	34.86
Advances written-off	153.53	11.53
Research and Development expenses	-	15.29
Provision for obsolescence of inventory	-	12.78
Net loss on foreign currency transactions and translation	-	1.36
Commission to non executive directors .	10.83	7.21
Loss allowance on doubtful debtors	-	100.42
Corporate social responsibility (refer note 46)	21.05	-
Miscellaneous expenses	174.62	152.45
	<u>6,309.84</u>	<u>5,778.14</u>

Note:

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

	<u>Year ended March 31 , 2019</u>	<u>Year ended March 31, 2018</u>
Statutory audit	23.00	23.50
Limited review	18.00	24.00
Consolidation audit fee	4.00	4.00
Other matters	-	6.00
Out of pocket expenses	2.38	2.47
	<u>47.38</u>	<u>59.97</u>



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)

41 Earning per share

	Year ended March 31, 2019	Year ended March 31, 2018
(a) Basic earnings per share		
From continuing operations attributable to the equity holders of the company	6.92	(1.40)
(b) Diluted earnings per share		
From continuing operations attributable to the equity holders of the company	6.92	(1.40)
(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	980.12	(198.59)
	<u>980.12</u>	<u>(198.59)</u>
Diluted earnings per share		
Profit from continuing operation attributable to the equity share holders	980.12	(198.59)
Profit attributable to the equity holders of the company used in calculating diluted earnings per share	<u>980.12</u>	<u>(198.59)</u>
	No of shares	No of shares
(d) Weighted average number of shares used as the denominator		
Weighted average number of equity shares used as the denominator in calculating basic earnings per share	14,165,678	14,164,396
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	<u>14,165,678</u>	<u>14,164,396</u>

(e) Information concerning the classification of securities

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



42 Contingent liabilities, contingent assets and commitments

A. Commitments

	As at March 31, 2019	As at March 31, 2018
Estimated amount of contracts remaining to be executed on capital account and not provided for		
- to related party [Net of advances of Rs.Nil (March 31, 2018: Nil)]	165.60	144.00
Total capital commitments (A)	<u>165.60</u>	<u>144.00</u>
Other material commitments		
Commitment for maintenance of contents for related party	110.40	96.00
Total other material commitments (B)	<u>110.40</u>	<u>96.00</u>
Total commitments (A+B)	<u><u>276.00</u></u>	<u><u>240.00</u></u>

B. Contingent liabilities

a. Corporate guarantee given to bank/ financial institutions for loan taken by subsidiaries (refer note 45)	1,450.00	1,595.00
b. Claims against the Company not acknowledged as debts (refer note I)	1,509.89	1,508.55

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

Particulars	Year pertaining		
Service Tax and CENVAT	Matters in dispute/under appeal for various	755.09	755.09
Income Tax	Matters in dispute/under appeal for various	657.35	702.89
Other cases (a)	Matters in dispute/under appeal	97.45	50.57
Total		<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 Company.

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

a. Other cases

Triangle Education, a franchisee of the Company in Jaipur, had arbitrarily terminated the agreement and started a competing business using the brand of CL Educate. The Company has filed a statement of claim before the sole Arbitrator amounting Rs. 190.00 lacs (March 31, 2018: Rs. 190.00 lacs) against triangle education. Triangle Education also filed a counter claim against the Company 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 Company 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 Company has a tie-up with Brilliant Tutorial which was subsequently called off by the Company 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 Company has preferred an appeal against the same and the matter is fixed for final argument on June 23, 2019.

Bawadia Kaia Shiksha Samiti, a lessor has filed a case against the company for recovery of rent /arrears amounting Rs.46.88 lacs for non payment of rent, company 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 Company have expected to received below contingent assets as at March 31, 2019 and March 31, 2018.

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



43 Leases

Operating leases

A. Leases as a lessee

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

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

	As at March 31, 2019	As at March 31, 2018
i		
Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:		
Not later than one year	72.00	-
Later than one year but not later than five years	155.40	-
Later than five years	-	-
	227.40	-
ii		
Amounts recognised in Statement of profit and loss	Year ended March 31, 2019	Year ended March 31, 2018
Rent expense	670.45	914.11

B. Leases as a lessor

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

Lease receipts are recognized in the Statement of profit and loss including depreciation on investment property during the year amounting Rs 24.62 lacs (March 31, 2018: Rs. 23.05 lacs).

Finance lease

A. Leases as a lessee

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

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

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

Particulars	As at March 31, 2019		
	Future minimum lease payments (MLP)	Interest element of MLP	Present value of minimum lease payments
Not later than one year	12.75	6.38	6.38
Later than one year but not later than five years	25.51	25.51	-
Later than five years	440.05	406.87	52.31
	478.31	438.76	58.69
Particulars	As at March 31, 2018		
	Future minimum lease payments (MLP)	Interest element of MLP	Present value of minimum lease payments
Not later than one year	12.75	6.38	6.38
Later than one year but not later than five years	25.51	25.51	-
Later than five years	452.79	419.61	45.93
	491.05	451.50	52.31



11 Employee benefits

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

(i) Defined contribution plans:

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

Employers contribution to provident fund

Year ended March 31, 2019	Year ended March 31, 2018
86.15	103.37

(i) Defined benefit plan:

Gratuity

The Company operates a post-employment defined benefit plan for Gratuity. This plan entitles an employee to receive half month's basic salary for each year of completed service at the time of retirement/exit. The Company contributes to a trust set up by the Company which further contributes to a policy taken from the Life Insurance Corporation of India.

