Financial statements for the year ended 31st March 2021

CL Educate Limited (Standalone)

Walker Chandiok & Co LLP
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Jacaranda Marg, DLF Phase II
Gurugram - 122 002
India

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Independent Auditor's Report

To the Members of CL Educate Limited

Report on the Audit of the Standalone Financial Statements

Opinion

1. We have audited the accompanying standalone financial statements of CL Educate Limited (the 'Company'), which comprise the Balance Sheet as at 31 March 2021, the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information.

2. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including Indian Accounting Standards ('Ind AS') specified under section 133 of the Act, of the state of affairs of the Company as at 31 March 2021, and its loss (including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Basis for Opinion

3. We conducted our audit in accordance with the Standards on Auditing 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 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 financial statements under the provisions of the Act and the 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.

Emphasis of Matter

4. We draw attention to Note 59 to the standalone financial statements, which describes the uncertainties relating to COVID-19 pandemic outbreak and management's evaluation of its impact on the operations of the Company and accompanying standalone financial statements as at the balance sheet date, the extent of which is significantly dependent on future developments as they evolve.

Our opinion is not modified in respect of this matter.

Key Audit Matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

6. We have determined the matters described below to be the key audit matters to be communicated in our report.

Key audit matters	How our audit addressed the key audit matter
Revenue recognition (Refer Note 2(ii) and Note 37 to the accompanying standalone financial statements) We refer to the Company's significant accounting policies in note 2(ii) and the revenue related disclosures in note 37 of the standalone financial statements. Revenue is a key business driver for the Company and is therefore, susceptible to misstatement. Revenue recognition under Ind AS 115, 'Revenue from contracts with customers' ('Ind AS 115') involves significant judgement by the management in identification of separate performance obligations in contracts with multiple performance obligations, determining transaction price in view of discounts offered to the customers, allocation of such transaction price to the identified performance obligations, and assessing satisfaction of the performance obligations to ensure the revenue is booked in correct periods. . Further, for fixed price contracts, the management assesses progress towards complete satisfaction of performance obligations basis the pattern in which content is delivered by the Company to the students over a period of time. Considering significant volume of transactions, the materiality of amounts involved, and significant judgements involved as above, revenue recognition was identified as a key audit matter for the current year audit.	Our audit procedures included but were not limited to the following: • Assessed the appropriateness of the Company's revenue recognition policy in accordance with Ind AS 115 including evaluation of management's assessment of performance obligations determined to be satisfied over time and related method of measuring progress towards complete satisfaction of such performance obligation. • Understood, evaluated and tested the design and operating effectiveness of key controls implemented by the Company in relation to revenue recognition including discounts. • Performed test of details for samples selected from revenue transactions recorded during the year by inspecting invoices and other related supporting documents for such samples. Further, evaluated whether the revenue has been recognized as per the accounting policy of the Company for such samples. • Performed substantive analytical procedures which included review of price, quantity and discounts variances and month-to-month ratio analysis based on customer level and company level data. • Tested the calculations related to discounts and other supporting documents, on a test check basis. • Evaluated the adequacy and accuracy of relevant disclosures made in the standalone/ consolidated financial statements in accordance with Ind AS 115.

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Key audit matters (cont'd)	How our audit addressed the key audit matter (cont'd)
Loss allowance for Trade Receivables (Refer Note 2(x) and Note 17 to the accompanying standalone financial statements) The Company has trade receivables of Rs. 1,508.62 lacs as at 31 March 2021 (net of impairment of Rs 166.95 lacs). During the year, the Company has recorded a charge of Rs 1,934.47 lacs towards bad debts for such trade receivables. Owing to the nature of operations of the Company and related customer profiles, the Company has significant long standing trade receivable balances, for which appropriate loss allowance is required to be created for expected credit losses using simplified approach in accordance with the requirements of Ind AS 109, Financial Instruments, measuring the loss allowance equal to lifetime expected credit losses. For the purpose of expected credit loss assessment of trade receivables, significant judgment is required by the management to estimate the timing and amount of realisation of these receivables basis the past history, customer profiles, and consideration of other internal and external sources of information, including the impact of COVID 19 pandemic in aforesaid estimates. Considering the significant judgement involved, increased complexities due to the pandemic, high estimation uncertainty and materiality of the amounts involved, we have identified loss allowance on trade receivables as a key audit matter for current year audit.	Our audit procedures included the following: • Understanding the trade receivables process with regards to valuation and testing 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. • Circularized balance confirmations to a sample of non-student trade receivables and reviewed the reconciling items, if any. • Verified the appropriateness of judgments regarding provisions for trade receivables and assess as to whether these provisions were calculated in accordance with the Company's provisioning policies. • Tested subsequent settlement of trade receivables after the balance sheet date on a sample basis, as applicable. • Verified the related disclosures made in notes to the standalone financial statements in accordance with Ind AS 115 and Ind AS 109.
Recoverability of investments made and loans given to certain subsidiaries As disclosed in note 9 to the accompanying standalone financial statements, the Company has a carrying value of Rs. 14,181.60 lacs as at 31 March 2021 in respect of its investment in four of its subsidiary companies and has outstanding long-term loans recoverable from such subsidiaries aggregating to Rs. 3,923.58 lacs as on the reporting date. Considering the decline in business and stress on profitability over the years by aforementioned subsidiary companies, the management has identified that indicators exist that requires the management to test the carrying value of such loans and investments for possible impairment.	Our audit work included, but was not limited to, performing the following procedures: • Obtained an understanding of the management's process to estimate the recoverable value of the investments made in and loans given to subsidiaries outstanding as at the reporting date, • Evaluated design and tested operating effectiveness of controls on identification of indicators of impairment of the carrying value of investment and loans under Ind AS 36 'Impairment of assets' and Ind AS 109 'Financial Instruments' respectively.

Key audit matters (cont'd)	How our audit addressed the key audit matter (cont'd)
Management's assessment of the recoverable amount of investments in and loans given to these subsidiary companies requires estimation and judgement around assumptions used in the Discounted Cash Flow valuation model adopted by the Company for the purpose. The principal driver of recoverable value is the estimated growth in the operations of the subsidiaries and ability to generate cash profits in the future. Other significant estimates include expected operating, investing and finance costs, terminal growth rates and the weighted average cost of capital (discount rate). Changes to assumptions could lead to material changes in estimated recoverable amounts, resulting in impairment of the investment in subsidiary companies. Complexity involved in such assumptions and estimates increased in the current year due to the impact of COVID-19 pandemic outbreak on the Company's operations as disclosed in Note 59 to the accompanying financial statements. Considering the significance of the amounts involved, and auditor attention required to test the appropriateness of accounting estimate that involves high estimation uncertainty and significant management judgement, this matter has been determined to be a key audit matter for the current year audit.	• Assessed the professional competence, objectivity and capabilities of the specialist used by the management for performing required valuations to estimate the recoverable value of the investment in such subsidiary companies; • Involved auditor's experts to assess the appropriateness of the valuation model used by the management and to test reasonability of the valuation assumptions used therein relating to discount rates, risk premium, industry growth rates, etc., including the impact of COVID-19 on such assumptions; • Tested the future business projections, used for performing above said valuations, for the subsidiary from the business plans approved by the board of directors of the subsidiary company, and ensured its consistency with our understanding of future business plans of the subsidiary companies obtained through interviews with both operating and senior management; • Assessed operating and capital costs included in the cash flow forecasts for consistency with current operating costs and forecasted business plans; • Performed sensitivity analysis on management's calculation of future projections such as growth rates during explicit period, terminal growth rate and the discount rate used in the valuations performed; • Tested the arithmetical accuracy of the valuation workings performed by the management expert; • Evaluated the adequacy and accuracy of disclosures made in the standalone financial statements in respect of aforesaid matter in accordance with the requirements of the accounting standards.

Information other than the Financial Statements and Auditor's Report thereon

7. 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 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 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 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 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 Financial Statements

8. The accompanying standalone financial statements have been approved by the Company's Board of Directors. 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 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 the Ind AS specified under section 133 of the Act. 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

9. In preparing the 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.

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

Auditor's Responsibilities for the Audit of the Financial Statements

11. Our objectives are to obtain reasonable assurance about whether the 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 Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

12. As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

    - Identify and assess the risks of material misstatement of the 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;

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- 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 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 financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation;

13. 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.

14. 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.

15. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matter

16. The standalone financial statements of the Company for the year ended 31 March 2020 were audited by the predecessor auditor, Haribhakti & Co LLP, who have expressed an unmodified opinion on those standalone financial statements vide their audit report dated 29 June 2020.

Report on Other Legal and Regulatory Requirements

17. As required by section 197(16) of the Act, based on our audit, we report that the Company has paid remuneration to its directors during the year in accordance with the provisions of and limits laid down under section 197 read with Schedule V to the Act.

18. 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 the Annexure I a statement on the matters specified in paragraphs 3 and 4 of the Order.

19. Further to our comments in Annexure I, as required by section 143(3) of the Act, based on our audit, we report, to the extent applicable, that:

    a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the accompanying standalone financial statements;

    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 standalone financial statements dealt with by this report are in agreement with the books of account;

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d) in our opinion, the aforesaid standalone financial statements comply with Ind AS specified under section 133 of the Act;

e) the matter described in paragraph 4 under the Emphasis of Matter, 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 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2021 from being appointed as a director in terms of section 164(2) of the Act;

g) we have also audited the internal financial controls with reference to financial statements of the Company as on 31 March 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date and our report dated 24 June 2021 as per Annexure II expressed unmodified opinion; and

h) with respect to the other matters to be included in the Auditor's Report in accordance with rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:

   i. the Company, as detailed in note 47(b) to the standalone financial statements, has disclosed the impact of pending litigations on its financial position as at 31 March 2021;

   ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses as at 31 March 2021;

   iii. there has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company during the year ended 31 March 2021; and

   iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016, which are not relevant to these standalone financial statements. Hence, reporting under this clause is not applicable.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj

Neeraj Goel
Partner
Membership No.: 099514
UDIN: 21099514AAAADU6444

Place: Gurugram, Haryana
Date: 24 June 2021

Annexure I to the Independent Auditor's Report of even date to the members of CL Educate, on the standalone financial statements for the year ended 31 March 2021

Based on the audit procedures performed for the purpose of reporting a true and fair view on the 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, and to the best of our knowledge and belief, we report that:

(i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets comprising of property, plant and equipment (PPE), right-of-use assets, intangible assets and intangibles under development.

(b) The Company has a regular program of physical verification of its PPE and right-of-use assets under which assets are verified in a phased manner over a period of three years, which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. In accordance with this program, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification.

(c) The title deeds of all the immovable properties (which are included under the head 'PPE' and 'right-of-use assets') are held in the name of the Company.

(ii) In our opinion, the management has conducted physical verification of inventory at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification.

(iii) The Company has granted interest bearing unsecured loans to Companies and an interest free loan given to a party covered in the register maintained under Section 189 of the Act; and with respect to the same:

(a) in our opinion the terms and conditions of grant of such loans are not, prima facie, prejudicial to the Company's interest except in case of one loan wherein the Company has granted unsecured loan to one party in the earlier years, having outstanding balance of Rs. 462.77 lacs as at 31 March 2021, is prejudicial to the Company's interest as no interest has been charged on such loan given to the party.

(b) In respect of interest bearing loans given to companies, the schedule of repayment of principal has been stipulated wherein the principal amounts are repayable on demand and since the repayment of such loans has not been demanded, in our opinion, repayment of the principal amount is regular while in case of interest free loan given to the party, the schedule of repayment of the principal has not been stipulated and hence we are unable to comment as to whether repayments/receipts of the principal amount and the interest are regular;

(c) there is no overdue amount in respect of loans granted to such companies, however, in respect of interest free loan given to the party, in the absence of stipulated schedule of repayment of principal and payment of interest, we are unable to comment as to whether there is any amount which is overdue for more than 90 days and whether reasonable steps have been taken by the Company for recovery of the principal amount and interest.

(iv) In our opinion, the Company has complied with the provisions of Sections 185 of the Act. In our opinion, the Company has not complied with the provisions of Section 186 of the Act. The details of the non-compliances are given below:

Annexure I to the Independent Auditor's Report of even date to the members of CL Educate Limited, on the standalone financial statements for the year ended 31 March 2021 (cont'd)

S. No.	Particulars	Name of Party	Amount involved (₹ in lacs)	Balance as on 31 March 2021 (₹ in lacs)	Remarks
1	Loan given at a rate lower than prescribed	Career Launcher Education Foundation	Nil	462.77	Interest free loan given

(v) In our opinion, the Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.

(vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act in respect of Company's products/services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.

(vii)(a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, goods and services tax, duty of customs, duty of excise, cess and other material statutory dues, as applicable, have generally been regularly deposited to the appropriate authorities, though there has been a slight delay in a few cases. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they became payable.

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

Statement of Disputed Dues

Name of the statute	Nature of dues	Amount (₹) in lacs	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	Service Tax	46.54	September 2004 to March 2007	Central Excise and Service Tax Appellate Tribunal, New Delhi
Finance Act, 1994	Service Tax	15.69	October 2007 to March 2008	Commissioner of Service tax, New Delhi
Finance Act, 1994	Service Tax	400.97	April 2008 to March 2012	Commissioner of Service tax, New Delhi
Income Tax Act, 1961	Income Tax	607.96	Assessment year (A.Y.) 2013-14	Commissioner of Income tax (Appeals), New Delhi
Income Tax Act, 1961	Income Tax	240.93	A.Y. 2017-18	Commissioner of Income tax (Appeals), New Delhi
Income Tax Act, 1961	Income Tax	49.87	A.Y. 2014-15	Income tax Appellate Tribunal, New Delhi

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Annexure I to the Independent Auditor's Report of even date to the members of CL Educate Limited, on the standalone financial statements for the year ended 31 March 2021 (cont'd)

(viii) The Company has not defaulted in repayment of loans or borrowings to any bank during the year. Further, the Company has no loans or borrowings payable to a financial institution or government and no dues payable to debenture holders during the year.

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

(x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.

(xi) Managerial remuneration has been paid by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.

(xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.

(xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements etc., as required by the applicable Ind AS.

(xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures.

(xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

(xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj Goel
Partner
Membership No.: 099514
UDIN: 21099514AAAADU6444

Place: Gurugram, Haryana
Date: 24 June 2021

Annexure II

Independent Auditor's Report on the internal financial controls with reference to the standalone financial statements under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (the 'Act')

1. In conjunction with our audit of the standalone financial statements of CL Educate Limited (the 'Company') as at and for the year ended 31 March 2021, we have audited the internal financial controls with reference to financial statements of the Company as at that date.

Responsibilities of Management and Those Charged with Governance for Internal Financial Controls

2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ('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 the Company's business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility for the Audit of the Internal Financial Controls with Reference to Financial Statements

3. 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 Standards on Auditing issued by the ICAI prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to financial statements, and the Guidance Note 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 were established and maintained and if such controls operated effectively in all material respects.

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

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

Meaning of Internal Financial Controls with Reference to Financial Statements

6. A company's internal financial controls 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 controls with reference to financial statements include 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.

