

To
Department of Corporate Services,
BSE Limited
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: CLEDUCATE

Sub: Annual Report for Financial Year 2016-17, pursuant to Regulation 34(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Dear Madam/Sir(s)

Please find attached the Annual Report of the Company for the Financial Year 2016-17 pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, duly approved and adopted by the members at the 21st Annual General Meeting of the Company as per the provisions of Companies Act 2013.

The same is available on the Company's website www.cleducate.com.

Kindly take the above details on record.

Thanking You

For CL Educate Limited


Sudhir Bhargava
CFO



Place: New Delhi

Date: August 25, 2017

Encl: A/a



ANNUAL REPORT
2016 - 17



**LET THE
NEW JOURNEY
BEGIN!**



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Forward-looking statement

In this Annual Report we have disclosed Forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realised, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialise, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



CAN WE CREATE THE NEXT BLADERUNNER?

Students guided by our youngest and fastest-growing research incubating arm, Accendere, are working on Advanced Materials using Nanotechnology in creating prosthetics for those who may have lost a limb.



THE PAST IS A WELL LEARNT LESSON

Over 2 decades ago, we embarked on a journey of learning-led growth. From an MBA entrance focused test prep player to a high growth edu-corporate with established diversity in the education industry – it has been a great journey.

THE PRESENT IS OUR REALITY

The year gone by has been a landmark one – a successful listing, transformative transactions and robust growth.



**THE FUTURE IS
OUR MOTIVATION**

Our 2020 Vision is focused on asset-light, scalable and technology led accelerated growth.

**LET THE
NEW JOURNEY
BEGIN!**

CORPORATE INFORMATION

Board of Directors

Mr. Satya Narayanan .R
Chairman of the Board & Whole-Time Director

Mr. Gautam Puri
Vice-Chairman & Managing Director

Mr. Nikhil Mahajan
Whole Time Director & Group CEO Enterprise Business

Mr. Sridar Iyengar
Non-Executive Independent Director

Mr. Paresh Surendra Thakker
Additional (Non-Executive Independent) Director

Mr. Safir Anand
Non-Executive Independent Director

Mr. Gopal Jain
Non-Executive Non Independent Director

Mr. Viraj Tyagi
Non-Executive Independent Director

Ms. Madhumita Ganguli
Additional (Non-Executive Independent) Director

Board Committees

Audit Committee

Mr. Sridar Iyengar
Chairman

Mr. Gopal Jain
Member

Mr. Viraj Tyagi
Member

Mr. Safir Anand
Member

Ms. Madhumita Ganguli
Member

Nomination, Remuneration & Compensation Committee

Mr. Viraj Tyagi
Chairman

Mr. Safir Anand
Member

Mr. Gopal Jain
Member

Mr. Paresh Surendra Thakker
Member

CSR Committee

Mr. Safir Anand
Chairman

Mr. Satya Narayanan .R
Member

Mr. Gautam Puri
Member

Stakeholders Relationship Committee

Mr. Safir Anand
Chairman

Mr. Gautam Puri
Member

Mr. Nikhil Mahajan
Member

Risk Management Committee

Mr. Satya Narayanan .R
Chairman

Mr. Gautam Puri
Member

Mr. Nikhil Mahajan
Member

Share Transfer Committee

Mr. Satya Narayanan .R
Chairman

Mr. Gautam Puri
Member

Mr. Nikhil Mahajan
Member

Bankers

HDFC Bank Ltd. | I C I C I Bank | Standard Chartered Bank
Kotak Mahindra Bank | Corporation Bank
Axis Bank | Citibank | State Bank of India

Registered & Corporate Office

A-41, Espire Building, Lower Ground Floor,
Mohan Co-operative Industrial Area,
Main Mathura Road, New Delhi – 110 044, India
Tel: +91 (11) 4128 1100, Fax: +91 (11) 4128 1110
Email: compliance@cleducate.com
Website: www.cleducate.com

CHAIRMAN'S Message



Dear Shareholder,

In each of my few fortunate personal interactions with Dr APJ Abdul Kalam, Education and NPI (National Prosperity Index instead of GDP) were constant features and he always spoke very animatedly about these. Dr. Kalam was the first contemporary Indian who spoke about India as a Global Super Power. He did that when we, as a nation, were still coping with our new identity in the 1990s. He also stressed that India will realise her potential through her knowledge and education. I myself, have been a die-hard believer of this prophecy as well as vision clarity.

In less than two decades, those distant visions have translated into visible evidences - from ISRO to global Indian CEOs to growth of Indian economy, to India emerging as a new innovation destination for companies and entrepreneurs, etc.,. If you search for any commonality in each of the top 10 successes of our nation, you will find education as the only factor.

In fact, my story or your own story or the story of our immediate family or closest friends is a testimony to the transformational impact education has had in a short span. Many of us have rocketed ourselves from the bottom of the pyramid to the top by virtue of just one thing - our education.

Simply put, CL is an effort, a journey, a platform, a movement, an organisation that aims at doing the same for millions in India and then, elsewhere in the world. When India rides her way from a USD 2.5 Trillion economy (IMF estimate) to a USD 5

Trillion on the back of education, we would love to not just ride that wave but also contribute our might to that accomplishment. In short, can we be the best coach in the world over the next decade - coach for all kinds of knowledge, skills and attitude. That's CL Educate.

A few thoughts about the macros:

Favourable macros always play an important part as they create the tailwind. The virtuous cycle of wealth and prosperity has begun to move for India now. The core enabler was education that led to improved Gross Enrollment Ratio (GER) in higher education, more jobs, innovations, wealth creation, which now are moving back as re-investments to scale ourselves to the next orbit of education, innovation and prosperity. Of course, there are patches of imperfections, large tracts of effort vacuum in this big picture. However, the big picture itself is truly favourable.

1) Robust Demand and demographics favourable:

Education is culturally valued in India. Every family strives to give her best to the child. You will be aware of how different this is in many parts of the world including the US. The Indian parent looks at education as the core while success or wealth as a by-product. This works as the strongest 'pull' in the robust demand for education at every level and every town. The universities and schools struggling to upgrade their quality standards is a mere testament to the consumer awareness of quality and not compromising with it.



2) Integration into world higher education (HE) landscape

One of the uncelebrated policy successes over the past two years, has been the successful implementation of NIRF - National Institutional Ranking Framework. NIRF ranks higher educational institutions including colleges and universities through an independent process which grants over 50 percent weightage to research output and graduate outcomes of the institution. This is the first big step towards integration of Indian higher education with the global landscape.

This creates opportunities as well as the inevitable disruptions in the HE landscape. Over the medium to long term, we will see emergence of 20-25 Indian universities in the top 200 universities of the world (from the current three, as per the latest QS World University Ranking for 2016-17). The positive impact of this step could be nothing short of revolutionary. Bangalore, Hyderabad, Mumbai, etc emerging as melting pots of innovation at par or ahead of Silicon Valley or Tel Aviv is eminently possible. Indian universities will emerge as the hotbed of innovation in the next decade. In a five year perspective, I see India emerge as a powerful education brand along with China and US where the net students coming to study is more than the numbers that travel out.

3) Organisations become universities

Skills are paramount in the new job paradigm, not degrees and constant reskilling is inevitable. Organisations and professionals/employees have to be truly focused on reskilling themselves every day in the new paradigm. This opens up a massive super-specialist business opportunity.

The new era recruitment, training, career progression, compensation and rewards are increasingly driven by this new paradigm of skills. This will include on-demand assessments, benchmarking, continuous training, personal coaching, appraisal, reassessment and so on. Technology-led and personalisation driven platforms will enable organisations in this journey. It will be a white label internal university powered by external tech-platform companies. Life long learning, continuous learning, open-loop university are some of the new jargon so that have begun to fly around.

Our Short Term Growth Engines : 12 to 24 months

Now, our entire attention is on excellence in short term execution.

1) Test Preparation and Training (“Test Prep”):

Test Prep is an evergreen and continuously evolving, naturally 'pull' business. Moreover, in India, India's Kaplan (biggest Test Prep brand) is yet to emerge; CL is uniquely positioned to emerge as that.

With the addition of ETEN business (acquired from Pearson in

the month of April 2017), CL has added a very potent engine to scale all the knowledge products such as IAS & allied, Chartered Accountancy/ Company Secretarial / Chartered Financial Analyst course and allied, Banking and Allied, and so on. GATE, IITJEE/ Medical addition are on the anvil too. ETEN is time tested and proven. This backbone and product portfolio expansion enables CL to aim and double her geographical reach over the next 2-3 years.

2) Research services through Accendere and wainconnect.com:

Accendere has a unique FMA (first mover advantage) in the post NIRF era in India. Our acquisition of Accendere could not have been timed better (We have discussed about wainconnect and Accendere Knowledge Management Services in Management's discussion and analysis section). We will continue to invest in building the technology led platform along with research VAS (value-added services) and hope to build a formidable business over the next two-three years. Moreover, Accendere gives CL her first truly globally monetisable platform and product.

3) Scalable Learning & Development services for corporations and Universities:

CL Educate has a strong footing with the corporates and the institutions through its subsidiaries, Kestone and CL Media. Over the past three years, the conscious strategy has been to move from the low margin staffing business to higher margin VAS (value-added services). This effort goes further with the addition of Innovation/research services (Accendere) and scalable training services (Kestone and 361DM) to corporates and universities. CL already holds a small strategic stake in 361DM. We foresee enhancing our integration to enable faster scaling in the immediate future.

Conclusion:

John Keynes' quote "In the long run, we are all dead" does ring constantly in my head. There is so much to do and yet we have only 24 hours a day. Every moment is precious. We need to seize every moment today so that we deserve the tomorrow. As Allama Iqbal said -

Woh qaum nahin laayaq e hungama e farda

Jis qaum ke taqdeer mein imroz nahin hai

(Those who do not value their today do not deserve the excitement of the tomorrow)

With appreciation

Satya Narayanan .R

Financial Highlights

Three year Performance, Standalone (₹ Crore)

In ₹ Cr	FY15	FY16	FY17
Total Revenue	155.0	173.0	156.3
Adjusted Revenue*	123.6	136.9	154.0
Adjusted Revenue Growth	8.7%	10.7%	12.5%
EBI TDA	18.7	17.9	20.8
EBI TDA Margin	12.1%	10.3%	13.3%
PBT	8.9	6.5	10.8
PAT	6.6	4.4	7.2
EPS (In ₹)	6.1	3.7	6.1
Cash & Cash Equivalents	11.3	8.0	214.6
Networth	236.2	256.2	361.9

Three year Performance, Consolidated (₹ Crore)

In ₹ Cr	FY15	FY16	FY17
Revenue	283	282	279
Adjusted Revenue*	214	228	277
Growth (%) on adjusted Revenue		7%	21%
EBI TDA	44	48	47
EBI TDA Margin (%)	16%	17%	17%
Adjusted EBI TDA*	39	52	53
Adjusted EBI TDA Margin (%)	18%	23%	19%
PAT	21	21	19
PAT Margin (%)	7%	8%	7%
Adjusted PAT*	15	24	25
Adjusted PAT Margins (%)	7%	11%	9%
EPS	19.6	18.2	15.8
Cash & Cash Equivalents	19.3	15.9	222.5
Networth	207.8	240.6	358.1
D/E	0.3	0.29	0.16

