HARIBHAKTI & CO. LLP
Chartered Accountants

CL Educate Limited

Standalone Financial Statements for the year ended March 31, 2020

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, 2020, 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")prescribed under section 133 of the Act, of the state of affairs of the Company as at March 31, 2020, its loss (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 on the standalone Ind AS financial statements.

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 year. 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.

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Key Audit Matter	How our audit addressed the key audit matter
Revenue Recognition (Refer Note 2(i) and Note 37 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. Revenue from the sale of services and products is measured at the fair value of the consideration received or receivable, net of discounts and taxes. Considering the significant risk and judgment involved in revenue recognition and estimating accruals relating to discounts recognised in relation to services provided during the year, it was determined to be a key audit matter in our audit of the standalone Ind AS financial statements.	Our audit procedures included the following: • Assessed the Company's revenue recognition policy prepared as per Ind AS 115 'Revenue from contracts with customers'. • Understood, evaluated and tested the key controls implemented by the Company in relation to revenue recognition and discounts. • Performed sample tests of individual service transaction and verified services invoices and other related documents of such samples. Further, in respect of such samples checked that the revenue has been recognized as per the accounting policy. • Performed cut off procedures on sample basis for revenue transactions made to ensure correctness of period of revenue recognition. • Tested the calculations related to discounts and other supporting documents on test check basis. • Verified the relevant disclosures made in the standalone Ind AS financial statements in accordance with Ind AS 115.
Impairment testing of Trade Receivables (Refer Note 2(viii)(v) and Note 17 to the accompanying standalone Ind AS financial statements)	
For the purpose of impairment assessment of trade receivables, significant judgments and assumptions, including the timing and amount of realization of these receivables, are required for the determination of the impairment charge. 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.	Our audit procedures included the following: • Understanding the trade receivables process with regards to valuation and evaluation of controls designed and implemented by the management. • 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. • 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

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	applicable.
Recoverability of carrying value of investment (*Refer Note 9 to the accompanying standalone Ind AS financial statements*)	
The Company has investments in subsidiaries and associates as at March 31, 2020. The management assesses annually the existence of impairment indicators of each shareholdings in such subsidiaries and associates The processes for assessing and determining the recoverable amount of each investments are based on certain assumptions that by their nature imply the use of the management's judgment, in particular with reference to identification of impairment indicators, forecast of future cash flows, long-term growth and discount rates applied to such forecasted cash flows. Considering the judgment required for estimating the cash flows and the assumptions used, this is considered as a key audit matter.	Our audit procedures included the following: • We obtained understanding of the Company's policy on assessment of impairment of investment in subsidiaries & associates including design and implementation of controls. • We assessed the process used by management to estimate the recoverable value of each investment and consistency with accounting standards. • We compared the carrying values of the Company's investment in these subsidiaries and associates with their respective net asset values. • With respect to cases where indicators of impairments were identified by management, we obtained and read the projections / future cash flows along with sensitivity analysis thereof with respect to the relevant investments. • We evaluated valuer's / management's methodology, assumptions and estimates used in the calculations. • We evaluated the accounting and disclosure of investment impairments in the financial statements of the Company.

Emphasis of Matter

We draw attention to the following matters in the notes to the standalone Ind AS financial statements:

1. Note 54, wherein the management has described the reasons for considering old vocational outstanding trade receivables as recoverable.

2. Note 63, which explains the management's evaluation of the financial impact on the Company due to lockdown and other restrictions imposed on account of COVID-19 pandemic situation. The assessment of the impact in the subsequent period is highly subjective and is dependent upon circumstances as they evolve.

Our opinion is not modified in respect of these matters.

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Other Information

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

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

In connection with our audit of the 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.

When we read the Annual Report, if we conclude that there is a material misstatement therein, we are required to communicate the matter to those charged with governance.

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 prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. 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

HARIBHAKTI & CO. LLP * NEW DELHI * CHARTERED ACCOUNTANTS 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 year 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.

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Other Matter

Due to COVID-19 related lockdown restrictions imposed by the government, management was able to perform physical verification of cash and inventory at the yearend, close to yearend and /or subsequent to year end. However, we were unable to physically observe the verification of cash and inventory that was carried out by the management. Consequently, we have performed alternate audit procedures and relied upon internal controls to obtain comfort over the existence and condition of cash and inventory at year end, as per the guidance provided in SA 501 "Audit Evidence - Specific Considerations for Selected Items", and have obtained sufficient appropriate audit evidence to issue our unmodified opinion on this standalone Ind AS financial statements.

Our opinion is not modified in respect of this matter.

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 (including Other Comprehensive Income), 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 Ind AS prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended;

e. The matters described under the Emphasis of Matter section above, 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, 2020, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2020 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, refer to our separate report in "Annexure 2";

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h. With respect to the other matter 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 47 on Contingent Liabilities and Contingent Assets to the standalone Ind AS financial statements;

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

(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

Manoj Daga

Partner

Membership No. 048523

UDIN:20048523AAAAAK5924

HARIBHAKTI & CO. LLP
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Place: Mumbai
Date: June 29, 2020

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section 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, 2020]

Based on the audit procedures performed for the purpose of reporting a true and fair view on the standalone Ind AS financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, we report that:

(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 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, have been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on physical verification carried out during the year.

(iii) The Company has granted unsecured loan to a party covered in the register maintained under section 189 of the Act. The Company has not granted loans, secured or unsecured to companies, firms and limited liability partnership covered in the register maintained under section 189 of the Act.

(a) 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 granted by the company during the year Rs. Nil, and balance outstanding as at balance sheet date Rs. 462.77 lacs) are prejudicial to the Company's interest as 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 clause 3(iii)(b) 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 loans granted to a party listed in the register maintained under section 189 of the Act.

(iv) The Company has complied with the provisions of sections 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, 2020	Remarks
Loan given at rate of interest lower than prescribed (Section 186)	Career Launcher Education Foundation	Nil	462.77 lacs	Interest free loan

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(v) In our opinion, 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. Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) The maintenance of cost records has been specified by the Central Government under sub-section (1) of section 148 of the Act and rules thereunder. We have broadly reviewed such records and 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 regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, goods and services tax (GST), customs duty, cess and any other material statutory dues applicable to it, except that there have been slight delay in few cases. During the year 2017-18, sales tax, value added tax, service tax and duty of excise subsumed in GST and are accordingly reported under GST.

No undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, GST, customs duty, cess and any other material statutory dues applicable to it, were outstanding, at the year end, for a period of more than six months from the date they became payable.

(b)The dues outstanding with respect to, income tax, sales tax, service tax, value added tax, GST, customs duty, excise duty on account of any dispute, are as follows:

Name of the statute	Nature of dues	Amount (in lakhs) ₹	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	49.39	AY 2014-15	Income tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Income Tax	258.47	AY 2017-18	Commissioner of Income Tax (Appeals), New Delhi

(viii) During the year, the Company has not defaulted in repayment of loans or borrowings to banks. The Company has neither taken any loans or borrowings from financial institutions and government nor has it issued any debentures.

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(ix) The Company did not raise moneys by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion, the term loans were applied for the purposes for which the loans were obtained.

(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) 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, the Company is not a Nidhi Company. Therefore, clause 3(xii) of the Order is not applicable to the Company.

(xiii) 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 standalone Ind AS financial statements 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. Therefore, clause 3(xiv) of the Order is not applicable to the Company.

(xv) The Company has not entered into any non-cash transactions with directors or persons connected with them during the year and hence provisions of section 192 of the Act are not applicable.

(xvi) 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

Manoj Daga
Partner
Membership No. 048523
UDIN: 20048523AAAAAK5924

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Place: Mumbai
Date: June 29, 2020

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2(g) under 'Report on Other Legal and Regulatory Requirements' section in our Independent Auditor's Report of even date to the members of CL Educate Limited on the standaloneInd AS financial statements for the year ended March 31, 2020]

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, 2020 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 thefinancial 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.

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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 statementsto future periods are subject to the risk that the internal financial controlswith 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 weakness has been identified in the operating effectiveness of the Company's internal financial controls with reference to financial statements as at March 31, 2020:

> The Company's internal financial controls in respect of obtaining periodic balance confirmations and preparation of reconciliations of 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, the Company has, in all material respects, maintained adequate internal financial controls with reference to financial statements as of March 31, 2020, 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 issued by the ICAI, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls with reference to financial statements were operating effectively as of March 31, 2020.

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We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2020 standalone Ind AS financial statements of the Company, and this material weakness 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

Manoj Daga

Partner

Membership No.048523

UDIN : 20048523AAAAAK5924

Place: Mumbai

Date:June 29, 2020

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CL Educate Limited
Balance Sheet as at March 31, 2020
(All amounts are in Rupees lacs, unless otherwise stated)

	Notes	As at March 31, 2020	As at March 31, 2019
Assets			
Non-current assets			
Property, plant and equipment	3	3,121.73	3,434.27
Right of use assets	4	755.92	-
Investment property	5	299.91	305.67
Goodwill	6	212.38	212.38
Other intangible assets	7	1,997.78	1,950.77
Intangibles assets under development	8	102.81	174.45
Investments	9	15,696.22	19,655.87
Financial assets			
(i) Loans	10	116.42	100.80
(ii) Other financial assets	11	401.92	1,476.47
Deferred tax assets (net)	12	290.30	376.69
Non-current tax assets (net)	13	900.59	1,151.01
Other non-current assets	14	45.79	55.43
Total non-current assets		**23,941.77**	**28,893.81**
Current assets			
Inventories	15	540.69	493.99
Financial assets			
(i) Investment	16	3,716.34	2,743.09
(ii) Trade receivables	17	3,553.85	4,835.88
(iii) Cash and cash equivalents	18	434.79	691.03
(iv) Bank balances other than (iii) above	19	19.20	30.55
(v) Loans	20	4,957.00	4,923.43
(vi) Other financial assets	21	519.66	284.51
Other current assets	22	2,468.47	1,843.81
Total current assets		**16,210.00**	**15,846.29**
Total assets		**40,151.77**	**44,740.10**
Equity and liabilities			
Equity			
Equity share capital	23	1,416.57	1,416.57
Other equity	24	28,310.18	33,786.56
Total equity		**29,726.75**	**35,203.13**

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Continue to next page

CL EDUCATE LIMITED New Delhi 110044

CL Educate Limited
Balance Sheet as at March 31, 2020
(All amounts are in Rupees lacs, unless otherwise stated)

Continue from previous page

Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	25	83.58	278.86
(ii) Lease Liability	26	391.54	-
Provisions	27	317.88	258.00
Other non-current liabilities	28	37.25	208.88
Total non-current liabilities		**830.25**	**745.74**
Current liabilities			
Financial liabilities			
(i) Borrowings	29	3,433.39	3,041.45
(ii) Trade payables	30		
- total outstanding dues of micro enterprise and small enterprises; and		636.77	787.97
- total outstanding dues of creditors other than micro enterprise and small enterprises		2,901.93	2,938.72
(iii)Lease Liability	31	286.92	-
(iv) Other financial liabilities	32	898.65	1,009.08
Other current liabilities	33	1,428.84	551.94
Provisions	34	8.27	15.34
Current tax liabilities (net)	35	-	446.73
Total current liabilities		**9,594.77**	**8,791.23**
Total liabilities		**10,425.02**	**9,536.97**
Total equity and liabilities		**40,151.77**	**44,740.10**

Summary of significant accounting policies 2

The accompanying notes 1 to 64 are an integral part of these financial statements.

As per report of even date.

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

Manoj Daga
Partner
Membership No.:048523

Place: Mumbai
Date: June 29, 2020

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS NEW DELHI

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

Gautam Puri
Vice Chairman and Managing Director
DIN: 00033548

Nikhil Mahajan
Executive Director and Group CEO Enterprise
DIN: 00033404

CL EDUCATE LIMITED New Delhi 110044

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

Arjun Wadhwa
Chief Financial Officer

Place: New Delhi
Date: June 29 , 2020

CL Educate Limited

Statement of profit and loss for the year ended March 31, 2020

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

	Notes	Year ended March 31, 2020	Year ended March 31, 2019
Income			
Revenue from operations	37	16,334.73	17,000.96
Other income	38	1,422.07	1,510.84
Total income		**17,756.80**	**18,511.80**
Expenses			
Purchases of stock in trade	39	1,095.31	1,107.21
Changes in inventories of stock in trade	40	(56.76)	(8.93)
Employee benefit expense	41	2,335.15	2,569.72
Finance costs	42	528.24	428.74
Depreciation and amortisation expense	43	1,106.96	808.16
Franchisee expenses		6,633.30	6,088.99
Other expenses	44	7,248.07	6,309.84
Total expenses		**18,890.27**	**17,303.73**
(Loss)/Profit before exceptional items and tax		**(1,133.47)**	**1,208.07**
Exceptional Items	45	4,150.05	-
(Loss)/Profit before tax after exceptional items		**(5,283.52)**	**1,208.07**
Tax expense/(benefit)	36		
- Current tax		-	122.14
- Deferred tax		83.88	105.81
- Tax related to prior years		(50.05)	-
Total tax expense		**33.83**	**227.95**
(Loss)/Profit for the year		**(5,317.35)**	**980.12**
Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
Remeasurement of defined benefit plans		9.01	9.84
Income tax relating to these items		(2.51)	(2.74)
Total other comprehensive income for the year		**6.50**	**7.10**
Total comprehensive (loss)/income for the year		**(5,310.85)**	**987.22**
Earnings/Loss per equity share (in Rs.)	46		
Basic		(37.54)	6.92
Diluted		(37.54)	6.92

Summary of significant accounting policies 2

The accompanying notes 1 to 64 are an integral part of these financial statements.