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Annexure II to the Independent Auditor's Report of even date to the members of CL Educate Limited on the standalone financial statements for the year ended 31 March 2021 (cont'd)

Inherent Limitations of Internal Financial Controls with Reference to Financial Statements

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

Opinion

8. In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to financial statements and such controls were operating effectively as at 31 March 2021, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **Walker Chandiok & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Neeraj

Neeraj Goel
Partner
Membership No.: 099514
UDIN: 21099514AAAADU6444

Place: Gurugram, Haryana
Date: 24 June 2021

CL Educate Limited

Standalone Balance Sheet as at March 31, 2021

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

	Notes	As at March 31, 2021	As at March 31, 2020
Assets			
Non-current assets			
Property, plant and equipment	3	2,468.63	3,121.73
Right of use assets	4	305.62	755.92
Investment property	5	294.16	299.91
Goodwill	6	212.38	212.38
Other intangible assets	7	2,043.07	1,997.78
Intangible assets under development	8	51.10	102.81
Investments	9	15,698.57	15,696.22
Financial assets			
(i) Loans	10	64.03	116.42
(ii) Other financial assets	11	4.40	401.92
Deferred tax assets (net)	12	422.13	290.30
Non-current tax assets (net)	13	933.15	900.59
Other non-current assets	14	83.50	45.79
Total non-current assets		22,580.74	23,941.77
Current assets			
Inventories	15	465.40	540.69
Financial assets			
(i) Investments	16	3,852.91	3,716.34
(ii) Trade receivables	17	1,508.62	3,301.16
(iii) Cash and cash equivalents	18	362.04	434.79
(iv) Bank balances other than (iii) above	19	432.36	19.20
(v) Loans	20	4,591.97	4,957.00
(vi) Other financial assets	21	385.41	772.35
Other current assets	22	2,296.64	2,468.47
Total current assets		13,895.35	16,210.00
Assets held for sale	23	546.16	-
Total assets		37,022.25	40,151.77
Equity and liabilities			
Equity			
Equity Share capital	24	1,416.57	1,416.57
Other Equity	25	27,803.10	28,310.18
Total Equity		29,219.67	29,726.75

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CL Educate Limited
Standalone Balance Sheet as at March 31, 2021
(All amounts are in Rupees lacs, unless otherwise stated)

Continued from previous page

	Note	As at March 31, 2021	As at March 31, 2020
Liabilities			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	26	470.83	83.58
(ii) Lease Liability	27	130.05	391.54
Provisions	28	345.08	317.88
Other non-current liabilities	29	97.07	37.25
Total non-current liabilities		1,043.03	830.25
Current liabilities			
Financial liabilities			
(i) Borrowings	30	2,433.45	3,433.39
(ii) Trade payables	31		
- total outstanding dues of micro enterprises and small enterprises; and		763.63	636.77
- total outstanding dues of creditors other than micro enterprises and small enterprises		1,609.62	2,901.93
(iii) Lease Liability	32	81.11	266.92
(iv) Other financial liabilities	33	831.87	898.65
Other current liabilities	34	1,030.81	1,428.84
Provisions	35	9.06	8.27
Total current liabilities		6,759.55	9,594.77
Total liabilities		7,802.58	10,425.02
Total equity and liabilities		37,022.25	40,151.77

Summary of significant accounting policies 2

The accompanying notes 1 to 61 form an integral part of these standalone financial statements.

This is standalone Balance Sheet referred to in our report of even date.

For Walker Chandiok and CO LLP
Chartered Accountants
FRN No. 001076N/N500013

Neeraj Goel
Partner
Membership No.:099514

Place: Gurugram, Haryana
Date: 24 June 2021

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

Satya Narayanan R
Chairman and
Executive Director
DIN: 00307326

Gautam Puri
Vice Chairman and
Managing Director
DIN: 00033548

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

Arjun Wadhwa
Chief Financial Officer

Place: New Delhi
Date: 24 June 2021

CL Educate Limited

Standalone Statement of profit and loss for the year ended March 31, 2021

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

	Notes	Year ended March 31, 2021	Year ended March 31, 2020
Income			
Revenue from operations	37	9,986.49	16,334.73
Other income	38	837.50	1,234.38
Total income		**10,823.99**	**17,569.11**
Expenses			
Purchases of stock-in-trade	39	444.33	1,095.31
Changes in inventories of stock-in-trade	40	75.29	(56.76)
Employee benefits expense	41	1,738.85	2,203.60
Finance costs	42	369.94	528.24
Depreciation and amortisation expenses	43	608.18	1,112.72
Franchisee expenses		3,383.42	6,633.30
Other expenses	44	4,829.33	7,186.17
Total expenses		**11,449.34**	**18,702.58**
Loss before exceptional items and tax		**(625.35)**	**(1,133.47)**
Exceptional Items	45	-	4,150.05
Loss before tax after exceptional items		**(625.35)**	**(5,283.52)**
Tax expense/(benefit)	36		
- Current tax		-	-
- Deferred tax		(133.07)	83.88
- Tax related to prior years		20.52	(50.05)
Total tax expense		**(112.55)**	**33.83**
Loss for the year		**(512.80)**	**(5,317.35)**
Other comprehensive income			
Items that will not be reclassified to statement of profit and loss			
Remeasurement of defined benefit plans		4.46	9.01
Income-tax relating to these items		(1.24)	(2.51)
Total other comprehensive income for the year		**3.22**	**6.50**
Total comprehensive loss for the year		**(509.58)**	**(5,310.85)**
Earnings per equity share in Rs.	46		
Basic		(3.62)	(37.54)
Diluted		(3.62)	(37.54)
Summary of significant accounting policies	2		

The accompanying notes 1 to 61 form an integral part of these standalone financial statements.

This is standalone statement of profit and loss referred to in our report of even date.

For Walker Chandiok and CO LLP
Chartered Accountants
FRN No. 001076N/N500013

Neeraj Goel

Neeraj Goel
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Membership No.:099514

Place: Gurugram, Haryana
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Company Secretary
and Compliance Officer
ICSI M. No.: A17780

Arjun Wadhwa
Chief Financial
Officer

Place: New Delhi
Date: 24 June 2021

CL Educate Limited

Standalone Statement of Cash Flow for the year ended March 31, 2021

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

		Year ended March 31, 2021	Year ended March 31, 2020
A.	Cash flow from operating activities		
	Net Profit/(Loss) before tax	(625.35)	(5,283.52)
	Adjustment For:		
	Depreciation and amortisation expense	608.18	1,112.72
	Gain on sale of property, plant and equipment	(1.40)	-
	Finance cost	369.94	528.24
	Rent income on investments property	(11.10)	(26.49)
	Advances written off	32.61	418.32
	Liability no longer required written back	(222.83)	(126.78)
	Interest income on security deposits	(15.70)	(19.16)
	Employee share-based payment expenses	-	2.16
	Unrealised foreign exchange gain (net)	-	(57.67)
	Commission income on financial guarantee	(1.85)	(1.65)
	Interest income	(425.02)	(499.61)
	Bad debts written off	1,934.47	2,397.94
	Gain on mutual fund	-	(225.23)
	Net gain on fair value change	(136.57)	(112.42)
	Gain on lease modification	(12.49)	-
	Impairment of investment in equity shares	-	4,150.05
	Operating profit before working capital changes	1,492.89	2,256.90
	Adjustment for (increase)/decrease in assets		
	-Inventories	75.29	(46.70)
	-Trade receivables	(141.93)	(1,115.91)
	-Current and non current loans	10.95	(18.27)
	-Other current financial assets	380.81	(195.86)
	-Other non current and current assets	191.77	(620.98)
	Adjustment for increase/(decrease) in liabilities		
	-Non-current and current provisions	23.53	61.83
	-Other non current and current liabilities	(362.96)	705.27
	-Trade payables	(942.62)	(61.22)
	-Other current financial liabilities	(0.48)	(84.43)
	Cash Generated from operations	727.25	880.63
	Less: Income tax paid (net of refunds)	(53.08)	(146.26)
	Net cash generated from operating activities (A)	674.17	734.37
B.	Cash flow from investing activities		
	Purchase of property, plant and equipment (including capital creditors and capital advances)	(96.08)	(65.45)
	Purchase/development of other intangible assets (including intangilbles under development)	(392.55)	(599.12)
	Proceeds from sale of property, plant and equipment	48.76	-
	Purchase of investment of in subsidiaries/associates and businesses	(3.00)	(76.32)
	Purchase of investment (mutual fund)	-	(1,905.00)
	Sale of Investment (mutual fund)	-	1,156.98
	Rent income on investments property	11.10	26.49
	Loans given to subsidiaries	389.56	(8.88)
	Term deposits with original maturity of more than three months	(15.64)	1,085.90
	Interest received	428.60	96.81
	Net cash flow generated from / (used in) investing activities (B)	370.75	(288.59)
C.	Cash flow from financing activities		
	Repayment of long-term borrowings	(170.21)	(159.89)
	Proceeds from long-term borrowings	500.00	-
	Net decrease/(increase) in working capital borrowings	(999.95)	391.94
	Payment of lease liabilities	(120.27)	(243.23)
	Interest expense Paid	(329.74)	(520.07)
	Dividend paid	-	(170.77)
	Net cash used in financing activities (C)	(1,120.17)	(702.02)
	Net (decrease) in cash and cash equivalents (A+B+C)	(75.25)	(256.24)
	Balance at the beginning of the year		
	Cash and cash equivalents at the beginning of the year	434.79	691.03
	Cash and cash equivalents at the end of the year	359.54	434.79
	Notes to cash flow statement		
(i)	Components of cash and cash equivalents		
	Balances with banks		
	Current account	266.98	340.14
	Cheques/drafts on hand	7.87	2.33
	Cash on hand	87.19	92.32
		362.04	434.79

CL Educate Limited
Standalone Statement of Cash Flow for the year ended March 31, 2021
(All amounts are in Rupees lacs, unless otherwise stated)

(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	Lease liabilities
Balance as on March 31, 2021				
Balance as at April 1, 2020	325.06	3,433.39	0.34	678.46
Loan drawals (in cash) /interest accrued during the year	500.00	-	332.36	31.94
Loan repayments/interest payment during the year	(170.21)	(999.95)	(367.32)	(120.27)
Other non cash changes	2.61	-	37.58	(378.97)
Balance as at March 31, 2021	657.46	2,433.44	2.96	211.16
For the year ended March 31, 2020				
Balance as at April 1, 2019	491.17	3,041.45	0.19	856.62
Loan drawals (in cash) /interest accrued during the year	-	391.94	513.85	92.89
Loan repayments/interest payment during the year	(166.27)	-	(528.09)	(243.23)
Other non cash changes	0.16	-	14.39	(27.82)
Balance as at March 31, 2020	325.06	3,433.39	0.34	678.46

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

(iii) The above standalone 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 standalone statement of cash flows should be read in conjuction with the accompanying notes 1 to 61.

Summary of significant accounting policies 2

This is standalone statement of Cash Flow reffered to in our report of even date.

For Walker Chandiok and CO LLP
Chartered Accountants
FRN No. 001076N/N500013

Neeraj Goel
Partner
Membership No.:099514

Place: Gurugram, Haryana
Date: 24 June 2021

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

Satya Narayanan R
Chairman
and Executive Director
DIN: 00307326

Gautam Puri
Vice Chairman and Managing Director
DIN: 00033548

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

Arjun Wadhwa
Chief Financial Officer

Place: New Delhi
Date: 24 June 2021

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CL Educate Limited

Standalone Statement of changes in equity for the year ended March 31, 2021

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

(a) Equity share capital

Particulars	Amount
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
Change in equity share capital during the year	-
Balance as at March 31, 2021	1,416.57

(b) Other equity

Particulars	Attributable to owners of the Company						
	Reserves and surplus						Total
	Retained earnings	Security premium	Employee stock options outstanding amount	General reserve	Deemed equity contribution	Capital reserve	
Balance as at April 1, 2019	3,812.25	29,853.46	34.80	30.60	55.25	0.20	33,786.56
Loss for the year	(5,317.35)	-	-	-	-	-	(5,317.35)
Other comprehensive income for the year (net of tax)							
-Remeasurement of defined benefit plan	6.50	-	-	-	-	-	6.50
Total comprehensive loss for the year	(5,310.85)	-	-	-	-	-	(5,310.85)
Net gain on investments for financial guarantee received from promoters	-	-	-	-	3.09	-	3.09
Recognition of share based payment expenses	-	-	2.15	-	-	-	2.15
Transfer from employee stock option outstanding account on forfeiture of options	(140.18)	-	(36.95)	177.13	-	-	-
Transaction with owners in their capacity as owners							
Interim Dividend paid during the year*	-	-	-	(170.77)	-	-	(170.77)
Balance as at March 31, 2020/April 1, 2020	(1,638.78)	29,853.46	-	36.96	58.34	0.20	28,310.18
Loss for the year	(512.80)	-	-	-	-	-	(512.80)
Other comprehensive income for the year (net of tax)							
-Remeasurement of defined benefit plan	3.22	-	-	-	-	-	3.22
Total comprehensive income/(loss) for the year	(509.58)	-	-	-	-	-	(509.58)
Net gain on investments for financial guarantee received from promoters	-	-	-	-	2.50	-	2.50
Balance as at March 31, 2021	(2,148.36)	29,853.46	-	36.96	60.84	0.20	27,803.10

The accompanying notes 1 to 61 form an integral part of these standalone financial statements.

This is standalone statement of changes in equity referred to in our report of even date.

For Walker Chandiok and CO LLP
Chartered Accountants
FRN No. 001076N/N500013

Neeraj Goel

Partner
Membership No.:099514

Place: Gurugram, Haryana
Date: 24 June 2021

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

Satya Narayanan R
Chairman
and Executive Director
DIN: 00307326

Gautam Puri
Vice Chairman
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DIN: 00033548

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

Arjun Wadhwa
Chief Financial Officer

Place: New Delhi
Date: 24 June 2021

CL EDUCATE LIMITED
New Delhi
110044

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

CL Educate Limited

Summary of significant accounting policies and explanatory information on the Standalone Financial Statements for the year ended 31 March 2021

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 ("financial statements") of the Company have been prepared in accordance with Indian Accounting Standard ("Ind AS") and comply with requirements of Ind AS notified under section 133 of the Companies Act, 2013 ("the Act"), read together with the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, stipulation contained in Schedule III (Revised) and other pronouncements/ provisions of applicable laws. These financial statements are authorised for issue on 24 June 2021 in accordance with a resolution of the Board of Directors. The Board of Directors can permit the revision to the standalone financial statements after obtaining necessary approvals or at the instance of regulatory authorities as per provisions of the Act.

These standalone financial statements have been prepared using the significant accounting policies and measurement basis summarised below. These accounting policies have been used consistently throughout all periods presented in these standalone financial statements, unless stated otherwise

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities which have been measured at fair value:

i. Derivative financial instruments;
ii. Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments);
iii. Defined benefit plans- plan assets measured at fair value; and
iv. Share based payments.