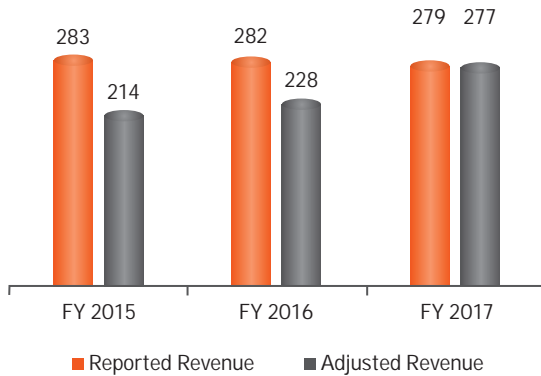
* Adjusted for GVET and Nokia Businesses

Revenue Mix (In Rs Cr)	FY15	FY16	FY17
Consumer	150	151	172
Enterprise	64	77	105
Vertical EBI TDA	FY15	FY16	FY17
Consumer	28	41	46
Enterprise (Adjusted for GVET, Nokia)	10	11	7

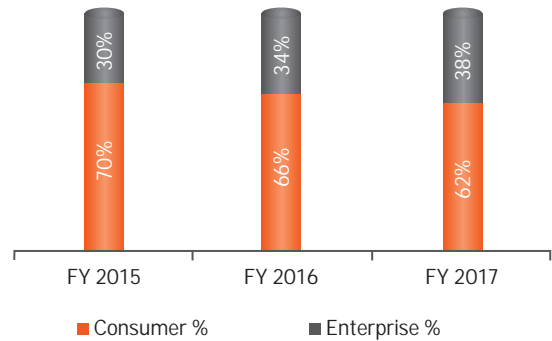


CL in Charts

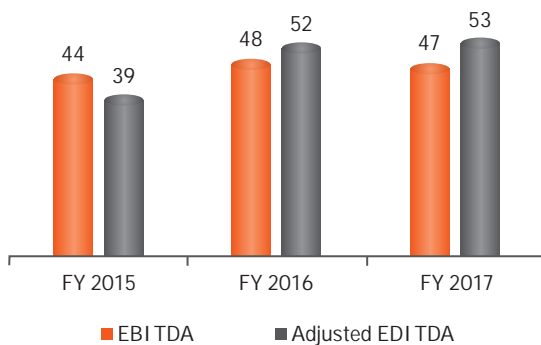
Total Revenue (₹ Cr)



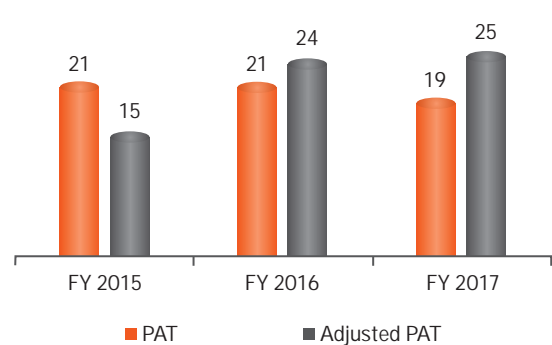
Adjusted Revenue Mix



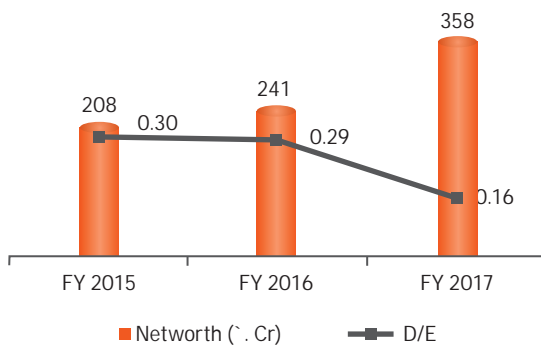
EBITDA (₹ Cr)



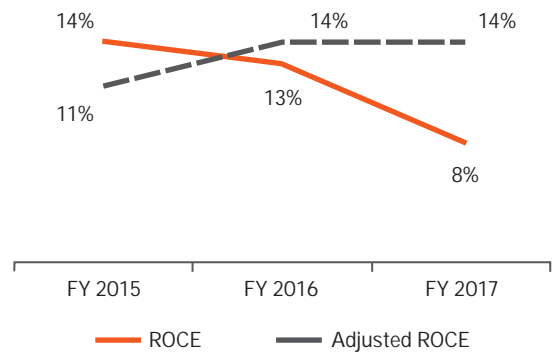
PAT (₹ Cr)



Network & D/E



ROCE



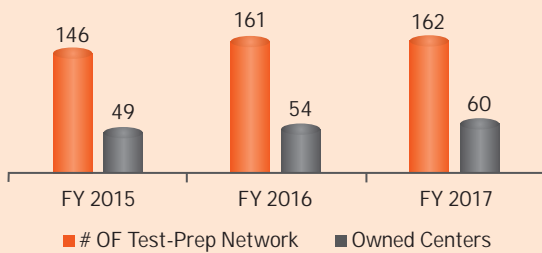
Note: Adjusted for GVET & Nokia Business

Operational Highlights

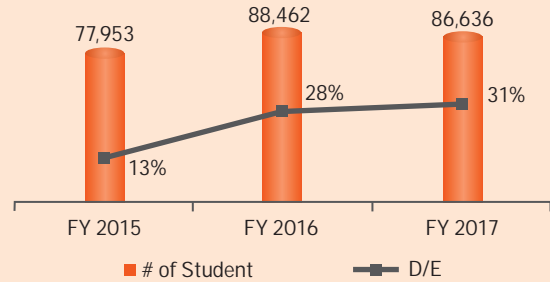
CONSUMER

Strengthened position as a National Test-Prep Leader

Test-Prep Network

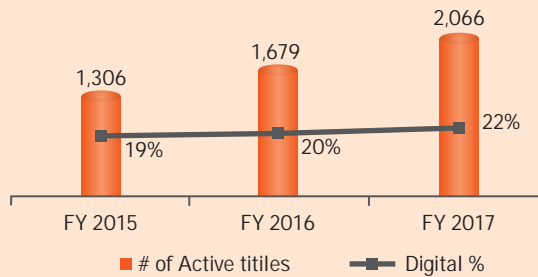


Test-Prep Enrolments



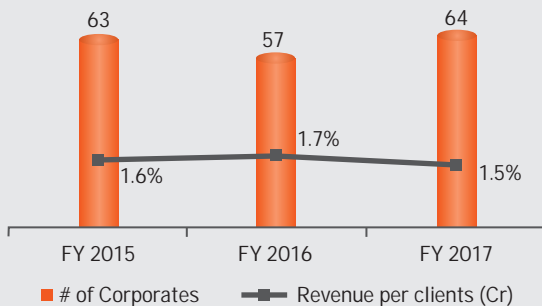
Increasing share of digital publishing

Publishing

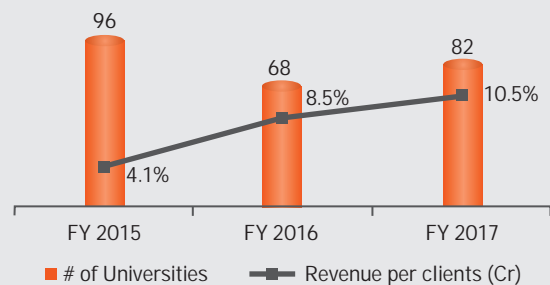


ENTERPRISE

Unique Learning cum productivity DNA in Corporate services



Increasing revenue per University



Our Journey of Growth...

1996-2001
Foundation Years

2002-2007
Rapid Expansion

1,500 Enrolments
24 Locations
2 Product
` 8 Cr Revenue

Foundation Years

- ✿ In 1996, started with interview & group discussion training for MBA Aspirants
- ✿ After huge success, in 1998, integrated backwards into classroom training for MBA test prep (TP)
- ✿ First external investor came aboard
- ✿ All operations were confined to Delhi

At the end of the 1st Yuga, we began looking at new TP verticals & new cities

47,000 Enrolments
72 Location
6 Product
` 61 Cr Revenue

Rapid Expansion

- ✿ By Geography: entered Mumbai & 1st acquisition of boutique MBA firm
- ✿ Product Expansion, added three new verticals in TP ie Engineering, Law & Civils and expanded coaching
- ✿ Our hugely successful franchisee model took root

Post 2nd Yuga, we began looking at diversification out of TP and coaching



Each epoch of time or **Yuga** has been a journey. At CL Educate, we have always been aware that as we moved through these 'measures of time', we were evolving. Now, as we stride ahead towards our Vision 2020, let **the new journey begin!**

2008-2013

Re-Invention

2013
onwards

Making our
Mark

Vision
2020

Accelerated
Growth

67,000 Enrolments
73 Location
10 Product
~ 128 Cr Revenue

Re-invention

- ✿ New equity investor funds new businesses (K12, B-School, corporate skills marketing & Publishing) to counter decline in MBA TP market
- ✿ Soon realised we were not interested in asset heavy K12 & B-School. Exited B-School & begun prep for exiting K12

Post 3rd Yuga, CL focussed only on asset light scalable tech-enabled businesses

86,000 Students
89 Location
12 Product
~ 145 Cr Revenue

Making our Mark

- ✿ 2016 reorganised into consumer and enterprise
 - Consumer: Test Prep (traditional aptitude & knowledge products) & Publishing
 - Enterprise: Integrated Marketing & Sales Services, Research & Innovation Services, Media Sales

- ✿ Inorganic growth continues with 8th ETEN acquisition

Yuga 4: Post our IPO, we are well set for growth in our core businesses



The Honour ROLL

Test Prep

MBA ENTRANCE



11
100%ilers
CAT'16
CAT'16 Results
under audit

394
99%ilers
CAT'16

17,229
IIM Calls
CAT'15
Audited results

2,129
Students received
calls from at least
one IIM in CAT 2015

LAW ENTRANCE



75
Out of top 100 rank
in CLAT17

51
LSATians out of top
73 selection in AI LET'17

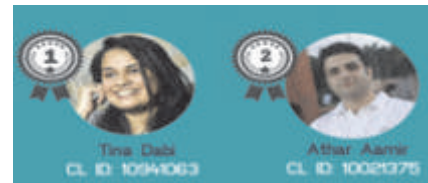
24X7
Access to each student:
Powerful online support
platform called MyLST

OTHER APTITUDE PRODUCTS



1,341
CL Students cleared
CSAT (Civil Services)
out of 31,941 qualified
students** in 2014
and 2015

33
out of 1,078 students
selected in final merit list
of the Civil Services
Examination 2015
from CL



CSAT 2015 toppers are CL-I TES

OTHER KNOWLEDGE PRODUCTS



125
CL students cleared JEE Mains 2017,
eligible for JEE Advanced 2017



Integrated Marketing & Sales, Research & Innovation and Media Services



500+

Creative, approachable, multidiscipline Kestonians

100+

Strong reach and infrastructure to Indian cities

10+

Connect to International destinations

MULTIPLE EVENT INTELLECTUAL PROPERTIES



National quiz contest with expected reach covering 15,000 schools, 5,000 colleges 300,000 students, across 50+ cities.