The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognize each period of service as giving rise to additional employee benefit entitlement and measures each unit separately to build up the final obligation.

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

Net defined benefit (asset)/liability

Gratuity (funded)

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

Total employee benefit liabilities

141.27

142.69

Non-current

Current

141.27

142.69

132.07

134.42

9.20

8.27

Movement in net defined benefit (asset)/liability

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

	Year ended March 31, 2019			Year ended 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	150.85	8.16	142.69	129.01	10.65	118.36
Included in profit or loss						
Current service cost	20.09	-	20.09	29.80	-	29.80
Interest cost (Income)	11.77	0.64	11.13	9.92	0.82	9.10
Past service cost	-	-	-	4.91	-	4.91
	31.86	0.64	31.22	44.63	0.82	43.81
Included in OCI						
Remeasurements loss (gain)						
- Actuarial loss (gain) arising from:						
- financial assumptions	2.11	-	2.11	(1.91)	-	(1.91)
- experience adjustment	(12.25)	-	(12.25)	(18.53)	-	(18.53)
Return on plan assets	-	(0.30)	0.30	-	(0.04)	0.04
	(10.14)	(0.30)	(9.84)	(20.44)	(0.04)	(20.40)
Other						
Contributions paid by the employer	-	23.40	(23.40)	-	7.53	(7.53)
Acquisition adjustment	(0.30)	-	(0.30)	6.19	-	6.19
Fund management charges	-	(0.90)	0.90	-	(2.27)	2.27
Benefits paid	(29.40)	(29.40)	-	(8.54)	(8.53)	(0.01)
	(29.70)	(6.90)	(22.80)	(2.35)	(3.27)	0.92
Balance at the end of the year	142.86	1.60	141.27	150.85	8.16	142.69

Expenses recognised in the Statement of profit and loss

Service cost

Net interest cost

Year ended March 31, 2019	Year ended March 31, 2018
------------------------------	------------------------------

20.09

34.71

11.13

9.10

31.22

43.81

Plan assets

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

Funds Managed by Insurer (Investment with insurer)

On an annual basis, an asset-liability matching study is done by the Company whereby the Company contributes the net increase in the actuarial liability to the plan manager in order to manage the liability risk. The Company's policy and objective for plan assets management is to maximise return on plan assets to meet future benefit payment requirements while at the same time accepting a low level of risk.

As at March 31, 2019	As at March 31, 2018
100%	100%



L Educate Limited
 notes to the standalone financial statements for the year ended March 31, 2019
 All amounts are in Rupees lacs, unless otherwise stated)

D. Actuarial assumptions

a) Economic assumptions

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

	As at March 31, 2019	As at March 31, 2018
Discount rate	7.66%	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)	
ii) Ages	Withdrawal rate (%)	Withdrawal rate (%)
Upto 30 years	3%	3%
From 31 to 44 years	2%	2%
Above 44 years	1%	1%

E. Sensitivity analysis

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

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

	As at March 31, 2019		As at March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)		(7.61)	(8.95)	9.79
Expected rate of future salary increase (0.5% movement)		6.76	8.57	(7.85)

Description of risk exposures:

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

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

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

Particulars	As at March 31, 2019		As at March 31, 2018	
Duration of defined benefit obligation				
Less than 1 year			9.20	8.27
Between 1-2 years			2.03	2.05
Between 2-5 years			6.43	7.19
Over 5 years			125.20	133.33
Total			142.86	150.84

Expected contributions to post-employment benefit plans for the year ending March 31, 2020 is Rs. 38.50 lacs.

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 19.47 years (March 31, 2018: 19.47 years).

(ii) Other long-term employee benefits:

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

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

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

	As at March 31, 2019	As at March 31, 2018
Net defined benefit liability		
Earned Leave (unfunded)	132.07	145.99
Total employee benefit liabilities	132.07	145.99
Non-current	125.93	138.04
Current	6.14	7.95



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)

B. Movement in net defined benefit (asset) liability

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

	Year ended March 31, 2019	Year ended March 31, 2018
Defined benefit obligation		
Net defined benefit liability at the beginning of the year	145.99	131.84
Included in profit or loss		
Current service cost	16.59	29.32
Interest cost (income)	11.39	10.14
	27.98	39.46
Included in OCI		
Remeasurements loss (gain)		
- Actuarial loss (gain) arising from:		
- financial assumptions	1.74	(1.71)
Return on plan assets	(12.14)	(14.17)
	(10.40)	(15.88)
Other		
Contributions paid by the employer		
Acquisition adjustment	(0.11)	3.37
Benefits paid	(31.39)	(12.80)
	(31.50)	(9.42)
Net defined benefit liability at the end of the year	132.07	145.99
Expenses recognised in the statement of profit and loss		
Service cost	16.59	29.32
Net interest cost	11.39	10.14
Actuarial (Gain)/Loss on obligation	(10.40)	(15.88)
	17.58	23.58

C. Actuarial assumptions

a) Economic assumptions

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

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



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)

b) Demographic assumptions

- i) Retirement age (years)
- ii) Mortality rates inclusive of provision for disability
- iii) Ages
 - Upto 30 years
 - From 31 to 44 years
 - Above 44 years

	As at March 31, 2019	As at March 31, 2018
	58.00	58.00
	100% of IALM (2006 - 08)	
Withdrawal rate (%)	3%	3%
	2%	2%
	1%	1%

Expected contributions to post-employment benefit plans for the year ending March 31, 2020 is Rs. 35.47 lacs

The weighted average duration of the defined benefit plan obligation at the end of the reporting period is 19.49 years (March 31, 2018: 19.47 years).