The Company presents assets and liabilities in the balance sheet based on current/non-current classification. An asset is treated as current if it satisfies any of the following conditions:

i. Expected to be realised or intended to sold or consumed in normal operating cycle;
ii. Held primarily for the purpose of trading;
iii. Expected to be realised within twelve months after the reporting period; or
iv. Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current if it satisfies any of the following conditions:
i. It is expected to be settled in normal operating cycle;
ii. It is held primarily for the purpose of trading;
iii. It is due to be settled within twelve months after the reporting period; or

CL EDUCATE LIMITED New Delhi 110044

iv. There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

The operating cycle is the time between the acquisition of assets for processing and its realisation in cash and cash equivalents. The Company has identified twelve months as its operating cycle.

The financial statements of the Company are presented in Indian Rupees (`), which is also its functional currency and all amounts disclosed in the financial statements and notes have been rounded off to the nearest lacs as per the requirement of Schedule III to the Act, unless otherwise stated.

2. Significant accounting policies

(i) Fair value measurements

The Company measures financial instruments at fair value which is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between independent 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.

All assets and liabilities for which fair value is measured or disclosed in the 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) market 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; and

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

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs. For assets and liabilities that are recognised in the balance sheet at fair value on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

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.

(ii) 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.

CL EDUCATE LIMITED New Delhi 110044

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

Revenue from services

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

Revenue 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 and price concessions, if any, as specified in the contract with the customer. Revenue also excludes taxes collected from customers.

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

Other operating income

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

Contract Balances

Trade receivables

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

Contract Liabilities (Unearned Revenue)

A contract liability is the obligation to transfer goods or services to a customer for which the Company has received consideration (or an amount of consideration is due) from the customer. Amounts billed and received or recoverable prior to the reporting date for services and such services or part of such services are to be performed after the reporting date are recorded as contract liabilities as per the provisions of the Ind AS-115 and shown in other current liabilities.

Other income

i. Income from advertising is recognised on stage of completion basis as per the terms of the agreement.

CL EDUCATE LIMITED New Delhi 110044

ii. 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.

Interest income

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

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

Dividend

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

(iii) Inventories

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

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

(iv) Property, plant and equipment

Measurement at recognition:

Property, plant and equipment and capital work-in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

Cost comprises the purchase price, borrowing costs if capitalisation criteria are met and any directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price. The cost of an item of property, plant and equipment shall be recognised as an asset if, and only if:

a) it is probable that future economic benefits associated with the item will flow to the entity; and
b) the cost of the item can be measured reliably.

Subsequent expenditure related to an item of property, plant and equipment is added to its book value only if it increased the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the Statement of Profit and Loss for the period during which such expenses are incurred.

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Depreciation

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.

Property, plant and equipment	Useful lives (in years)
Leasehold land	Over lease period
Building	60
Furniture and fixtures	8-10
Plant and 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

Freehold land is not depreciated.

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.

<u>Reclassification to investment property</u>

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.

Derecognition:

An item of property, plant and equipment and any significant part initially recognised is de-recognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds or amount of security deposit adjusted and the carrying amount of the asset) is included in the Statement of Profit and Loss when the asset is de-recognised.

(v) Investment property

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The Company depreciates building component of investment property over 60 years from the date of original purchase on straight line basis in accordance with Schedule II to the Act.

CL EDUCATE LIMITED New Delhi 110044

Though the Company measures investment property using cost-based measurement, 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.

Investment properties are derecognised either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period of derecognition. In determining the amount of consideration from the derecognition of investment property the Company considers the effects of variable consideration, existence of a significant financing component, non-cash consideration, and consideration payable to the buyer (if any).

Transfers are made to (or from) investment property only when there is a change in use.

(vi) Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair value at the date of acquisition. Following initial recognition, intangible assets are carried at cost less any accumulated amortisation and accumulated impairment losses.

Intangible assets with finite lives are amortised over the useful economic life and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset are considered to modify the amortisation period or method, as appropriate, and are treated as changes in accounting estimates.

The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss unless such expenditure forms part of carrying value of another asset.

Amortisation is calculated over their estimated useful lives using the straight-line method.

During the financial year ended March 31, 2021, the Company has started providing digital delivery of products and services and the useful life of various assets has been reassessed and revised by the management. The Company has accounted this as a change in estimate and impact taken prospectively in accordance with principles of Ind AS 8"Accounting Policies, Changes in Accounting Estimates and Errors". The useful life post reassessment has been presented in the table below:

Intangible assets	Useful Life (in years)
Brand	10
Software	5
Website	5
Content development	10
Non-compete fees	3 and half
Intellectual property rights	15
CAT online module	1-3
Melting POT	10
IQM	10
Aspiration AI	10
Online Video Content	5
Wain Connect	10

WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

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An intangible asset is derecognised upon disposal (i.e., at the date the recipient obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising upon derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss. when the asset is derecognised.

Internally generated intangibles, excluding capitalised development costs, are not capitalised and the related expenditure is reflected in profit or loss in the period in which the expenditure is incurred. Development expenditure is capitalised as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognised in the statement of profit and loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortisation and any accumulated impairment losses.

(vii) Business combination and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred measured at acquisition date fair value and the amount of any non-controlling interests in the acquiree.

At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their acquisition date fair values. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable.

When the Company acquires a business, it assesses the financial assets and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date.

Any contingent consideration to be transferred by the Company is recognised at fair value at the acquisition date. Contingent consideration classified as an asset or liability that is a financial instrument and within the scope of Ind AS 109 'Financial Instruments' ('Ind AS 109'), is measured at fair value with changes in fair value recognised in the Statement of Profit and Loss. If the contingent consideration is not within the scope of Ind AS 109, it is measured in accordance with the appropriate Ind AS.

Goodwill is initially measured at cost, being the excess of the aggregate of the consideration transferred over the net identifiable assets acquired and liabilities assumed. If the fair value of the net assets acquired is in excess of the aggregate consideration transferred, the Company re-assesses whether it has correctly identified all of the assets acquired and all of the liabilities assumed and reviews the procedures used to measure the amounts to be recognised at the acquisition date.

After initial recognition, goodwill is measured at cost less any accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the Company's cash-generating units that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units.

A cash generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each asset in the unit.

Any impairment loss for goodwill is recognised in the Statement of Profit and Loss. An impairment loss recognised for goodwill is not reversed in subsequent periods.

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(viii) Income taxes

Tax expense is the aggregate amount included in the determination of profit or loss for the period in respect of current tax and deferred tax.

Current income tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 and rules thereunder. Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in OCI or in equity).

Current tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their book bases. Deferred tax liabilities are recognised for all temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised. Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and deferred tax liabilities are offset if a legally enforceable right exists to set off current tax assets against current tax liabilities and the deferred taxes relate to the same taxable entity and the same taxation authority.

Minimum Alternate Tax ("MAT") credit is recognised as an asset only when and to the extent there is convincing evidence that the relevant members of the Company will pay normal income tax during the specified period. Such asset is reviewed at each reporting period end and the adjusted based on circumstances then prevailing.

(ix) Impairment of non-financial assets

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The Company assesses, at each reporting date, whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the

Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's or cash-generating unit's ("CGU") fair value less costs of disposal and its value in use.

Recoverable amount is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

When the carrying amount of an asset or CGU exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount.

In assessing value in use, the estimated future cash flows are 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 asset. In determining fair value less costs of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded Company's or other available fair value indicators.

The Company bases its impairment calculation on detailed budgets and forecast calculations, which are prepared separately for each of the Company's CGUs to which the individual assets are allocated. These budgets and forecast calculations generally cover a period of five years. For longer periods, a long-term growth rate is calculated and applied to project future cash flows after the fifth year. To estimate cash flow projections beyond periods covered by the most recent budgets/forecasts, the Company extrapolates cash flow projections in the budget using a steady or declining growth rate for subsequent years, unless an increasing rate can be justified. In any case, this growth rate does not exceed the long-term average growth rate for the products, industries, or country or countries in which the entity operates, or for the market in which the asset is used.

Impairment losses, including impairment on inventories, are recognised in the Statement of Profit and Loss.

An assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the Statement of Profit and Loss unless the asset is carried at a revalued amount, in which case, the reversal is treated as a revaluation increase.

(x) Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Financial assets

Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss ("FVTPL"), transaction costs that are attributable to the acquisition of the financial asset.

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For purposes of subsequent measurement, financial assets are classified as follows:

a) Debt instruments at amortised cost

A 'debt instrument' is measured at the amortised cost where the asset is held within a business model whose objective is to hold assets for collecting contractual cash flows; and contractual terms of the asset give rise to cash flows on specified dates that are solely payments of principal and interest.

After initial measurement, such financial assets are subsequently measured at amortised cost using the EIR method. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The interest income from these financial assets is included in finance income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. This category generally applies to trade and other receivables.

b) Debt instruments at fair value through other comprehensive income

Assets that are held for collection of contractual cashflows and for selling the financial assets, where the cash flow represent solely payments of principal and interest, are measured at fair value through other comprehensive income ("FVOCI"). The Company has not designated any debt instrument in this category.

c) Debt instruments at fair value through profit or loss

Fair Value Through Profit or Loss ("FVTPL") is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorisation as at amortized cost or as FVTOCI, is classified as at FVTPL.

In addition, the Company may elect to designate a debt instrument which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch').

Debt instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss. The Company has not designated any debt instrument in this category.

d) Equity instruments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS 103 'Business Combinations' applies are Ind AS classified as at FVTPL. Equity instruments included within the FVTPL category are measured at fair value with all changes recognised in the Statement of Profit and Loss.

For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair values. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognised in the OCI. There is no recycling of the amounts from OCI to profit or loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

De-recognition

A financial asset is derecognised when the contractual rights to receive cash flows from the asset have expired or the Company has transferred its rights to receive the contractual cash flows from the asset in a transaction in which substantially all the risks and rewards of ownership of the asset are transferred.

Impairment of financial assets

The Company measures the Expected Credit Loss ("ECL") associated with its assets based on historical trends, industry practices and the general business environment in which it operates. The impairment methodology applied depends on whether there has been a significant increase in credit risk. ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Statement of Profit and Loss under the head 'other expenses'.

Financial liabilities

Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss, loans and borrowings, payables, or as derivatives designated as hedging instruments in an effective hedge, as appropriate.

All financial liabilities are recognised initially at fair value and, in the case of loans and borrowings and payables, net of directly attributable transaction costs.

The Company's financial liabilities include trade and other payables, loans and borrowings including bank overdrafts and derivative financial instruments.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

a) Financial liabilities at FVTPL

Financial liabilities at FVTPL include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term.

This category includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated as such at the initial date of recognition, and only if the criteria in Ind AS 109 are satisfied. For liabilities designated as FVTPL, fair value gains/ losses are recognised in the Statement of Profit and Loss, except for those attributable to changes in own credit risk, which are recognised in OCI. These gains/ loss are not subsequently transferred to the Statement of Profit and Loss.

b) Financial liabilities at amortised cost

After initial recognition, financial liabilities designated at amortised costs are subsequently measured at amortised cost using the EIR method. Gains and losses are recognised in Statement of Profit and Loss when the liabilities are derecognised as well as through the EIR amortisation process.
Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The amortisation is included as finance costs in the Statement of Profit and Loss.

De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition

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of a new liability. The difference in the respective carrying amounts is recognised in the Statement of Profit and Loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

Derivative financial instruments

Derivatives are initially recognised at fair value on the date of executing a derivative contract and are subsequently remeasured to their fair value at the end of each reporting period. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative. Changes in the fair value of derivatives that are designated and qualify as fair value hedges are recognised in the Statement of Profit and Loss immediately, together with any changes in the fair value of the hedged asset or liability that are attributable to the hedged risk.

(xi) Leases

The Company as a lessee

The Company enters into an arrangement for lease of buildings. Such arrangements are generally for a fixed period but may have extension or termination options. In accordance with Ind AS 116 - Leases, at inception of the contract, the Company assesses whether a contract is, or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to control the use an asset (the underlying asset) for a period of time in exchange for consideration'.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

a) The contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;

b) The Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and

c) The Company assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use. At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for the leases of land and buildings in which it is a lessee, the Company has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

Measurement and recognition of leases as a lessee

The Company recognizes a right-of-use asset and a lease liability at the lease commencement date. The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

The right-of-use asset is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses (unless such right of use assets fulfills the requirements of Ind AS 40 - Investment Property and is accounted for as there under), if any and adjusted for any re-measurement of the lease liability. The right-of-use asset is depreciated using the straight-line method from the

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commencement date over the shorter of lease term or useful life of right-of-use asset. Right-of-use asset are tested for impairment whenever there is any indication that their carrying amounts may not be recoverable. Impairment loss, if any, is recognised in the Statement of Profit and Loss.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Company's incremental borrowing rate. Generally, the Company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprise the following:
a) Fixed payments, including in-substance fixed payments;
b) Variable lease payments that depend on an index or a rate, initially measured using the index or rate as at the commencement date;
c) Amounts expected to be payable under a residual value guarantee; and
d) The exercise price under a purchase option that the Company is reasonably certain to exercise, lease payments in an optional renewal period if the Company is reasonably certain to exercise an extension option, and penalties for early termination of a lease unless the Company is reasonably certain not to terminate early.

The lease liability is measured at amortized cost using the effective interest rate method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate, if there is a change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the right-of-use asset, or is recorded in profit or loss if the carrying amount of the right-of-use asset has been reduced to zero, as the case may be.

The Company presents right-of-use assets that do not meet the definition of investment property and lease liabilities as a separate line item in the standalone financial statements of the Company.

The Company has elected not to apply the requirements of Ind AS 116 - Leases to short-term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognized as an expense on a straight-line basis over the lease term.

(xii) Investment in subsidiaries and associate

An investor, regardless of the nature of its involvement with an entity (the investee), shall determine whether it is a parent by assessing whether it controls the investee. An investor controls an investee when it is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee.

Thus, an investor controls an investee if and only if the investor has all the following:
a) power over the investee;
b) exposure, or rights, to variable returns from its involvement with the investee; and
c) the ability to use its power over the investee to affect the amount of the investor's returns.

An associate is an entity over which the Company has significant influence. Significant influence is the power to participate in the financial and operating policy decisions of the investee, but not control or joint control over those policies. The considerations made in determining significant influence are similar to those necessary to determine control over subsidiaries.

The Company has elected to recognise its investments in subsidiary and associate companies at cost in accordance with the option available in Ind AS 27, 'Separate Financial Statements'.

Investment carried at cost is tested for impairment as per Ind-AS 36.

(xiii) Non-current assets classified as held for sale

Non-current assets classified as held for sale are presented separately in the Balance Sheet and measured at the lower of their carrying amounts immediately prior to their classification as held for

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sale and their fair value less costs to sell. Once classified as held for sale, the assets are not subject to depreciation or amortisation. Any gain or loss arises on remeasurement or sale is included in the Statement of Profit and Loss.

If an entity has classified an asset (or disposal group) as held for sale, but the held-for-sale criteria as specified in standard are no longer met, the entity shall cease to classify the asset (or disposal group) as held for sale.