MeltingPot2020 India's 1st innovation summit that saw 500+ industry leaders participating & 1000+ students participating in the parallel youth festival



3rd edition of the post college career fair Career at the Constitution Club of India.

Marquee Clients



WAIN CONNECT



Wainconnect.com, India's first Industry Academia Collaboration Platform

75 Research Projects | 169 Student Innovators

3 year MoU with T-Hub Education in Telangana for building a collaborative environment for start-ups bringing industry and academia together on WAIN platform

Featured WAIN Challenges

 <p>Conceptual Research Experience for School Students</p> <p>Initiator: CL Educate Ltd, Delhi No. of Innovators: 35 Tags: Innovation, K-12 Education</p>	 <p>Toxicity of Nanoparticles</p> <p>Initiator: Manav Rachna International University, Faridabad No. of Innovators: 04 Tags: Nanotechnology, Biology</p>	 <p>How Changes in Global Economy Affects Indian Rupee</p> <p>Initiator: Institute of Finance and International Management, Bengaluru No. of Innovators: 02 Tags: Economics, Monetary Policy</p>	 <p>A Study of Distribution Strategies of ITC</p> <p>Initiator: Institute of Computers and Business Management, Hyderabad No. of Innovators: 04 Tags: Marketing, Strategy</p>
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Marquee Institutional Clients





The Class of 2017

MR. SATYA NARAYANAN .R

Chairman of the Board &
Whole-Time Director

Aged 47 years, Satya is our Chairman and Executive Director. He holds a bachelor's degree in computer sciences from St. Stephen's College, University of Delhi and a post graduate diploma in management from the Indian Institute of Management, Bangalore. He has over 19 years of experience in the education sector. Satya has been a Director on our Board since incorporation and was last re-appointed as an Executive Director of our Company with effect from April 01, 2017. He has completed the program 'human interaction laboratory' from the NTL Institute for Applied Behavioural Sciences and has received various awards, including the Karamveer Puraskar in 2009-10 by iCONGO and the Most Promising Entrepreneur Award in the Asia Pacific Entrepreneurship Awards 2009.

MR. GAUTAM PURI

Vice-Chairman & Managing Director

Aged 52 years, Gautam is our Vice Chairman and Managing Director. He holds a bachelor's degree in chemical engineering from Punjab Engineering College, Chandigarh and a post graduate diploma in management administration from the Indian Institute of Management, Bangalore. He has over 19 years of experience in the education sector. He has been a Director on our Board since incorporation and was last re-appointed as the Vice Chairman and Managing Director with effect from April 01, 2017.

MR. NIKHIL MAHAJAN

Whole Time Director & Group CEO Enterprise Business

46 years old, Nikhil is our Executive Director and Group CEO Enterprise Business. He holds a bachelor's degree in electrical engineering from Benaras Hindu University, Varanasi and a post graduate diploma in management administration from the Indian Institute of Management, Bangalore. He has over 18 years of experience in the field of finance and the education sector. He joined our Board on October 12, 2001 and was last re-appointed as a whole-time director with effect from April 01, 2017.

MR. SRIDAR IYENGAR

Non-Executive Independent Director

Aged 69 years, Sridar is our Independent Director. He is a fellow of the Institute of Chartered Accountants in England and Wales. He is a member on the board of the American India Foundation. From 1968 until his retirement in March 2002, he was employed by KPMG, retiring as the Partner-in-Charge of KPMG's Emerging Business Practice. He has been the chairman and CEO of KPMG's India operations. He has an experience of over 35 years in the financial services sector. He joined our Board on October 17, 2007 and was reappointed on September 05, 2014.

**MR. PARESH SURENDRA THAKKER**

Additional (Non-Executive Independent) Director

Aged 46 years, he is our Additional (Non-Executive Independent) Director. He is a qualified CFA (AIMR, USA), Chartered Accountant (India), Cost Accountant (India), Company Secretary (India) and Bachelor of Commerce from Mumbai University and an experienced private equity investor/advisor with more than 21 years of investing experience. He is the co-founder of ValueQuest Capital LLP and founding member of Religare Global Asset Management and was also a co-founder of Evolve India Platform, an India-Focused hybrid private equity firm. He joined our Board on July 02, 2017. He shall hold office as an Additional (Non-Executive Independent) Director upto the date of the next Annual General Meeting of the Company, unless appointed thereat.

MR. SAFIR ANAND

Non-Executive Independent Director

Aged 45 years, Safir is our Independent Director. He holds a bachelor's degree in law from the Delhi University. He is a member of the Bar Council of India, the Delhi High Court Bar Association, the Association of Media and Entertainment Counsel (International Committee member), the International Franchise Association, International Trademark Association and Marques. He is presently a senior partner and head of trademarks and contractual law at Anand and Anand, a law firm in India. He has been recognized as a leading intellectual property lawyer by Chambers Asia-Pacific and by ICFM 250 in 2014. He joined our Board on March 06, 2008 and was reappointed on September 05, 2014.

MR. GOPAL JAIN

Non-Executive Non Independent Director

Aged 46 years, Gopal is our Non-Executive Non Independent Director. He holds a bachelor's degree in electrical engineering from the Indian Institute of Technology, Delhi. He is one of the co-founders of Gaja Capital. He has over 22 years of experience in the private equity and financial services industry in India. He joined our Board on March 06, 2008 as Nominee Director, nominated pursuant to Gaja SHAs. The Designation of Gopal has been changed from Non-Executive Nominee Director to Non-Executive Non Independent Director on Board of the Company on and with effect from July 24, 2017.

MR. VIRAJ TYAGI

Non-Executive Independent Director

Aged 47 years, Viraj is our Independent Director. He holds a post graduate diploma in management administration from the Indian Institute of Management, Bangalore. He is the co-founder and managing director of NettPositive Business Intelligence Solutions Private Limited. He has previously worked at Standard Chartered Bank, India, Halifax Bank of Scotland and American Express, Europe. He has over 21 years of experience in the financial services industry. He joined our Board on April 28, 2008 and was re-appointed on September 05, 2014.

MS. MADHUMITA GANGULI

Additional (Non-Executive Independent) Director


Aged 60 years, she is our Additional (Non-Executive Independent) Director. She is a lawyer by qualification, with over 25 years of work experience and heads a large part of the core business of HDFC Ltd. She joined our Board on July 02, 2017. She shall hold the office as an Additional (Non-Executive Independent) Director upto the date of the next Annual General Meeting of the Company, unless appointed thereat.

The Future is our motivation


Vision 2020 for CL Educate is hinged on our singular focus on knowledge/career services that are Asset-light, Scalable & Technology-led. Resources are well in place to fund growth - organic, as well as inorganic. We will continue to pick the option that has a superior chances of success, in shorter time and that enhances growth and ROE.

Vision 2020

Consumer




new




Knowledge Products
esp. Engg. / Medical

Geographical reach
Franchising | VSAT




Increase Utilisations




Digital Expansion
Live Classes
Different Media-Apps,
Youtube, Portals


Cross Sell
ETEN & CL




Enterprise



Increase Clientele




Expand Offerings




Cross-Leverage Knowledge
assets & insights


Cross-sell b/w
Industry & Academia




Inorganic




ETEN Integration & Scale Up



Accendere Scale Up



Other Service Gaps
Acquisitions Strategic
& Partnerships





Core values and core purpose

The acronym **ROOHI** sums up our DNA, our organization's soul which we follow in all aspects of our operating practices and at all our locations. Even as we have changed over the years growing larger, diversifying, acquiring and integrating other companies, and operating in a rapidly changing world, our core ideology has remain unchanged, defining the very structure of our organization. We believe this gives us longevity as an organization and will enable us to grow our corporate brand to greater heights.

R

Risk Taking: Acting decisively based on sound judgment and intuition.

O

Ownership: Accepting responsibility for actions & carrying the team forward in a crisis situation.

O

Openness: Regularly sharing experiences with team members and customers, and encouraging feedback and initiative from them.

H

Honesty & comitment to customers: Communicating clearly & honestly to customers, the deliverables and expectations from them.

I

Innovation: Creating products, systems and processes with enhanced effectiveness to meet customer needs.

Management's Discussion and Analysis

Overview

Incorporated in 1996, CL Educate Ltd. is a well-diversified and technology enabled provider of education products and services across the education value-chain. The company has emerged as a market leader in its core consumer and enterprise focused businesses. Last year saw CL reinventing itself with firmer focus on knowledge and career services with a clear asset-light technology enabled and scalable services strategy. It clearly articulated its strategy to move out of the asset heavy business by exiting its asset heavy and low return K-12 business by signing two separate Business transfer agreement which are likely to be closed in first half of FY18. Today, CL is well positioned to gain from the growing Indian economy and its rich 'demographic dividend', With a wide opportunity of coaching services and strong books, besides partnering with Indian Educational institutions driven by transformative reform in Higher Education triggered by NIRF implementation

Led by a team of highly qualified professionals from predominantly IIT-IIM alumni, with a passion for excellence CL Educate caters to people's learning lifecycle from 14 to 60 years via its Consumer & Enterprise Verticals with established leadership, strong brand equity and distinct competitive advantages.

1. Consumer: Test-Prep and Publishing:

- ◆ Market leader in Aptitude Products (AP) MBA and Law Test prep offering
- ◆ Strong owned content, complemented by experienced faculty and trainers
- ◆ ETEN CA & IAS business acquisition to help scale the Knowledge Products (KP) offerings
- ◆ Publisher of test prep books for Indian competitive & job exams/ complementary to Career Launcher Test Prep offerings with leadership in technical segment

2. Enterprise: Universities & Corporates

- ◆ Unique integrated solutioning driven Corporate services for business including, marketing, training and research & sales for corporates
- ◆ Facilitates Universities in improving their Ranking through research and start-up incubation and helping them in reaching out to the right student set and improve their quality of intake

The Company's key differentiators are:

1. Wide coverage: Pan India with most expansive product-geography offerings
2. Tech-enabled delivery – Online, mobile and cutting edge assessment
3. Research led knowledge repository – 2 decades of insights, strong team, royalty free content
4. Integrated & wide spectrum of enterprise offerings
5. Extensive Customer Relationships
6. Professional & Entrepreneurial Management Team
7. High Corporate Governance

The company has now begun its journey towards Vision 2020. The Company intends to focus on knowledge and career services that are asset-light and tech-enabled to provide higher scalability. It has a successful track-record of strategic acquisitions, integrating them well to expand services and this would continue to be one of the key growth driver for the future.

The Company will continue to adopt a multifaceted growth strategy targeting organic growth via increased market penetration, digital adoption, cross-leveraging synergies as well as inorganic growth in the fast-growing non-formal segments of education industry.