D. Sensitivity analysis

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

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

	As at March 31, 2019		As at March 31, 2018	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)		(6.07)	6.53	(7.40)
Expected rate of future salary increase (0.5% movement)	6.47	(6.07)	7.96	(7.42)

Description of risk exposures:

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

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

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

Particulars

Duration of defined benefit obligation

- Less than 1 year
- Between 1-2 years
- Between 2-5 years
- Over 5 years
- Total

	As at March 31, 2019	As at March 31, 2018
	6.14	7.95
	2.20	2.52
	27.07	27.75
	96.66	107.77
	132.07	145.99



45 Related parties

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

A. Names of related parties and description of relationship:

Related parties where control exists

Direct Subsidiaries	Name of the Company	Country of Incorporation	% of Holding as at March 31, 2019	% of Holding as at March 31, 2018
	Kestone Integrated Marketing Services Private Limited	India	100%	100%
	CL Media Private Limited	India	100%	100%
	G K Publications Private Limited	India	100%	100%
	Career Launcher Education Infrastructure and Services Limited	India	100%	100%
	Accendere Knowledge Management Services Private Limited	India	100%	100%
	ICE GATE Educational Institute Private Limited (wef November 1, 2017)	India	50.70%	50.70%
Indirect Subsidiaries	Name of the Company	Country of Incorporation	% of Holding as at March 31, 2019	% of Holding as at March 31, 2018
	Subsidiaries of Kestone Integrated Marketing Services Private Limited			
	Kestone CL Asia Hub Pte. Ltd (Formerly known as "Kestone Asia Hub Pte. Ltd")	Singapore	100%	100%
	Kestone CL US Limited (wef March 22, 2018)	USA	100%	100%
	Subsidiary of Career Launcher Education Infrastructure and Services Limited			
	Career Launcher Infrastructure Private Limited	India	100%	100%
Associate Company	Threesixtyone Degree Minds Consulting Private Ltd (wef August 3, 2017)			
Enterprises in which KMP or their relatives are able to exercise	Career Launcher Education Infrastructure & Services Limited Employee Group Gratuity Trust Career Launcher Employee Group Gratuity Trust CL Media Employee Gratuity Trust Bhakes Consulting Private Limited, India Career Launcher Education Foundation, India CLEF - AP, India Nalanda foundation, India (upto June 30, 2017) Career Launcher Infrastructure Private Limited Employee Group Gratuity Trust			
Key management personnel	Mr. Satya Narayanan .R (Chairman and Executive Director) Mr. Gautam Puri (Vice Chairman and Managing Director) Mr. Nikhil Mahajan (Executive Director and Group CEO Enterprise Business) Mr. Sridar Aravamudan Iyengar (Non-Executive Independent Director) Mr. Saifir Anand (Non-Executive Independent Director) (upto february 07, 2018) Ms. Sangeeta Modi (Non-Executive Independent Director) (upto July 03, 2017) Mr. Kamil Hasan (Non-Executive Independent Director) (upto May 01, 2017) Mr. Gopal Jain (Non-Executive Non Independent Director) (up to November 02,2018) Mr. Viraj Tyagi, (Non executive Non Independent Director) Mr. Paresuh Surendra Thakker (Non-Executive Independent Director) Mr. Girish Shivani (Additional Non-Executive Independent Director) Mr. Imran Jafar (Additional Non-Executive Non Independent Director) Ms. Madhumita Ganguli (Non-Executive Independent Director) Mr. Suhil 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:

	Year ended March 31, 2019	Year ended March 31, 2018
I		
Other Income		
a. Interest on loans		
Subsidiary Companies		
- Career Launcher Education Infrastructure and Services Limited	200.64	63.34
- G K Publications Private Limited	47.55	51.10
- Career Launcher Infrastructure Private Limited	161.85	234.30
- CL Media Private Limited	-	0.33
-Accendere Knowledge Management Services Private Limited	12.86	11.57
-Ice Gate Educational Institute Private Limited	2.05	1.92
Enterprises in which KMP and their relatives are able to exercise significant influence		
- Nalanda Foundation	-	7.41
	424.95	369.97
b. Advertising income		
Subsidiary Companies		
- CL Media Private Limited	103.21	174.32
	103.21	174.32
c. Infrastructure fees/Rent		
Subsidiary Companies		
- CL Media Private Limited	12.90	60.00
-Accendere Knowledge Management Services Private Limited	3.00	-
- G.K. Publications Private Limited	6.00	24.00
	21.90	84.00