The Company measures a non-current asset that ceases to be classified as held for sale (or ceases to be included in a disposal group classified as held for sale) at the lower of:

a) its carrying amount before the asset (or disposal group) was classified as held for sale, adjusted for any depreciation, amortisation or revaluations that would have been recognised had the asset (or disposal group) not been classified as held for sale; and
b) its recoverable amount at the date of the subsequent decision not to sell.

(xiv) Employee benefits

Contribution to provident and other funds

Retirement benefit in the form of provident fund is a defined contribution scheme. The Company has no obligation, other than the contribution payable to the provident fund. The Company recognises contribution payable to the provident fund scheme as an expense, when an employee renders the related service. If the contribution payable to the scheme for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the scheme is recognised as a liability after deducting the contribution already paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognised as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

Gratuity

Gratuity is a defined benefit scheme. The cost of providing benefits under the defined benefit plan is determined using the projected unit credit method. The Company recognises termination benefit as a liability and an expense when the Company has a present obligation as a result of past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the termination benefits fall due more than twelve months after the balance sheet date, they are measured at present value of future cash flows using the discount rate determined by reference to market yields at the balance sheet date on government bonds.

Re-measurements, comprising actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through Other Comprehensive Income ("OCI") in the period in which they occur. Re-measurements are not reclassified to profit or loss in subsequent periods.

Past service costs are recognised in Statement of Profit and Loss on the earlier of:

- The date of the plan amendment or curtailment, and
- The date that the Company recognises related restructuring cost

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset.

The Company recognises the following changes in the net defined benefit obligation as an expense in the Statement of Profit and Loss:

- Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
- Net interest expense or income

Compensated absences

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The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit which are computed based on the actuarial valuation using the projected unit credit method at the period end. Actuarial gains/losses are immediately taken to the Statement of Profit and Loss and are not deferred. The Company presents the leave as a current liability in the balance sheet to the extent it does not have an unconditional right to defer its settlement for twelve months after the reporting date. Where Company has the unconditional legal and contractual right to defer the settlement for a period beyond twelve months, the balance is presented as a non-current liability.

Accumulated leave, which is expected to be utilized within the next twelve months, is treated as short term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

All other employee benefits payable/available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages, bonus, etc. are recognised in the Statement of Profit and Loss in the period in which the employee renders the related service.

(xv) Share-based payments

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

(xvi) Foreign exchange transactions and translations

Initial recognition

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

Conversion

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

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

Foreign operations:

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

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(xvii) Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand, cheques on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above.

(xviii) Provisions

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the Statement of Profit and Loss, net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

(xix) Segment reporting

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

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

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

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

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

2. Expenses that are directly identifiable with / allocable to segments are considered for determining the segment result. Expenses which relate to the Company as a whole and not allocable to segments are included under 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 57 for segment information.

(xx) Contingent liabilities

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A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non-occurrence of one or more uncertain future events beyond the control of the Company or a present obligation that is not recognised because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognised because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements. Contingent assets are only disclosed when it is probable that the economic benefits will flow to the entity.

(xxi) Earnings per share

Basic earnings/ (loss) 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 year. The weighted average number of equity shares outstanding during the year is adjusted for events, other than conversion of potential equity shares, that have changed the number of equity shares outstanding without a corresponding change in resources.

For the purpose of calculating diluted earnings/(loss) per share, the net profit or loss for the period 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.

(xxii) Significant management judgement in applying accounting policies and estimation uncertainty

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities at the date of the financial statements. Estimates and assumptions are continuously evaluated and are based on management's experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

In particular, the Company has identified the following areas where significant judgements, estimates and assumptions are required. Further information on each of these areas and how they impact the various accounting policies are described below and also in the relevant notes to the financial statements. Changes in estimates are accounted for prospectively.

i) Judgements

In the process of applying the Company's accounting policies, management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

a) Contingencies

Contingent liabilities may arise from the ordinary course of business in relation to claims against the Company, including legal, contractor, land access and other claims. By their nature, contingencies will be resolved only when one or more uncertain future events occur or fail to occur. The assessment of the existence, and potential quantum, of contingencies inherently involves the exercise of significant judgments and the use of estimates regarding the outcome of future events.

b) Recognition of deferred tax assets

The extent to which deferred tax assets can be recognised is based on an assessment of the probability that future taxable income will be available against which the deductible temporary differences and tax loss carry-forward can be utilised. In addition, significant judgement is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.

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ii) Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market change or circumstances arising beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a) Useful lives of tangible/intangible assets

The Company reviews its estimate of the useful lives of tangible/intangible assets at each reporting date, based on the expected utility of the assets.

b) Defined benefit obligation

The cost of the defined benefit plan and other post-employment benefits and the present value of such obligation are determined using actuarial valuations. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases, mortality rates and future pension increases. In view of the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

c) Inventories

The Company estimates the net realisable values of inventories, taking into account the most reliable evidence available at each reporting date. The future realisation of these inventories may be affected by future technology or other market-driven changes that may reduce future selling prices.

d) Business combinations

The Company uses valuation techniques when determining the fair values of certain assets and liabilities acquired in a business combination.

e) Impairment of non-financial assets and goodwill

In assessing impairment, Company estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

f) Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the Balance Sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the DCF model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

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CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2021

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

3. Property, plant and equipment

Reconciliation of carrying amount	Freehold land (refer note vii)	Leasehold land (refer note vi)	Buildings (refer note vii)	Plant and equipment	Leasehold improvements	Furniture and fixtures	Office equipment	Computers	Vehicles	Total
Gross carrying amount										
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 (refer note vi)	-	(196.78)	-	-	-	-	-	-	-	(196.78)
Balance as at March 31, 2020/April 1, 2020	518.65	-	2,525.87	33.27	238.15	85.97	191.21	348.90	81.86	4,023.88
Additions during the year	-	-	-		6.40	3.85	0.74	6.69	17.61	35.29
Reclassification on account of Asset held for Sale (refer note vii)	(518.65)	-	(30.25)	-	-	-	-	-	-	(548.90)
Disposals during the year	-	-	-	-	(38.87)	(11.95)	(8.61)	(2.96)	-	(62.39)
Balance as at March 31, 2021	-	-	2,495.62	33.27	205.68	77.87	183.34	352.63	99.47	3,447.88
Accumulated depreciation										
Balance 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
Reclassification on account of IND AS 116	-	(9.80)	-	-	-	-	-	-	-	(9.80)
Balance as at March 31, 2020/April 1, 2020	-	-	176.09	14.74	200.73	40.27	144.85	293.67	31.80	902.15
Depreciation for the year	-	-	44.19	2.60	23.53	5.80	19.90	15.75	7.86	119.63
Disposals during the year	-	-	-	-	(30.27)	(2.78)	(4.95)	(1.79)	-	(39.79)
Reclassification on account of Asset held for Sale (refer note vii)	-	-	(2.74)	-	-	-	-	-	-	(2.74)
Balance as at March 31, 2021	-	-	217.54	17.34	193.99	43.29	159.80	307.63	39.66	979.25
Carrying amount (net)										
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
Balance as at March 31, 2021	-	-	2,278.08	15.93	11.69	34.58	23.54	45.00	59.81	2,468.63

Notes:

i. Please refer note 47 for capital commitments.

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, 2021 and March 31, 2020.

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 26 and 30).

v. There are no impairment losses recognised during the year and previous year.

vi. During the previous year Leasehold land at Greater Noida have been reclassified from property, plant and equipment to Right of Use Assets in accordance with IND AS- 116: Leases (refer note 4).

vii. During the year ended March 31, 2021, the Company has classified freehold land amounting to Rs. 518.65 lacs and building amounting to Rs. 27.51 lacs located at Faridabad as asset held for sale. (refer note 23 for details)

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Notes to the standalone financial statements for the year ended March 31, 2021

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

4. Right of use assets

Particulars	Amount
Gross Carrying Amount	
Balance as at April 1, 2019	-
Recognition on transition to Ind AS 116, leases	1,043.59
Balance as at March 31, 2020/April 1,2020	**1,043.59**
Adjustment on account of termination/modification of lease	(498.77)
Balance as at March 31, 2021	**544.82**
Accumulated Depreciation	
Balance as at April 1, 2019	-
Depreciation for the year	287.67
Balance as at March 31, 2020/April 1,2020	**287.67**
Depreciation for the year	83.82
Adjustment on account of termination/modification of lease	(132.29)
Balance as at March 31, 2021	**239.20**
Carrying amount (net)	
Balance at March 31, 2020	755.92
Balance at March 31, 2021	305.62

Note :

i) During the year 2019-20, the Company recognised right of use assets as per Ind AS 116 "Leases" (Refer note 48)

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5. Investment property

A. Reconciliation of carrying amount

	As at March 31, 2021	As at March 31, 2020
Cost or deemed cost		
Opening balance	323.54	323.54
Total	323.54	323.54
Accumulated depreciation		
Opening balance	23.63	17.87
Depreciation for the year	5.75	5.76
Total	29.38	23.63
Carrying amounts		
Balance at date	294.16	299.91

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

Rental income	11.10	26.49
Profit from investment properties before depreciation	11.10	26.49
Depreciation expense	(5.75)	(5.76)
Profit from investment property	5.35	20.73

C. Measurement of fair value

	As at March 31, 2021	As at March 31, 2020
Investment property	770.00	770.00
	770.00	770.00

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 3 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 3 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 and Pune. During the period, Company has assess that there is no significant change in fair value of investment property and accordingly Company has considered the fair valuation of investment property is in accordance with valuation report done for the year 2019-20.

E. Leasing arrangements

The Company has given its investment properties on cancellable operating lease to its franchisee. Lease receipts recognized in the Statement of profit and loss (including of depreciation of Rs. 5.75 lacs (March 31, 2020: Rs. 5.76 lacs) during the year amounts to Rs. 11.10 lacs (March 31, 2020: Rs. 26.49 lacs).

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

6. Goodwill

Reconciliation of carrying amount

	As at March 31, 2021	As at March 31, 2020
Cost or deemed cost		
Opening balance	212.38	212.38
Total	212.38	212.38

6.1 Impairment tests for Goodwill

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, 2021	As at March 31, 2020
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, 2021	As at March 31, 2020
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
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
Pre-tax discount rates:	Reflect specific risks relating to the relevant segments and the countries in which they operate.

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Notes to the standalone financial statements for the year ended March 31, 2021

(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	CAT online module	Non compete fees	Brand	Wain Connect	IQM	Melting Pot	Online Video content	Aspiration. AI	Total
Gross carrying amount												
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 (refer note a below)	-	-	-	-	-	-	-	-	-	-	81.40	81.40
Additions during the year	-	12.40	392.51	-	10.00	-	-	-	-	-	174.45	589.36
Balance as at March 31, 2020/April 1, 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
Additions - internally developed (refer note a below)	-	-	101.37	-	-	-	-	-	-	-	25.98	127.35
Additions during the year	-	10.61	292.55	-	-	-	-	-	13.76	-	-	316.92
Balance as at March 31, 2021	739.08	165.39	2,336.19	26.97	104.00	330.00	22.50	118.40	138.53	43.50	281.83	4,306.39
Accumulated amortisation												
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	8.74	34.99	623.75
Balance as at March 31, 2020/April 1, 2020	543.34	77.86	915.31	21.39	94.62	99.09	10.14	26.69	27.82	13.09	34.99	1,864.34
Amortisation for the year	33.60	29.01	227.67	5.58	9.38	33.00	1.59	11.84	21.17	8.70	17.44	398.98
Balance as at March 31, 2021	576.94	106.87	1,142.98	26.97	104.00	132.09	11.73	38.53	48.99	21.79	52.43	2,263.32
Carrying amount (net)												
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	30.41	220.86	1,997.78
Balance as at March 31, 2021	162.14	58.52	1,193.21	-	-	197.91	10.77	79.87	89.54	21.71	229.40	2,043.07

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

Note:

i. During the financial year ended March 31, 2021, the Company has started providing digital delivery of products and services and the useful life of various assets has been reassessed and revised by the management. The Company has accounted this as a change in estimate and impact taken prospectively in accordance with principles of Ind AS 8"Accounting Policies, Changes in Accounting Estimates and Errors". The changes made in useful life has

Particulars	Useful life till 31st March 2020 (in Years)	Useful life reassessed on 1st April 2020 (in Years)
Content Development	1 to 5	7
Aspiration. AI	5	10
Intellectual Property Rights and Trademarks	10	15
Melting Pot	5 to 10	10
Wain Connect	5	10

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

a. Details of internally generated intangible assets

Reconciliation of carrying amount	Content	Aspiration. AI	Total
Cost or deemed cost (Gross carrying amount)			
Balance as at April 1, 2019	-	-	-
Additions during the year	-	81.40	81.40
Balance as at March 31, 2020/April 1, 2020	-	81.40	81.40
Additions during the year	101.37	25.98	127.35
Balance as at March 31, 2021	101.37	107.38	208.75
Accumulated amortisation			
Balance as at April 1, 2019	-	-	-
Amortisation for the year	-	16.32	16.32
Balance as at March 31, 2020/April 1, 2020	-	16.32	16.32
Amortisation for the year	10.87	10.09	20.96
Balance as at March 31, 2021	10.87	26.41	37.28
Carrying amount (net)			
As at March 31, 2020	-	65.08	65.08
As at March 31, 2021	90.50	80.97	171.47

8. Intangibles assets under development

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	102.81	174.45
Add: Addition during the year	75.64	184.21
Less: Capitalized during the year	(127.35)	(255.85)
Closing Balance	51.10	102.81

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WALKER CHANDIOK & CO LLP * CHARTERED ACCOUNTANTS

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

9 Investments

	As at March 31, 2021	As at March 31, 2020
(a) Investment in equity shares		
Unquoted, at cost - Trade		
9,447,606 (March 31, 2020: 9,447,606) fully paid up equity shares of Rs. 10 each of Career Launcher Infrastructure and Services Limited	13,528.43	13,528.43
Less: Investment Impaired (Refer Note 45)	4,150.05	4,150.05
	9,378.38	9,378.38
10,000 (March 31, 2020: 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, 2020: 1,000,000) fully paid up equity shares of Rs. 10 each of Kestone Integrated Services Private Limited.	691.00	691.00
190,000 (March 31, 2020: 190,000) fully paid up equity shares of Rs. 10 each of G K Publications Private	1,433.89	1,433.89
12,000 (March 31, 2020:12,000) fully paid of equity shares of Rs. 10 each of Accendere Knowledge Services Private Limited	2,669.40	2,669.40
909 (March 31, 2020: 909) fully paid up equity shares of Rs. 10 each of Threesixtyone Degree Minds Private Limited (refer note i)	50.00	50.00
5,895 (March 31, 2020: 5,895) fully paid up equity shares of Rs. 10 each of Ice Gate Educational Institute Limited	699.93	699.93
5,000 (March 31, 2020 :Nil) fully paid up equity shares of Rs. 10 each of Career Launcher Foundation	0.50	-
(b) Investment in preference shares (at fair value through profit and loss [FVTPL]) - Trade		
500,000 (March 31, 2020: 500,000) Compulsory convertible preference share (CCPS) of Rs 100 each (face 10 each) of Threesixtyone Degree Minds Consulting Private Limited	736.98	736.98
Deemed investment on account of financial guarantee issued for:		
- Career Launcher Infrastructure Private Limited	20.33	20.32
- Career Launcher Education Infrastructure and Services Limited	6.45	6.45
- Kestone Integrated Marketing Services Private Limited	10.71	8.87
	15,698.57	15,696.22
Aggregate amount of unquoted investments	15,698.57	15,696.22
Aggregate amount of impairment in value of investments (Refer Note 45)	4,150.05	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

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
Career Launcher Foundation 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%	Cost

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.