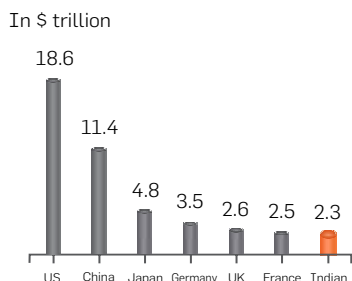
Economic Overview

India is one of the fastest growing major economy

India is the 7th largest economy in the world with a Gross Domestic Product (GDP) of \$2.3 Trillion (Chart 1). Globally, 2016 was a challenging year due to political uncertainties, weak market sentiments, declining global trade, low productivity, and pressures of inward-looking policies in advanced economies that dragged global economy to its slowest growth of 3.1% since 2010. However, the year ended on a positive note with recovery in financial markets, manufacturing and trade that have spurred the global economy to revival and faster growth of 3.5% in 2017 and 3.6% in 2018. (Table 1).

India's growth remained resilient with low inflation supported by favorable monsoon, fiscal prudence and low current account deficit. However, demonetization coupled with tepid private investment, transiently pressurized growth. The new reform of implementation of Goods and Service Tax (GST) will eliminate the multiplicity of taxes and make India a single common

Chart 1: GDP of key countries

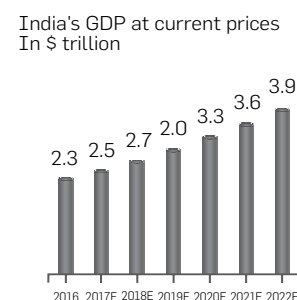


Source: IMF Economic outlook April 2017

Table 1: IMF Growth forecasts for 2017 & 2018

	2015	2016	2017	2018
World Output	3.4	3.1	3.5	3.6
Advanced economies	2.1	1.7	2.0	2.0
United States	2.6	1.6	2.3	2.5
Euro Area	2.0	1.7	1.7	1.6
Emerging & Developing Economies	4.2	4.1	4.5	4.8
China	6.9	6.7	6.6	6.2
India	7.9	6.8	7.2	7.7
Russia	-2.8	-0.2	1.4	1.4
Brazil	-3.8	-3.6	0.2	1.7

Chart 2: India's GDP projection



market. These, and many more, multi-faceted reforms are expected to ensure India can withstand volatility of the global economy as well as ensure an upward growth trajectory.

India GDP: \$3 trillion+ by 2020, \$5 trillion+ by 2025

According to Morgan Stanley, the Indian economy is likely to reach \$5 trillion by 2025. A period of sustained and productive growth in the medium term is expected and the per capita income is estimated to reach \$3,650 by 2025 from \$1,700 presently.

India's growth trajectory is supported by the low unemployment rate compared to other developed countries. In 2016, India's unemployment rate was at 3.5%, lower than China (4.6%), USA (4.9%) and UK (4.8%). The Government of India has made numerous efforts to keep the unemployment rate low such as encouraging private sector, fast tracking various projects involving substantial investment and increasing public expenditure on schemes like PMEGP MGNREGA, DDU-GKY and NULM.

Rise of the Services Sector redefining narrative

The contribution of the services sector has increased rapidly in India's GDP, with many foreign consumers showing interest in the country's service exports. This is attributed largely to our country's pool of highly skilled, low cost and educated manpower. According to the Economic Survey 2015-16, the

services sector contributed almost 66.1% of its gross value added growth in 2015-16 becoming the important net foreign exchange earner and the most attractive sector for FDI.

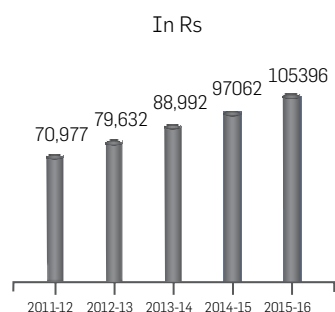
According to the Advanced Estimates for 2016-17, the services sector is expected to grow at 8.8%, in line with 8.9% growth achieved in 2015-16.

India has the 2nd largest population in the world

At over 131 crore, India is the world's 2nd most populous country contributing ~18% to total global population (Chart 5). In 2016, India's population grew by 1.2%, more than twice of China's population growth rate of 0.54%. India is projected to be the world's most populous country by 2022 surpassing China, with population reaching 170 crore by 2050. India's "demographic dividend" — the window of opportunity that a large workforce creates to strengthen an economy, could add 2 percentage points to the country's annual growth rate over the next two decades, according to the IMF.

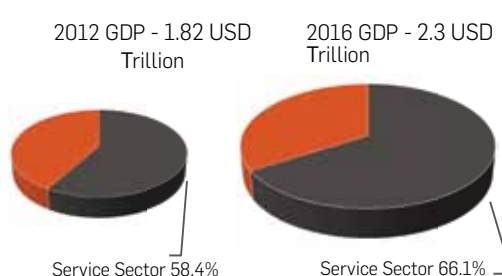
A growing workforce is an advantage for both the manufacturing and services sectors in India. Not only do businesses have access to people that are young and physically fit, it means less cost pressures, particularly on the wage front, because of the availability of labour. Twenty five crore people are set to join India's workforce by 2030. As a big chunk of the population shifts

Chart 3: India's Per-capita income



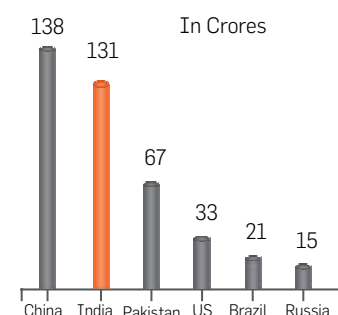
Source: Provisional Estimates of National Income & Expenditures on GDP, 2016-17 (At Current

Chart 4: India's Service Sector Share in GDP



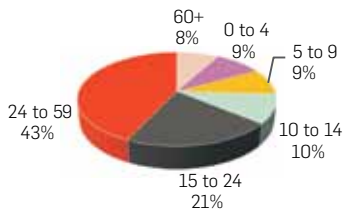
Source: Government of India Data Base 2013; Economic Survey 2015-16

Chart 5: Population of key countries



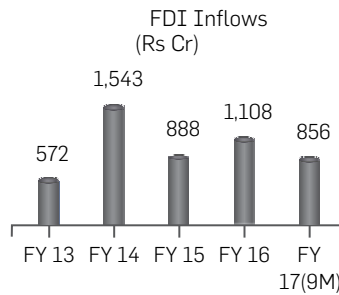
Source: IMF

Chart 6: Age-wise Population
Population by Age



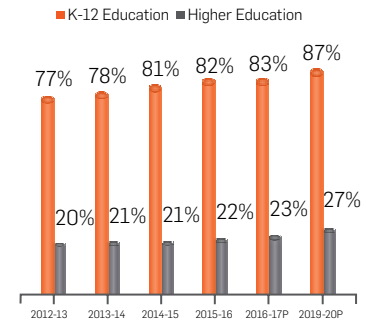
Source: Census of India (2011)

Chart 7: FDI in Education



Source: CARE report

Chart 8: Gross Enrolment Ratio



Source: CRISIL

into the working age group, the offshoot of that is an increase in disposable incomes and conspicuous consumption. This is the most exciting aspect of India's demographic dividend.

The Economic Survey 2016-17 states that India's share of working age to non-working age population will peak later and at a lower level than that for other countries but last longer.

Business Environment

Indian Education Sector Overview

India's education sector is valued at \$100 billion and is expected to almost double to \$180 billion by 2020 with a CAGR of 16%, buoyed by the rapid expansion of education seeking population in India. Increasing government spending, disposable income for the middle-income group, rising number of private schools in urban as well non-urban areas will act as key drivers fuelling the growth of the sector.

~40% of the population is education seeking

The education seeking population majorly lies between the ages of 5 to 24 which is an estimated ~40% of total. This brings in huge opportunity for the education sector to take advantage of the growing numbers who are seeking education in the country. The working population which lies within the age group of 15 to 69 comprises a sizable ~64% of the population.

According to a recent CARE report, education has the second highest share in household expenses. Increasing urbanization in India over the years has resulted in larger pool of the population being exposed to global trends, especially in the fields of employment and education. This has increased the incidence of people opting for graduate and postgraduate courses.

The Union Budget 2017-18 has pegged an outlay of ₹ 79,686 crore for the education sector for Financial Year 2017-18, up 9.9% over FY 2016-17 and nearly twice of that in FY 2012-13.

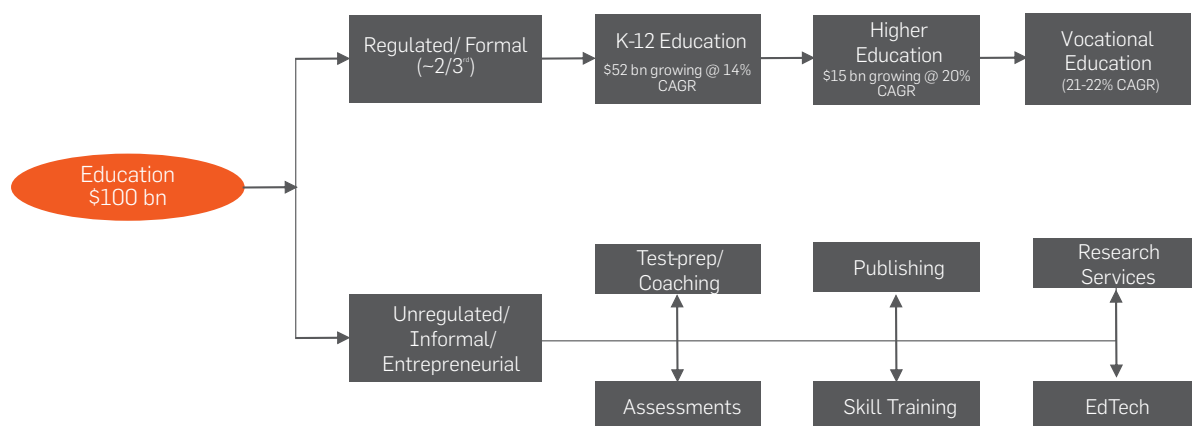
Segmentation of the education market

The education sector can be divided by the level of regulation into formal (~2/3rd) and informal, unregulated or entrepreneurial segments.

Formal Segment

The formal sector consists of the K-12, Higher-Education and Government Vocational Education.

India's K-12 segment is the world's largest consisting of 15.2 lakhs schools in FY16 having grown at a CAGR of 0.4% in FY13-FY16. ~26 crore students are enrolled in schools, growing at a 3-year CAGR of 0.6%. The K12 market is 77% of the total regulated market. CRISIL Research estimates the



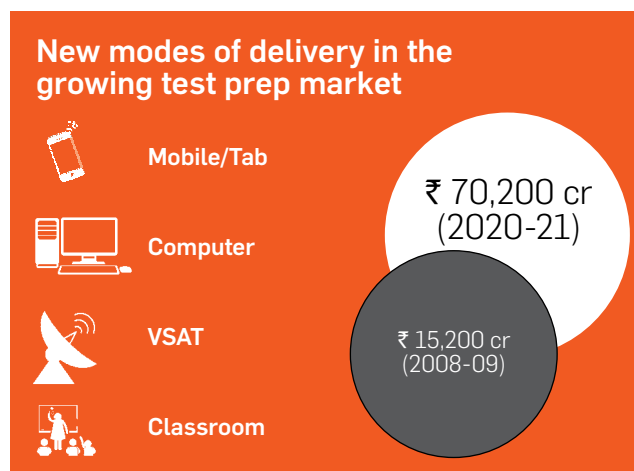
gross enrolment ratio (GER) to rise to 87% in 2019-20 from 81% in 2014-15 owing to rise in urbanization and disposable income. Over the period, 2.8 lakhs elementary schools are expected to be set up against 1.2 lakhs established between 2011-12 and 2014-15. The higher education sector consists of colleges, universities and standalone institutions. The GER in higher education is expected to rise from 21% in 2014-15 to 27% in 2019-20 driven by employability demand. The number of higher educational institutions during FY16 was ~52,000 as per CRISIL and have grown since FY 11 at a CAGR of 3.4%. The number of higher educational institutes are expected to increase to 59,000 by FY20. The government has opened 12 new IIMs and 15 new IITs in the past decade and also increased the budgetary allocation to this segment.