As per report of even date.
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm registration No. 103523W/W100048

Manoj Daga
Partner
Membership No.:048523

Place: Mumbai
Date: June 29, 2020

HARIBHAKTI & CO. LLP
NEW DELHI
CHARTERED ACCOUNTANTS

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

Nikhil Mahajan

Gautam Puri
Vice Chairman and
Managing Director
DIN: 00033548

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

CL EDUCATE LIMITED
New Delhi
110044

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

Arjun Wadhwa
Chief Financial
Officer

Place: New Delhi
Date: June 29, 2020

CL Educate Limited
Statement of Cash flows for the year ended March 31, 2020
(All amounts are in Rupees lacs, unless otherwise stated)

	Year ended March 31, 2020	Year ended March 31, 2019
A. Cash flow from operating activities		
Net Profit/(Loss) before tax	(5,283.52)	1,208.07
Adjustment For:		
Depreciation and amortisation	1,106.96	808.16
Depreciation on investment property	5.76	5.96
Gain on sale of property, plant and equipment	-	(8.08)
Provision for obsolescence of inventory	-	(22.15)
Finance cost	528.24	428.74
Rent income on investments property	(26.49)	(18.66)
Advances written off	418.32	153.53
Liability no longer required written back	(126.78)	(214.87)
Unwinding of interest on security deposits	(19.16)	(20.42)
Transfer to stock options outstanding	-	(5.26)
Employee share-based payment expenses	2.16	-
Unrealised foreign exchange gain (net)	(57.67)	(16.39)
Commission income on financial guarantee	(1.65)	(4.76)
Interest income	(499.61)	(564.52)
Bad debts written off	2,397.94	1,119.18
Gain on mutual fund	(225.23)	(211.09)
Net gain on fair value change	(112.42)	(124.56)
Exceptional items	4,150.05	-
Operating profit before working capital changes	2,256.89	2,512.88
Adjustment for (increase)/decrease in assets		
-Inventories	(46.70)	(8.93)
-Trade receivables	(1,115.91)	(12.08)
-Current and non current loans	(18.27)	(47.66)
-Other current financial assets	(195.86)	490.90
-Other non current and current assets	(620.98)	(625.98)
Adjustment for increase/(decrease) in liabilities		
-Non-current and current provisions	61.83	(5.51)
-Other non current and current liabilities	705.27	(785.32)
-Trade payables	(61.22)	21.02
-Other current financial liabilities	(84.43)	(163.03)
Cash Generated from operations	880.61	1,376.29
Less: Income tax paid (net of refunds)	(146.26)	(219.83)
Net cash generated from operating activities (A)	734.36	1,156.46
B. Cash flow from investing activities		
Purchase of property, plant and equipment	(65.45)	(253.43)
Purchase/development of other intangible assets	(496.31)	(519.60)
Intangibles under development	(102.81)	(56.72)
Proceeds from Sale of property, plant & equipment	-	17.93
Purchase of investment of in subsidiaries/associates and businesses	(76.32)	(107.97)
Purchase of investment (mutual fund)	(1,905.00)	(3,902.00)
Sale of investment (mutual fund)	931.75	1,158.91
Gain on mutual fund	225.23	211.09
Rent income on investments property	26.49	18.66
Loans given to subsidiaries	(184.54)	(657.14)
Proceeds from realisation of loan given to subsidiaries	175.66	246.18
Term deposits not considered as cash and cash equivalents	1,085.90	2,582.95
Interest received	96.81	672.72
Net cash used in investing activities (B)	(288.59)	(588.42)
C. Cash Flow from Financing Activities		
Proceeds from long-term borrowings	-	31.39
Repayment of long-term borrowings	(159.89)	(365.29)
Net decrease/(increase) in working capital borrowings	391.94	(107.46)
Payment of lease liabilities	(243.23)	-
Net increase in finance lease liabilities	-	6.38
Interest expense Paid	(520.06)	(430.18)
Dividend paid	(170.77)	(170.77)
Net cash used in financing activities (C)	(702.01)	(1,035.93)
Net decrease in cash and cash equivalents (A+B+C)	(256.24)	(467.89)

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CL EDUCATE LIMITED New Delhi 110044

CL Educate Limited
Statement of Cash flows for the year ended March 31, 2020
(All amounts are in Rupees lacs, unless otherwise stated)

Balance at the beginning of the year		
Cash and cash equivalents at the beginning of the year	691.03	1,158.92
Balance at the end of the year	434.79	691.03

Notes to cash flow statement

(i) Components of cash and cash equivalents (refer note 18 & 25)

Balances with banks		
Current account	340.14	555.49
Cheques/drafts in hand	2.33	27.92
Cash in hand	92.32	107.62
	434.79	691.03

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

Particulars	Non-current borrowings (including current maturities)	Current borrowings	Interest on borrowings
For the year ended 31st March, 2020			
Balance as at April 1, 2019	491.17	3,041.45	0.19
Loan drawals (in cash)/interest accured during the year	-	391.94	513.85
Loan repayment/interest accured during the year	(166.27)	-	(528.09)
Other non-cash charges	0.16	-	14.39
Balance as at March 31, 2020	325.06	3,433.39	0.34
For the year ended 31st March, 2019			
Balance as at April 1, 2018	826.51	3,148.91	1.62
Loan drawals (in cash)/interest accured during the year	31.39	-	412.34
Loan repayment/interest accured during the year	(365.29)	(107.46)	(430.18)
Other non-cash charges	(1.44)	-	16.41
Balance as at March 31, 2019	491.17	3,041.45	0.19

There are no non-cash charges 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 conjuction with the accomplying notes 1 to 64.

As per report of even date.

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

HARIBHAKTI & CO. LLP
NEW DELHI
CHARTERED ACCOUNTANTS

Manoj Daga
Partner
Membership No.:048523

Place: Mumbai
Date: June 29, 2020

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

Gautam Puri
Vice Chairman and Managing Director
DIN: 00033548

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

CL EDUCATE LIMITED
New Delhi
110044

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

Arjun Wadhwa
Chief Financial
Officer

Place: New Delhi
Date: June 29, 2020

CL Educate Limited

Statement of changes in equity for the year ended March 31, 2020

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

(a) Equity share capital

Particulars	Amount
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
Change in equity share capital during the year	-
Balance as at March 31, 2020	1,416.57

(b) Other equity

Particluars	Attributable to owners of the company							
	Reserves and surplus						Items of OCI	Total
	Retained earnings	Security premium	Employee stock options outstanding amount	General reserve	Deemed equity contribution	Capital reserve	Remeasurement of defined benefit plans	
Balance as at April 1, 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	-	-	-	-	3.77	-	-	3.77
Interim 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	-	-	-	-	-	-	7.10	7.10
Total comprehensive income(Loss) for the year	980.12	-	(141.93)	(34.10)	3.77	-	7.10	814.96
Balance as at March 31, 2019	3,787.34	29,853.46	34.80	30.59	55.25	0.20	24.92	33,786.56
loss for the year	(5,317.35)	-	-	-	-	-	-	(5,317.35)
Addition during the year	-	-	-	-	3.09	-	-	3.09
Interim dividend paid during the year	-		-	(170.77)	-	-	-	(170.77)
Gross compensation for options for the year	-	-	2.15	-	-	-	-	2.15
Transfer to general reserve	(140.18)	-	(36.95)	177.14				-
Other comprehensive income for the year	-	-	-	-	-	-	6.50	6.50
Total comprehensive income/(loss) for the year	(5,457.53)	-	(34.80)	6.37	3.09	-	6.50	(5,476.38)
Balance as at March 31, 2020	(1,670.19)	29,853.46	-	36.96	58.34	0.20	31.42	28,310.18

The accompanying notes 1 to 64 an integral part of these financial statements.

As per our report of even date.
For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm registration No. 103523W/W100048

HARIBHAKTI & CO. LLP * CHARTERED ACCOUNTANTS * NEW DELHI

Manoj Daga
Partner
Membership No.:048523

Place: Mumbai
Date: June 29, 2020

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

Gautam Puri
Vice Chairman and Managing Director
DIN: 00033548

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

CL EDUCATE LIMITED New Delhi 110044 *

Rachna Sharma
Company Secretaryand Compliance Officer
ICSI M. No.: A17780

Arjun Wadhwa
Chief Financial Officer

Place: New Delhi
Date: June 29, 2020

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 and corporate office at A-45, Mohan Cooperative Industrial Area, Mathura Road, New Delhi - 110044. 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 standaloneIND AS financial statements were authorised for issue by the Company's Board of Directors on June 29, 2020.

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.

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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 no48: leases: whether an arrangement contains a lease;
- Note no 48: lease classification;
- Note no 60: 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, 2020 is included in the following note:

- Note no 3 and 2(ii): measurement of useful lives and residual values to property, plant and equipment;
- Note no 6 and 7: impairment test of non-financial assets: key assumptions underlying recoverable amounts including the recoverability of expenditure on internally- generated intangible assets;
- Note no 6: impairment of goodwill.
- Note no 7 and 2(iii): measurement of useful lives of intangible assets;
- Note 9: 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 36: recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used.
- Note no 47: recognition and measurement of provisions and contingencies: key assumptions about the likelihood and magnitude of outflow of resources;
- Note no 49: measurement of defined benefit obligations and plan assets: key actuarial assumptions;
- Note no 60:Fair value measurement of financial instruments and impairment of financial assets.

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New Delhi
110044

(vi) Measurement of fair value

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

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

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

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

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

Level 1 — Quoted (unadjusted) prices in active markets for identical assets or liabilities
Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

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

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

2. Significant accounting policies

(i) Revenue

Revenue is recognised 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 businessand 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.

<u>Revenue from services</u>

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.

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CL EDUCATE LIMITED New Delhi 110044

Revenue in respect of vocational training is recognised over the period of the training duration, after taking intoaccount 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 contractwith 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 futureperformance obligations and whether costs are expected to be recovered.

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CL EDUCATE LIMITED New Delhi 110044

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.

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS NEW DELHI

CL EDUCATE LIMITED New Delhi 110044

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 (inyears)**
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.

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CL EDUCATE LIMITED New Delhi 110044

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 statementof 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
Aspiration AI	5
Online Video Content	5
Vain Connect	5

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.

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(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.

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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.

The Ministry of Corporate Affairs issued amendments to Ind AS 23, 'Borrowing Costs',which 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.There is no impact on the financial statement due to this amendment.

(viii) 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 theCompany changes its business model for managing financial assets.

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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 solelypayments 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

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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 paramount, 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 o 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 fortrading, 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.

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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.

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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.

(ix) **Ind AS-116 Leases**

The Company has adopted the new accounting standard Ind AS 116 "Leases" w.e.f April 1,2019 as per Companies (Indian Accounting Standards) amendment Rules, 2019, notified byMCA on March 30, 2019. Ind AS 116 is a single lessee accounting model and sets out theprinciples for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. On application of Ind AS 116, the nature of expenses has changed fromlease rent in previous periods to depreciation cost for the right-of-use assets (ROU), andfinance cost for interest accrued on lease liability.

A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period in exchange for consideration.

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As a lessee

At the commencement date of the lease the Company recognizes a lease liability measured at the present value of the lease payments that are not paid at that date. The lease payments included in the measurement of the lease liability consist of the payments for the right of use the underlying assets during the lease term that are not paid at the commencement date of the lease.

The payments included in the measurement of the lease liability include fixed payments lessany lease incentives receivable variable lease payments that depend on an index or a rate,initially measured using the index or rate as at the commencement date, residual valueguarantees, exercise price of a purchase option where the Company is reasonably certain toexercise that option and payments of penalties for terminating the lease, if the lease termreflects the lessee exercising an option to terminate the lease.

The lease payments are discounted using the interest rate implicit in the lease, if that rate isreadily determined, if that rate is not readily determined, the lease payments arediscounted using the incremental borrowing rate.

The Company recognizes a right-of-use asset from a lease contract at the commencementdate of the lease, which is the date that the underlying asset is made available for use.

The cost of the right-of-use assets comprises the amount of the initial measurement of thelease liability, any initial direct costs incurred and any lease payments made at or before thecommencement date of the lease less any lease incentives received. Subsequently, the rightof-use assets is measured at cost less any accumulated depreciation and accumulatedimpairment losses, if any and adjusted for any re measurement of the lease liability.

The right-of-use assets is depreciated using the straight-line method from thecommencement date over the shorter of lease term or useful life of right-of-use asset.It also considers possible asset retirement obligations in the cost of the right-of-use asset.

Right-of-use assets are subject to impairment testing in future periods.On date of transition, the Company has applied the standard to its leases, retrospectively,with the cumulative effect of initially applying the Standard and accordingly not restatedcomparative information, instead, the cumulative effect of initially applying this standardhas been recognised as an adjustment to the opening balance of retained earnings as on April1,2019.

The Company has also applied the following practical expedient provided by the standard when applying Ind AS 116.

a) By measuring the assets at an amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payment recognized immediately before the date of initial applications.
b) The Company has applied a single discount rate to a portfolio of leases of similar assets in similar economic environment, consequently, the Company has recorded the lease liability at the present value of remaining lease payments, discounted using the incremental borrowing rate at the date of initial application.
c) not to reassess whether a contract is or contains a lease, accordingly the definition oflease in accordance with Ind AS 17 will continue to be applied to those leases entered ormodified before April 1, 2019.
d) excluded the initial direct costs from measurement of the ROU asset.
e) Not to recognize ROU assets and lease liabilities for leases with less than twelve monthsof lease term and low-value assets on the date of initial application.

This first time adoption of Ind AS 116 has resulted in recognizing a Right-of-Use asset and acorresponding Lease Liability of INR 856.62 Lacs as at April 01, 2019 and a corresponding impact on total expenses of INR 44.44 Lacs in current year.