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10 Non-current financial assets - loans

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Security deposits	64.03	116.42
	64.03	116.42

Note:
(i) The Company's exposure to credit and currency risks and loss allowances are disclosed in Note 56.

11 Other non-current financial assets

	As at March 31, 2021	As at March 31, 2020
Bank deposits with remaining maturity of more than twelve months	4.40	401.92
	4.40	401.92

Note:
(i) Non-current bank balance includes deposits of Rs. 4.40 Lacs (March 31,2020 Rs. 401.92 lacs) for issue of guarantees in favor of various

12 Deferred tax assets (net)

	As at March 31, 2021	As at March 31, 2020
Deferred tax assets (net) (refer note 36)	422.13	290.30
	422.13	290.30

13 Non-current tax assets (net)

	As at March 31, 2021	As at March 31, 2020
Advance tax (net of provisions)	933.15	900.59
	933.15	900.59

14 Other non-current assets

	As at March 31, 2021	As at March 31, 2020
Capital advances	59.78	-
Advances other than capital advances		
- financial guarantee commission	-	0.59
- prepaid rent	16.96	10.47
- franchisee recurring payments	6.76	34.73
	83.50	45.79

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

15 Inventories

	As at March 31, 2021	As at March 31, 2020
Valued at lower of cost and Net Realisable value		
Stock-in-trade (text books)	471.41	546.70
Less: Provision for loss allowance	(6.01)	(6.01)
	465.40	540.69

Note: Inventories are pledged as securities for borrowings taken from banks (refer note 26 and 30)

16 Current Investments

	As at March 31, 2021	As at March 31, 2020
Quoted, measured at fair value through profit and loss, non trade		
Investment in mutual funds	3,852.91	3,716.34
	3,852.91	3,716.34
Aggregate amount of quoted investments and market value thereof	3,852.91	3,716.34

Details of Investment in liquid mutual und units

The balances held in liquid mutual fund as at March 31, 2021 and March 31, 2020 are as follows:

Particulars	As at March 31, 2021		As at March 31, 2020	
	Unit	Amount	Unit	Amount
ICICI Prudential Liquid fund DP growth	302,450.94	921.68	302,450.94	888.55
HDFC Liquid Fund - Direct Plan - Growth Option	21,935.48	887.40	21,935.48	856.93
UTI Mutual Fund	17,226.08	580.60	17,226.08	559.45
ABSL Liquid Fund - Growth - Direct	283,000.23	938.24	283,000.23	904.35
DSP Liquidity Fund - Direct Plan - Growth	17,849.66	524.99	17,849.66	507.06
Total	642,462.39	3,852.91	642,462.39	3,716.34

Note:

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

ii. Investments are pledged as securities for borrowings taken from banks (refer note 30)

17 Trade receivables

	As at March 31, 2021	As at March 31, 2020
Unsecured considered good	1,508.62	3,301.16
Credit Impaired	166.95	515.23
Less: Allowances for bad and doubtful debts	(166.95)	(515.23)
	1,508.62	3,301.16

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 56.

(iii) Trade receivable are pledged as securities for borrowings taken from banks (refer note 26)

(iv) Refer note 50 for trade receivable from related parties.

18 Cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
Balances with banks		
- On current accounts	266.98	340.14
Cheques/ drafts on hand	7.87	2.33
Cash on hand	87.19	92.32
	362.04	434.79

Note:

(i) The Company's exposure to liquidity risks are disclosed in Note 56

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19 Bank balances other than cash and cash equivalents

	As at March 31, 2021	As at March 31, 2020
Unpaid dividend account- bank balance	2.56	2.56
Deposits with original maturity for more than three months but remaining maturity of less than twelve months (refer note i)	429.80	16.64
	432.36	19.20

Note :
(i) Deposits of Rs. 419.29 Lacs (March 31,2020: Nil) pledged with various authorities
(ii) The Company's exposure to liquidity risks are disclosed in Note 56.

20 Loans - Current

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Loans to employees	23.17	25.59
Security deposits	182.45	155.50
Loans to related parties	4,386.35	4,775.91
Unsecured, considered doubtful		
Loans to Career Launcher USA Inc. (refer note iii)	399.49	399.49
Less: Provision for loss allowance	(399.49)	(399.49)
Security deposits	-	28.05
Less: Provision for loss allowance	-	(28.05)
	4,591.97	4,957.00

Note:
(i) Refer note 50 for transactions with related party
(ii) The Company's exposure to credit and currency risks are disclosed in Note 56.
(iii) The Company has applied to relevant authorities for loan given regularised.

The Company has given unsecured loan to their group companies/parties for meeting their working capital requirement. Details of the same as on 31st March 2021 and 31st March 2021 are as below:

Company Name	Amount given during the year*	Rate of interest	March 31, 2021
Accendere Knowledge Management Services Private Limited	5.17	11.55%	-
Career Launcher Education Infrastructure and Services Limitec	176.07	9.95%	1,916.72
Career Launcher Infrastructure Private Limited	169.13	9.95%	1,659.35
G K Publications Private Limited	47.85	9.95%	282.72
Ice Gate Educational Institute Private Limited	16.32	10.5% : 11.55%	64.80
Career Launcher Education Foundation	-	Nil	462.76
Total	414.54		4,386.35

Company Name	Amount given during the year*	Rate of interest	March 31, 2020
Accendere Knowledge Management Services Private Limited	11.42	9.95% : 11.55%	120.97
Career Launcher Education Infrastructure and Services Limitec	197.39	9.95% : 11.55%	1,990.75
Career Launcher Infrastructure Private Limited	192.46	9.95% : 11.55%	1,690.22
G K Publications Private Limited	40.87	9.95% : 11.55%	462.13
Ice Gate Educational Institute Private Limited	46.89	10.5% : 11.55%	49.08
Career Launcher Education Foundation	14.80	Nil	462.76
Total	503.83		4,775.91

* Includes conversion of interest into loans.

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21 Other current financial assets

	As at March 31, 2021	As at March 31, 2020
Unsecured, considered good		
Interest accrued but not due on fixed deposits	0.96	4.54
Other receivables from related parties	258.35	514.92
Other receivables from other parties (refer note iii)	126.10	252.89
	385.41	772.35

Note:

(i) Refer note 50 for transactions with related party

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

(iii) Receivable from other parties includes payment received by franchisee on behalf of the Company

22 Other current assets

	As at March 31, 2021	As at March 31, 2020
Prepaid expenses	1,830.49	1,809.59
Advances		
-Advances to suppliers	182.43	286.15
-Advances to employees	42.01	54.18
-Advances to related parties (refer note i)	61.07	60.82
Balance with Government Authorities	180.64	257.73
	2,296.64	2,468.47

Note:

(i) Refer note 50 for transactions with related party

23 Assets held for sale

	As at March 31, 2021	As at March 31, 2020
Property, plant and equipment	546.16	-
	546.16	-

During the current year, the Company has classified freehold land amounting Rs. 518.65 lacs and Building amounting to Rs. 27.51 lacs located at Faridabad, as assets held for sale.

On July 22, 2020, the Company entered into an agreement for sale of its property situated at faridabad, for which the total amount of consideration is Rs. 750.00 lacs out of which Rs. 24.75 lacs has been received as an advance. The carrying amount of the non-current asset will be recovered principally through a sale transaction rather than through a continuous use. The transaction is expected to be complete prior to 31st March, 2022. Thus the Company is disclosing such assets as assets held for sale in accordance with Ind AS 105 "Non-Current assets held for Sale and Discontinued Operations".

The carrying value of asset held for sale as on the date of agreement does not exceed the fair value less cost to sale and hence there is no impairment loss to be recognised in the statement of profit and loss account.

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

24 Equity Share capital

	As at March 31, 2021	As at March 31, 2020
Authorised		
16,000,000 (March 31, 2020: 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, 2020: 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, 2021	As at March 31, 2020
During the year, the Company has distributed the Interim Dividend as follow	Nil	Rs. 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, 2021		Year ended March 31, 2020	
	No. of shares	Amount	No. of shares	Amount
At the beginning/end of year	14,165,678	1,416.57	14,165,678	1,416.57

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

	As at March 31, 2021		As at March 31, 2020	
	No. of shares	Percentage	No. of shares	Percentage
Promoters' Holding				
Mr. Gautum Puri	2,357,130	16.64%	2,310,104	16.31%
Mr. Satya Narayanan R	2,455,761	17.34%	2,327,806	16.43%
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	779,311	5.50%	872,526	6.16%
Flowering Tree Investment Management Pte. Ltd. (along with its Persons Acting in Concern i.e. Arjuna Fund Pte. Ltd and Ashoka Pte. Ltd.)	1,025,572	7.24%	895,772	6.32%
	8,819,707	62.26%	8,608,141	60.76%

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 not issued equity shares as fully paid without payment being received in cash during the financial years 2016-17 to 2020-21.
ii. The Company has issued equity shares aggregating 45,971 (March 31, 2020: 74,800) of Rs. 10 each fully paid up during the financial years 2015-16 to 2020-21 (2014-15 to 2019-20), on exercise of options granted under the employee stock option plans wherein part consideration was received in form of
iii. Nil equity shares has been issued by way of bonus shares during the financial years 2015-16 to 2020-21.
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 2020-21.

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 51)

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

25 Other equity

	As at March 31, 2021	As at March 31, 2020
25.1. Securities premium		
Balance at the beginning/end of the year (A)	29,853.46	29,853.46
25.2. Capital reserves		
Balance at the beginning/end of the year (B)	0.20	0.20
25.3. General reserves		
Opening balance	36.96	30.59
Add: Transfer from surplus/(deficit) in Profit and loss account	-	140.18
Add: Transfer from Employee stock option outstanding	-	36.96
Less: Interim Dividend paid during the year	-	(170.77)
Closing balance (C)	36.96	36.96
25.4. Employee stock option outstanding		
Gross employee stock compensation for options granted in earlier years	-	34.80
Add: Gross compensation for options for the year	-	2.15
Less: Transfer to General reserve	-	(36.95)
Closing balance (D)	-	-
25.5. Retained Earnings		
Opening balance	(1,638.78)	3,812.25
Less: Transfer to General Reserve	-	(140.18)
Add: Net profit/(loss) for the year	(512.80)	(5,317.35)
Other comprehensive income		
Remeasurement of defined benefit plans	3.22	6.50
Closing balance (E)	(2,148.36)	(1,638.78)
25.6. Deemed equity		
Opening balance	58.34	55.25
Add: Addition during the year	2.50	3.09
Closing balance (F)	60.84	58.34
Total reserves and surplus (A+B+C+D+E+F)	27,803.10	28,310.18

Nature and purpose of other reserves

(i) 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.

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

(iii) 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.

(iv) 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 54 for further details on these plans.

(v) Retained earnings
Retained earnings are created profit/loss of the Company.

(vi) Deemed equity
The Company have received financial guarantee from its promoters and accordingly accounted under Ind AS 109.

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26 Borrowings - Non current

	As at March 31, 2021	As at March 31, 2020
Secured loan		
From Banks		
-Vehicle loan (refer note i)	40.79	31.73
-Term loan (refer note ii)	616.67	293.32
	-	-
Total non-current borrowings	657.46	325.05
Less: Current maturities of non-current borrowings (included in note 33)	183.67	241.13
Less: Interest accrued but not due on borrowings (included in note 33)	2.96	0.34
Non-current borrowings	470.83	83.58

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

Notes:

i Vehicle loans from banks have been taken from HDFC Bank Ltd and Kotak Bank Ltd, and are secured against hypothecation of concerned Vehicle loans from banks carrying an interest rate ranging from 8.25 % to 9.18 % (31 March, 2020 : 8.25 % to 9.18 %). The weighted-average remaining tenure for these loans is 2.99 years (31 March, 2020 : 2.01 years); with a total equal monthly installment of Rs. 1.20 lacs per month (31 March, 2020 : Rs. 0.85 lacs per month)

ii. Secured term loans from banks

a) Term & rate of loan from Ratnakar Bank Limited (RBL)

The Company had taken a term loan from Ratnakar Bank Limited (RBL). Year end balances of the loan is Rs. 116.67 lacs (March 31, 2020: 293.32 lacs). Company has availed the moratorium facility provided by the RBI on account of Covid 19.

Interest rate:
(i)These loans carry interest at 10.35% per annum (March 31, 2020 : 10.50% p.a.)

Repayment schedule:
(i) 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 September 30, 2021.

Primary security

(i) These loans together with current borrowings are secured by subrevient charge by way of hypothecation on all present and future current assets inclusive of stock and book debts and moveable fixed assets of the Company.
(ii) Lien on fixed deposit of Rs. 371.35 Lacs (March 31, 2020 Rs. 371.35 lacs) to be kept with Bank during the tenure of Loan which is going to end on September 20, 2021.

Collateral security:
Loan 1:The loan is secured by personal guarantees of the promoter and directors (Satyanarayan R., Gautam Puri and Nikhil Mahajan) of the

b) Term & rate of loan from HDFC Bank
During the year, the Company has taken a term loan from HDFC Bank under Emergency Credit line Guaranteed Scheme (ECGLS). Year end balance of the Term loan is Rs. 500.00 lacs. (Previous year: Nil)

Interest rate:
(i) These loans carry interest at 8.80% per annum

Repayment schedule:
(i) The loan is repayable in 36 monthly installments after principle moratorium of 12 month. The repayment of installments will commence from December 7, 2021 and the last installment will be due on November 7, 2024.

iii. Aggregate amount of loans guaranteed by the directors of the Company are Rs. 1,974.93 lacs (March 31, 2020: Rs. 2,891.62 lacs) includes amount of Rs. Nil (March 31, 2020: Rs.59.99 lacs) disclosed under non-current borrowings and Rs. 116.67 lacs (March 31, 2020: Rs. 233.33 lacs (Refer note 33)) disclosed under current maturities of non-current borrowings and current borrowings amounting Rs. 1,858.26 lacs (March 31, 2020: Rs.2,598.30 lacs) (Refer note 30).

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27 Lease Liability - Non Current

	As at March 31, 2021	As at March 31, 2020
Lease Liability (Refer Note 48)	130.05	391.54
	130.05	391.54

28 Non-current provisions

	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits (refer note 49)		
Gratuity	163.26	158.11
Compensated absences	181.82	159.77
	345.08	317.88

29 Other non-current liabilities

	As at March 31, 2021	As at March 31, 2020
Unearned revenue	97.07	37.25
	97.07	37.25

30 Borrowings - Current

	As at March 31, 2021	As at March 31, 2020
Secured		
-From banks		
-Cash credit (Refer note below)	2,433.45	3,433.39
Total current borrowings	2,433.45	3,433.39

Note:

(i) Details of these loans are as follows:

Cash credit represents overdrafts from HDFC and ICICI Bank which are repayable on demand.