Informal Segment

The non-formal or non-regulated sector consists primarily of knowledge driven services such as Test-Prep or Coaching, Academic Publishing, Assessments, Skills Training, Research Services and Edtech services including e-learning.

1. Indian Test-Prep Market

The Indian Test prep was estimated at ₹ 37,800 crore in FY16, growing at a CAGR of 14% since FY09. (Source: CRISIL). The double-digit growth is fuelled by strong drivers such as evolving assessment needs, positive demographics, rising internet penetration and technological innovations. Today, in the higher education segment there are over 50 mainstream competitive exams that are conducted by various prestigious institutions and bodies for admissions to their programmes.



Starting from standard XII till post-graduation, a student, on an average, prepares for about half a dozen exams at every stage of his/her academic career. Not only has the cumulative number of test takers for these exams quadrupled over the last decade, there is a fairly prevalent cross-pollination wherein

students of one academic diaspora sit for exams of other academic and professional courses.

With the increase in the number of test takers, the competition toughens and makes opting for a comprehensive test preparation course extremely logical. CRISIL expects the market to reach ₹ 70,200 crore by FY21, sustaining its double-digit growth.

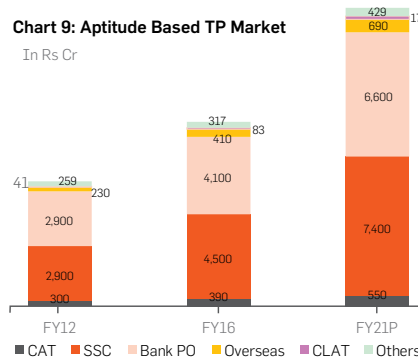
The test prep market can be classified based on the objective of the exams, into Aptitude Based Products (AP) and Knowledge Based Products (KP). The fundamental point of difference between the two lies in the depth of core subject matter expertise being assessed.

Table 2: Objective based TP segmentations

Factor	Aptitude Products	Knowledge Products
Segment Size (FY16)	₹ 9,800 Cr	₹ 28,100 Cr
Graduate Based Exams	BBA Mass Comm HM Law	IIT-JEE Medical CA/CPT, CA IPCC, CA Final
Post-graduate based exams	SSC/ Banking MBA/ CAT SAT/GRE/GMAT	GATE IAS
Key Assessment Objective	Logical Reasoning, Observation Skills – primarily for managerial roles	Subject Matter Expertise – primarily for technical roles
Level of concepts tested	Typically Class VII to X	Class XI, XII, or Core Subjects of graduation
Applicability of elimination/standardization as technique	Very High	Low
Faculty Expertise	Lower	Higher, more 'star teachers'
Faculty Availability	Higher	Lower
Technology as a scalable tool	Medium	High

Aptitude Based Test prep Products market

The aptitude based test prep market has grown at a steady CAGR of 10% between FY12 to FY16 and is estimated to



Source: CRISIL

witness 10% CAGR growth between FY16-FY21 driven by strong growth in the SSC and Bank PO market. Key exams in this segment are CAT, SSC, Bank PO and CLAT.

MBA Test-Prep market (CAT)

The management entrance exam CAT test prep market was estimated to be of ₹ 390 crore in FY16. Over the last 7 years, 12 new IIMs have been opened. Thus, for last 3 years, number of applicants have been increasing. In 2016, 2,32,434 aspirants attempted CAT compared to 1,94,514 in 2013. CAT is also an extremely competitive exam. As over 2 lakhs applicants compete for 4,265 seats in the IIMs which means less than 2% of the total applicants have a shot. Also, IIM is considered to be a great brand, thus popularity of this exam will sustain for years to come.

CRISIL expects Management exam CAT would see steady growth rates in the next 5 years at CAGR of 7% between FY16-FY21 taking its total market value to ₹ 550 crore by FY21.

SSC Test-Prep Segment

SSC or Staff Selection Commission is a popular entrance exam in India to gain entry into a myriad of Central Government jobs. The overall SSC test prep market for FY16 was estimated at ₹ 4,500 crore, over the last 5 years this sub-segment has grown at a CAGR of ~12% between FY12-FY16. The SSC test prep market is estimated to grow at a CAGR of 8% between FY16-FY21. There is increasing popularity of Central government jobs which candidates perceive as stable post the implementation of the 7th Pay commission salary increments.

Bank PO Test-Prep segment

Bank POs are one of the most popular exams in India. ~22 lakh candidates took SBI PO exam in 2015 and similar number appeared for IBPS exam. IBPS or Institute for Banking Personnel Selection is a single entrance exam for entrance into majority of Indian banks. State Bank of India conducts its separate test and so does some other banks like Syndicate etc. The Bank PO prep market was estimated to be of ₹ 4,100 crore in FY16 and have grown at a CAGR of 9% during FY12-FY16.

CRISIL estimates the segment to grow at a CAGR of 10% between FY16-FY21 driven by increasing popularity as a stable and higher paying employment avenue.

Law Test-Prep

Among the other tests category, law tests prep for CLAT has seen very impressive growth at CAGR of 19% between FY12-FY16. For FY16, the total CLAT market size was ₹ 83.3 crore. CLAT is the entrance exam for all the Law colleges in India and allows admission into 17 law colleges across India.

This sub-segment is expected to grow at 16% CAGR between

FY16 – FY21. The projected market size for CLAT test prep segment is expected to reach ₹ 171.3 crore by FY21. There are still many law colleges in India which are yet to come under CLAT, this will increase the number of test takers in the years to come.

International Education

During FY16, the overseas test prep market was valued at ₹ 410 crore. The overseas test prep market includes international exams to pursue graduate/post graduate level courses in foreign countries like the US, Canada, European countries and the UK. SAT, GRE/GMAT, TOEFL, IELTS etc. are some of the qualifying exams.

US is an extremely popular destination for post graduate course. This sub segment is poised to grow at a CAGR of 11% between FY16 and FY21 and its overall market value is estimated to reach ₹ 690 Crore by FY21.

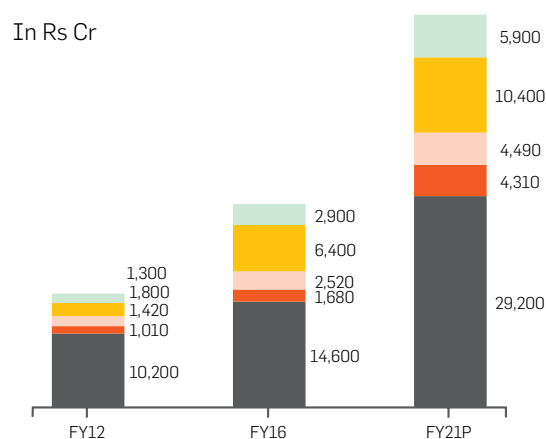
Knowledge Based Test prep

The knowledge based test prep market was estimated to be of ₹ 28,100 crore during FY16. It grew at an impressive rate of 16% CAGR between FY12-FY16. It is poised to grow at a CAGR of 14% between FY16-FY21 and its overall market value is estimated to reach ₹ 54,300 crore by FY21.

This segment consists of following exams:

- Engineering(IIT-JEE)
- Medical
- Accounting(CA)
- Engineering at PG level(GATE)
- UPSC

Chart 10: Knowledge Based TP Market



Engineering Test-Prep (JEE)

The engineering entrance exam consisting of NATA and JEE has been the most popular segment of the graduate based test



prep market. Its estimated size in FY16 was ₹ 14,600 crore accounting for 52% of the knowledge based test prep market.

This segment has seen steady growth in the past 5 years @ CAGR of ~9%. It is estimated to see a sturdier growth of CAGR 15% between FY16-FY21 with estimated market size to reach ₹ 29,200 crore by FY21. This is due to the immense popularity of these exams along with increasing enrolments and high fees charged.

Medical Test-Prep

The medical entrance test prep market contains preparatory materials for tests like AIPMT, NEET-UG etc. Market size was estimated to be of ₹ 6,400 crore for FY16, representing almost 22% of the knowledge test prep market share.

The medical segment has grown at an accelerated CAGR of 37% from FY12-16. This segment saw a huge spike during FY14 in revenue due to the introduction of a single exam for entrance into any medical and dental college across India called the NEET-UG exam. This segment is estimated to grow at a steady rate of 8.4% CAGR with total market size estimated to be ₹ 10,400 crore between FY16-FY21.

CA Test-Prep market

In FY16, the market size for Accountancy tests prep materials like CA (IPC and Final) was ₹ 2,520 crore. This segment has shown a growth of 15% CAGR between FY12 to FY16. Due to the popularity of CA certification for commerce students across India and perception as a certificate which gives strong employable skills have fueled this growth.

The CA test prep market is estimated to grow at a CAGR of 12% between FY16-FY21 with the estimated market value to reach ₹ 4,490 crore.

GATE Test-Prep

Engineering entrance exam at post graduate level includes GATE whose test prep market for FY16 was estimated to be of ₹ 1,680 crore. This segment has seen CAGR (FY12-16) of 14% due to the immense popularity of IITs amongst Indian students and the adoption of GATE scores by increasing number of PSUs for recruitment. This segment is expected to witness fast growth at CAGR of 21% between FY16-FY21 taking the estimated market size to ₹ 4,310 crore.

IAS Test-Prep

UPSC or Union Public Service Commission exam is considered to be one of India's most prestigious exams, it is for the post of Indian Civil Service. ~9 lacs students took the exam in 2015. In FY16, the UPSC test prep market was estimated to be ₹

2,900 crore. It has been growing at a CAGR of 22% between FY12-FY16.

UPSC test prep market is estimated to grow at a 15% CAGR in FY16-FY21. This is considered a very complicated exam with an overwhelming test curriculum. Almost every applicant enrolls for niched test prep centers only for UPSC exams, hence the customer base is sizable.

2. Indian Publishing Industry

The Indian publishing industry was estimated at ₹ 24,400 crore for FY16 containing 9,037 publishers countrywide. Academic publishing that includes publishing for K-12, Higher-ed and Test-Prep consumers, constitutes 83% of the market by value.

Academic publishing is poised to grow at a CAGR of 11-12% by FY21, with an estimated market of ₹ 35,270 crore by FY21. Increasing enrolment ratio, literacy level and increased spending capacity of the Indian middle class on education will drive the growth of this segment.