As a lessor
Leases for which the Company is a lessor is classified as a finance or operating lease. Whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee, the contract is classified as a finance lease. All other leases are classified as operating leases.

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For operating leases, rental income is recognized on a straight line basis over the term of the relevant lease.

(x) Inventories

Inventoriescomprising 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.

(xi) 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 thebalance 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

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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 arerecognised 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 periodthat 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.

The Ministry of Corporate Affairs issued amendments to Ind AS 19, 'Employee Benefits', in connection with accounting for plan amendments, curtailments and settlements réquiring an entity to determine the current service costs and the net interest for the period after the remeasurement using the assumptions used for the remeasurement; and determine the net interest for the remaining period based on the remeasured net defined benefit liability or asset. There is no impact on the financial statement due to this amendment.

(xii) 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.

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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.

(xiii) **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.

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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.

On March 30, 2019, Ministry of Corporate Affairs has notified, Appendix C to Ind AS 12 which clarifies the accounting for uncertainties in income taxes. The interpretation is to be applied to the determination of taxable profit (tax loss), tax bases, unused tax losses, unused tax credits and tax rates, when there is uncertainty over income tax treatments under Ind AS 12. The company has adopted this amendment and there is no impact on financial statement due to adoption of Appendix C to Ind AS 12.

The Company has also adopted the other amendments to "Ind AS 12" Income Tax w.e.f April 01, 2019, in connection with accounting for dividend distribution tax and there is no impact on financial statement due to this amendment.

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.

(xiv) 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.

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS NEW DELHI

CL EDUCATE LIMITED New Delhi 110044

(xv) **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.

(xvi) **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.

(xvii) **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 58for segment information.

(xviii) **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.

HARIBHAKTI & CO. LLP * CHARTERED ACCOUNTANTS * NEW DELHI

CL EDUCATE LIMITED New Delhi 110044

CL Educate Limited
Notes to the standalone financial statements for the year ended March 31, 2020
(All amounts are in Rupees lacs, unless otherwise stated)

3. Property, plant and equipment

Reconciliation of carrying amount	Freehold land	Leasehold land (refer note vi)	Buildings (refer note vii)	Plant and equipment	Leasehold improvement	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
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
Reclassified 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**
Balance as at April 1, 2019	518.65	196.78	2,525.87	30.58	222.54	84.12	183.49	324.44	64.21	4,150.68
Additions during the year	-	-	-	2.69	15.61	1.85	7.72	24.46	17.65	69.98
Reclassification on account of IND AS 116	-	(196.78)	-	-	-	-	-	-	-	(196.78)
Balance as at March 31, 2020	**518.65**	**-**	**2,525.87**	**33.27**	**238.15**	**85.97**	**191.21**	**348.90**	**81.86**	**4,023.88**
Accumulated depreciation										
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
Transfer 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**
Balance as at April 1, 2019	-	7.53	131.78	11.99	160.58	27.98	99.48	253.23	23.84	716.41
Depreciation for the year	-	2.27	44.31	2.75	40.15	12.29	45.37	40.44	7.96	195.54
Disposals during the year	-	-	-	-	-	-	-	-	-	-
Reclassification on account of IND AS 116	-	(9.80)	-	-	-	-	-	-	-	(9.80)
Balance as at March 31, 2020	**-**	**-**	**176.09**	**14.74**	**200.73**	**40.27**	**144.85**	**293.67**	**31.80**	**902.15**
Carrying amount (net)										
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**
Balance as at March 31, 2020	**518.65**	**-**	**2,349.78**	**18.53**	**37.42**	**45.70**	**46.36**	**55.23**	**50.06**	**3,121.73**

Notes:
i. Please refer note 47 for capital
ii. Please refer note 48 for details of assets held under lease.
iii. The company has not carried out any revaluation of property, plant and equipment for the year ended March 31, 2020 and March 31, 2019.
iv. All property,plant and equipment, are subject to charge against secured borrowings of the company referred in notes as secured term loans from others and secured term loans from banks and bank overdrafts.(refer note 25 and 29).
v. There are no impairment losses recognised during the year.
vi. There are no exchange differences adjusted in property,plant & equipment.
vii. During the year Leasehold land at Greater Noida have been reclassified from PPE to Right of Use Assets in accordance with IND AS- 116: Leases (refer note 4).
viii. During the previous year, building at pune have been reclassified from PPE to investment property (refer note 5).

HARIBHAKTI & CO. LLP * NEW DELHI * CHARTERED ACCOUNTANTS

CL EDUCATE LIMITED New Delhi 110044

CL Educate Limited
Notes to the standalone financial statements for the year ended March 31, 2020
(All amounts are in Rupees lacs, unless otherwise stated)

4. Right of Use Assets

Particulars	As at March 31, 2020
Gross carrying amount	
Opening Gross carrying amount	856.62
Additon during the year	-
Reclassification from Leasehold Land	186.97
	-
Balance as at March 31, 2020	**1,043.59**
Accumulated Depreciation	
Balance as at April 1, 2019	-
Depreciation for the year	287.67
Balance as at March 31, 2020	**287.67**
Net Carrying amount as at March 31, 2020	**755.92**

Note :
During the year, the Company recognised right of use assets as per Ind AS 116 "Leases" (Refer note 48)

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CL EDUCATE LIMITED New Delhi 110044

5. Investment property

A. Reconciliation of carrying amount

	As at March 31, 2020	As at March 31, 2019
Cost or deemed cost		
Opening balance	323.54	112.91
Additions during the year	-	210.63
Total	**323.54**	**323.54**
Accumulated depreciation		
Opening balance	17.87	4.13
Additions during the year	-	7.78
Depreciation for the year	5.76	5.96
Total	**23.63**	**17.87**
Carrying amounts		
Balance at date	**299.91**	**305.67**

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

Rental income	26.49	24.62
Profit from investment properties before depreciation	**26.49**	**24.62**
Depreciation expense	(5.76)	(5.96)
Profit from investment property	**20.73**	**18.66**

C. Measurement of fair value	As at March 31, 2020	As at March 31, 2019
Investment property	770.00	755.00
	770.00	**755.00**

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, Company has made valuation of investment property and fair value of investment property as at March 31, 2020 is in accordance with valuation report.

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. 5.76 lacs (March 31, 2019: Rs. 5.96 lacs) during the year amounts to Rs. 26.49 lacs (March 31, 2019: Rs 24.62 lacs). Further information about these leases is included in Note 48.

HARIBHAKTI & CO. LLP ★ CHARTERED ACCOUNTANTS ★ NEW DELHI

CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2020

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

6. Goodwill

Reconciliation of carrying amount

	As at March 31, 2020	As at March 31, 2019
Cost or deemed cost		
Opening balance	212.38	212.38
Total	**212.38**	**212.38**

6.1 Impairment tests for Goodwill

Goodwill is monitored by Management at the level of operating segments identified in note 58.

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, 2020	As at March 31, 2019
Consumer test prep	212.38	212.38

6.2 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 mangement'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, 2020	As at March 31, 2019
Sales volume (% annual growth rate)	15.00%	15.00%
Long term growth rate (%)	6.00%	6.00%
Pre-tax discount rate (%)	16.00%	16.00%

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.

HARIBHAKTI & CO. LLP * CHARTERED ACCOUNTANTS * NEW DELHI

CL EDUCATE LIMITED New Delhi 110044

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

7. 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)	Online Video content	Aspiration. AI (refer note vi)	Total
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
Additions - internally developed (refer note a below)	-	-	165.60	-	-	-	-	-	-	-	-	165.60
Additions during the year	-	64.29	219.14	-	15.00	-	-	-	12.08	43.50	-	354.01
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**	**-**	**3,191.36**
Balance as at April 1, 2019	739.08	142.38	1,549.76	26.97	94.00	330.00	22.50	118.40	124.77	43.50	-	3,191.36
Additions - internally developed	-	-	190.44	-	-	-	-	-	-	-	81.40	271.84
Additions during the year	-	12.40	202.07	-	10.00	-	-	-	-	-	174.45	398.92
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2020	**739.08**	**154.78**	**1,942.27**	**26.97**	**104.00**	**330.00**	**22.50**	**118.40**	**124.77**	**43.50**	**255.85**	**3,862.12**
Accumulated amortisation												
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**
Balance as at April 1, 2019	417.43	49.48	591.21	15.58	61.99	66.00	5.63	14.82	14.10	4.35	-	1,240.59
Amortisation for the year	125.91	28.38	324.10	5.81	32.63	33.09	4.51	11.87	13.72	8.72	34.99	623.75
Disposals during the year	-	-	-	-	-	-	-	-	-	-	-	-
Balance as at March 31, 2020	**543.34**	**77.86**	**915.31**	**21.39**	**94.62**	**99.09**	**10.14**	**26.69**	**27.82**	**13.07**	**34.99**	**1,864.34**
Carrying amount												
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**
Balance as at March 31, 2020	**195.74**	**76.92**	**1,026.96**	**5.58**	**9.38**	**230.91**	**12.36**	**91.71**	**96.95**	**30.43**	**220.86**	**1,997.78**

Refer note 'a' below for internally generated intangible assets.
Refer note 8 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 IndiaCan 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 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, 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. Inquizitive 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 catalyse 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. Aspiration.AI is a next generation product which is focused on providing on serving all education needs of a family from a unified portal of information, built on a foundation of leading edge technologies. Amortisation is calculated to write off the cost of 'Aspiration.AI' over its useful life of 5 years using the straight-line method.

vii. The Company has not carried out any revaluation of intangible assets for the year ended March 31, 2020 and March 31, 2019.

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

ix. 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.

HARIBHAKTI & CO. LLP * CHARTERED ACCOUNTANTS * NEW DELHI

CL EDUCATE LIMITED New Delhi 110044

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

a. Details of internally generated intangible assets

Reconciliation of carrying amount	Content (refer note i)	Aspiration. AI (refer note ii)	Total
Balance as at April 1, 2018	184.60	-	184.60
Additions during the year	165.60	-	165.60
Disposals during the year	-		-
Balance as at March 31, 2019	**350.20**	**-**	**350.20**
Balance as at April 1, 2019	350.20	-	350.20
Additions during the year	190.44	81.40	271.84
Disposals during the year	-		-
Balance as at March 31, 2020	**540.64**	**81.40**	**622.04**
Accumulated amortisation			
Balance as at April 1, 2018	53.67	-	53.67
Amortisation for the year	15.30	-	15.30
Disposals during the year	-		-
Balance as at March 31, 2019	**68.97**	**-**	**68.97**
Balance as at April 1, 2019	68.97	-	68.97
Amortisation for the year	17.70	16.32	34.02
Disposals during the year	-		-
Balance as at March 31, 2020	**86.67**	**16.32**	**103.00**
Net Carrying amount			
As at March 31, 2019	**281.23**	**-**	**281.23**
As at March 31, 2020	**453.97**	**65.08**	**519.05**

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

ii. Aspiration.AI is a next generation product which is focused on providing on serving all education needs of a family from a unified portal of information, built on a foundation of leading edge technologies. Amortisation is calculated to write off the cost of 'Aspiration.AI' over its useful life of 5 years using the straight-line method.

8. Intangibles assets under development

Particulars	As at March 31, 2020	As at March 31, 2019
Opening Balance	174.45	117.74
Add: Addition during the year	102.81	140.49
Less: Capitalized during the year	(174.45)	(63.50)
Less: Expensed Off during the year	-	(20.28)
Closing Balance	**102.81**	**174.45**

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HARIBHAKTI & CO. LLP ★ CHARTERED ACCOUNTANTS ★ NEW DELHI

CL EDUCATE LIMITED New Delhi 110044 ★

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

9 Investments

	As at March 31, 2020	As at March 31, 2019
(a) Investment in equity shares		
Unquoted, at cost		
9,447,606 (March 31, 2019: 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
Less: Provision for investment impairment (Refer Note 45)	4,150.05	-
	9,378.38	13,528.43
10,000 (March 31, 2019: 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, 2019: 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, 2019: 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, 2019:12,000) fully paid of equity shares of Rs. 10 each of Accendere Knowledge Management Services Private Limited	2,669.40	2,669.40
909 (March 31, 2019: 909) fully paid up equity shares of Rs. 10 each of Threesixtyone Degree Minds Consulting Private Limited (refer note 8)	50.00	50.00
5,895 (March 31, 2019 :5070) fully paid up equity shares of Rs. 10 each of Ice Gate Educational Institute Private Ltd	699.93	623.61
(b) Investment in preference shares (at fair value through profit and loss [FVTPL])		
500,000 (March 31, 2019: 500,000) Compulsory convertible preference share (CCPS) of Rs 100 each (face value Rs. 10 each) of Threesixtyone Degree Minds Consulting Private Limited	736.98	624.55
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	8.87	7.21
	15,696.22	**19,655.87**
Aggregate amount of unquoted investments	15,696.22	19,655.87
Aggregate amount of quoted investments and market value thereof	-	-
Aggregate amount of impairment in value of investments (Refer Note 45)	4,150.05	-

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	58.95%	Cost
Threesixtyone Degree Minds Consulting Private Limited	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.

HARIBHAKTI & CO. LLP ★ CHARTERED ACCOUNTANTS ★ NEW DELHI

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CL EDUCATE LIMITED New Delhi 110044

10 Non-current financial assets - loans

	As at March 31, 2020	As at March 31, 2019
Security deposits	116.42	100.80
	116.42	100.80

The Company's exposure to credit and currency risks are disclosed in Note 60.