ii	Purchase of traded goods		
	Subsidiary Companies		
	- CL Media Private Limited	1,052.66	1,005.68
	- G.K. Publications Private Limited	35.98	53.84
		1,088.64	1,059.52
iii	Other expenses		
	Subsidiary Companies		
	a. Material development and printing expenses		
	- CL Media Private Limited	110.40	96.00
	b. Equipment hire expenses		
	- Kestone Integrated Marketing Services Private Limited	-	4.80
iv	Other expenses		
	Subsidiary Companies		
	c. Marketing research		
	- Kestone Integrated Marketing Services Private Limited	71.41	11.01
	d. Legal & professional charges		
	- Kestone Integrated Marketing Services Private Limited	8.00	-
	e. Rent		
	-ICE Gate Educational Institute Pvt.Ltd	2.00	-
	f.Franchisee share		
	-ICE Gate Educational Institute Pvt.Ltd	1.00	-
	g. Material development & printing expenses		
	-Threesixtyone Degree Minds Consulting Private Ltd	26.98	44.18
		219.79	155.99
iv	Employee benefits expenses		
	Key management personnel		
	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
	Share based payments		
	- Mr. Sridar Iyengar	-	-
	- Mr. Safir Anand	-	-
	- Mr. Viraj Tyagi	-	-



v	Reimbursement of expense from related parties		
	Subsidiary Companies		
	- Career Launcher Education Infrastructure and Services Limited	0.08	-
	- Kestone Integrated Marketing Services Private Limited	79.55	199.03
	- CL Media Private Limited	311.07	323.01
	Enterprises in which KMP and their relatives are able to exercise significant influence		
	CLEF AP Trust	-	0.40
		390.70	522.44
vi	Loans given to related party		
	Subsidiary Companies		
	- Career Launcher Education Infrastructure and Services Limited	140.20	1,517.23
	- Career Launcher Infrastructure Private Limited	80.12	37.50
	-ICE Gate Educational Institute Pvt.Ltd	10.00	50.00
	- G K Publications Private Limited	-	317.50
	-Accendere Knowledge Management Services Pvt. Ltd.	32.24	141.18
	Enterprises in which KMP and their relatives are able to exercise significant influence		
	- Career Launcher Education Foundation	12.13	0.17
		274.69	2,063.58
vii	Conversion of interest into loan		
	Subsidiary Companies		
	- Career Launcher Education Infrastructure and Services Limited	180.57	57.00
	- G K Publications Private Limited	42.79	45.99
	- CL Media Private Limited	-	0.30
	- Career Launcher Infrastructure Private Limited	145.66	210.87
	-Accendere Knowledge Management Services Pvt. Ltd.	11.58	10.42
	-ICE Gate Educational Institute Pvt.Ltd	1.84	1.73
	Enterprises in which KMP and their relatives are able to exercise significant influence		
	- Nalanda Foundation	-	6.67
		382.44	332.98
viii	Repayment of loan given		
	Subsidiary Companies		
	- G K Publications Private Limited	26.50	82.07
	- CL Media Private Limited	-	139.93
	- Career Launcher Infrastructure Private Limited	3.00	823.12
	- Career Launcher Education Infrastructure and Services Limited	129.56	30.00
	-Accendere Knowledge Management Services Pvt. Ltd.	30.80	145.11
	-ICE Gate Educational Institute Pvt.Ltd	56.32	-
		246.18	1,220.23
ix	Commission to non-executive Directors	10.83	7.21
x	Purchase of assets from related party		
	Subsidiary Companies		
	-CL Media Private Limited	183.10	144.00
	- Kestone Integrated Marketing Services Private Limited	37.08	253.59
xı	Interim Dividend Paid		
	- Bilakes Consulting Private Limited	12.53	-
	- Mr. Satya Narayanan .R	22.75	-
	- Mr.Gautam Puri	22.70	-
	- Mr. R Sreenivasan	3.50	-
	- Mr. R Shivakumar	3.50	-



C.

Related party balances as at the year end:	As at March 31, 2019	As at March 31, 2018
Subsidiary Companies		
Current Loans		
- Kestone CL Asia Hub Pte. Limited	-	8.34
- Career Launcher Education Foundation	542.43	530.30
- GK Publications Private Limited	421.26	404.97
- Career Launcher Education Infrastructure and Services Limited	1,798.36	1,607.15
- Career Launcher Infrastructure Private Limited	1,509.11	1,286.32
- Accendere Knowledge Management Services Private Limited	109.55	96.53
- Ice Gate Educational Institute Private Limited	7.26	51.73
Receivables on account of transfer of property, plant and equipment		
- Career Launcher Infrastructure Private Limited	-	3.17
Other receivables from related parties:		
- Career Launcher Education Infrastructure and Services Limited	90.25	90.18
- GK Publications Private Limited	5.33	9.72
- Kestone Integrated Marketing Services Private Limited	59.33	133.17
- CL Media Private Limited	57.14	314.14
- Accendere Knowledge Management Services Private Limited	49.54	46.30
Provision for doubtful loans		
- Kestone CL Asia Hub Pte. Limited	-	8.34
Employee share based payment expenses to be recovered from subsidiary		
- Career Launcher Education Infrastructure and Services Limited	-	128.21
Trade payables		
- CL Media Private Limited	816.10	696.54
- GK Publications Private Limited	176.11	151.63
- Kestone Integrated Marketing Services Private Limited	734.64	1,184.86
Payable for expenses		
- Accendere Knowledge Management Services Private Limited	0.27	1.27
- Career Launcher Infrastructure Private Limited	5.71	8.88
- CL Media Private Limited	-	21.19
- Threesixtyone Degree Minds Consulting Private Ltd	29.13	29.38
Payable for property, plant and equipment		
- Kestone Integrated Marketing Services Private Limited	133.29	295.87
Guarantees given for loan taken by subsidiary companies		
- Kestone Integrated Marketing Services Private Limited	1,450.00	1,450.00
- Career Launcher Education Infrastructure and Services Limited	-	145.00
Enterprises in which KMP and their relatives are able to exercise significant influence		
Other receivables:		
- Bilakes Consulting Private Limited	80.42	95.50
- CLEF AP Trust	-	0.40
Payable for purchase of Investments		
- Bilakes Consulting Private Limited	-	15.08
Guarantee given:		
- Bilakes Consulting Private Limited	457.58	457.58
Key management personnels		
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