Test-Prep Publishing

The test prep publishing segment formed 8% of the overall academic publishing market in FY16 at an estimated ₹ 1,700 crore. It is poised to grow at a CAGR of 15% driven by growth in the job oriented exams, Engineering and Commerce.

The overall test prep publication market can be divided based on entrance tests in India

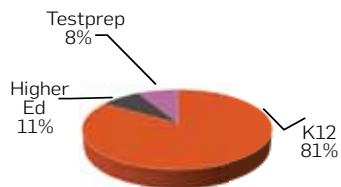
- Job oriented (UPSC, SSC and Bank PO)
- Engineering
- Law
- Accountancy
- Medical
- Management

The job based test prep publishing market takes the lion's share of the overall test prep publishing market with 65% market share and market valuation of ~₹ 1,100 crore during FY16. It consists of test prep materials published for extremely popular exams like SSC, Bank Po and UPSC. This sub-segment is poised grow at a CAGR of 15% between FY16-FY21, and reach ₹ 2,200 crore.

Management entrance test prep publishing formed only 2% of the overall test prep publishing market share during FY16, its market value was estimated at ₹ 41 crore. The management test prep publication market is estimated to grow at a CAGR of 12% between FY16 to FY21, and reach ₹ 72 crore.

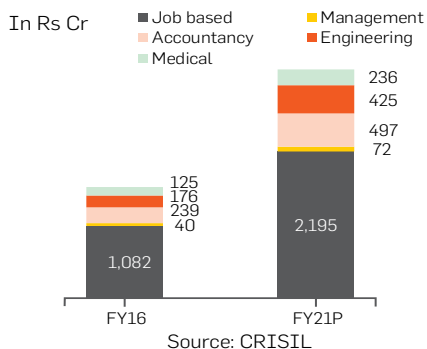
Accountancy test prep publication market forms 14.4% of the overall test prep publishing market in FY16 with overall market

Chart 11: Academic Publishing Market (FY16)



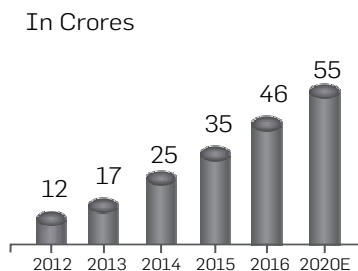
Source: CRISIL

Chart 12: Test-Prep Publishing Market



Source: CRISIL

Chart 13: Internet Users in India



Source: Technopak

value estimated at ₹ 246 crore. Due to the popularity of the CA degree, its publication market is estimated to experience steady growth at a CAGR of 15% with the overall market value to reach ₹ 497 crore.

Engineering test prep publishing market forms 10.6% of the overall test prep publishing sector for FY16 with its estimated market size at ₹ 181 crores. The publication market for engineering test prep is estimated to grow by 19% CAGR by FY21 increasing the total market value to ₹ 425 crore.

Medical test prep publication segment represented 7.3% of the overall test prep publication market with an estimated market size of ₹ 125 crore. This segment is estimated to grow at a CAGR of 13% by FY21 and its overall market size will grow to ₹ 229 crore.

Publishing segment for law entrance exams in India forms a very small percentage of the overall test prep publishing segment, was estimated to be ₹ 2 crore and is estimated to grow to ₹ 7 crore by FY 21 at a CAGR of 28%.

During FY16 the market size for K-12 content and publishing was estimated to be ₹ 16,340 crore. There are approximately 5,018 K-12 publishers across India as per Nielsen estimates.

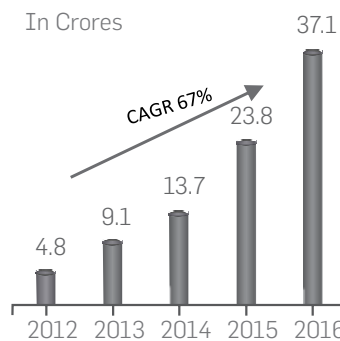
The government owned publishing houses like the NCERT, SCERT, NBT etc publish K-12 books which are available in the market either at subsidized rate or free of cost. Driven by improving literacy level, gross enrolment ratio and rising private schools the K-12 publication market is poised to grow at a CAGR of 11%-12% between FY16-FY21 with its estimated market value to increase to ₹ 28,140 crore by FY21.

The publishing market for higher education during FY16 was estimated to be ₹ 2,180 crore. Driven by increasing enrolment rate in higher education, increasing literacy level and expense capacity of the middle-income group for educational purposes, this segment is estimated to grow at 11%-12% CAGR between FY16-FY21 taking its overall market value to ₹ 3,700 crore by FY21.

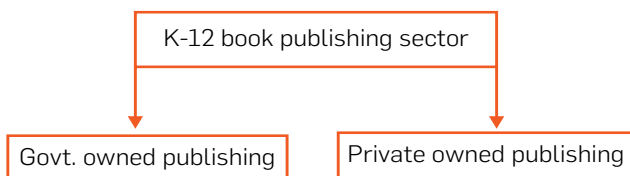
3. Digital Education

India has been witnessing a digital revolution. As per Technopak report, the number of internet users have increased by a CAGR of 30.5% between 2012 to 2016, and are expected to reach 55 crore users by 2020. 65% of the internet traffic comes from mobile phones. Smart phone users in India are estimated to grow at a CAGR of 38% in the next 4 years. Most of this growth will come from device migration of feature phones to smart phones.

Chart 14: Mobile Internet Users



Source: Technopak



Combining this with the increase in the Internet user population, a greater demand of digital learning products among the masses can be expected in the future. The government of India has also proposed investment in this segment to the tune of ₹ 1,13,000 crore through Digital India initiative.

Table – Online Education Sub-Segments

Online Education Sub-Segment	Value in 2021 (\$ mn)	2016 – 2021 CAGR
Reskilling and online certification	463	38%
Primary and secondary education	773	60%
Test preparation	515	64%

Source: KPMG

India's online education industry is expected to grow almost eight times to hit \$1.96 billion by 2021, with the number of paid users rising six-fold from 1.6 million now to 9.6 million, according to a joint report by search giant Google and consultancy firm KPMG.

Technopak estimates online tutoring to be a \$3.5 mn market growing at 30% CAGR in 2016- 2020.

4. K-12 Assessment Market

India is seeing an increasing demand for external assessment services in the K-12 segment. Technopak estimates India's K-12 Assessment market to be \$28 mn in 2016 with a growth rate of 20%. International Assessment for Indian Schools, NTSE, Olympiad, and ASSET are a few examples of assessment tests conducted in India.

5. Research & Incubation Services

In 2016 Bloomberg Innovation index India was ranked 45th far behind all its BRIC counterparts. When it comes to the world's most innovative companies United States is a clear winner. Forbes most innovative companies list featured 16 companies originating from USA compared to only 1 from India(Asian Paints).



The innovation index usually considers following criterions while developing the rankings for countries:

- a) R & D intensity
- b) Manufacturing value added
- c) Productivity

- d) High tech density
- e) Tertiary efficiency
- f) Researcher concentration
- g) Patent activity

Rank	Company Name	1 year Revenue growth %	Country
1	Tesla Motors	23.4%	USA
2	Salesforce	25%	USA
3	Regeneron Pharmaceuticals	37%	USA
4	Incyte	46%	USA
5	Alexion Pharmaceuticals	19.2%	USA
6	Under Armour	29%	USA
7	Monster beverage	13%	USA
8	Unilever Indonesia	-14%	Indonesia
9	Vertex Pharmaceuticals	148%	USA
10	BioMarin Pharmaceuticals	13%	USA

Source: Forbes list

It is evident from the above list that innovation, increased focus on R&D has a great positive impact on top line of a company. There are several new companies in this list from USA, for example, Netflix, and Tesla Motors and Baidu from China. From India, only Asian Paints makes it to top 20 and HUL in the top 30.

India is considered as a country where R&D, innovation is not attached much importance. Even though it is one of world's largest startup ecosystem yet, according to a report, 77% of the Indian venture capitalists believe that 90% of Indian startups fail due to lack of innovation, innovative technology and unique business model. Unfortunately, India lacks start-ups with its own original idea like Google, Facebook or Twitter, startups only try emulating globally successful business model.

Lack of originality in Indian start-up ecosystem



China's own meta level start-ups



Compared to India, China has a lot of meta level start-ups.

It is clear that India lacks innovation not only in its start-up scenario but overall. Of the 15.27 lakhs companies registered with MCA only 10.76 lakhs are active. At the end of January 2016, almost 28,000 companies were in the process of closing.

Start-up India Program

Indian government has taken a lot of initiatives to change this scenario. The most significant is the **Start Up India program**, government flagship's initiative launched in January 2016 to build a strong eco-system for nurturing innovation and Startups in the country that will drive sustainable economic growth and generate large scale employment opportunities. Under the Start-up India Action plan, Government will focus on Simplification and handholding, Funding Support and Incentives and Industry-Academia Partnership and Incubation. Some steps are"

- 1) Eased compliance norms to reduce regulatory burden on companies
- 2) Start Up India hub opened to resolve queries and handholding support for star ups
- 3) Facility to avail income tax exemption for 3 years in a block of 7 years
- 4) Fast track patent filing
- 5) ₹ 10,000 crore of fund of funds allocated to fund Start ups
- 6) Relaxed norms for public procurement
- 7) 4-week free learning and development programme
- 8) Faster exits for start ups

Government has also started own Innovation Index - Indian Innovation Index which is going to rank states based on their innovation capacities. It will be structured on the basis on Global Innovation Index indicators as well as some additional India centric indicators.

Indian government has also started several new Research and Incubation centers

- 1) 457 Tinkering labs approved
- 2) 10 institutes to establish Incubation centres with approved budget of ₹ 10 crore
- 3) 7 research parks to be set up. One at IIT Kharagpur estimated budget ₹ 75 lakhs and IIT Gandhinagar estimated budget of ₹ 90 crore
- 4) 15 technology business incubators and 15 startup centers are being set up
- 5) Currently in India there are 118 government recognised incubators.

Industry Academia Collaboration

Many top-ranking innovative industries have strong industry-academia collaborations for research. India has dismally low level of such collaborations. As per Thomson Reuters 2015 India Innovation report, Innovation collaboration between Corporate-Academia-Government is still in nascent stages (0.4% in patenting, 0.6% in publishing).

There is need of third-party service providers to facilitate such collaborative efforts.

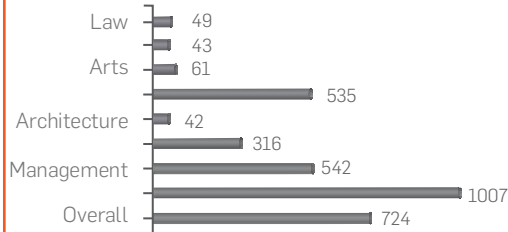
NIRF Rankings

One of the major changes that the government is proposing is increasing the importance of research and development along with innovation at educational institutional level. Thus, Indian government has launched a new ranking index for Indian educational institutes that has increased focus on research and development called the NIRF rankings.

With the advent of NIRF (National Institute Ranking Framework) in 2016 for higher educational segments, research productivity, impact and intellectual property are going to play important part in future rankings of any higher educational institutions. Prospective student choice of higher educational institutions depends on the ranking of the institution.