11 Other non-current financial assets

	As at March 31, 2020	As at March 31, 2019
Non-current bank balances (Deposits with maturity for more than 12 months from reporting date) (refer note i)	401.92	1,476.47
	401.92	1,476.47

Note:

(i) Non-current bank balance include:

- Deposits of Rs.0.75 Lacs (March 31,2019 Rs. 1.01 lacs) for issue of guarantees in favor of value added tax authorities.
- Deposits of Rs.2.00 (March 31,2019 Rs.3.18 lacs) for issue of guarantees in favor of The Directorate of Employment Training, Gandhi Nagar-TDD.
- Deposits of Rs.0.99Lacs (March 31,2019 Rs. 0.93 lacs) submitted in bank against consumer court case appeal.
- Deposits of Rs. 398.18 Lacs(March 31,2019 Rs.371.35 lacs) pledged with RBL Banks for term loan facility (Refer note 25(b)).
- Deposits of Rs. Nil (March 31,2019 Rs.1,100 lacs) pledged with Banks for certain loan facility.

(ii) The Company's exposure to credit and currency risks are disclosed in Note 60.

12 Deferred tax assets (net)

	As at March 31, 2020	As at March 31, 2019
Deferred tax assets (net) (refer note 36)	290.30	376.69
	290.30	376.69

13 Non-current tax assets (net)

	As at March 31, 2020	As at March 31, 2019
Advance tax [net of provisions of Rs. 162.43 lacs (March 31, 2019: Rs. 436.63 lacs)]	900.59	1,151.01
	900.59	1,151.01

14 Other non-current assets

	As at March 31, 2020	As at March 31, 2019
Capital advances	-	1.02
Prepaid expenses		
- financial guarantee commission	0.59	3.14
- prepaid rent	10.47	14.13
- franchisee recurring payments	34.73	37.14
	45.79	55.43

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CL EDUCATE LIMITED New Delhi 110044

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

15 Inventories

	As at March 31, 2020	As at March 31, 2019
Valued at lower of cost and Net Realisable value		
Stock in trade (text books)	546.70	500.00
Less: Provision for loss allowance	(6.01)	(6.01)
	540.69	**493.99**

Note: Inventories are pledged as securities for borrowings taken from banks (refer note 25)

16 Current Investment

	As at March 31, 2020	As at March 31, 2019
Unquoted at fair value thorugh profit and loss		
Investment in mutual funds	3,716.34	2,743.09
	3,716.34	**2,743.09**
Aggregate amount of quoted investments and market value thereof	3,716.34	2,743.09
Aggregate amount of unquoted investments	-	-
Aggregate amount of impairment in value of investments	-	-

Details of Investment in liquid mutual und units
The balances held in liquid mutual fund as at March 31, 2020 and March 31, 2019 are as follows:

Particulars	As at March 31, 2020		As at March 31, 2019	
	Unit	Amount	Unit	Amount
ICICI Prudential MF Collection	302,450.94	888.55	188,371.90	520.69
HDFC Mutual Fund	21,935.48	856.93	11,262.17	414.25
UTI Mutual Fund	17,226.08	559.45	22,882.51	700.38
Birla SunLife MF	283,000.23	904.35	190,627.42	572.71
DSP Mutual Fund	17,849.66	507.06	20,014.32	535.06
Total	**642,462.39**	**3,716.34**	**433,158.32**	**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.

17 Trade receivables

	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good, unless otherwise stated		
Unsecured considered good	3,553.85	4,835.88
Credit Impaired	515.23	675.00
Less: Allowances for bad and doubtful debts	(515.23)	(675.00)
	3,553.85	**4,835.88**

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 60.
(iii) Trade receivable are pledged as securities for borrowings taken from banks (refer note 25)

18 Cash and cash equivalents

	As at March 31, 2020	As at March 31, 2019
Balances with banks		
- On current account	340.14	555.48
Cheques/ drafts on hand	2.33	27.93
Cash on hand	92.32	107.62
	434.79	**691.03**

Note:
(i) The Company's exposure to liquidity risks are disclosed in Note 60

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CL EDUCATE LIMITED New Delhi 110044

19 Bank balances other than cash and cash equivalents

	As at March 31, 2020	As at March 31, 2019
Unpaid dividend account- bank balance (refer note i)	2.56	1.57
Deposits with original maturity for more than three months but less than twelve months	16.64	28.98
	19.20	30.55

Note :
(i) During the year company had declared an interim dividend as on November 11, 2019 , out of which Rs. 2.56 Lacs not claimed by the shareholder till March 31, 2020 (March 31, 2019: Rs.1.57 Lacs).
(ii)The Company's exposure to liquidity risks are disclosed in Note 60.

20 Current Loans

	As at March 31, 2020	As at March 31, 2019
Unsecured, considered good		
Loans to employees	25.59	26.15
Security deposits	155.50	286.95
Loans to related parties	4,775.91	4,387.96
Loans to others	-	222.37
Unsecured, considered doubtful		
Loans to CL USA	399.49	399.49
Less: Provision for loss allowance	(399.49)	(399.49)
Security deposits	28.05	28.05
Less: Provision for loss allowance	(28.05)	(28.05)
	4,957.00	4,923.43

Note:
(i) Refer note 50 for transactions with related party
(ii) The Company's exposure to credit and currency risks are disclosed in Note 60.

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 during the year*	Rate of interest	March 31, 2020	March 31, 2019
Accendere Knowledge Management Services Pvt. Ltd.	11.42	9.95% : 11.55%	120.97	109.55
Career Launcher Education Infrastructure and Services Limited	197.39	9.95% : 11.55%	1,990.75	1,798.36
Career Launcher Infrastructure Private Limited	192.46	9.95% : 11.55%	1,690.22	1,509.11
GK Publications Private Limited	40.87	9.95% : 11.55%	462.13	421.26
ICE Gate Educational Institute Private Limited	46.89	10.5% : 11.55%	49.08	7.26
Career Launcher Education Foundation	14.80	Nil	462.76	542.43
Total	**503.83**		**4,775.91**	**4,387.96**

* Includes conversion of interest into loans.

21 Other current financial assets

	As at March 31, 2020	As at March 31, 2019
Interest accrued on fixed deposits	4.54	22.92
Other receivables from related parties	514.92	261.59
Other receivables from other parties	0.20	-
	519.66	284.51

Note:
(i) Refer note 50 for transactions with related party
(ii) The Company's exposure to credit and currency risks are disclosed in Note 60.

22 Other current assets

	As at March 31, 2020	As at March 31, 2019
Prepaid		
-Prepaid expenses	1,761.86	1,433.19
-Prepaid financial guarantee commission	2.55	4.95
-Prepaid rent	45.18	23.40
Advances		
-Advances to suppliers	286.15	233.11
-Advances to employees	54.18	42.52
-Advances to related parties	60.82	80.42
Deferred contract cost	-	6.13
Balance with Government Authority	257.73	20.09
	2,468.47	1,843.81

Note:
(i) Refer note 50 for transactions with related party

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CL EDUCATE LIMITED New Delhi 110044

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

23 Share capital

	As at March 31, 2020	As at March 31, 2019
Authorised		
16,000,000 (March 31, 2019: 16,000,000) equity shares of Rs. 10 each	1,600.00	1,600.00
Issued, subscribed and paid-up		
14,165,678 (March 31, 2019: 14,165,678) equity shares of Rs. 10 each fully paid up	1,416.57	1,416.57
	1,416.57	1,416.57

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.

	As at March 31, 2020	As at March 31, 2019
During the year, the Company has distributed the Interim Dividend as follow	Re.1.00 per share	Re.1.00 per share

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 :**

	As at March 31, 2020		Year ended March 31, 2019	
	No. of shares	Amount	No. of shares	Amount
At the beginning of year	14,165,678	1,416.57	14,165,678	1,416.57
Outstanding at the end of the year	14,165,678	1,416.57	14,165,678	1,416.57

Note: (i)

During the current year the company has not issued any fresh equity share on account of ESOP (Previous year : Nil)

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

	As at March 31, 2020		As at March 31, 2019	
	No. of shares	Percentage	No. of shares	Percentage
Promoters' Holding				
Mr. Gautum Puri	2,310,104	16.31%	2,270,351	16.03%
Mr. Satya Narayanan R	2,327,806	16.43%	2,280,579	16.10%
Bilakes Consulting Private Limited	1,255,460	8.86%	1,255,460	8.86%
GPE (India) Limited	946,473	6.68%	946,473	6.68%
Sundaram Assets Management Company Limited	872,526	6.16%	921,623	6.51%
Flowering Tree Investment Management Pte. Ltd. (along with its Persons Acting in Concern i.e. Arjuna Fund Pte. Ltd and Ashoka Pte. Ltd.)	895,772	6.32%	898,237	6.34%
	8,608,141	60.76%	8,572,723	60.52%

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

i. The company has issued 265,604 equity shares as fully paid without payment being received in cash during the financial years 2015-16 to 2019-20, all of which were issued in financial year 2015-16.

ii. The Company has issued equity shares aggregating 74,800 (March 31, 2019: 77,700) of Rs. 10 each fully paid up during the financial years 2015-16 to 2019-20, 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 2015-16 to 2019-20.

iv. Nil equity shares bought back pursuant to Section 68, 69 and 70 of the Companies Act, 2013 during the financial years 2015-16 to 2019-20.

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 57)

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CL EDUCATE LIMITED New Delhi 110044 ★

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

24 Other equity

	As at March 31, 2020	As at March 31, 2019
24.1. Securities premium		
Balance at the beginning of the year	29,853.46	29,853.46
Closing balance (A)	**29,853.46**	**29,853.46**
24.2. Capital reserves (B)	0.20	0.20
	0.20	**0.20**
24.3. General reserves		
Opening balance	30.59	64.69
Add: Transfer from surplus/(deficit) in Profit and loss account	140.18	-
Add: Transfer from Employee stock option outstanding	36.95	136.67
Less: Interim Dividend paid during the year	(170.77)	(170.77)
Closing balance (C)	**36.95**	**30.59**
24.4. Employee stock option outstanding		
Gross employee stock compensation for options granted in earlier years	34.80	176.73
Add: Gross compensation for options for the year	2.15	(5.26)
Less: Transfer to General reserve	(36.95)	(136.67)
Closing balance (D)	-	**34.80**
24.5. Surplus/(Deficit) in the Statement of Profit and Loss		
Opening balance	3,812.26	2,825.04
Less: Transfer to General Reserve	(140.18)	-
Add: Net profit/(loss) for the year	(5,317.35)	980.12
Other comprehensive income		
Remeasurement of defined benefit plans	6.50	7.10
Closing balance (E)	**(1,638.77)**	**3,812.26**
24.6. Deemed equity		
Opening balance	55.25	51.48
Add: Addition during the year	3.09	3.77
Closing balance (F)	**58.34**	**55.25**
Total reserves and surplus (A+B+C+D+E+F)	**28,310.18**	**33,786.56**

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 57 for further details on these plans.

(iv) Capital reserve

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

(iv) Deemed equity

The Company have received financial guarantee from its promoters.

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25 Non-current borrowings

	As at March 31, 2020	As at March 31, 2019
Secured loan		
Vehicle loan from banks (refer note i)	31.73	27.87
Term loan from banks (refer note ii)	293.32	463.29
Unsecured loans		
Long term maturities of finance lease obligation	-	58.69
Total non-current borrowings	**325.05**	**549.85**
Less: Current maturities of non-current borrowings (included in note 32)	241.13	238.92
Less: Current maturities of finance lease obligation (included in note 32)	-	31.89
Less: Interest accrued but not due on borrowings (included in note 32)	0.34	0.18
Non-current borrowings	**83.58**	**278.86**

The Company's exposure to currency risks, liquidity risks and interest rate risks are disclosed in Note 60.

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:

<u>For amount outstanding as at March 31, 2020</u>

Loan	Outstanding Amount	Rate of Interest	Equal monthly installment (EMI)	Date of Last EMI
	Amount		Amount	
Loan 1	16.70	8.25%	0.49	5-Jun-23
Loan 2	5.41	9.18%	0.15	1-Aug-23
Loan 3	9.28	8.87%	0.21	1-Oct-24
	31.39		**0.85**	

<u>For amount outstanding as at March 31, 2019</u>

Loan	Outstanding Amount	Rate of Interest	Equal monthly installment (EMI)	Date of Last EMI
	Amount		Amount	
Loan 1	21.00	8.25%	0.49	5-Jun-23
Loan 2	6.69	9.18%	0.15	1-Aug-23
	27.69		**0.64**	

ii. Secured term loans from bank

The Company had taken a term loan from Ratnakar Bank Limited (RBL). Year end balances of the loan is Rs. 293.32 lacs (March 31, 2019: 463.29 lacs). The Company has availed the moratirioum facility provided by the RBI on account of Covid 19.

Interest rate:

a) These loans carry interest at 10.50% per annum (March 31, 2019 : 10.50% p.a.)

Repayment schedule:

a) The loan 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 subrevient 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 (March 31, 2019 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

iii. Aggregate amount of loans guaranteed by the directors of the Company are Rs. 2,891.62 lacs (March 31, 2019: Rs. 3,504.74 lacs) includes amount of Rs. 59.99 lacs (March 31, 2019: Rs. 229.96 lacs) disclosed under non-current borrowings and Rs. 233.33 lacs (March 31, 2019: Rs. 233.33 lacs (Refer note 29)) disclosed under current maturities of non-current borrowings and current borrowings amounting Rs. 2,598.30 lacs (March 31, 2019: Rs. 3,041.45 lacs) (Refer note 29).