Terms and conditions :

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

ii. Current loans are repayable on demand. The aforesaid loan bears interest rate ranges from 11.55% - 12.50%. The interest on loan is added to the loan amount at the end of every financial year, when it becomes due.

iii. 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	-



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

46 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	7.10	46.31
B. Shortfall amount of previous year	46.31	-
C. Total (A+B)	53.41	46.31
D. Amount spent during the year on-		
- Construction/ acquisition of any asset	-	-
- On purposes other than above		
- from identified activities	21.20	-
- from Salary & wages	-	-
Total	21.20	-
Shortfall amount carried forward to next year	32.21	46.31

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

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

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

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

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

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

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

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

During the 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.

48 The Company 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 Company is of the view that all such balances are fully recoverable and no provision is required. Further, the Company has also filed cases against certain parties for recovery of damages arising from fraudulent use of Company's brand name, violation of terms and conditions of employment etc, amounting Rs 728.12 lacs (March 31, 2018: Rs. 728.12 lacs). The amount likely to be realised, in all these cases, is currently not ascertainable but the Company, based on discussion with concerned lawyers and the proceedings of the cases is hopeful that there would not be any adverse impact on the financial position, and the realisation would be more than the outstanding amount. The Company has recorded all expenses pertaining to legal and professional charges in respect of all such cases.

49 The company has in the past undertaken various Central and State Government / Agencies, projects in the education / skill development sector. Most of these projects are complete, however the dues from the concerned department / agency has not been realized mainly on account of delays and long process. The details of such vocational trade receivables which are outstanding for a considerable period of time are given below. In the opinion of the management it has made the necessary provision, wherever required and such balances are fully recoverable. The details of amount recoverable are as under and refer note 55 for expected credit loss.

As at March 31, 2019

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

- 50 During the year ended March 31, 2017, pursuant to Initial Public Offering (IPO), 2,180,119 equity shares of face value Rs. 10 each were allotted to public at a premium of Rs. 492 per share along with offer for sale of 2,579,881 equity shares by the selling shareholders. The proceeds of the IPO was In Escrow account as at March 31, 2017. The details of which are as under:

Particulars	No. of Shares	Price per share	Amount
Gross proceeds from IPO - Fresh Issue	2,180,119	502.00	10,944.20
Gross proceeds from IPO - Selling shareholders	2,579,881	502.00	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 year ended March 31, 2019 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 year ended 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	-	The Company expects to utilize remaining funds in financial year 2018-19. remaining Unutilized amounts have been deployed in Bank FDs till full amounts are utilized.
Meeting the working capital requirements of CL Educate and its subsidiaries namely Kestone Integrated Marketing Services Private Limited and GK Publications Private Limited	5,250.00	4,643.13	606.87	
Funding Acquisitions and other strategic Initiatives	2,000.00	1,835.11	164.89	
General Corporate purposes	1,010.25	-	1,010.25	
	10,120.65	8,338.64	1,782.01	

- 51 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:

The principal amount and the Interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting period included in Principal amount due to micro and small enterprises
Interest due on above

	As at March 31, 2019	As at March 31, 2018
Principal amount due to micro and small enterprises	921.26	19.80
Interest due on above	5.21	-
	926.47	19.80

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.



52 Share based payments

Pursuant to the resolution passed by the Board of Directors at its meeting on March 6, 2008 and the Special Resolution passed by the members in the EGM held on March 31, 2008, the Company introduced "Career Launcher Employee Stock Options Plan 2008" which provides for the issue of 250,000 equity shares to employees of the Company and its subsidiaries. All the above options granted are planned to be settled in equity at the time of exercise and have maximum vesting period of 3 years from the date of respective grants, unless otherwise stated in the grant letter. As on March 31, 2019 and March 31, 2018 the Company 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 Company has "Amended and Restated Career Launcher Employee Stock Options Plan 2014 (CL ESOP -2014)" which provides for the issue of 250,000 stock options to directors and employees of the Company and its subsidiary companies. The plan entitles directors and employees to purchase equity shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. The vesting period for the share options is 3 years from the grant date, unless otherwise stated in the grant letter. All exercised options shall be settled by physical/demat delivery of equity shares. As per the plan holders of vesting options are entitle to purchase one equity share for each option. Till date 312,468 (March 31, 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.