Chart 15: NIRF Institutions mix

Participating institutions in NIRF rankings discipline wise



Source: NIRF Website

Chart 16: NIRF Ranking Weightage

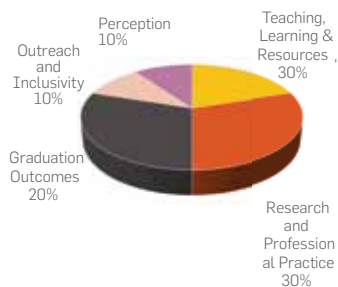
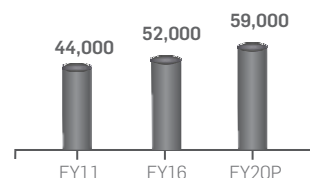


Chart 17: Higher-ed Institutions India

Number of Higher-ed institutions





For 2017, NIRF rankings have already been shared, 3319 institutes participated in this process and have been successfully ranked with 724 new institutions from 2016.

NIRF ranks colleges based on the following attributes:

- 1) Teaching, Learning & Resources
 - a) Student Strength including Doctoral Students
 - b) Faculty-student ratio with emphasis on permanent faculty (FSR)
 - c) Combined metric for Faculty with PhD (or equivalent) and Experience (FQE)
 - d) Total Budget and Its Utilisation: (CBTU)
- 2) Research and Professional Practice
 - 1) Combined metric for Publications (PU)
 - 2) Combined metric for Quality of Publications (QP)
 - 3) IPR and Patents: Filed, Published, Granted and Licensed (IPR)
 - 4) Footprint of Projects and Professional Practice And Executive Development Programs (FPPP)
4. Graduation Outcomes
 - a) Combined % for Placement, Higher Studies, and Entrepreneurship (GPHE)
 - b) Metric for University Examinations: GUE
 - c) Median Salary
 - d) Metric for Graduating Students Admitted Into Top Universities (GTOP)
 - e) Metric for Number of Ph.D. Students Graduated GPHD
5. Outreach and Inclusivity
 - a) Percent Students from other states/countries (Region Diversity RD)
 - b) Percentage of Women (WF) + (WS) + (WA)
 - c) Economically and Socially Challenged Students (ESCS)

- d) Facilities for Physically Challenged Students (PCS)
- e) Perception
- f) Peer Perception: Employers and Research Investors (PREMP)
- g) Peer Perception: Academics (PRACD)
- h) Public Perception (PRPUB)
- i) Competitiveness (PRCMP)

This has created a sudden demand for high quality research in higher educational institutions along with successful research incubation centres.

Education sector's spend

Education sector was the third largest contributor to Newspaper Advertisement in 2016 with 10% contribution up from 9.8% in 2015. (Source:FICCI-KPMG Frames 2017) report. The increase in spend was driven by growing by tier2, and tier 3 regions.

Digital Marketing & Social media

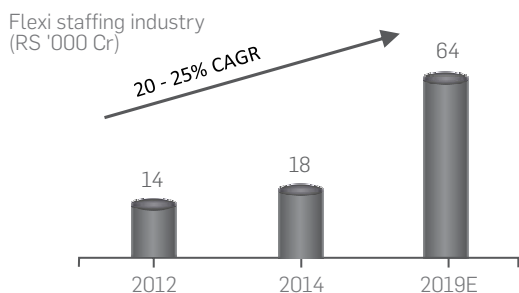
As per FICCI-KPMG report, India's digital ad spends were ₹ 7,692 Cr in 2016, and are expected to grow rapidly at 30.8% CAGR to reach ₹ 29,448 Cr in 2021 driven by growth in digital infrastructure, mobile internet users, technological maturity, increasing spends in OTT platforms and consumption of online videos. Growth in digital ad spends will drive the demand for digital marketing solutions.

Social media ad spending was ₹ 1,911 Cr in 2016 and is expected to cross ₹ 4,500 Cr by 2020 growing at 23% CAGR. It is estimated that India has ~30 Cr social media user in 2016, and this number is expected to go up to ~48 Cr by 2019. Mobile accounted for 32% of overall social media ad spend in 2016.

Events Market

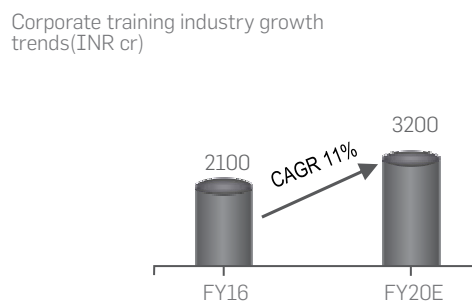
The organized events industry has seen tremendous growth in India in the recent years. Ernst & Young estimated the events industry to be ₹ 4,260 crore in FY15.

Chart 18: Flexi Staffing Industry



Source: NIRF Website

Chart 19: Corporate Training Industry



As per FICCI-KPMG 2017 report on Media & Entertainment industry, Live Events grew by 20 – 25% in 2016 driven by increased expenditure on events by several governments, greater penetration in tier 2 and tier 3 cities by industry players, and improved consumer spending. There has also been nearly 100% YoY increase in Intellectual Property (IP) events, dawn of other sports leagues apart from cricket, increasing demand of the young Indian population for music, arts, literature and comedy events, and the ability of players to optimally leverage the disruptive technological and digital advancements. The segment has also seen higher ticket prices, especially for IP events in 2016, with average ticket prices ranging between ₹ 4,000 – 8,000, nearly 33% higher than the range of ₹ 3,000 – 6,000 in 2015. 2016 however witnessed distortion in the last quarter due to demonetisation, the situation has improved in 2017.

Corporate Training

The Indian corporate training market is supposed to experience sturdy growth by FY20. It is expected to reach ₹ 3,200 crore by FY20 at a CAGR of 11%(FY16-FY20). At present, the market is quite fragmented and is dominated by 700 small and large sized companies.

Source: Global Corporate Training Market 2016-2020

With the advent of newer technologies like Artificial intelligence and big data there is going to be a surge in demand for niche trainings. Substantial number of SMEs and MSE will be driving the training industry and is most likely to be the most impactful growth driver. Companies have realized that normal calendar training is not enough to increase productivity rather there is a greater requirement of disruptive training.

Manpower Services

Flexible staffing industry is increasing across the globe. UK boasts of having the largest flexi staff penetration of 3%. India is currently the 4th ranked country having penetration of 0.2%.

In 2014, the industry was estimated at ₹ 18,000- 22,000 crore which is expected to reach approx. ₹ 64,000 crore by 2019 coupled by both rise in industry associates as well as their wages

This remarkable growth has been made possible by recent macroeconomic developments of GST implementation. GST implementation is expected to reduce the gap between the unorganized and organized sector and enable further migration of workers from the unorganized sector to organized sector; hence fueling the robust growth predictions of the flexi recruiting industry.

Company Overview

Incorporated in 1996, CL Educate Ltd. is a well-diversified and

technology enabled provider of education products and services across the education value-chain. The company has emerged as a market leader in its core consumer and enterprise focused businesses. Last year saw CL reinventing itself with firmer focus on knowledge and career services with a clear asset-light technology enabled and scalable services strategy. It clearly articulated its strategy to move out of the asset heavy business by exiting its asset heavy and low return K-12 business by signing two separate Business transfer agreement which are likely to be closed in first half of FY18. Today, CL is well positioned to gain from the growing Indian economy and its rich 'demographic dividend', With a wide opportunity of coaching services and strong books, besides partnering with Indian Educational institutions driven by transformative reform in Higher Education triggered by NIRF implementation

Led by a team of highly qualified professionals from predominantly IIT-IIM alumni, with a passion for excellence CL Educate caters to people's learning lifecycle from 14 to 60 years via its Consumer & Enterprise Verticals with established leadership, strong brand equity and distinct competitive advantages.

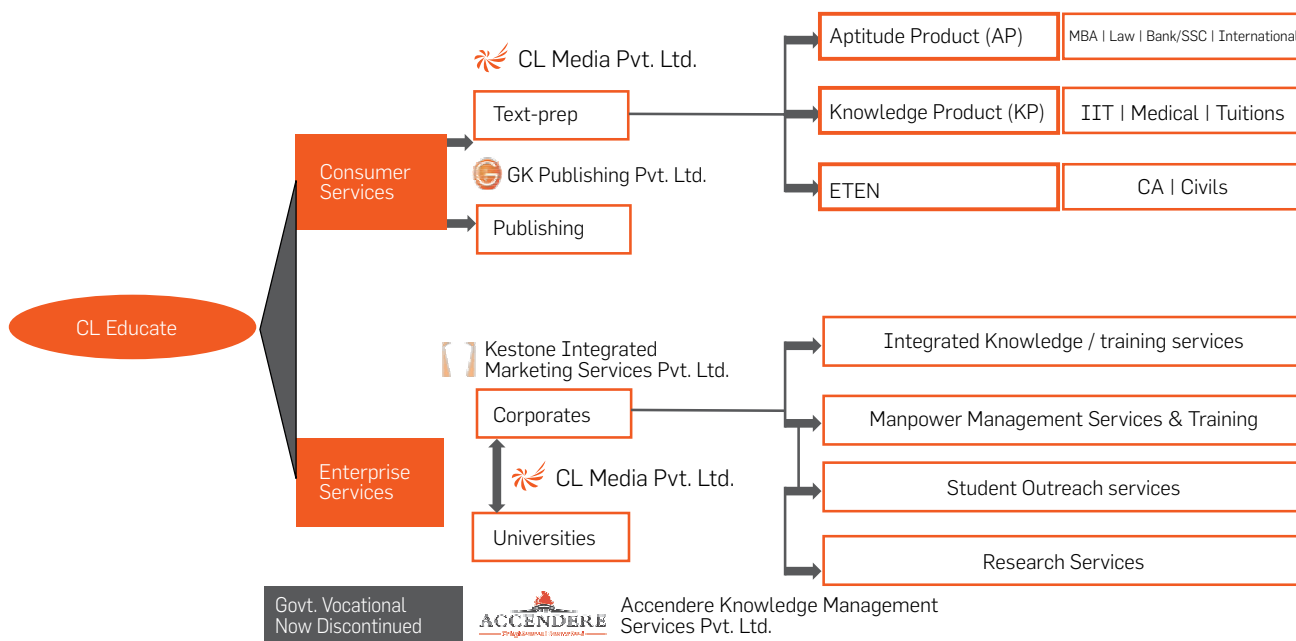
Business Overview

CL is a strong brand with tech-enabled, diversified and comprehensive offerings. It operates in two segments namely Consumer Services and Enterprise Services.

Consumer Services includes the businesses of Test Preparation and Training (Test Prep), Publishing and Content Development and the now discontinued operations of K-12 business whereas Enterprise Services includes integrated solutions for Corporates and Educational Institutions & Universities.

As a part of the Consumer Services, Test Prep offers both Aptitude based and Knowledge based products such as CAT, IIT JEE, Law, Medical etc, under the well recognized brand Career Launcher. Under the brand GK Publications, the Company publishes niche test prep titles for popular professional and entrance examinations in India, including for Engineering, GATE, Civil Services and Banking and SCC examinations. Through its Subsidiaries, CLEIS and CLIP, the Company used to provide infrastructure and education services and license its brand Indus World School, to K-12 schools providing English-medium education.