26 Non Current Lease Liability

	As at March 31, 2020	As at March 31, 2019
Lease Liablity (Refer Note 48)	391.54	-
	391.54	**-**

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27 Non-current provisions

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits (refer note 49)		
Gratuity	158.11	132.07
Compensated absences	159.77	125.93
	317.88	**258.00**

28 Other non current liabilities

	As at March 31, 2020	As at March 31, 2019
Unearned revenue	37.25	208.88
	37.25	**208.88**

29 Current borrowings

	As at March 31, 2020	As at March 31, 2019
Secured		
-From banks		
-Cash credit (Refer note below)	3,433.39	3,041.45
Total current borrowings	**3,433.39**	**3,041.45**

Note:

(i) Details of these loans are as follows:

During the year, Cash credit represents overdrafts from HDFC and ICICI Bank which are repayable on demand. During the previous year, Cash

credit represents overdrafts from Kotak Bank which was repayable on demand , During the year the facility puts to an end from Kotak Bank.

(a) Kotak Bank

a. It carries interest rate of 11.05% - 11.45% (March 31, 2019: 10.95% - 13.45%) calculated on monthly basis on the actual amount utilised.

b. Security provided against such loans.

Primary security

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

Collateral security

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

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

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

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

(b) HDFC Bank

During the year, the Company had entered into a finance facility agreement with limit amounting Rs.3,000.00 lacs (March 31, 2019 :NIL)

with HDFC Bank Limited comprising of Rs. 750.00 lacs as an overdraft facility & Rs. 2,250.00 lacs as a dropline overdraft facility.

Interest rate

These loans carry interest at bank's base rate + 3.75% (March 31, 2019: Nil) per annum ranging from 9.95%.

Repayment schedule

The overdraft facility of Rs. 750.00 lacs is only for 1 year tenure period and dropline overdraft facility of Rs. 2,250.00 lacs in 16 equal quaterly installments of Rs. 140.63 lacs (exclusive of interest). One installment has been repaid during the year in the month of February 2020.

Security

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

The Borrowing 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

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

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CL EDUCATE LIMITED New Delhi 110044

(c) ICICI Bank

During the year, the Company had entered into a overdraft facility for LAS account with limit amounting Rs.1,000.00 lacs (March 31, 2019 :NIL) with ICICI Bank Limited.

Interest rate

These facility carry interest at bank's base rate + 0.20% (March 31, 2019: Nil) per annum ranging from 8.80%.

Repayment schedule

The overdraft facilitys is only for 1 year tenure period.

Security

The facility is secured by the Mutual Funds Invested by the Company.

(ii) The Company's exposure to currency risks, liquidity risks and interest rate risks are disclosed in Note 60.

30 Trade payables

	As at March 31, 2020	As at March 31, 2019
Trade payables		
- total outstanding dues of micro enterprises and small enterprises; (Refer note 56)	636.77	787.97
- total outstanding dues of creditors other than micro enterprises and small enterprises	2,901.93	2,938.72
	3,538.70	**3,726.69**

Note:

i. For trade payables to related parties please refer note 50.
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 60.

31 Current Lease Liability

	As at March 31, 2020	As at March 31, 2019
Lease Liablity (Refer Note 48)	286.92	-
	286.92	**-**

32 Other current financial liabilities

	As at March 31, 2020	As at March 31, 2019
Current maturities of non-current term loan from banks	233.33	233.33
Current maturities of non-current vehicle loan	7.80	5.59
Interest accrued but not due on borrowings	0.34	0.18
Current maturity of finance lease obligations	-	31.89
Refundable Security Deposit	5.00	-
Unpaid dividends	2.56	1.57
Payable for property, plant and equipment		
-to related parties (refer note 50)	148.55	133.29
-to others	-	11.76
Employee related payables	473.01	369.60
Payable to selling shareholders	28.06	28.06
Payable towards business combination (refer note 59)	-	143.81
Contingent consideration (refer note 59)	-	50.00
	898.65	**1,009.08**

Note:

i. refer note 50 for payable to related parties
ii. The Company's exposure to currency risks, liquidity risks and interest rate risks are disclosed in Note 60.

33 Other current liabilities

	As at March 31, 2020	As at March 31, 2019
Unearned revenue	1,314.71	396.60
Statutory dues payable	99.19	103.84
Employee imprest	14.94	51.50
	1,428.84	**551.94**

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34 Current provisions

	As at March 31, 2020	As at March 31, 2019
Provision for employee benefits (refer note 49)		
Gratuity	2.72	9.20
Compensated absences	5.55	6.14
	8.27	**15.34**

35 Current tax liabilities

	As at March 31, 2020	As at March 31, 2019
Provision for income tax [net of advance tax of Rs. Nil (March 31, 2019: Rs 1,250.95 lacs)]	-	446.73
	-	**446.73**

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CL EDUCATE LIMITED New Delhi 110044

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

36 Income tax

A. Amounts recognised in profit or loss

		Year ended March 31, 2020	Year ended March 31, 2019
Current tax expense			
Current year		-	122.14
Related to prior years		(50.05)	-
Total Current Tax Expense	(A)	**(50.05)**	**122.14**
Deferred tax expense			
Current year		(269.28)	-
Related to prior years		353.16	105.81
Total Deferred Tax Expense	(B)	**83.88**	**105.81**
Total Tax Expense	(A + B)	**33.83**	**227.95**

B. Amounts recognised in Other Comprehensive Income

	Year ended March 31, 2020	Year ended March 31, 2019
Income tax relating to items that will not be reclassified to		
- Income tax relating to remeasurement of defined benefit plans	(2.51)	(2.74)
	(2.51)	**(2.74)**

C. Reconciliation of effective tax rate

	Year ended March 31, 2020		Year ended March 31, 2019	
	Rate	Amount	Rate	Amount
Profit before tax	27.82%	(5,283.52)	27.82%	1,208.07
Tax using the Company's domestic tax rate **(A)**		(1,469.88)		336.08
Tax effect of:				
Non-deductible expenses		1,284.15		(88.65)
Non-taxable income		(92.61)		(94.70)
Set off of carried forward Business Loss		-		(47.54)
Deductible expenses		-		24.95
Recognition of Timing Differences		9.06		108.55
Tax pertaining to earlier years		303.11		-
Others		-		(10.74)
Total **(B)**		**1,503.71**		**(108.14)**
Tax expense recognise in statement of profit and loss (A)+(B)		**33.83**		**227.95**

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D. Movement in deferred tax balances

For the year ended March 31, 2020	As at March 31, 2019	Recognized in P&L	Recognized in OCI	As at March 31, 2020
Deferred Tax Assets				
Provision for employee benefit	76.05	(17.19)	2.51	90.73
Provision for Obsolescence of Inventory	1.67	0.00	-	1.67
Provision for Doubtful Current Loan	118.94	0.00	-	118.94
Provision for expected credit loss	187.79	44.45	-	143.34
Provision for Incentive	55.64	10.17		45.47
Deferred Revenue- Franchise Fees	124.11	124.11	-	-
Deferred Revenue- Admission Fees	261.51	261.51	-	-
Impact of Discontinuing of Security Deposits	87.63	75.72	-	11.91
Lease Liability	16.33	(172.42)	-	188.75
MAT Credit Entitlement	-	(32.45)	-	32.45
Unabsorbed depreciation allowance and business loss carried	-	(317.83)	-	317.83
Sub-total (a)	**929.67**	**(23.93)**	**2.51**	**951.09**
Deferred Tax Liabilities				
Property, plant and equipment	(307.85)	11.09	-	(318.94)
Right to use of Assets	-	158.32	-	(158.28)
Investment in subsidiaries and associates	(34.65)	41.19	-	(75.84)
Amortisation of prepaid rent	(10.44)	5.16	-	(15.60)
Impact for EIR adjustment on Borrowings	(0.94)	(0.66)	-	(0.28)
Intangibles	(111.45)	(36.74)	-	(74.71)
Loans	(87.65)	(87.65)	-	-
Impact on other current assets- Financial Guarantee	-	0.87	-	(0.87)
Other Equity- Deemed Equity Contribution	-	16.23		(16.23)
Sub-total (b)	**(552.98)**	**107.81**	**-**	**(660.75)**
Net Deferred Tax Asset (a)+(b)	**376.69**	**83.88**	**2.51**	**290.30**

For the year ended March 31, 2019	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 Obsolescene 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**	**267.45**	**2.74**	**919.23**
Deferred Tax Liabilities				
Property, plant and equipment (including	(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**

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

37 Revenue from operations

	Year ended March 31, 2020	Year ended March 31, 2019
Sale of products:		
- Text books	2,838.99	3,031.64
Sale of services:		
- Education and training programmes	13,152.69	13,564.86
Other operating revenue		
- Start up fees from franchisees	343.05	404.46
	16,334.73	17,000.96

Disaggregated revenue information as per geographical markets	For the year ended March 31, 2020 — Geographical markets — India	Overseas	Total
Education and training programmes	12,760.60	392.09	13,152.69
Sale of Education Material	2,412.17	426.82	2,838.99
Start up fees from franchisees	343.05	-	343.05
	15,515.82	818.91	16,334.73

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
	16,328.48	672.48	17,000.96

Changes in contract liability are as follows:-	Year ended March 31, 2020	Year ended March 31, 2019
Balance at the beginning of the year	605.48	1,981.26
Revenue recognised that was deducted from trade receivables as unearned revenue balance at the beginning of the year	(324.81)	(1,641.04)
Increase due to invoicing during the year, excluding amount recognised as revenue during the year	1,180.26	1,685.43
Gross Unearned revenue	1,460.93	2,025.65
Reclassification of unearned revenue that is not yet collected in cash from trade receivables	(108.96)	(1,420.17)
Balance at the end of the year	1,351.97	605.48

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 , 2020	Year ended March 31 , 2019
Within one year	1,423.68	1,721.32
More than one year	37.25	304.33

38 Other income

	Year ended March 31, 2020	Year ended March 31, 2019
Interest income from financial assets measured at amortised cost		
-Security deposits	19.16	20.42
Interest income on		
-Fixed deposits	78.43	139.57
-Loan to related parties (refer note 50)	421.18	424.95
Gain on fair value change of Investment	112.42	124.56
Gain on mutual funds	225.23	211.09
Liabilities no longer required written back	126.78	237.01
Advertising income	132.03	103.21
Infrastructure fees	61.90	49.45
Manpower cost sharing	131.55	131.47
Rent income on investment property net of depreciation (refer note 5)	20.73	18.66
Net gain on foreign currency transactions and translation	57.67	16.39
Gain on sale of property, plant and equipment	-	8.08
Finance income on financial guarantees	1.65	4.76
Income on employee stock option (ESOP) scheme (refer note 57)	-	5.26
Miscellaneous income	33.34	15.96
	1,422.07	1,510.84

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CL EDUCATE LIMITED New Delhi 110044

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

39 Purchases of stock in trade

	Year ended March 31, 2020	Year ended March 31, 2019
Text books	1,095.31	1,107.21
	1,095.31	1,107.21

40 Changes in inventories of stock in trade

	Year ended March 31, 2020	Year ended March 31, 2019
Inventories at the end of the year	546.70	489.94
Inventories at the beginning of the year	489.94	481.01
Net decrease/(increase) in inventories of stock in trade	(56.76)	(8.93)

41 Employee benefit expense

	Year ended March 31, 2020	Year ended March 31, 2019
Salaries and Wages	2,084.73	2,372.72
Contribution to provident and other funds	101.18	91.39
Expenses related to post-employment defined benefit plans (refer note 49)	35.81	31.22
Expenses related to compensated absences (refer note 49)	38.48	17.58
Staff welfare expenses	72.79	56.81
Share-based payment to employees(refer note 57)	2.16	-
	2,335.15	2,569.72

42 Finance costs

	Year ended March 31, 2020	Year ended March 31, 2019
Interest expense on financial liabilities measured at amortised cost	2.61	2.17
Interest expense on term loans	76.73	75.27
Interest expense on overdraft	347.99	334.90
Interest expense on lease liabilities (refer note 48)	92.89	6.38
Finance cost on financial guarantees	8.02	10.03
	528.24	428.75

43 Depreciation and amortisation

	Year ended March 31, 2020	Year ended March 31, 2019
Depreciation on property, plant and equipment (refer note 3)	195.54	254.99
Amortisation of intangible assets (refer note 7)	623.75	553.17
Depreciation on Right of use assets (refer note 4)	287.67	-
	1,106.96	808.16

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CL EDUCATE LIMITED New Delhi 110044

CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2020

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

44 Other expenses

	Year ended March 31, 2020	Year ended March 31, 2019
Faculty expenses	804.24	881.04
Rent (refer note 48)	372.56	670.45
Advertisement, publicity and sales promotion	316.58	379.89
Business promotion	178.24	301.12
Digital marketing expenses	279.47	209.88
Digital Learning support expenses	119.83	299.71
Legal and professional charges (refer note i below)	443.04	247.58
Travelling and Transport expenses	212.71	289.65
Communication expenses	98.36	166.98
Material printing cost	300.93	309.12
Office expenses	604.98	563.74
Equipment hire expenses	127.10	116.21
Rates and taxes	76.56	30.31
Sales incentive	66.48	91.07
Repairs to:		
-Buildings	68.69	90.94
-Others	50.85	32.05
Insurance	41.12	29.83
Vocational Business Servicing Costs	74.49	121.05
Loans & Advances written-off	418.32	153.53
Bad Debts Written Off	2,397.94	1,119.18
Research and Development expenses	10.69	-
Commission to non executive directors	10.22	10.83
Corporate Social Responsibility (refer note 51)	4.40	21.05
Miscellaneous expenses	170.27	174.62
Amount Written off:		
Bad Debts Written Off	159.77	454.98
Less: Provision made in earlier years	159.77	454.98
	-	-
	7,248.07	**6,309.84**

Note:

(i) Remuneration to Auditor (excluding GST)

	Year ended March 31, 2020	Year ended March 31, 2019
Statutory audit fee	23.00	23.00
Limited reviews fee	18.00	18.00
Consolidation audit fee	4.00	4.00
Out of pocket expenses	2.37	2.38
	47.37	**47.38**

45 Exceptional Items

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Investment Impairment		
Career Launcher Education & Infrastructure Ltd. (Refer footnote i)	4,150.05	-
	4,150.05	-

Note:

1.The Company has an investment in Career Launcher Education Infrastructure and Services Limited, a wholly owned subsidiary (hereinafter referred as 'CLEIS' or the 'Wholly Owned Subsidiary'). The Wholly owned Subsidiary was set up to provide various infrastructure facilities, soft skills, educational and consulting programs. During the FY 2017-18, CLEIS entered into an agreement with B&S Services Private Limited (B&S), an Associate, to manage its School Business vertical (K 12 Business). CLEIS holds a 44.18% in equity share of B&S at an investment amounting to Rs.4,745 Lacs. Further, an overdue amount of Rs. 400 Lacs is recoverable by CLEIS from B&S towards cash consideration as per aforesaid agreement.