(a) HDFC Bank

The Company had entered into a finance facility agreement with limit amounting Rs.3,000.00 lacs (March 31, 2020 :Rs.3,000.00 lacs) 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, 2020: bank's base rate + 3.75%) per annum.

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 quarterly installments of Rs. 140.63 lacs (exclusive of interest). Four installments have been repaid during the year and one installment in previous 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.

(b) ICICI Bank

The Company had entered into a overdraft facility for LAS account with limit amounting Rs.1,000.00 lacs (March 31, 2020 : Rs.1,000.00 lacs) with ICICI Bank Limited.

Interest rate

These facility carry interest at bank's base rate + 0.20% (March 31, 2020:bank's base rate + 0.20%) per annum.

Repayment schedule

The overdraft facility 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 56.

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

31 Trade payables

	As at March 31, 2021	As at March 31, 2020
Trade payables		
- total outstanding dues of micro enterprises and small enterprises; (Refer note 53)	763.63	636.77
- total outstanding dues of creditors other than micro enterprises and small enterprises	1,609.62	2,901.93
	2,373.25	3,538.70

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 56.

32 Current Lease Liability

	As at March 31, 2021	As at March 31, 2020
Lease Liability (Refer Note 48)	81.11	286.92
	81.11	286.92

33 Other current financial liabilities

	As at March 31, 2021	As at March 31, 2020
Current maturities of non-current term loan from banks (refer note 26)	172.22	233.33
Current maturities of non-current vehicle loan (refer note 26)	11.45	7.80
Interest accrued but not due on borrowings	2.96	0.34
Refundable Security Deposit	-	5.00
Unpaid dividends	2.56	2.56
Advance received on behalf of other	11.97	-
Creditors for property, plant and equipment		
-to related parties (refer note 50)	148.55	148.55
Employee related payables	454.10	473.01
Payable to selling shareholders	28.06	28.06
	831.87	898.65

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 56.

34 Other current liabilities

	As at March 31, 2021	As at March 31, 2020
Unearned revenue	894.59	1,314.71
Statutory dues payable	98.63	99.19
Employee imprest	12.84	14.94
Advance received against sale of property (refer note 23)	24.75	-
	1,030.81	1,428.84

35 Current provisions

	As at March 31, 2021	As at March 31, 2020
Provision for employee benefits (refer note 49)		
Gratuity	2.86	2.72
Compensated absences	6.20	5.55
	9.06	8.27

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

36 Income tax

A. Amounts recognised in profit or loss

		Year ended March 31, 2021	Year ended March 31, 2020
Current tax expense			
Current year		-	-
Related to prior years		20.52	(50.05)
Total Current Tax Expense	(A)	20.52	(50.05)
Deferred tax expense			
Current year		(133.07)	83.88
Total Deferred Tax Expense	(B)	(133.07)	83.88
Total Tax Expense	(A + B)	(112.55)	33.83

B. Amounts recognised in Other Comprehensive Income

	Year ended March 31, 2021	Year ended March 31, 2020
Income tax relating to items that will not be reclassified to		
- Income tax relating to remeasurement of defined benefit plans	(1.24)	(2.51)
	(1.24)	(2.51)

C. Reconciliation of effective tax rate

	Year ended March 31, 2021		Year ended March 31, 2020	
	Rate	Amount	Rate	Amount
Profit before tax	27.82%	(625.35)	27.82%	(5,283.52)
Tax using the Company's domestic tax rate (A) (refer note i)		(173.97)		(1,469.87)
Tax effect of:				
Non-deductible expenses		83.47		1,284.15
Non-taxable income		(46.35)		(92.61)
Tax pertaining to earlier years		20.52		303.11
Others		3.78		9.06
Total (B)		61.42		1,503.71
Tax expense recognise in standalone statement of profit and loss (A)+(B)		(112.55)		33.83

Note:

(i) The Taxation Laws (Amendment) Ordinance, 2019 (2019 Tax Ordinance) provides the Company with an option to move to a lower tax rate of 25.17% accompanied with immediate expiry of carry forward balance of Minimum Alternative Tax (MAT) credit and certain other concessional tax rate benefits enjoyed by the Company presently. The Company has reviewed the implications of 2019 Tax Ordinance on its tax liability for the year and has decided not to opt for the new tax provisions. The Company will reassess the option to adopt the new tax provision every year and adjustments, if any, will be considerred in due course.

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

D. Movement in deferred tax balances

For the year ended March 31, 2021	As at March 31, 2020	Recognized in P&L	Recognized in OCI	As at March 31, 2021
Deferred Tax Assets				
Provision for employee benefit	90.73	(9.03)	1.24	98.52
Provision for obsolescence of inventory	1.67	-	-	1.67
Provision for doubtful current loan	118.94	7.80	-	111.14
Provision for expected credit loss	143.34	96.89	-	46.45
Provision for incentive	45.47	(17.01)	-	62.48
Impact of discontinuing of security deposits	11.91	11.91	-	-
Lease liability	188.75	130.01	-	58.74
MAT credit entitlement	32.45	-	-	32.45
Unabsorbed depreciation allowance and business loss carried	317.83	(276.50)	-	594.33
Sub-total (a)	951.09	(55.93)	1.24	1,005.78
Deferred Tax Liabilities				
Property, plant and equipment	(318.94)	10.84	-	(329.78)
Right to use of assets	(158.32)	(125.31)	-	(33.01)
Investment in subsidiaries and associates	(75.84)	0.52	-	(76.36)
Amortisation of prepaid rent	(15.60)	2.89	-	(18.49)
Impact for EIR adjustment on borrowings	(0.28)	(0.28)	-	-
Intangibles	(74.71)	34.37	-	(109.08)
Impact on other current assets- financial guarantee	(0.87)	(0.87)	-	-
Other equity- deemed equity contribution	(16.23)	0.70		(16.93)
Sub-total (b)	(660.79)	(77.14)	-	(583.65)
Net Deferred Tax Asset (a)+(b)	290.30	(133.07)	1.24	422.13

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	-	-	1.67
Provision for doubtful current loan	118.94	-	-	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 forwai	-	(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	-	(158.32)
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	-	(660.79)
Net Deferred Tax Asset (a)+(b)	376.69	83.88	2.51	290.30

E. The carry forward tax losses and unabsorbed depreciation as at March 31,2021 expires as follows:

Assessment Year	Losses with expiry		Losses with no expiry	
	Tax losses	Expires on	Unabsorbed depreciation	Expires on
2020-21	310.71	March 31, 2028	771.32	NA
2021-22	319.52	March 31, 2029	734.79	NA

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

37 Revenue from operations

	Year ended March 31, 2021	Year ended March 31, 2020
Sale of products:		
- Text books	1,846.71	2,838.99
Sale of services:		
- Education and training programmes	7,920.74	13,152.69
Other operating revenue		
- Start up fees from franchisees	219.04	343.05
	9,986.49	16,334.73

	For the year ended March 31, 2021		
	Geographical markets		
Disaggregated revenue information as per geographical markets	India	Overseas	Total
Education and training programmes	7,603.53	317.21	7,920.74
Sale of Education Material	1,584.07	262.64	1,846.71
Start up fees from franchisees	219.04	-	219.04
	9,406.64	579.85	9,986.49

	For the year ended March 31, 2020		
	Geographical markets		
Disaggregated revenue information as per 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

Changes in contract liability are as follows:-	Year ended March 31, 2021	Year ended March 31, 2020
Balance at the beginning of the year	1,351.96	605.47
Revenue recognised that was deducted from trade receivables as unearned revenue balance at the beginning of the year	(1,666.22)	(324.81)
Increase due to invoicing during the year, excluding amount recognised as revenue during the year	1,641.14	1,180.26
Gross Unearned revenue	1,326.88	1,460.92
Reclassification of unearned revenue that is not yet collected in cash from trade receivables	(335.23)	(108.96)
Balance at the end of the year	991.65	1,351.96

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 , 2021	Year ended March 31 , 2020
Within one year	894.59	1,314.71
More than one year	97.07	37.25

Details of contract assets related to sales of goods, services and other operating income are:	Year ended March 31 , 2021	Year ended March 31 , 2020
Trade Receivables	1,508.62	3,301.16

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

38 Other income

	Year ended March 31, 2021	Year ended March 31, 2020
Interest income from financial assets measured at amortised cost		
-Security deposits	15.69	19.16
-Fixed deposits	25.42	78.43
-Loan to related parties (refer note 50)	399.61	421.18
Gain on fair value change of current investment	136.57	112.42
Gain on sale of mutual funds	-	225.23
Liabilities no longer required written back	222.84	126.78
Gain on modification and termination of lease	12.49	-
Advertising income	-	132.03
Rent income on investment property (refer note 5)	11.10	26.49
Net gain on foreign currency transactions and translation	-	57.67
Gain on sale of property, plant and equipment	1.40	-
Finance income on financial guarantees	1.85	1.65
Miscellaneous income	10.53	33.34
	837.50	1,234.38

39 Purchases of stock-in-trade

	Year ended March 31, 2021	Year ended March 31, 2020
Text books	444.33	1,095.31
	444.33	1,095.31

40 Changes in inventories of stock-in-trade

	Year ended March 31, 2021	Year ended March 31, 2020
Inventories at the end of the year	471.41	546.70
Inventories at the beginning of the year	546.70	489.94
Net decrease/(increase) in inventories of stock-in-trade	75.29	(56.76)

41 Employee benefits expense

	Year ended March 31, 2021	Year ended March 31, 2020
Salaries and Wages	1,530.93	1,953.18
Contribution to provident and other funds	85.83	101.18
Expenses related to post-employment defined benefit plans (refer note 49)	32.41	35.81
Expenses related to compensated absences	39.57	38.48
Share-based payment to employees(refer note 54)	-	2.16
Staff welfare expenses	50.11	72.79
	1,738.85	2,203.60

42 Finance costs

	Year ended March 31, 2021	Year ended March 31, 2020
Interest expense on loans from banks	332.36	427.33
Interest on lease liabilities (refer note 48)	31.94	92.89
Interest on financial guarantees	5.64	8.02
	369.94	528.24

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

43 Depreciation and amortisation expense

	Year ended March 31, 2021	Year ended March 31, 2020
Depreciation on property, plant and equipment (refer note 3)	119.63	195.54
Amortisation of intangible assets (refer note 7)	398.98	623.75
Amortisation on Right of use assets (refer note 4)	83.82	287.67
Depreciation on Investment Property (refer note 5)	5.75	5.76
	608.18	1,112.72

44 Other expenses

	Year ended March 31, 2021	Year ended March 31, 2020
Repairs to:		
-Buildings	19.83	68.69
-Others	26.73	50.85
Insurance	21.28	41.12
Rates and taxes	178.97	76.56
Faculty expenses	246.46	804.24
Rent	246.24	310.66
Advertisement, publicity and sales promotion	17.26	316.58
Business promotion	31.75	178.24
Digital marketing expenses	529.27	279.47
Digital Learning support expenses	174.22	119.83
Legal and professional charges (refer note i below)	333.34	443.04
Travelling and Conveyance	29.95	212.71
Communication expenses	56.13	98.36
Material printing cost	170.38	300.93
Office expenses	425.86	604.98
Equipment hire expenses	46.74	127.10
Sales incentive	54.24	66.48
Vocational Business Servicing Costs	3.13	74.49
Loans and Advances written-off	32.61	418.32
Bad Debts	1,934.47	2,397.94
Research and Development expenses	2.50	10.69
Net loss on foreign currency transactions and translation	53.25	-
Commission including sitting fees to non executive directors	7.20	11.52
Corporate Social Responsibility (refer note 51)	53.25	4.40
Miscellaneous expenses	134.27	168.97
Amount Written off:		
Bad Debts Written Off	348.28	159.77
Less: Provision made in earlier years	348.28	159.77
	-	-
	4,829.33	7,186.17

Note:

(i) Payment to Auditor (excluding GST) as:

	Year ended March 31, 2021	Year ended March 31, 2020
- Auditors	38.00	27.00
- for other services	14.00	18.00
- for reimbursement of expenses	0.50	2.37
	52.50	47.37

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45 Exceptional Items

	Year ended March 31, 2021	Year ended March 31, 2020
Impairment of investment in equity shares		
Career Launcher Education and Infrastructure Services Limited (Refer footnote 1)	-	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 has failed to collect final term fees of FY 2019-20 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.

Previous year 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.

46 Earning per share

	Year ended March 31, 2021	Year ended March 31, 2020
(a) Basic earnings/(loss) per share (In Rs.)		
Attributable to the equity holders of the Company	(3.62)	(37.54)
(b) Diluted earnings/(loss) per share (In Rs.)		
Attributable to the equity holders of the Company	(3.62)	(37.54)
(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:	(512.80)	(5,317.35)
	(512.80)	(5,317.35)
Diluted earnings per share		
Profit/(loss) attributable to the equity share holders	(512.80)	(5,317.35)
Profit/(loss) attributable to the equity holders of the Company used in calculating diluted earnings per share	(512.80)	(5,317.35)
	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, since there are no options outstanding as at the end of March 31, 2021 and March 31, 2020.

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47 Contingent liabilities, commitments and litigations

A. Commitments

	As at March 31, 2021	As at March 31, 2020
Estimated amount of contracts remaining to be executed on capital account and not provided for	10.95	190.44

B. Contingent liabilities and litigations

		As at March 31, 2021	As at March 31, 2020
i.	Corporate guarantee given to bank/ financial institutions for loan taken by subsidiary (Refer Note 50)	1,850.00	1,850.00
ii.	Claims against the Company not acknowledged as debts (refer note a)	1,752.93	1,770.99

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

Particulars	Year pertaining	As at March 31, 2021	As at March 31, 2020
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	898.76	915.82
Other cases	Matters in dispute/under appeal #	99.08	100.08
Total		1,752.93	1,770.99

Remarks:

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 be in favour of Company and also will not have material adverse effect to the financial position 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, 2020: Rs. 190.00 lacs) against triangle education. Triangle Education also filed a counter claim against the Company amounting Rs. 32.06 lacs (March 31, 2020: 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, 2020: 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, 2020: 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 April 15, 2021 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 is fixed for final argument on June 17, 2021.

v) Ritesh Manchanda, a student has filed a case against the Company citing deficiency of services provided amounting to Rs. 1.63 lacs (March 31, 2020: Rs. 1.63 lacs) . The case is pending at consumer court, Chandigarh.

vi) Apart from those disclosed above, the Company has certain ongoing litigations involving customers, vendors and employees. Based on legal advice of in house legal team, the management believes that no material liability will devolve on the Company in respect of these litigations.

C. Other litigations

i) 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 were AED 1,019,842 (Rs. 150.88 lacs) and AED 261,318 (Rs. 38.66 lacs) respectively. The Company had preferred arbitration in the matter and the Hon'ble Arbitrator has passed an award amounting AED 2,063,267 (equivalent to Rs. 351.37 lacs) in favour of the Company including damages. The Company had obtained the necessary execution documents from the Delhi High Courtand sent these documents through the Indian Embassy for depositing in the Dubai Courts for execution. Due to the onset of the global pandemic COVID-19, courts in Dubai have been shut since February 2020. This has caused a temporary delay in proceedings with the matter to be taken up once the courts reopen.

ii) The Company has filed legal cases against certain debtors for recovery of outstanding receivables amounting Rs 136.34 lacs (March 31, 2020: 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, 2020: 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.

