

To  
Department of Corporate Services,  
BSE Ltd  
Phiroj Jeejibhoy Towers, Dalal Street,  
Mumbai – 400 001

To  
Listing Department,  
National Stock Exchange of India Limited  
C-1, G-Block, Bandra-Kurla Complex  
Bandra, (E), Mumbai – 400 0051

**Scrip Code: 540403, Scrip Symbol: CLEUCATE**


**Sub: Disclosure pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Dear Sir(s)/Madam

We would like to inform you that the Board of Directors of the Company at its meeting held on 12<sup>th</sup> April 2017, entered into Definitive Agreements to acquire, as a going concern, all the assets and liabilities of ETEN, a business division of IndiaCan Education Private Limited, engaged in the test preparation business for chartered accountancy courses and civil services entrance examination supported by VSAT (very small aperture terminal) network in India (“Proposed Acquisition”).

Please see below the disclosures in relation to the aforementioned transactions in terms of Para A of Part A of Schedule III read with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

| S.No. | Disclosure requirements  | Details/ reason for not providing information   |
|-------|--|---|
| a)    | Name of the target entity, details in brief such as size, turnover etc.;   | Target Entity: <b>ETEN</b> , a business division of IndiaCan Education Private Limited (IndiaCan), currently running CA and Civil Services preparatory courses delivered through VSAT.<br><br>Revenue of ETEN for FY 2016-17 is Rs. 13.59 Cr.<br><br>The acquired business, ETEN, is a business division of IndiaCan. ETEN is not audited independently. The revenue figures of ETEN given above are on the basis of certified figures available. |
| b)    | Whether the acquisition would fall within related party transaction(s) and whether the promoter/ promoter group/ group companies have any interest in the entity being acquired? If yes, nature of interest and details thereof and whether the same is done at “arms length”; | The acquisition is not a Related Party Transaction. The Promoter/ promoter group/ group companies do not have any interest in the entity being acquired.  |
| c)    | Industry to which the entity being acquired belongs;   | Educational Services  |
| d)    | Objects and effects of acquisition (including but not limited to, disclosure of reasons for  | This acquisition will enable the Company to launch CA product and also add General Studies product offering for the Civil Services entrance examination leading to  |

*Ravi*  




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|----|---|--|
|    | acquisition of target entity, if its business is outside the main line of business of the listed entity);   | strengthening and enhancing penetration of its test prep business. The Company would acquire the brand name ETEN, the studios at various Locations including related movable assets, alliances/partnerships for academic delivery, franchise relationships at about 25 locations, business related employees and current assets & liabilities.   |
| e) | Brief details of any governmental or regulatory approvals required for the acquisition;   | No governmental or regulatory approvals required.  |
| f) | Indicative time period for completion of the acquisition;   | Within 1 week from the date of approval, with effective date being April 1, 2017   |
| g) | Nature of consideration - whether cash consideration or share swap and details of the same;   | (I) Fixed cash consideration of upto Rs. 6 Cr payable in four equal instalments being: (1) Immediately on the closing of the transaction; (2) Sep-2017; (3) Sep-2018; and (4) Sep-2019<br><br>(II) Variable cash consideration @ 4% per annum of the revenue generated from CA & IAS businesses for 3 years starting April 2017 and ending March 2020, payable on a quarterly basis.<br><br>Revenue Share percentage would be increased to 5% per annum from 4% p.a., in case the cumulative revenue for 3 years exceeds Rs. 150 Cr            |
| h) | Cost of acquisition or the price at which the shares are acquired;  | Not applicable as it is a business acquisition and not share acquisition.  |
| i) | Percentage of shareholding / control acquired and / or number of shares acquired;   | Not applicable   |
| j) | Brief background about the entity acquired in terms of products/line of business acquired, date of incorporation, history of last 3 years turnover, country in which the acquired entity has presence and any other significant information (in brief); | *The Company is acquiring test preparation business for chartered accountancy courses and civil services entrance examination delivered by VSAT network in India, from IndiaCan Education Private Limited (a Pearson Company), which was incorporated on August 18, 2008. The turnover of ETEN during the last 3 years:<br><br>FY 2016-17: INR 13.59 Cr<br>FY 2015-16: INR 42.40 Cr.<br>FY 2014-15: INR 73.29 Cr<br><br>*Additional information is available on the Company's website <a href="http://www.cleducate.com">www.cleducate.com</a> |

We request you to kindly take the above information on record.

Thanking You

For CL Educate Limited

  
Rachna Sharma  
Company Secretary & Compliance Officer

Place: New Delhi

Date: April 12, 2017