Over the period, the numbers of admissions have declined in the school and with insufficient cash being generated by the business, the Management did not intend to make further investments. The situation has been accentuated by the onset of COVID-19, forcing schools to shut early and the present management failing to collect final term fees of FY'20 and for the first quarter of the new Academic Year. In view of the aforesaid factors and based on an independent valuers' report, CLEIS fair valued its investment in B&S at Rs.595 Lacs as at March 31, 2020 thereby resulting in an impairment of Rs. 4,150.05 Lacs.

In view of the above, The Company also performed an impairment testing of its investments in CLEIS as at the year end. Based on the impairment testing performed, the Company has recognised impairment loss of Rs. 4,150.05 Lacs on its investment in CLIES and has disclosed it as an exceptional item.

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CL EDUCATE LIMITED New Delhi 110044

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

46 Earning per share

	Year ended March 31, 2020	Year ended March 31, 2019
(a) Basic earnings/(loss) per share (In Rs.)		
Attributable to the equity holders of the company	(37.54)	6.92
(b) Diluted earnings/(loss) per share (In Rs.)		
Attributable to the equity holders of the company	(37.54)	6.92
(c) Reconciliations of earnings used in calculating earnings per share		
Basic earnings per share		
Profit/(loss) attributable to the equity holders of the company used in calculating basic earnings per share:	(5,317.35)	980.12
	(5,317.35)	**980.12**
Diluted earnings per share		
Profit/(loss) attributable to the equity share holders	(5,317.35)	980.12
Profit/(loss) attributable to the equity holders of the company used in calculating diluted earnings per share	**(5,317.35)**	**980.12**
	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	14,165,678
Weighted average number of equity shares and potential equity shares used as the denominator in calculating diluted earnings per share	14,165,678	14,165,678

(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.

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47 Contingent liabilities, contingent assets and commitments

A. Commitments

	As at March 31, 2020	As at March 31, 2019
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, 2019: Nil)] (Refer Note 50)	190.44	165.60
Total capital commitments (A)	190.44	165.60
Other material commitments		
Commitment for maintenance of contents for related party (Refer Note 50)	126.96	110.40
Total other material commitments (B)	126.96	110.40
Total commitments (A+B)	317.40	276.00

B. Contingent liabilities

		March 31, 2020	March 31, 2019
a.	Corporate guarantee given to bank/ financial institutions for loan taken by subsidiary (Refer Note 50)	1,850.00	1,450.00
b.	Claims against the Company not acknowledged as debts (refer note i)	1,770.99	1,509.89

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 years	755.09	755.09
Income Tax	Matters in dispute/under appeal for various years	915.82	657.35
Other cases (a)	Matters in dispute/under appeal	100.08	97.45
Total		1,770.99	1,509.89

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

Other cases

i) 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, 2019: Rs. 190.00 lacs) against triangle education. Triangle Education also filed a counter claim against the Company amounting Rs. 32.06 lacs (March 31, 2019: Rs. 32.06 lacs). The Sole arbitrator has passed the final order partially in favour of the Company. The Company is planning to challenge the said orders to next appellate authority .

ii) A student, has filled a case against the Company for refund of fees amounting Rs. 6.20 lacs (March 31, 2019: Rs. 6.20 lacs) on the ground that he paid fees to Brilliant Tutorials considering the fact that the Company has a tie-up with Brilliant Tutorial which was subsequently called off by the Company. The matter was fixed for final argument on April 20, 2020 but due to Covid 19, date of argument shifted to next available slot.

iii) The Director of Industries and Commerce cum Chairman MSE- Chandigarh has sent a notice amounting Rs. 12.31 lacs (March 31, 2019: 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 was fixed for final argument on May 14, 2020 but due to Covid-19 date of argument is shifted to next available slot.

iv) Bawadia kala shikisha 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 filed 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 was fixed for final argument on April 17, 2020 but due to Covid-19 date of argument shifted to next available slot.

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CL EDUCATE LIMITED New Delhi 110044

48 Leases

The company has applied Ind AS 116 with the date of initial application of April 01, 2019. As a result, the company has changed its accounting policy for lease contracts as per Ind AS 116 the accounting policy para 2(x).

Company as "Lessee"

The Company has significant leasing agreements in respect of operating leases for its various office premises & godowns. These lease arrangements are for a period between 12 months to 60 months and include both cancellable and non-cancellable leases.

Lease liabilities

The movement in lease liabilities during the year ended March 31, 2020 is as follows :

Particulars	As at March 31, 2020
Balance as at April 01, 2019	856.62
Reclassified on account of adoption of Ind AS 116	58.69
Finance cost accrued during the year	92.89
Payment of lease liabilities*	(329.74)
Balance as at March 31, 2020	**678.46**
Non-current Lease liabilities	391.54
Current Lease liabilities	286.92

*Payment of lease liabilities includes payment of principal of lease liabilities amounting of Rs.236.85 Lacs and interest of lease liabilities amounting of Rs. 92.89 Lacs.

The details of the contractual maturities of lease liabilities as at March 31, 2020 on undiscounted basis are as follows :

Particulars	As at March 31, 2020
Not later then one year	286.92
later than one year and not later than five years	358.36
later than five years	33.18
Total	**678.46**

Right-of-use assets (ROU)

The changes in the carrying value of ROU assets for the year ended March 31, 2020 are as follows :

Particulars	As at March 31, 2020
Balance as at April 01, 2019	856.62
Reclassified on account of adoption of Ind AS 116	186.97
Depreciation	(287.67)
Balance as at March 31, 2020	**755.92**

Rental expense recorded for short-term leases was Rs.372. 56 Lacs for the year ended March 31, 2020

Company as "Lessor"

Rental income on assets given on operating lease was Rs. 61.90 Lacs for the year ended March 31, 2020.

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

49 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.

	Year Ended March 31, 2020	Year Ended March 31, 2019
Employers contribution to provident fund	97.42	86.15

(ii) Defined benefit plan:

Gratuity

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

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

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

	As at March 31, 2020	As at March 31, 2019
Net defined benefit (asset)/liability		
Gratuity (funded)	160.83	141.27
Total employee benefit liabilities	160.83	141.27
Non-current	158.11	132.07
Current	2.72	9.20

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, 2020			Year ended March 31, 2019		
	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	142.86	1.60	141.27	150.85	8.16	142.69
Included in profit or loss						
Current service cost	24.99	-	24.99	20.09	-	20.09
Interest cost (income)	10.94	0.12	10.82	11.77	0.64	11.13
	35.93	0.12	35.81	31.86	0.64	31.22
Included in OCI						
Remeasurements loss (gain)						
- Actuarial loss (gain) arising from:						
- financial assumptions	(15.79)	-	(15.79)	2.11	-	2.11
- experience adjustment	5.88	-	5.88	(12.25)	-	(12.25)
Return on plan assets	-	0.04	(0.04)	-	(0.30)	0.30
	(9.91)	0.04	(9.95)	(10.14)	(0.30)	(9.84)
Other						
Contributions paid by the employer	-	7.23	(7.23)	-	23.40	(23.40)
Acquisition adjustment	-	-	-	(0.30)	-	(0.30)
Fund management charges	-	(0.93)	0.93	-	(0.90)	0.90
Benefits paid	(6.34)	(6.34)	0.00	(29.40)	(29.40)	-
	(6.34)	(0.04)	(6.30)	(29.70)	(6.90)	(22.80)
Balance at the end of the year	162.54	1.72	160.83	142.86	1.60	141.27

Expenses recognised in the Statement of profit and loss	Year ended March 31, 2020	Year ended March 31, 2019
Service cost	24.99	20.09
Net interest cost	10.82	11.13
	35.81	31.22

C. **Plan assets**

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

	As at March 31, 2020	As at March 31, 2019
Funds Managed by Insurer (investment with insurer)	100%	100%

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.

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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 aaumptions are as follows which have been selected by the company.

	As at March 31, 2020	As at March 31, 2019
Discount rate	6.76%	7.66%
Expected rate of future salary increase	6.00%	8.00%

b) Demographic assumptions

		As at March 31, 2020	As at March 31, 2019
i)	Retirement age (years)	58	58
ii)	Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2006-08)
iii)	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 withdrawls are not material and hence impact of change not calculated. Sensitivity as to rate of inflation, rate of increase of pensions in payament, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

	As at March 31, 2020		As at March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(9.05)	9.89	(7.61)	8.28
Expected rate of future salary increase (0.5% movement)	8.47	(7.75)	6.76	(6.21)

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, 2020	As at March 31, 2019
Duration of defined benefit obligation		
Less than 1 year	2.73	9.20
Between 1-2 years	2.49	2.03
Between 2-5 years	36.68	6.43
Over 5 years	120.63	125.20
Total	162.53	142.86

Expected contributions to post-employment benefit plans for the year ending March 31, 2021 is Rs. 45.89 lacs.

The weighted average duration of the defined benefit plan obligation at the end of the reporting year is 19.45 years (March 31, 2019: 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, 2020	As at March 31, 2019
Net defined benefit liability		
Earned Leave (unfunded)	165.32	132.07
Total employee benefit liabilities	165.32	132.07
Non-current	159.77	125.93
Current	5.55	6.14

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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, 2020	Year Ended March 31, 2019
	Defined benefit obligation	
Net defined benefit liability at the beginning of the year	132.07	145.99
Included in profit or loss		
Current service cost	22.69	16.59
Interest cost (income)	10.12	11.39
	32.81	27.98
Included in OCI		
Remeasurements loss (gain)		
- Actuarial loss (gain) arising from:		
-Demographic Assumption	(0.01)	-
- financial assumptions	(17.97)	1.74
- Experience adjustment	23.65	(12.14)
	5.67	(10.40)
Other		
Contributions paid by the employer		
Acquisition adjustment	-	(0.11)
Benefits paid	(5.23)	(31.39)
	(5.23)	(31.50)
Net defined benefit liability at the end of the year	165.32	132.07

Expenses recognised in the statement of profit and loss	Year Ended March 31, 2020	Year Ended March 31, 2019
Service cost	22.69	16.59
Net interest cost	10.12	11.39
Actuarial (Gain)/Loss on obligation	5.67	(10.40)
	38.48	17.58

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 asumptions are as follows which have been selected by the company.

	As at March 31, 2020	As at March 31, 2019
Discount rate	6.76%	7.66%
Expected rate of future salary increase	6.00%	8.00%

b) Demographic assumptions

		As at March 31, 2020	As at March 31, 2019
i)	Retirement age (years)	58.00	58
ii)	Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2006 - 08)
iii)	Ages	Withdrawal rate (%)	Withdrawal rate (%)
	Upto 30 years	3%	3%
	From 31 to 44 years	2%	2%
	Above 44 years	1%	1%

Expected contributions to post-employment benefit plans for the year ending March 31, 2021 is Rs. 42.28 lacs.

The weighted average duration of the defined benefit plan obligation at the end of the reporting year is 19.45 years (March 31, 2019: 19.49 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 withdrawls are not material and hence impact of change not calculated. Sensitivity as to rate of inflation, rate of increase of pensions in payament, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

	As at March 31, 2020		As at March 31, 2019	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(7.29)	7.82	(6.07)	6.53
Expected rate of future salary increase (0.5% movement)	7.85	(7.34)	6.47	(6.07)

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.