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48 Leases

The Company has applied Ind AS 116 in previous year with the date of initial application of April 01, 2019.

Company as "Lessee"

The Company has significant leasing agreements in respect of leases for its various office premises & godwons. These lease arrangements are for a period between 12 months to 143 months and include both cancellable and non-cancellable leases.

Lease liabilities

The movement in lease liabilities during the year ended

Particulars	As at March 31, 2021	As at March 31, 2020
Opening Balance	678.46	856.62
Reclassified on account of adoption of Ind AS 116	-	58.69
Reassessed during the year	(378.97)	-
Finance cost accrued during the year	31.94	92.89
Payment of lease liabilities*	(120.27)	(329.74)
Closing Balance	**211.16**	**678.46**
Non-current Lease liabilities	130.05	391.54
Current Lease liabilities	81.11	286.92

*Payment of lease liabilities includes payment of principal of lease liabilities amounting of Rs. 88.34 lacs (Previous year: Rs. 236.85 lacs) and interest of lease liabilities amounting of Rs. 31.94 lacs (Previous year: Rs. 92.89 lacs).

The details of the contractual maturities of lease liabilities as at year end on undiscounted basis are as follows :

	As on March 31, 2021		
	Lease Payments	Finance charges	Net present values
Commitments for minimum lease payments in relation to non cancellable operating leases are payable as follows:			
not later then one year	91.35	10.24	81.11
later than one year and not later than five years	146.47	16.42	130.05
later than five years	-	-	-
Total	237.82	26.66	211.16

	As on March 31, 2020		
	Lease Payments	Finance charges	Net present values
Commitments for minimum lease payments in relation to non cancellable operating leases are payable as follows:			
not later then one year	328.02	41.10	286.92
later than one year and not later than five years	409.69	51.33	358.36
later than five years	37.93	4.75	33.18
Total	775.64	97.18	678.46

Note: For disclosures in respect of Right-of-use assets refer note 4.

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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 and state insurance, 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, 2021	Year Ended March 31, 2020
Employers contribution to provident fund	84.46	97.42
Employers contribution to state insurance	1.37	1.08

(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:

Net defined benefit (asset)/liability	As at March 31, 2021	As at March 31, 2020
Gratuity (funded)	166.12	160.83
Total employee benefit liabilities	166.12	160.83
Non-current	163.26	158.11
Current	2.86	2.72

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, 2021			Year ended March 31, 2020		
	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	162.55	(0.78)	161.77	142.87	(1.60)	141.27
Included in profit or loss						
Current service cost	21.54	-	21.54	24.99	-	24.99
Interest cost (income)	10.99	(0.12)	10.87	10.94	(0.12)	10.82
	32.53	(0.12)	32.41	35.93	(0.12)	35.81
Included in OCI						
Remeasurements loss (gain)						
- Actuarial loss (gain) arising from:						
- financial assumptions	(0.55)	-	(0.55)	(14.85)	-	(14.85)
- experience adjustment	(2.57)	-	(2.57)	5.88	-	5.88
Return on plan assets	-	(1.34)	(1.34)	-	0.04	(0.04)
	(3.12)	(1.34)	(4.46)	(9.91)	0.04	(9.01)
Other						
Contributions paid by the employer	-	(24.67)	(24.67)	-	7.23	(7.23)
Acquisition adjustment	-		-	-	-	-
Fund management charges	-	1.07	1.07	-	0.01	(0.01)
Benefits paid	(20.76)	20.76	-	(6.34)	(6.34)	-
	(20.76)	(2.84)	(23.60)	(6.34)	0.90	(7.24)
Balance at the end of the year	171.20	(5.08)	166.12	162.55	(0.78)	160.83

Expenses recognised in the Statement of profit and loss	Year ended March 31, 2021	Year ended March 31, 2020
Service cost	21.54	24.99
Net interest cost	10.87	10.82
	32.41	35.81

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, 2021	As at March 31, 2020
Funds Managed by Insurer (investment with insurer)	100%	100%

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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, 2021	As at March 31, 2020
Discount rate	6.79%	6.76%
Expected rate of future salary increase	6.00%	6.00%

b) Demographic assumptions

		As at March 31, 2021	As at March 31, 2020
i)	Retirement age (years)	58	58
ii)	Mortality rates inclusive of provision for disability	100% of IALM (2012-14)	100% of IALM (2012-14)
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 withdrawals are not material and hence impact of change not calculated. Sensitivity as to rate of inflation, rate of increase of pensions in payment, rate of increase of pensions before retirement & life expectancy are not applicable being a lump sum benefit on retirement.

	As at March 31, 2021		As at March 31, 2020	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5% movement)	(8.94)	9.75	(9.05)	9.89
Expected rate of future salary increase (0.5% movement)	8.50	(7.80)	8.47	(7.75)

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, 2021	As at March 31, 2020
Duration of defined benefit obligation		
Less than 1 year	2.86	2.73
Between 1-2 years	20.45	2.49
Between 2-5 years	24.22	36.68
Over 5 years	123.67	120.65
Total	171.20	162.55

Expected contributions to post-employment benefit plans for the year ending March 31, 2021 is Rs. 39.89 lacs (March 31, 2020: Rs. 45.89 lacs)

(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.

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

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, 2021	% of Holding as at March 31, 2020
	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%
	Career Launcher Foundation (w.e.f. November 06, 2020)	India	100%	-
	ICE Gate Educational Institute Private Limited	India	58.95%	58.95%
Indirect Subsidiaries	Name of the Company	Country of Incorporation	% of Holding as at March 31, 2021	% of Holding as at March 31, 2020
	Subsidiaries of Kestone Integrated Marketing Services Private Limited			
	Kestone CL Asia Hub Pte. Limited	Singapore	100%	100%
	Subsidiaries of Kestone CL Asia Hub Pte. Limited			
	Kestone CL US Limited	USA	100%	100%
	CL Educate (Africa) Ltd (w.e.f. January 13, 2020)	Mauritius	90%	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) Mr. Viraj Tyagi (Non-Executive Non Independent Director) (upto November 02, 2020) Ms. Madhumita Ganguli (Non-Executive Independent Director) Mr. Girish Shivani (Non-Executive Independent Director) Mr. Imran Jafar (Non-Executive Non-Independent Director) Mr. Piyush Sharma (Non-Executive Independent Director) (w.e.f. July 17, 2020) Mr. Sanjay Tapriya (Non-Executive Independent Director) (w.e.f. October 24, 2019)			
Relatives of KMP	Mr. R Sreenivasan Mr. R Shivakumar			

B.	Transactions during the year:	Year ended March 31, 2021	Year ended March 31, 2020
i	Other Income		
	a. Interest on loans		
	Subsidiary Companies		
	- Career Launcher Education Infrastructure and Services Limited	186.29	195.60
	- G K Publications Private Limited	33.37	45.41
	- Career Launcher Infrastructure Private Limited	168.45	165.38
	- Accendere Knowledge Management Services Private Limited	5.74	12.69
	- Ice Gate Educational Institute Private Limited	5.76	2.10
		399.61	421.18
	b. Advertising income		
	Subsidiary Companies		
	- CL Media Private Limited	-	132.03
		-	132.03

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

B.	Transactions during the year:	Year ended March 31, 2021	Year ended March 31, 2020
ii	Purchase of traded goods		
	Subsidiary Companies		
	- CL Media Private Limited	-	1,009.81
	- G K Publications Private Limited	18.89	72.21
	- Career Launcher Infrastructure Private Limited	424.40	-
		443.29	1,082.02
iii	Other expenses		
	Subsidiary Companies		
	a. Material development and printing expenses		
	- CL Media Private Limited	133.31	166.98
	- G K Publications Private Limited	1.34	-
	b. Franchisee expense		
	- CL Media Private Limited	-	102.92
	c. Marketing research		
	- Kestone Integrated Marketing Services Private Limited	-	30.33
	d. Legal and professional charges		
	- Kestone Integrated Marketing Services Private Limited	15.60	17.49
	d. Business Promotion		
	- Kestone Integrated Marketing Services Private Limited	18.00	-
		168.25	317.72
iv	Employee benefits expense		
	Key management personnel		
	Short term employee benefits:		
	- Mr. Gautam Puri	53.43	46.81
	- Mr. Satya Narayanan R	53.43	51.87
	- Mr. Nikhil Mahajan	62.77	69.47
	Post employment benefits:		
	- Mr. Gautam Puri	1.07	1.37
	- Mr. Satya Narayanan R	0.68	1.16
	- Mr. Nikhil Mahajan	0.63	1.13
	Other long term benefits		
	- Mr. Gautam Puri	1.36	10.57
	- Mr. Satya Narayanan R	4.64	9.32
	- Mr. Nikhil Mahajan	17.49	1.32
v	Reimbursement of expense from related parties		
	Subsidiary Companies		
	- Career Launcher Education Infrastructure and Services Limited	1.29	1.20
	- Kestone Integrated Marketing Services Private Limited	9.24	58.76
	- Accendere Knowledge Management Services Private Limited	3.52	4.20
	- G K Publications Private Limited	5.83	7.20
	- Career Launcher Infrastructure Private Limited	3.43	-
	- ICE Gate Educational Institute Private Limited	4.67	-
	- CL Media Private Limited	49.17	90.38
	Enterprises in which KMP and their relative can exercise the significant influence		
	- Bilakes Consulting Private Limited	0.24	-
		77.39	161.74
vi	Reimbursement of expense to related parties		
	Subsidiary Companies		
	- CL Media Private Limited	57.78	268.10
	- Kestone Integrated Marketing Services Private Limited	6.44	-
	- ICE Gate Educational Institute Private Limited	20.17	-
		84.39	268.10

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CL Educate Limited
Notes to the standalone financial statements for the year ended March 31, 2021
(All amounts are in Rupees lacs, unless otherwise stated)

B.	Transactions during the year:	Year ended March 31, 2021	Year ended March 31, 2020
vii	Loans given to related party		
	Subsidiary Companies		
	- Career Launcher Education Infrastructure and Services Limited	3.74	21.35
	- Career Launcher Infrastructure Private Limited	13.31	43.61
	- ICE Gate Educational Institute Private Limited	11.00	46.00
	- G K Publications Private Limited	16.98	-
	Enterprises in which KMP and their relative can exercise the significant influence		
	- Career Launcher Education Foundation	-	14.80
		45.03	125.76
vii	Conversion of interest into loan		
	Subsidiary Companies		
	- Career Launcher Education Infrastructure and Services Limited	172.32	176.04
	- G K Publications Private Limited	30.87	40.87
	- Career Launcher Infrastructure Private Limited	155.82	148.85
	- Accendere Knowledge Management Services Private Limited	5.17	11.42
	- ICE Gate Educational Institute Private Limited	5.32	0.89
		369.50	378.07
viii	Repayment of loan given		
	Subsidiary Companies		
	- G K Publications Private Limited	227.26	-
	- Career Launcher Infrastructure Private Limited	200.00	11.35
	- Career Launcher Education Infrastructure and Services Limited	250.09	5.00
	- Accendere Knowledge Management Services Pvt. Ltd.	126.14	-
	- ICE Gate Educational Institute Pvt.Ltd	0.60	7.06
	- Career launcher education foundation	-	210.02
		804.09	233.43
ix	Commission to non-executive Directors		
	- Mr. Viraj Tyagi	0.40	2.79
	- Mrs. Madhumita Ganguli	1.40	3.09
	- Mr. Girish Shivani	3.10	2.55
	- Mr. Sanjay Tapriya	1.90	-
	- Mr. Piyush Sharma	0.40	-
	- Mr. Sushil Kumar Roongta	-	3.09
x	Purchase of assets from related party		
	Subsidiary Companies		
	- CL Media Private Limited	199.96	190.44
	- Kestone Integrated Marketing Services Private Limited	13.76	81.40
xi	Interim Dividend Paid		
	- Bilakes Consulting Private Limited	-	12.55
	- Mr. Satya Narayanan R	-	22.98
	- Mr. Gautam Puri	-	22.76
	- Mr. Nikhil Mahajan	-	0.30
	- Mr. R Sreenivasan	-	3.50
	- Mr. R Shivakumar	-	3.50
xii	Amount paid towards CSR expenditure		
	- Career Luancher Foundation	20.00	-

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C. Related party balances as at the year end:	As at March 31, 2021	As at March 31, 2020
Subsidiary Companies		
Current Loans		
- Career Launcher Education Foundation	462.76	462.76
- G K Publications Private Limited	282.72	462.13
- Career Launcher Education Infrastructure and Services Limited	1,916.72	1,990.75
- Career Launcher Infrastructure Private Limited	1,659.35	1,690.22
- Accendere Knowledge Management Services Private Limited	-	120.97
- Ice Gate Educational Institute Private Limited	64.80	49.08
Other receivables from related parties:		
- Career Launcher Education Infrastructure and Services Limited	93.19	91.67
- Career Launcher Infrastructure Private Limited	4.09	-
- G K Publications Private Limited	23.10	16.21
- Kestone Integrated Marketing Services Private Limited	11.42	0.38
- CL Media Private Limited	53.21	352.88
- Accendere Knowledge Management Services Private Limited	43.38	53.72
- Ice Gate Educational Institute Private Limited	29.05	0.06
- Career Launcher Education Foundation	0.91	-
Trade payables		
- CL Media Private Limited	739.29	1,334.82
- G K Publications Private Limited	15.38	245.46
- Kestone Integrated Marketing Services Private Limited	678.31	609.42
- Kestone Asia Hub Private Limited	3.69	3.69
- Career Launcher Infrastructure Private Limited	3.56	-
- Ice Gate Educational Institute Private Limited	0.21	-
Payable for property, plant and equipment		
- Kestone Integrated Marketing Services Private Limited	148.55	148.55
Guarantees given for loan taken by subsidiary companies		
- Kestone Integrated Marketing Services Private Limited	1,850.00	1,850.00
Enterprises in which KMP and their relatives are able to exercise significant influence		
Other Advances		
- Bilakes Consulting Private Limited	61.07	60.82
Guarantee received:		
- Bilakes Consulting Private Limited	457.58	457.58
Key management personnels		
Short term employee benefits:		
- Mr. Gautam Puri	27.21	43.28
- Mr. Satya Narayanan R	24.28	45.74
- Mr. Nikhil Mahajan	11.08	42.96
Post employment benefits:		
- Mr. Gautam Puri	17.82	17.74
- Mr. Satya Narayanan R	12.79	15.10
- Mr. Nikhil Mahajan	12.09	14.46
Other long term benefits		
- Mr. Gautam Puri	34.69	33.33
- Mr. Satya Narayanan R	36.78	32.14
- Mr. Nikhil Mahajan	40.98	23.49

Note: apart from above, Key management personnels has given personal guarantees against loan and overdraft facilities, the balance amount of loans guaranteed are Rs. 1,974.93 lacs (March 31, 2020: Rs. 2,891.62 lacs)

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 other than given to Career Launcher Education Foundation(CLEF) bears interest rate ranges from 9.95% to 11.55% (Previous year : from 9.95% to 11.55%). The accrued interest on loan is added to the loan amount at the end of every financial year, when it comes due.