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

Employees entitled	No. of options	Vesting conditions	Weighted Contractual life of options (in years)
Employees	44,000	3 years' service from the grant date	2.31

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 Company

	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 Company

	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

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 Company.

Particulars

	As at March 31, 2019	As at March 31, 2018
Dividend yield (%)	-	-
Expected volatility (%)	0.00%	0.00%
Risk-free interest rate (%)	7.69%	7.80%
Weighted average share price (in Rs.)	590.00	590.00
Exercise price (in Rs.)	210-430	210-430
Carrying amount of liability included in employee benefit obligations	-	-

Expense arising from share-based payment transactions

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

Share based payment expenses/(Income)

	Year ended March 31, 2019	Year ended March 31, 2018
Employee option plan	(5.26)	14.26
Total employee share-based payment expense/(income)	(5.26)	14.26



53 Segment Information

A. Basis for Segmentation

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

The 'Board of Directors' have been identified as the Chief Operating Decision Maker ('CODM'), since they are responsible for all major decision w.r.t. the preparation and execution of business plan, preparation of budget, planning, expansion, alliance, joint venture, merger and acquisition, and expansion of any facility.

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

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

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

B. Information about reportable segments

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

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

Year ended March 31, 2019	Reportable segment		
	Consumer test prep	Vocational	Total
Segment revenue			
- External revenues			
- Inter segment revenue	17,000.96	-	17,000.96
Total segment revenue	17,000.96	-	17,000.96
Segment results			
Segment profit before income tax includes:	2,406.86	(830.67)	1,576.19
Depreciation and amortisation expense (already considered in segment result)	644.93	34.72	679.65
Interest revenue			
Segment assets	8,920.30	2,827.31	11,747.61
Segment assets include:			
Capital expenditure during the year	577.34	-	577.34
Segment liabilities	3,812.78	1,329.44	5,142.21
Year ended March 31, 2018	Reportable segment		
	Consumer test prep	Vocational	Total
Segment revenue			
- External revenues			
- Inter segment revenue	15,521.39	-	15,521.39
Total segment revenue	15,521.39	-	15,521.39
Segment results			
Segment profit before income tax includes:	1,882.07	(739.90)	1,142.17
Depreciation and amortisation expense (already considered in segment result)	533.25	51.21	584.46
Interest revenue			
Segment assets	9,092.41	3,737.39	12,829.80
Segment assets include:			
Capital expenditure during the year	1,443.05	-	1,443.05
Segment liabilities	3,874.48	2,037.73	5,912.21



C. Reconciliations of information on reportable segments

	Year ended March 31, 2019	Year ended March 31, 2018
i. Revenues		
Total revenue for reportable segments		
Consumer test prep		
Vocational	17,000.96	15,521.39
Unallocated amounts		
Total revenue	17,000.96	15,521.39
ii Profit before tax		
Total profit before tax for reportable segments	1,576.19	1,142.17
Unallocated income:		
Other income	1,510.84	1,344.24
Unallocated expenses:		
Finance cost	428.74	340.10
Other expenses	1,450.20	2,282.56
Profit/(loss) before tax	1,208.07	(136.25)
Tax expense	227.95	62.34
Profit/(loss) after tax	980.12	(198.59)
Other comprehensive income		
Items that will not be reclassified to profit or loss	7.10	13.34
Total comprehensive income/(expense)	987.21	(185.25)
iii Assets		
Total assets for reportable segments		
Consumer test prep		
Vocational	8,920.30	9,092.41
Unallocated amounts	2,827.31	3,737.39
Investments in subsidiaries and associate		
Deferred tax assets	19,032.26	19,429.86
Other corporate assets	376.69	485.24
Total assets	44,740.10	45,670.78
iv Liabilities		
Total liabilities for reportable segments		
Consumer test prep		
Vocational	3,812.78	3,874.48
Unallocated amounts	1,329.44	2,037.73
Finance lease obligation	58.69	52.31
Other corporate liabilities	4,336.06	5,318.09
Total liabilities	9,536.97	11,282.61



v Other material items

Year ended March 31, 2019

	Reportable segment total	Others	Total
Interest revenue	-	584.94	584.94
Interest expense	-	428.74	428.74
Capital expenditure during the year	577.34	40.95	618.30
Depreciation and amortisation expense	679.65	128.52	808.17

Year ended March 31, 2018

	Reportable segment total	Others	Total
Interest revenue	-	712.54	712.54
Interest expense	-	340.10	340.10
Capital expenditure during the year	1,443.05	137.43	1,580.48
Depreciation and amortisation expense	584.46	105.67	690.13
Other significant non cash items	844.52	-	844.52

D. Geographic Information

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

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

a) Revenues from different geographies

Within India
Outside India

	Year ended March 31, 2019	Year ended March 31, 2018
Within India	16,328.48	15,000.10
Outside India	672.48	521.29
	17,000.96	15,521.39

b) Non-current assets

Within India
Outside India

	As at March 31, 2019	As at March 31, 2018
Within India	26,934.82	26,741.72
Outside India	5.04	3.27
	26,939.86	26,744.99