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CL EDUCATE LIMITED New Delhi 110044

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

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

Particulars	As at March 31, 2020	As at March 31, 2019
Duration of defined benefit obligation		
Less than 1 year	5.55	6.14
Between 1-2 years	2.96	2.20
Between 2-5 years	51.63	27.07
Over 5 years	105.18	96.66
Total	165.32	132.07

50 Related parties

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

A. Names of related parties and description of relationship:

List of the Related parties with whom transaction have taken place and relationship

Direct Subsidiaries	Name of the company	Country of Incorporation	% of Holding as at March 31, 2020	% of Holding as at March 31, 2019
	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	India	58.95%	50.70%
Indirect Subsidiaries	Name of the company	Country of Incorporation	% of Holding as at March 31, 2020	% of Holding as at March 31, 2019
	Subsidiaries of Kestone Integrated Marketing Services Private Limited			
	Kestone CL Asia Hub Pte. Limited	Singapore	100%	100%
	Kestone CL US Limited	USA	100%	100%
	CL Educate (Africa) Ltd (w.e.f. January 13, 2020)	Mauritius	90%	-
	Subsidiaries of Career launcher Education Infrastructure and Services Limited			
	Career Launcher Infrastructure Private Limited	India	100%	100%
Associate Company	Three Sixty One Degree Minds Consulting Private Limited			
Enterprises in which key management personnel or their relatives are able to exercise significant influence	Bilakes Consulting Private Limited, India Career launcher Education Foundation, India			
Key management personnel (KMP)	Mr. Satya Narayanan R (Chairman and Executive Director) Mr. Gautam Puri (Vice Chairman and Managing Director) Mr. Nikhil Mahajan (Executive Director and Group CEO Enterprise Business)			
Closed family members	Mr. R Sreenivasan Mr. R Shivakumar			

B.	Transactions during the year:	Year ended March 31, 2020	Year ended March 31, 2019
i	Other Income		
	a. Interest on loans		
	Subsidiary Companies		
	- Career Launcher Education Infrastructure and Services Limited	195.60	200.64
	- G K Publications Private Limited	45.41	47.55
	- Career Launcher Infrastructure Private Limited	165.39	161.85
	-Accendere Knowledge Management Services Private Limited	12.69	12.86
	-Ice Gate Educational Institute Private Limited	2.10	2.05
		421.19	424.95
	b. Advertising income		
	Subsidiary Companies		
	- CL Media Private Limited	132.03	103.21
		132.03	103.21
	c. Infrastructure fees		
	Subsidiary Companies		
	- CL Media Private Limited	18.60	12.90
	-Accendere Knowledge Management Services Private Limited	4.20	3.00
	- G.K. Publications Private Limited	7.20	6.00
	- Kestone Integrated Marketing Services Private Limited	1.20	-
	- Career Launcher Education Infrastructure and Services Limited	1.20	-
	- Career Launcher Infrastructure Private Limited	0.30	-
		32.70	21.90

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CL EDUCATE LIMITED New Delhi 110044

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

B.	Transactions during the year:	Year ended March 31, 2020	Year ended March 31, 2019
ii	**Purchase of traded goods**		
	Subsidiary Companies		
	- CL Media Private Limited	1,009.81	1,052.66
	- G.K. Publications Private Limited	72.21	35.98
		1,082.02	1,088.64
iii	**Other expenses**		
	Subsidiary Companies		
	a. Material development and printing expenses		
	- CL Media Private Limited	166.98	110.40
	- Threesixtyone Degree Minds Consulting Private Limited	-	26.98
	b. Franchisee expenses		
	- CL Media Private Limited	102.92	-
	c. Marketing research		
	- Kestone Integrated Marketing Services Private Limited	30.33	71.41
	d. Legal and professional charges		
	- Kestone Integrated Marketing Services Private Limited	17.49	8.00
	e. Rent		
	-Ice Gate Educational Institute Private Limited	-	2.00
	f. Franchisee share		
	-Ice Gate Educational Institute Private Limited	-	1.00
		317.72	219.79
iv	**Employee benefits expenses**		
	Key management personnel		
	Short term employee benefits:		
	- Mr.Gautam Puri	46.81	111.91
	- Mr. Satya Narayanan R	51.87	115.63
	- Mr. Nikhil Mahajan	69.47	116.49
	Post employment benefits:		
	- Mr.Gautam Puri	1.37	1.18
	- Mr. Satya Narayanan R	1.16	1.01
	- Mr. Nikhil Mahajan	1.13	0.96
	Other long term benefits		
	- Mr.Gautam Puri	10.57	0.07
	- Mr. Satya Narayanan R	9.32	1.37
	- Mr. Nikhil Mahajan	1.32	0.24
v	**Reimbursement of expense from related parties**		
	Subsidiary Companies		
	- Career Launcher Education Infrastructure and Services Limited	-	0.08
	- Kestone Integrated Marketing Services Private Limited	57.56	79.55
	- CL Media Private Limited	71.48	311.07
		129.04	390.70
vi	**Reimbursement of expense to related parties**		
	Subsidiary Companies		
	- CL Media Private Limited	268.10	-
	- Career Launcher Infrastructure Private Limited		-
		268.10	-
vii	**Loans given to related party**		
	Subsidiary Companies		
	- Career Launcher Education Infrastructure and Services Limited	21.35	140.20
	- Career Launcher Infrastructure Private Limited	43.61	80.12
	- ICE Gate Educational Institute Private Limited	46.00	10.00
	- Accendere Knowledge Management Services Private Limited	-	32.24
	Enterprises in which KMP and their relative can excerise the significant influence		
	- Career Launcher Education Foundation	14.80	12.13
		125.76	274.69
vii	**Conversion of interest into loan**		
	Subsidiary Companies		
	- Career Launcher Education Infrastructure and Services Limited	176.04	180.57
	- G K Publications Private Limited	40.87	42.79
	- Career Launcher Infrastructure Private Limited	148.85	145.66
	-Accendere Knowledge Management Services Private Limited	11.42	11.58
	-ICE Gate Educational Institute Private Limited	0.89	1.84
		378.07	382.44

HARIBHAKTI & CO. LLP * CHARTERED ACCOUNTANTS * NEW DELHI

CL EDUCATE LIMITED New Delhi 110044

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

B.	Transactions during the year:	Year Ended March 31, 2020	Year ended March 31, 2019
viii	**Repayment of loan given**		
	Subsidiary Companies		
	- G K Publications Private Limited	-	26.50
	- Career Launcher Infrastructure Private Limited	11.35	3.00
	- Career Launcher Education Infrastructure and Services Limited	5.00	129.56
	-Accendere Knowledge Management Services Pvt. Ltd.	-	30.80
	-ICE Gate Educational Institute Pvt.Ltd	7.06	56.32
	-Career lauincher education foundation	210.02	-
		233.43	246.18
ix	**Commission to non-executive Directors**	10.22	10.83
x	**Purchase of assets from related party**		
	Subsidiary Companies		
	- CL Media Private Limited	190.44	183.10
	- Kestone Integrated Marketing Services Private Limited	81.40	37.08
xi	**Interim Dividend Paid**		
	- Bilakes Consulting Private Limited	12.55	12.53
	- Mr. Satya Narayanan R	22.98	22.75
	- Mr. Gautam Puri	22.76	22.70
	- Mr. Nikhil Mahajan	0.30	0.30
	- Mr. R Sreenivasan	3.50	3.50
	- Mr. R Shivakumar	3.50	3.50

C.	Related party balances as at the year end:	As at March 31, 2020	As at March 31, 2019
	Subsidiary Companies		
	Current Loans		
	- Career Launcher Education Foundation	462.76	542.43
	- GK Publications Private Limited	462.13	421.26
	- Career Launcher Education Infrastructure and Services Limited	1,990.75	1,798.36
	- Career Launcher Infrastructure Private Limited	1,690.22	1,509.11
	-Accendere Knowledge Management Services Private Limited	120.97	109.55
	-Ice Gate Educational linstitute Private Limited	49.08	7.26
	Other receivables from related parties:		
	- Career Launcher Education Infrastructure and Services Limited	91.67	90.25
	- GK Publications Private Limited	16.21	5.33
	- Kestone Integrated Marketing Services Private Limited	0.38	59.33
	- CL Media Private Limited	352.88	57.14
	-Accendere Knowledge Management Services Private Limited	53.72	49.54
	-Ice Gate Educational linstitute Private Limited	0.06	-
	Trade payables		
	- CL Media Private Limited	1,334.82	816.10
	- GK Publications Private Limited	245.46	176.11
	- Kestone Integrated Marketing Services Private Limited	609.42	734.64
	- Kestone Asia Hub Private Limited	3.69	-
	Payable for expenses		
	-Accendere Knowledge Management Services Private Limited	-	0.27
	- Career Launcher Infrastructure Private Limited	-	5.71
	- Threesixtyone Degree Minds Consulting Private Limited	-	29.13
	Payable for property, plant and equipment		
	- Kestone Integrated Marketing Services Private Limited	148.55	133.29
	Guarantees given for loan taken by subsidiary companies		
	- Kestone Integrated Marketing Services Private Limited	1,850.00	1,450.00
	Enterprises in which KMP and their relatives are able to exercise significant influence		
	Other Advances		
	- Bilakes Consulting Private Limited	60.82	80.42
	Guarantee given:		
	- Bilakes Consulting Private Limited	457.58	457.58

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CL EDUCATE LIMITED New Delhi 110044 ★

Key management personnels		
Short term employee benefits:		
- Mr.Gautam Puri	43.28	52.30
- Mr. Satya Narayanan R	45.74	53.45
- Mr. Nikhil Mahajan	42.96	44.27
Post employment benefits:		
- Mr.Gautam Puri	17.74	16.37
- Mr. Satya Narayanan R	15.10	13.95
- Mr. Nikhil Mahajan	14.46	13.33
Other long term benefits		
- Mr.Gautam Puri	33.33	22.77
- Mr. Satya Narayanan R	32.14	22.82
- Mr. Nikhil Mahajan	23.49	22.16

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.

ii. Current loans are repayable on demand. The aforesaid loan bears interest rate ranges from 9.95% to 11.55% (Previous year : from 11.55% to 12.50%). The accured interest on loan is added to the loan amount at the end of every financial year, when it comes due.

iii. Short term employee benefits includes the board recommended performance incentive of KMP's for current financial year as follows:

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

51 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:

(Amount Rs. in lacs)

Particulars	March 31, 2020	March 31, 2019
A. Amount required to be spent during the year	11.01	7.10
B. Shortfall amount of previous year	32.21	46.31
C. Total (A+B)	43.22	53.41
D. Amount spent during the year on-		
- On other purposes		
- from identified activities	4.40	21.20
Total	4.40	21.20
Shortfall amount carried forward to next year	38.82	32.21

52 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 Monika 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 Monika 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 Arbritrator 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.

The Company had obtained the necessary documents from the Delhi High Court and these were submitted to the Ministry of Law in 2017. These documents had been sent to the UAE through the Indian Embassy for depositing in the Dubai Courts for execution. The Company is taking up the matter in the Dubai court, however, due to the onset of the global pandemic COVID-19, courts in Dubai have been shut since the middle of February. This has caused a temporary delay in proceedings with the matter to be taken up once the courts reopen. The Company understands that these documents have been sent to UAE through Indian Embassy for depositing in Dubai Courts for execution. On receipt of submission detail the Company will follow up the case in Dubai court.

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS NEW DELHI

CL EDUCATE LIMITED New Delhi 110044

53 The Company has filed legal cases against certain debtors for recovery of outstanding receivables amounting Rs 136.34 lacs (March 31, 2019: 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, 2019: Rs. 728.12). 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.

54 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 60 for expected credit loss.

Vocational trade receivables	Total Oustanding Amount	Amount O/s. for more than 3 years (out of total amount O/s)	Expected Credit Loss (ECL) Provision on outstanding amount	Amount of write off
March 31, 2020	1,807.59	1,807.59	381.15	1,025.00
March 31, 2019	2,832.59	2,594.66	449.1	658.55

55 **Standards issued and effective in current year**
Ministry of Corporate Affairs ("MCA") notifies new standard or amendments to the existing standards. There is no such notification which would have been applicable from April 1, 2020.

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

	As at March 31, 2020	As at March 31, 2019
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	636.77	787.97
Interest due on above	0.49	5.21
	637.26	793.18
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.	-	-

57 **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, 2020 and March 31, 2019 the Company had 167,525 and 123,525 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 it's 22nd Annual General Meeting held on August 7, 2018, has ratified and renewed the "Amended and Restated Career Launcher Employee Stock Options Plan 2014" for further period of 3 year i.e. from September 5, 2018 To September 5, 2021.

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CL EDUCATE LIMITED New Delhi 110044 *

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, 2019: 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. During the current year employees have voluntory surrender their stock option.

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 March 31, 2020	Nil	3 years' service from the grant date	-
March 31, 2019	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 person other than directors of the Company	Year ended March 31, 2020		Year ended March 31, 2019	
	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	430.00	44,000	387.89	106,750
Granted during the year	-	-	-	-
Exercised during the year	-	-	-	-
Forfeited during the year	-	-	430.00	6,875
Expired during the year*	430.00	44,000	387.14	55,875
Outstanding at the end of the year	-	-	430.00	44,000
Vested during the year	430.00	8,750	430.00	11,750
Exercisable during the year	430.00	3,000	387.14	26,500

*includes 41,000 options voluntarily surrendered during the year (Previous year : Nil)

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, 2020	As at March 31, 2019
Dividend yield (%)	-	-
Expected volatility (%)	0.00%	0.00%
Risk-free interest rate (%)	7.69%	7.69%
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, 2020	Year ended March 31, 2019
Employee option plan	2.16	(5.26)
Total employee share-based payment expense/(Income)	2.16	(5.26)

Note:
During the year, employee stock option included expense of Rs. 2.15 Lacs (Rs. 4.70 Lacs in March 31, 2019) on account of stock option to employee of Subsidiary of the company.

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CL EDUCATE LIMITED New Delhi 110044

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

58 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.