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51 Corporate Social Responsibility

As per Section 135 of the Companies Act, 2013 read with guidelines issued by Department of Public Enterprises, 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, 2021	March 31, 2020
A. Amount required to be spent during the year	-	11.01
B. Shortfall amount of previous year	38.82	32.21
C. Total (A+B)	38.82	43.22
D. Amount spent during the year on-		
- On purposes other than construction/acquisition of any asset		
- Paid in cash	53.25	4.40
Total	53.25	4.40
Shortfall amount carried forward to next year	-	38.82

52 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 61 for expected credit loss.

Vocational trade receivables	Total Outstanding 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, 2021	357.59	357.59	23.44	1,450.00
March 31, 2020	1,807.59	1,807.59	381.15	1,025.00

53 In terms of the clause 22 of chapter V of 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, 2021	As at March 31, 2020
a) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting period included in		
Principal amount due to any supplier	763.63	636.77
Interest due on above	0.20	0.49
	763.83	637.26
b) 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	-	-
c) 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.	-	-
d) The amount of interest accrued and remaining unpaid at the end of each accounting period	-	-
e) 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.	-	-

54 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, 2021 and March 31, 2020 the Company had 167,525 and 167,525 number of options that can be granted under the scheme respectively.

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Share based payments (cont'd)

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.

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, 2020: 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 previous year employees have voluntary surrendered their stock options.

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, 2021	Nil	3 years' service from the grant date	-
March 31, 2020	Nil	3 years' service from the grant date	-

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, 2021		Year ended March 31, 2020	
	Weighted Average exercise price per share	Number of options	Weighted Average exercise price per share option	Number of options
Outstanding at the beginning of the year	-	-	430.00	44,000
Expired during the year*	-	-	430.00	44,000
Outstanding at the end of the year	-	-	-	-

*There are no options which have been granted, exercised or forfeited during the year

	Year ended March 31, 2021		Year ended March 31, 2020	
Vested during the year	-	-	430.00	8,750
Exercisable during the year	-	-	430.00	3,000

*includes 41,000 options voluntarily surrendered during the financial year 2019-20.

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, 2021	As at March 31, 2020
Dividend yield (%)	-	-
Expected volatility (%)	-	0.00%
Risk-free interest rate (%)	-	7.69%
Weighted average share price (in Rs.)	-	590.00
Exercise price (in Rs.)	-	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 was Rs. Nil (Previous year : Rs. 2.16 lacs)

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

55 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.

Previously, the Company had considered "Consumer Test Prep" and "Others" as the only reportable segments of the Company. During the year, based on the increasing growth and focus on Digital delivery of services and the consequent changes to the nature of internal reporting provided to the CODM, the management has reassessed the Company's segments both from a product and geographic perspective and have identified the following reportable segments of its business:

Reportable segments	Operations
a) Partner	This mainly includes the business generated and services through our Business Partners (Franchisees)
b) Digital	This mainly includes business generated and services rendered through a combination of a digital / online channel and offline point of sale counselling-cum-service centers run by the Company.
c) Vocational	This comprises primarily the scaled down vocational training business.

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, 2021	Partner	Digital	Vocational	Total
Segment revenue				
- External revenues	5,432.73	4,553.76	-	9,986.49
Total segment revenue	5,432.73	4,553.76	-	9,986.49
Segment results	999.47	435.45	(1,250.23)	184.69
Segment profit before income tax includes:				
Depreciation and amortisation expense	104.98	373.21	1.06	479.25
Segment assets	4,361.50	3,060.65	397.71	7,819.86
Segment assets include:				
Capital expenditure during the year	10.60	427.42	-	438.02
Segment liabilities	1,643.60	1,590.01	695.30	3,928.91

	Reportable segment			
Year ended March 31, 2020	Partner	Digital	Vocational	Total
Segment revenue				
- External revenues	10,396.55	5,938.18	-	16,334.73
Total segment revenue	10,396.55	5,938.18	-	16,334.73
Segment results	1,611.85	(491.77)	(1,378.93)	(258.85)
Segment profit before income tax includes:				
Depreciation and amortisation expense	228.83	745.08	3.28	977.19
Segment assets	4,821.80	4,159.21	1,493.22	10,474.23
Segment assets include:				
Capital expenditure during the year	29.08	595.61	0.29	624.98
Segment liabilities	2,594.86	2,451.43	923.95	5,970.24

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

C. Reconciliations of information on reportable segments

	Year ended March 31, 2021	Year ended March 31, 2020
i. Revenues		
Total revenue for reportable segments		
Partner	5,432.73	10,396.55
Digital	4,553.76	5,938.18
Vocational	-	-
Unallocated amounts	-	-
Total revenue	**9,986.49**	**16,334.73**
ii Profit before tax		
Total profit before tax for reportable segments	184.69	(258.85)
Unallocated income:		
Other income	837.50	1,234.38
Unallocated expenses:		
Finance cost	369.94	528.24
Other expenses	1,277.60	1,580.76
Profit/(loss) before tax	(625.35)	(1,133.47)
Less: Exceptional Items	-	4,150.05
Profit/(Loss) before tax after exceptional items	(625.35)	(5,283.52)
Tax expense	(112.55)	33.83
Profit/(loss) after tax	(512.80)	(5,317.35)
Other comprehensive income		
Items that will not be reclassified to profit or loss	3.22	6.50
Total comprehensive income/(expense)	(509.58)	(5,310.85)

	As at March 31, 2021	As at March 31, 2020
iii Assets		
Total assets for reportable segments		
Partner	4,361.50	4,821.80
Digital	3,060.65	4,159.21
Vocational	397.71	1,493.22
Unallocated amounts		
Investments in subsidiaries and associate	15,698.57	15,696.22
Deferred tax assets	422.13	290.30
Other corporate assets	13,081.69	13,691.02
Total assets	**37,022.25**	**40,151.77**
iv Liabilities		
Total liabilities for reportable segments		
Partner	1,643.60	2,594.86
Digital	1,590.01	2,451.43
Vocational	695.30	923.95
Unallocated amounts		
Other corporate liabilities	3,873.67	4,454.78
Total liabilities	**7,802.58**	**10,425.02**

v Other material items

Year ended March 31, 2021	Reportable segment total	Others	Total
Interest revenue	-	440.71	440.71
Interest expense	-	369.94	369.94
Capital expenditure during the year	438.02	41.54	479.56
Depreciation and amortisation expense	479.25	128.93	608.18
Other significant non cash items	-	-	-

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

Year ended March 31, 2020	Reportable segment total	Others	Total
Interest revenue	-	518.77	518.77
Interest expense	-	528.24	528.24
Capital expenditure during the year	624.98	115.76	740.74
Depreciation and amortisation expense	977.19	135.53	1,112.72
Other significant non cash items	-	-	-

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, 2021	Year ended March 31, 2020
Within India	9,406.64	15,515.82
Outside India	579.85	818.91
	9,986.49	16,334.73

b) Non-current assets	As at March 31, 2021	As at March 31, 2020
Within India	22,077.86	23,126.91
Outside India	12.32	6.23
	22,090.18	23,133.14

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

E. Major customers

During the years ended March 31, 2021 and March 31, 2020 no single customer represents 10% or more of the Company's total revenue.

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

56. **Fair value measurement and financial instruments**

a. **Financial instruments - by category and fair values hierarchy**

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

i. As at March 31, 2021

Particulars	Carrying value				Fair value measurement using		
	FVTPL	FVOCI	Amortised cost	Total	Level 1	Level 2	Level 3
Financial assets							
Non-current							
Loans	-	-	64.03	64.03	-	-	-
Other financial assets	-	-	4.40	4.40	-	-	-
Current							
Investments	3,852.91	-	-	3,852.91	3,852.91	-	-
Trade receivables	-	-	1,508.62	1,508.62	-	-	-
Cash and cash equivalents	-	-	362.04	362.04	-	-	-
Bank Balances other than cash and cash	-	-	432.36	432.36	-	-	-
Loans	-	-	4,591.97	4,591.97	-	-	-
Other financial assets	-	-	385.41	385.41	-	-	-
Total	3,852.91	-	7,348.83	11,201.74	3,852.91	-	-
Financial liabilities							
Non-current							
Borrowings	-	-	470.83	470.83	-	-	-
Lease Liability	-	-	130.05	130.05	-	-	-
Current							
Borrowings	-	-	2,433.45	2,433.45	-	-	-
Lease Liability	-	-	81.11	81.11	-	-	-
Trade payables	-	-	2,373.25	2,373.25	-	-	-
Other financial liabilities	-	-	831.87	831.87	-	-	-
Total	-	-	6,320.56	6,320.56	-	-	-

ii. 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	-	-	-
Other financial assets	-	-	401.92	401.92	-	-	-
Current							
Investments	3,716.34	-	-	3,716.34	3,716.34		
Trade receivables	-	-	3,301.16	3,301.16	-	-	-
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	-	-	772.35	772.35	-	-	-
Total	3,716.34	-	10,002.84	13,719.18	3,716.34	-	-
Financial liabilities							
Non-current							
Borrowings	-	-	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	-	-	-

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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, 2021 and March 31, 2020.

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, 2021	As at March 31, 2020
Trade receivables	1,508.62	3,301.16
Cash and cash equivalents	362.04	434.79
Bank Balances other than cash and cash equivalents	432.36	19.20
Loans	4,656.00	5,073.42
Other financial assets	389.81	1,174.27

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. 1,675.57 lacs (March 31, 2020 3,816.39 lacs). Trade receivables are generally realised within the credit period. (refer note 52)

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, 2021	As at March 31, 2020
Not Due	119.70	-
0-90 days past due	514.29	695.79
90 to 180 days past due	174.12	329.08
180-365 days	248.67	564.58
365-730 days	84.51	228.01
More than 730 days	534.28	1,998.93
	1,675.57	3,816.39

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

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
Balance at the beginning	515.23	675.00
Reversed during the year	348.28	159.77
Balance at the end	166.95	515.23

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(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

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, 2021	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	40.79	40.79	14.41	26.38	-
b) Other term loans	616.67	616.67	172.22	444.45	-
Current borrowings					
- Cash credit from banks	2,433.45	2,433.45	2,433.45	-	-
Trade payables	2,373.25	2,373.25	2,373.25	-	-
Lease Liability (current & non current)	211.16	211.16	81.11	130.05	-
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	-	-
Employee related payables	454.10	454.10	454.10	-	-
Total	6,308.59	6,308.59	5,707.71	600.88	-

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	31.73	7.80	23.93	-
b) Other term loans	293.32	293.32	293.32	-	-
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	678.46	286.92	358.36	33.18
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	-	-
Employee related payables	473.01	473.01	473.01	-	-
Total	8,627.78	8,627.78	8,212.31	382.29	33.18

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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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, 2021 and March 31, 2020 are as below:

Particulars	As at March 31, 2021			
	AED	Amount	USD	Amount
Financial assets				
Trade receivables	24.75	493.69	-	-
Other financial asset	0.93	18.55	7.69	399.49
Other bank balances	4.86	96.94	-	-
	30.54	609.18	7.69	399.49
Financial liabilities				
Trade payables and other Liabilities	1.35	26.93	-	-
	1.35	26.93	-	-
Net exposure in respect of recognised assets and liabilities	29.19	582.25	7.69	399.49

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

Sensitivity analysis

A reasonably possible strengthening (weakening) of the Indian Rupee against below currencies at March 31, 2021 and March 31, 2020 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 (in Rs. Lac)	
	Strengthening	Weakening	Strengthening	Weakening
1% depreciation / appreciation in Indian Rupees against following foreign currencies:				
For the year ended March 31, 2021				
AED	5.82	(5.82)	4.20	(4.20)
USD	3.99	(3.99)	2.88	(2.88)
Total	9.81	(9.81)	7.08	(7.08)
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)

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

Walker Chandiok & Co LLP * Chartered Accountants *

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(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 at March 31, 2021	As at March 31, 2020
Term loans from banks	616.67	293.32
Vehicle loans from banks	40.79	31.73
Cash credit from banks	2,433.45	3,433.39
Total	3,090.91	3,758.44

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, 2021	16.58	(16.58)	(11.97)	11.97
For the year ended March 31, 2020	16.58	(16.58)	(11.97)	(11.97)

57 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, 2021	As at March 31, 2020
Borrowings	3,090.91	3,758.44
Less : Cash and cash equivalent	362.04	434.79
Adjusted net debt (A)	2,728.87	3,323.65
Total equity (B)	29,219.67	29,726.75
Adjusted net debt to adjusted equity ratio (A/B)	9.34%	11.18%

(b) Dividends

Particulars	As at March 31, 2021	As at March 31, 2020
Interim dividend for the year ended on March 31, 2021 of Rs. NIL (March 31, 2020 : Rs. 1) per fully paid share	-	141.66
Dividend Distribution Tax on interim dividend	-	29.11
Total	-	170.77

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CL Educate Limited

Notes to the standalone financial statements for the year ended March 31, 2021

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

58 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 predominantly on account of the COVID-19 pandemic. The appointed date as proposed date by the Company is April 1, 2019. The Company has filed a petition in NCLT to expedite the process of merger. The next hearing is scheduled to be held on July 30, 2021. Pending hearing for NCLT, no adjustment has been taken in the books of account.

59 The nationwide lockdown due to spread of COVID-19 and other significant restrictions imposed on the movement had an impact on the education sector as well, as all of the Company's study centers across India continued to remain shut right through the year ended March 31, 2021. The Management had however, made necessary adjustments to its service and customer acquisition processes, moving largely to Digital model, thereby minimizing the business impact of the pandemic. During the current year, the Management has re-evaluated the likely impact of COVID-19 on its business operations, demand for its products/services, profitability, capital and financial resources, liquidity position, ability to service debt arrangements and financial and non-financial assets, etc. Based on the projected cash flows drawn for the current financial year, the Management has concluded that the Company will have sufficient liquidity to continue its operations in an uninterrupted manner. Also, the Management is of the view that there is no material impact and confident of recovering the carrying amount of all the assets. Any possibilities of delays in collection are covered by the Expected Credit Loss Model. For the aforesaid evaluation, the Management has considered internal and external source of information up to the date of approval of these financial statements. The actual impact of pandemic may however, differ from that estimated as at date of approval of these financial statements and the Management will continue to closely monitor any material changes to future economic conditions.

60 The standalone financial statements for the year ended March 31, 2021 were approved by board of directors on June 24, 2021.

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

As per report of even date.
For Walker Chandiok & CO LLP
Chartered Accountants
FRN No. 001076N/N500013

Neeraj Goel
Partner
Membership No.:099514

Place: Gurugram, Haryana
Date: 24 June 2021

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

Satya Narayanan R
Chairman
and Executive Director
DIN: 00307326

Gautam Puri
Vice Chairman
and Managing Director
DIN: 00033548

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

Arjun Wadhwa
Chief Financial Officer

Place: New Delhi
Date: 24 June 2021