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

Major customers

E. During the years ended March 31, 2019 and March 31, 2018 no single customer represents 10% or more of the Company's total revenue



CL Educate Limited

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54 Business combinations

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

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

A. Consideration transferred

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

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

B. Acquisition-related costs

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

C. Identifiable assets acquired and liabilities assumed

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

	Amount
Property, plant and equipment (refer note 3)	157.05
Intangible assets (refer note 6)	409.00
Financial assets	93.58
Non financial assets	11.11
Deferred tax liabilities	(141.55)
Financial liabilities	(29.79)
Non Financial liabilities	(30.62)
Provisions	(37.35)
Total identifiable net assets acquired	431.43

D. Calculation of Goodwill

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

E. Contingent consideration

The Company had agreed to pay to the seller in each of the 3 years starting from FY 2017-18 consideration @ 4% per annum of the revenue generated from Chartered Accountancy and Civil Services business. Further, if cumulative revenues exceeds Rs. 15,000.00 lacs in 3 years starting FY 2017-18 an additional consideration @ 1% shall be payable to seller. The Company has included Rs.50.00 lacs as contingent consideration related to the additional consideration, which represents its fair value at the date of acquisition. As at March 31, 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 Company to launch CA product and also add General Studies product offering for the Civil Services entrance examination leading to strengthening and enhancing penetration of its test prep business. The Company had acquired the brand name ETEN, the studios at various locations including alliances/partnerships for academic delivery, franchise relationships at about 25 locations.



55. Fair value measurement and financial instruments

a. Financial Instruments - by category and fair values hierarchy

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

i. 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							
Loans	-	-	100.80	100.80	-	-	100.80
Other financial assets	-	-	1,476.47	1,476.47	-	-	-
Current							
Investment	2,743.09	-	-	2,743.09	2,743.09	-	-
Trade receivables	-	-	4,835.88	4,835.88	-	-	-
Cash and cash equivalents	-	-	691.03	691.03	-	-	-
Bank Balances other than cash and cash equivalents	-	-	30.55	30.55	-	-	-
Loans	-	-	4,923.43	4,923.43	-	-	-
Other financial assets	-	-	284.51	284.51	-	-	-
Total	2,743.09	-	12,342.67	15,085.76	2,743.09	-	100.80
Financial liabilities							
Non-current							
Borrowings	-	-	278.86	278.86	-	-	278.86
Current							
Borrowings	-	-	3,041.45	3,041.45	-	-	-
Trade payables	-	-	3,726.69	3,726.69	-	-	-
Other financial liabilities	-	-	1,009.08	1,009.08	-	-	-
Total	-	-	8,056.08	8,056.08	-	-	278.86

ii. 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	-	-	217.22	217.22	-	-	217.22
Other financial assets	-	-	1,474.15	1,474.15	-	-	-
Current							
Trade receivables	-	-	5,942.98	5,942.98	-	-	-
Cash and cash equivalents	-	-	1,158.92	1,158.92	-	-	-
Bank Balances other than cash and cash equivalents	-	-	2,615.82	2,615.82	-	-	-
Loans	-	-	4,327.98	4,327.98	-	-	-
Other financial assets	-	-	867.22	867.22	-	-	-
Total	-	-	16,604.29	16,604.29	-	-	217.22
Financial liabilities							
Non-current							
Borrowings	-	-	490.09	490.09	-	-	490.09
Current							
Borrowings	-	-	3,148.91	3,148.91	-	-	-
Trade payables	-	-	3,920.53	3,920.53	-	-	-
Other financial liabilities	-	-	1,460.67	1,460.67	-	-	-
Total	-	-	9,020.20	9,020.20	-	-	490.09



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

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

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

There have been no transfers between Level 1, Level 2 and Level 3 for the years ended March 31, 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 Company at each balance sheet date. The discount rate is based on the weighted average cost of borrowings of the Company at each balance sheet date.

b. Financial risk management

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

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

Risk management framework

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

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



CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2019

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

b. Financial risk management (continued)

(i) Credit risk

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

Particulars	As at	As at
	March 31, 2019	March 31, 2018
Trade receivables	4,835.88	5,942.98
Cash and cash equivalents	691.03	1,158.92
Bank Balances other than cash and cash equivalents	30.55	2,615.82
Loans	5,024.23	4,545.20
Other financial assets	1,760.98	2,341.37

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

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

- i. Credit risk on loans is limited as the loans are given to subsidiaries and other related parties.
- ii. Credit risk on cash and cash equivalents is limited as the Company invests in deposits with scheduled commercial banks with high credit ratings assigned by domestic credit rating agencies.