	Reportable segment		
Year ended March 31, 2020	**Consumer test prep**	**Vocational**	**Total**
Segment revenue			
- External revenues	16,334.73	-	16,334.73
- Inter segment revenue	-	-	-
Total segment revenue	**16,334.73**	**-**	**16,334.73**
Segment results	1,092.30	(1,378.93)	(286.63)
Segment profit before income tax includes:			
Depreciation and amortisation expense	1,001.69	3.28	1,004.97
Interest revenue	-	-	-
Segment assets	**9,445.77**	**1,613.92**	**11,059.69**
Segment assets include:			
Capital expenditure during the year	721.91	0.29	722.20
Segment liabilities	**5,396.21**	**1,015.52**	**6,411.73**

	Reportable segment		
Year ended March 31, 2019	**Consumer test prep**	**Vocational**	**Total**
Segment revenue			
- External revenues	17,000.96	-	17,000.96
- Inter segment revenue	-	-	-
Total segment revenue	**17,000.96**	**-**	**17,000.96**
Segment results	2,406.86	(830.67)	1,576.19
Segment profit before income tax includes:			
Depreciation and amortisation expense	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**

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CL EDUCATE LIMITED New Delhi 110044

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

C. Reconciliations of information on reportable segments

	Year ended March 31, 2020	Year ended March 31, 2019
i. Revenues		
Total revenue for reportable segments		
Consumer test prep	16,334.73	17,000.96
Vocational	-	-
Unallocated amounts	-	-
Total revenue	**16,334.73**	**17,000.96**
ii Profit before tax		
Total profit before tax for reportable segments	(286.63)	1,576.19
Unallocated income:		
Other income	1,422.07	1,510.84
Unallocated expenses:		
Finance cost	528.24	428.74
Other expenses	1,740.67	1,450.20
Profit/(loss) before tax	**(1,133.47)**	**1,208.07**
Less:Exceptional Items	4,150.05	-
Profit/(Loss) before tax after exceptional items	**(5,283.52)**	**1,208.07**
Tax expense	33.83	227.95
Profit/(loss) after tax	**(5,317.35)**	**980.12**
Other comprehensive income		
Items that will not be reclassified to profit or loss	6.50	7.10
Total comprehensive income/(expense)	**(5,310.85)**	**987.22**

	As atMarch 31, 2020	As at March 31, 2019
iii Assets		
Total assets for reportable segments		
Consumer test prep	9,445.77	8,920.30
Vocational	1,613.92	2,827.31
Unallocated amounts		
Investments in subsidiaries and associate	15,696.22	19,032.26
Deferred tax assets	290.30	376.69
Other corporate assets	13,105.56	13,583.54
Total assets	**40,151.77**	**44,740.10**
iv Liabilities		
Total liabilities for reportable segments		
Consumer test prep	5,396.21	3,812.78
Vocational	1,015.52	1,329.44
Unallocated amounts		
Lease Liability/Finance lease obligation	-	58.69
Other corporate liabilities	4,013.29	4,336.06
Total liabilities	**10,425.02**	**9,536.97**

v Other material items

Year ended March 31, 2020	Reportable segment total	Others	Total
Interest revenue	-	499.61	499.61
Interest expense	-	528.24	528.24
Capital expenditure during the year	722.20	121.93	844.13
Depreciation and amortisation expense	1,004.97	102.00	1,106.97
Other significant non cash 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	618.29
Depreciation and amortisation expense	679.65	128.52	808.17
Other significant non cash items	-	-	-

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CL EDUCATE LIMITED New Delhi 110044

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

D. Geographic information

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

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

a) Revenues from different geographies	Year ended March 31, 2020	Year ended March 31, 2019
Within India	15,515.82	16,328.48
Outside India	818.91	672.48
	16,334.73	**17,000.96**

b) Non-current assets	As atMarch 31, 2020	As at March 31, 2019
Within India	23,126.91	26,934.82
Outside India	6.23	5.04
	23,133.14	**26,939.86**

Non-current assets other than financial instruments & deferred tax assets and post-employment benefit assets.

E. Major customers

During the years ended March 31, 2020 and March 31, 2019 no single customer represents 10% or more of the Company's total revenue.

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CL EDUCATE LIMITED New Delhi 110044

59 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' in year of acquistion.

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 7)	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. During the year based on the performance and achivement of enrollment the condition for contingent consideration has not met hence amount related to contingent consideration has written back in to the books as at March 31, 2020.

F. Revenue and profit contribution

The acquired business contributed revenues of Rs 117.44 lacs (March 31, 2019 Rs 235.05 lacs) and loss of Rs 34.97 lacs (March 31, 2019 Rs 176.57 lacs) to the Company for the year ended March 31, 2020.

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.

H. During the year, CL Educate had sent a legal notice to Indiacan Education Private Limited regarding the recoverability of Debtors related to the ETEN business that was transferred to the Company in 2018. Arbitration proceedings on the same were subsequently initiated by the Company, and are currently in progress, with the next hearing date scheduled for August 20, 2020.

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CL EDUCATE LIMITED New Delhi 110044

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

60. 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, 2020

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Loans	-	-	116.42	116.42	-	-	116.42
Other financial assets	-	-	401.92	401.92	-	-	-
Current							
Investment	3,716.34	-	-	3,716.34	3,716.34	-	-
Trade receivables	-	-	3,553.85	3,553.85	-	-	-
Cash and cash equivalents	-	-	434.79	434.79	-	-	-
Bank Balances other than cash and cash equivalents	-	-	19.20	19.20	-	-	-
Loans	-	-	4,957.00	4,957.00	-	-	-
Other financial assets	-	-	519.66	519.66	-	-	-
Total	3,716.34	-	10,002.84	13,719.18	3,716.34	-	116.42
Financial liabilities							
Non-current							
Borrowings	-	-	83.58	83.58	-	-	83.58
Lease Liability	-	-	391.54	391.54	-	-	-
Current							
Borrowings	-	-	3,433.39	3,433.39	-	-	-
Lease Liability	-	-	286.92	286.92	-	-	-
Trade payables	-	-	3,538.70	3,538.70	-	-	-
Other financial liabilities	-	-	898.65	898.65	-	-	-
Total	-	-	8,632.78	8,632.78	-	-	83.58

ii. 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							
Investments	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

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CL EDUCATE LIMITED New Delhi 110044

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, 2020 and March 31, 2019.

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.

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b. Financial risk management (continued)

(i) Credit risk

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

Particulars	As at March 31, 2020	As at March 31, 2019
Trade receivables	3,553.85	4,835.88
Cash and cash equivalents	434.79	691.03
Bank Balances other than cash and cash equivalents	19.20	30.55
Loans	5,073.42	5,024.23
Other financial assets	921.58	1,760.98

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 on-going 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. 4,069.08 lacs (March 31, 2019 Rs.5,510.88 lacs). Trade receivables are generally realised within the credit period.(refer note 54)

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

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

Particulars	Gross carrying amount	
	As at March 31, 2020	As at March 31, 2019
Not Due	179.86	-
0-90 days past due	768.62	846.72
90 to 180 days past due	329.08	152.27
180-365 days	564.58	629.38
365-730 days	228.01	811.17
More than 730 days	1,998.93	3,071.34
	4,069.08	5,510.88

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

Particulars	Year ended March 31, 2020	Year ended March 31, 2019
Balance at the beginning	675.00	1,129.98
Reversed during the year	159.77	454.98
Balance at the end	515.23	675.00

HARIBHAKTI & CO. LLP ★ CHARTERED ACCOUNTANTS ★ NEW DELHI

CL EDUCATE LIMITED New Delhi 110044

CL Educate Limited
Notes to the standalone financial statements for the year ended March 31, 2020
(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, 2020	Carrying Value	Contractual cash flows			
		Total	Less than one year	Between one year and five years	More than 5 years
Borrowings					
-From banks					
a) Vehicle loans	31.73	36.75	10.20	26.55	-
b) Other term loans	293.32	309.56	309.56	-	-
Current borrowings					
-Cash credit from banks	3,433.39	3,433.39	3,433.39	-	-
Trade payables	3,538.70	3,538.70	3,538.70	-	-
Lease Liability (current & non current)	678.46	1,010.66	232.34	331.91	446.41
Other financial liabilities					
Unpaid Dividend	2.56	2.56	2.56	-	-
Payable for property, plant and equipment	148.55	148.55	148.55	-	-
Payable for selling shareholders	28.06	28.06	28.06	-	-
Payable towards business combination (refer note 59)	-	-	-	-	
Contingent consideration (refer note 59)	-	-	-	-	-
Employee related payables	473.01	473.01	473.01	-	-
Total	8,627.78	8,981.24	8,176.37	358.46	446.41

As at March 31, 2019	Carrying Value	Contractual cash flows			
		Total	Less than one year	Between one year and five years	More than 5 years
Borrowings					
-From banks					
a) Vehicle loans	27.87	27.87	5.59	22.28	-
b) Other term loans	463.29	463.29	233.33	229.96	-
Current borrowings					
-Cash credit from banks	3,041.45	3,041.45	3,041.45	-	-
Trade payables	3,726.69	3,726.69	3,726.69	-	-
Other financial liabilities					
Unpaid Dividend	1.57	1.57	1.57	-	-
Payable for property, plant and equipment	145.04	145.05	145.05	-	-
Finance lease obligation	58.69	491.05	12.75	25.51	452.79
Payable for selling shareholders	28.06	28.06	28.06	-	-
Payable towards business combination (refer note 59)	143.81	143.81	143.81	-	-
Contingent consideration (refer note 59)	50.00	50.00	-	50.00	-
Employee related payables	369.60	369.60	369.60	-	-
Total	8,056.08	8,488.44	7,707.90	327.75	452.79

The above amounts reflects the contractual undiscounted cash flows except Lease liabilities/finance lease obligation , which may differ from the carrying value of the liabilities at the reporting date.

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CL EDUCATE LIMITED New Delhi 110044

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, 2020 and March 31, 2019 are as below:

Particulars	As at March 31, 2020			
	AED	Amount	USD	Amount
Financial assets				
Trade receivables	30.31	615.63	-	-
Other financial asset	0.53	10.59	7.69	399.49
Other bank balances	5.03	103.35	-	-
	35.87	729.57	7.69	399.49
Financial liabilities				
Trade payables and other Liabilities	2.58	52.95	-	-
	2.58	52.95	-	-
Net exposure in respect of recognised assets and liabilities	33.29	676.62	7.69	399.49

Particulars	As at March 31, 2019			
	AED	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 and other Liabilities	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

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at March 31, 2020 and March 31, 2019 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 (in Rs. Lacs)		Equity, net of tax (Rs. Lac)	
	Strengthening	Weakening	Strengthening	Weakening
1% depreciation / appreciation in Indian Rupees against following foreign currencies:				
For the year ended March 31, 2020				
AED	6.77	(6.77)	4.88	(4.88)
USD	3.99	(3.99)	2.88	(2.88)
Total	10.76	(10.76)	7.76	(7.76)
For the year ended March 31, 2019				
AED	5.46	(5.46)	3.94	(3.94)
USD	3.99	(3.99)	2.88	(2.88)
Total	9.46	(9.46)	6.83	(6.83)

AED: United Arab Emirates Dirham and USD: United States Dollar.

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CL EDUCATE LIMITED New Delhi 110044

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

B. Financial risk management (continued)

iii. Market risk

Interest rate risk

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

Exposure to interest rate risk

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

Particulars	As atMarch 31, 2020	As at March 31, 2019
Term loans from banks	293.32	463.29
Vehicle loans from banks	31.73	27.87
Cash credit from banks	3,433.39	3,041.45
Total	3,758.44	3,532.61

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, 2020	16.58	(16.58)	(11.97)	11.97
For the year ended March 31, 2019	14.84	(14.84)	(10.71)	(10.71)

61 Capital Management

(a) 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, 2020	As at March 31, 2019
Borrowings	3,758.44	3,591.13
Less : Cash and cash equivalent	434.79	691.03
Adjusted net debt (A)	3,323.65	2,900.10
Total equity (B)	29,726.75	35,203.14
Adjusted net debt to adjusted equity ratio (A/B)	11.18%	8.24%

(b) Dividends

Particulars	As at March 31, 2020	As at March 31, 2019
Interim dividend for the year ended on March 31, 2020 of Rs. 1 (March 31, 2019 : Rs. 1) per fully paid share	141.66	141.66
Dividend Distribution Tax on interim dividend	29.11	29.11
Total	170.77	170.77

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CL EDUCATE LIMITED New Delhi 110044

62 The Board of Directors of the Company has approved a scheme of arrangement for amalgamation of its subsidiary companies into the Company ("the Scheme") in its meeting held on November 27, 2018. The Scheme has been approved by National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). During the year, an application under Regulation 37 of the SEBI (LODR) Regulations, 2015 was filed with the National Company Law Tribunal (NCLT), for the proposed amalgamation of Career Launcher Education Infrastructure and 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 NCLT, which is pending as on date. The appointed date as proposed by the Company is April 1, 2019. In current update hearing of the 2nd Motion Petition of CL Educate scheduled for 14th May, 2020 has now been adjourned to June 19, 2020 , as the Bench is still closed on account of Covid-19 so we are trying to get next hearing date.

63 Due to spread of 'COVID-19' pandemic the Government imposed a nationwide lockdown and other restrictions on movement with effect fron March 25, 2020. Consequently, the Company's offices were closed and operations temporarily suspended since then.

The Company has drawn projected cash flow for the next one year, based on certain assumptions and has concluded that the Company will have sufficient liquidity to continue its operations. There are possibilities of delays in case of customers which are taken care by Expected Credit Loss Model (ECL).

In assessing the recoverability of its current assets including trade receivables, loan and advances, the Company has considered internal and external information up to the date of approval of these financial statements, has performed sensitivity analysis on the assumptions based on current indicators of the future economic conditions and considered the same in preparing these financial results. The Company is confident of recovering the carrying amount of these assets.

However, the impact of the pandemic may be different from that estimated as at the date of approval of these financial statements and the

64 Previous year's notes / figures have been regrouped / rearranged as per the current year's presentation for the purpose of comparability.

As per report of even date.
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm registration No. 103523W/W100048

Manoj Daga
Partner
Membership No.:048523

HARIBHAKTI & CO. LLP ★ NEW DELHI ★ CHARTERED ACCOUNTANTS

Place: Mumbai
Date: June 29, 2020

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

Gautam Puri
Vice Chairman and
Managing Director
DIN: 00033548

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

CL EDUCATE LIMITED New Delhi 110044 ★

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

Arjun Wadhwa
Chief Financial Officer

Place: New Delhi
Date: June 29, 2020