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

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

The gross carrying amount of trade receivables is Rs. 5,510.88 lacs (March 31, 2018 - Rs. 7,072.96lacs). Trade receivables are generally realised within the credit period except receivable from government (refer note 49)

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

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

Particulars	Gross carrying amount	
	As at	As at
	March 31, 2019	March 31, 2018
1-90 days past due	7,046.66	1,210.88
91 to 180 days past due	336.44	296.38
More than 180 days past due	3,127.78	5,565.69
	5,510.88	7,072.95

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

Particulars	Year ended	Year ended
	March 31, 2019	March 31, 2018
Balance at the beginning	1,129.98	1,241.77
Impairment loss reversed	454.98	111.79
Balance at the end	675.00	1,129.98



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)

b. Financial risk management (continued)

(ii) Liquidity risk

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

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

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

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

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

Exposure to liquidity risk

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

As at March 31, 2019	Contractual cash flows			
	Total	Less than one year	Between one year and five years	More than 5 years
Borrowings				
-From banks				
a) Vehicle loans (refer note 23)	27.87	5.59	22.28	-
b) Other term loans	463.29	233.33	229.96	-
Current borrowings				
-Cash credit from banks	3,041.45	3,041.45	-	-
Trade payables	3,726.69	3,726.69	-	-
Other financial liabilities				
Unpaid Dividend	1.57	1.57	-	-
Payable for property, plant and equipment	145.05	145.05	-	-
Finance lease obligation	491.05	12.75	25.51	452.79
Payable for selling shareholders	28.06	28.06	-	-
Payable towards business combination (refer note 54)	143.81	143.81	-	-
Contingent consideration (refer note 54)	50.00	-	50.00	-
Employee related payables	369.60	369.60	-	-
Total	8,488.45	7,707.90	327.75	452.79

As at March 31, 2018	Contractual cash flows			
	Total	Less than one year	Between one year and five years	More than 5 years
Borrowings				
-From banks				
a) Vehicle loans	8.14	8.14	-	-
b) Other term loans	825.70	359.03	466.67	-
Current borrowings				
-Cash credit from banks	3,148.91	3,148.91	-	-
Trade payables	3,920.53	3,920.53	-	-
Other financial liabilities				
Payables for purchase of investments	15.08	15.08	-	-
Payable for property, plant and equipment	300.78	300.78	-	-
Finance lease obligation	491.06	12.75	25.51	452.79
Payable for selling shareholders	47.71	47.71	-	-
Payable towards business combination (refer note 54)	310.13	150.00	160.13	-
Contingent consideration (refer note 54)	50.00	50.00	-	-
Employee related payables	348.24	348.24	-	-
Total	9,466.28	8,361.17	652.31	452.79

The above amounts reflects the contractual undiscounted cash flows except finance lease obligation (refer note 43), which may differ from the carrying value of the liabilities at the reporting date.



B. Financial risk management (continued)

iii. Market risk

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

Currency risk

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

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

Exposure to currency risk

The summary of quantitative data about the Company's exposure to currency risk, as expressed in Indian Rupees, as at March 31, 2019 and March 31, 2018 are as below:

Particulars	As at March 31, 2019					
	AED	Amount	SGD	Amount	USD	Amount
Financial assets						
Trade receivables	31.39	587.32	-	-	-	-
Other financial asset	(1.50)	(28.30)	-	-	7.69	399.49
Other bank balances	5.41	102.11	-	-	-	-
	35.30	661.13	-	-	7.69	399.49
Financial liabilities						
Trade payables	6.09	114.87	-	-	-	-
	6.09	114.87	-	-	-	-
Net exposure in respect of recognised assets and liabilities	29.21	546.27	-	-	7.69	399.49

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

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	-	-	-	-
USD	3.99	(3.99)	2.88	(2.88)
Total	9.46	(9.46)	6.83	(6.83)
For the year ended March 31, 2018				
AED	4.31	(4.31)	2.82	(2.82)
SGD	0.08	(0.08)	0.05	(0.05)
USD	3.99	(3.99)	2.61	(2.61)
Total	8.38	(8.38)	5.48	(5.48)

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



B. Financial risk management (continued)

iii. Market risk

Interest rate risk

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

Exposure to interest rate risk

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

Particulars	As at March 31, 2019	As at March 31, 2018
Term loans from banks and others	463.29	818.37
Vehicle loans from banks	27.87	8.14
Cash credit from banks	3,041.45	3,148.91
Total	3,532.61	3,975.42

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 loans from banks				
For the year ended March 31, 2019	14.84	(14.84)	(10.71)	10.71
For the year ended March 31, 2018	11.98	(11.98)	7.84	(7.84)



56 Capital Management

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

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

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

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

Particulars	As at March 31, 2019	As at March 31, 2018
Borrowings	3,591.13	4,026.11
Less : Cash and cash equivalent	691.03	1,158.92
Adjusted net debt (A)	2,900.10	2,867.19
Total equity (B)	35,203.14	34,388.17
Adjusted net debt to adjusted equity ratio (A/B)	8.24%	8.34%



CL Educate Limited

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

57 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 Company 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 Company 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 Company 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 company is proposing to use 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 Company 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.

58 The Board of Directors of the Company 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.



- 59 There are no borrowing cost have been capitalised for the year ended March 31, 2019 and March 31, 2018.
- 60 Previous year's figures have been regrouped / reclassified as per the current year's presentation for the purpose of comparability.

As per report of even date.

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

Raj Kumar Agarwal
Partner

Membership No.: 074715
Place: New Delhi
Date: May 29, 2019



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

Satya Narayanan .R.
Chairman

DIN: 00307326

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

Rachna Sharma
Company Secretary
and Compliance Officer

ICSI M. No.: A17780

Place: New Delhi
Date: May 29, 2019

Arjun Wadhwa
Chief Financial Officer