Under the Enterprise Services, the Company offers integrated solutions to educational institutions and universities across India, including business advisory and outreach support services through its brands CL Media and Accendere as well as the Company provides integrated business, marketing and sales services for corporates, including event management,



marketing support (including digital marketing support), customer engagement, managed manpower and training services through its subsidiary Keystone. Additionally, the Company used to undertake vocational training programs, as an implementation agency, under project tenders issued by the Central and various State Governments in India.

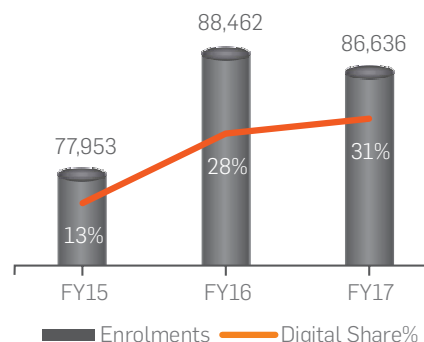
28% last year. While there was a 11% increase in the average price per test prep student YoY in FY17, the enrolments saw a 1% dip in the same period given the adverse impact of the demonetization.

Consumer

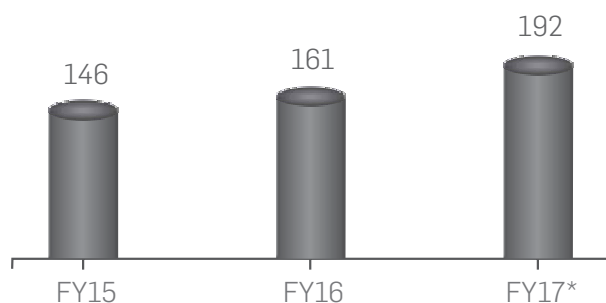
Test Preparation and Training

CL is a one of the leading national test prep players which through its huge network of 192* centers offers a portfolio of 12 Test Prep products including Law, Banking and SSC, Civil Services, International Education courses (GRE, GMAT and SAT) and others. CL is keen on adding new centers to spread its offering to a wider population and has an increasing focus on asset light approach towards delivery via online, mobile and VSAT.

Test prep enrolments



Test Prep centres



The test prep enrolments witness a 3 years CAGR of 5% to reach 86,636 in FY17 out of which 31% were online up from

ETEN Acquisition

ETEN is a leader in satellite-based coaching for Chartered Accountancy (CA) and Indian Administrative Services (IAS), operating ~30 centers across India with ~18,000 enrolments in FY17. Launched in 2008, ETEN is a pioneering initiative aimed to help CA & IAS aspirants get advanced, scientific, and personalized coaching through technology from acclaimed faculties in their home towns and at a lower cost compared to what they would have incurred if they took in-person classes from the same faculty. The faculty lectures are beamed to all authorized ETEN centers from the state-of-the-art central studios at Delhi, NOIDA, Mumbai and Bhopal. ETEN IAS has strategic partnership with Khan Study Group, a renowned IAS coaching group that mentored the national toppers of Civil

Services exam 2015.

As was stressed during CL's recent IPO, the deal has resulted in creation of one of the largest pan-India technology-based Test Prep networks offering a full bouquet of both aptitude-based (i.e. MBA, Law, SSC) and knowledge-based (i.e. CA & Civils) test prep courses under one roof. The technology-led asset-light business of ETEN is a perfect fit with CL's focus on growth through low capex scalable and high ROCE businesses.

Synergies include multiple two-way cross selling opportunities through increased physical infrastructure as well as the VSAT network. The acquisition will help increase profitability as CL courses can now be delivered via VSAT reducing delivery costs in existing ETEN Physical Centers in Tier 1 & 2 towns. Also, VSAT technology will help CL penetrate in Tier 3 & 4 towns where it is difficult to set up physical centers due to non-availability of good quality faculty and low density of students. Further, the model is replicable in other segments like engineering, medical, etc. with low incremental cost.

CL has bought 100% assets and liabilities of the ETEN business division of India Can Education Pvt. Ltd. as a going concern for which Pearson has got a payment of ₹ 6 Crore in stages & 4% revenue share in FY 18, FY 19 & FY 20.

Impact of Demonetization

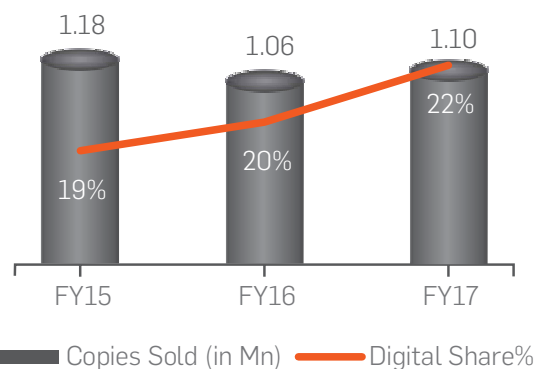
The Company's Consumer Services business of Test Preparation & Training and Publishing, under the brand names of Career Launcher and GK Publications, were significantly affected by the demonetization. While the exact amount would be difficult to determine, the Company has estimated that there has been a shortfall in Test Prep fees/ book sales collected in cash by these two businesses. Also, it has been estimated that approximately a third of the total payments actually migrated to other means of payments like Cheque and digital means like Credit Cards/ Debit Cards etc.

Publishing and Content Development

Under its brand GK Publications, the Company publishes niche test prep titles for popular professional and entrance examinations in India, including Engineering, GATE, Civil Services and Bank entrances. The Company seeks to leverage GK Publications' brand image and reputation to reach out to what it believes to be a significant student population currently relying on self-study, to cross-sell its test prep courses. CL has 2,066 active titles and sold over 1.1 million copies in FY17 under the GKP brand.

CL has been focusing on the digital strategy which is also evident in the number with Digital share increasing to 22% in FY17 from 20% in FY16. Further in addition to content in

Publishing



English, the Company is in the process of gradually adding dual language titles (in Hindi and regional languages), across different examinations, with the objective of deepening its presence in regional markets.

K-12 Business (Discontinued Operations)

During the year, CL divested its School chain comprising of its K-12 schools under the brand Indus World Schools (IWS), for an aggregate consideration of ₹ 85 cr. The divestment is in line with the company's strategy to focus on asset light & technology led knowledge and career services. The proceeds from the transaction would be used to fund growth and inorganic expansion in asset light businesses. In FY16, IWS had 27% share of total asset, but a very small contribution to revenue and EBITDA, dragging the overall profitability of the organization. This divestment would help increase the overall profitability of CL.

The transaction includes purchase of the school infrastructure by Cerestra Edu-Infra Fund ("Cerestra") for ₹ 45 cr. and the operations (Pre-Schools & management contracts) by Eduvisors, a marquee school management and education consultancy company promoted by successful IIT Graduates in 2008. The consideration is for ₹ 40 cr. in cash and significant minority stake in Eduvisors. CL will be a strategic investor and the two organizations will work together to accelerate growth of this now asset-light business run by K-12 focused promoters of Eduvisors.

Future Outlook

The Consumer Services segment will continue to grow through both organic and inorganic strategy. In organic, CL will be expanding the offerings by:

1. New Products
 - a. Focus on Knowledge Products (KP) portfolio
 - b. Especially Engineering/ Medical
2. Digital Expansion

Management's Discussion and Analysis

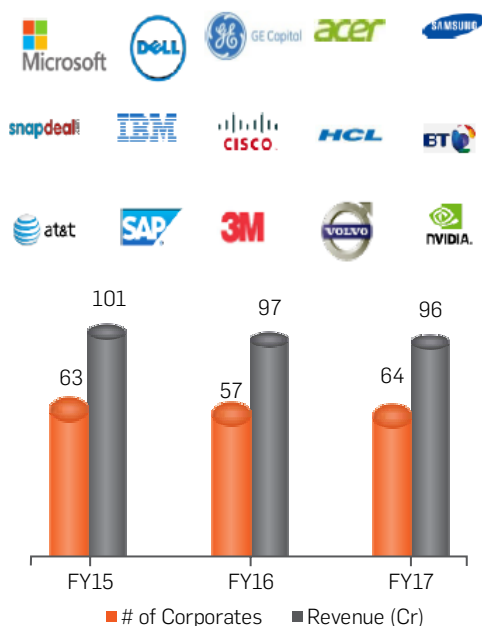
- a. Introducing live online classes for existing products
- b. Tapping different media – Youtube, Mobile Apps and Portals
- 3. Grow geographical test prep network
 - a. Franchising
 - b. VSAT as multiplier for existing products
 - c. Cross-Sell ETEN Knowledge Products on Career Launcher Network

Under inorganic strategy, CL will integrate and scale up the ETEN business through its large network and expertise in the test prep segment. Going forward CL will fill the portfolio gaps through acquisition and strategic partnerships.

Enterprise

Integrated Business, Marketing and Sales Services for Corporates

Under its Subsidiary Keystone, CL provides Integrated Business, Marketing & Sales Services for Corporates. It has strong reach with 100+ destinations in India and 10+ destinations in the foreign countries. It serves 60+ clients across locations including industry leaders such as Intel, Wipro, Microsoft, Paytm, Dell, Avaya, Snapdeal, HUL, Intex, Vulcan, among others.



The services provided by Keystone to its clients, include

- ◆ Knowledge Services
 - Corporate research services and IP management
 - Product and Marketing consulting services

- Sales consulting services
- ◆ Integrated marketing services and solutions
 - Product Launches
 - Dealer Meet/ Sales conferences / Seminars
 - Activation Customer Promotion / Tele-marketing Services
 - Lead Generation / Channel Loyalty Programs
 - Online marketing communication
 - Social media marketing/ Corporate training
- ◆ Manpower management and Training Services
 - Retail/ Secondary/ Enterprise Sales Management
 - Product Training Sales Training
 - Corporate Training Workshops

Integrated Solutions to Educational Institutions and Universities

CL offers integrated solutions to educational institutions and universities across India, including business advisory and outreach support services under its brands CL Media and Accendere, with the objective of facilitating such educational institutions and universities in improving their student intake and graduate outcomes. It provides services to Institutional clients include leading names such as Bennett University, ICFAI University, Amity University, MISB Bocconi, Great Lakes Institute of Management, among others.

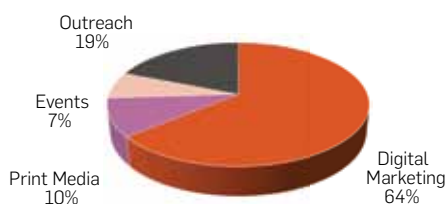


CL Media facilitates universities w.r.t. reaching out to the right student set and improving their quality of intake. It offers following services:

- Business Solutions

- Project Consultancy
- Student Outreach Services
- Digital Marketing and Social Media Campaigns
- Print Media Campaigns
- Events
- **Benefits extended to the universities**
 - Attract Smart Students
 - Better Placement Records
 - Improved Brand equity
 - International presence and thought leadership
 - Student Diversity

CUSTOMER SPEND WITH CL MEDIA

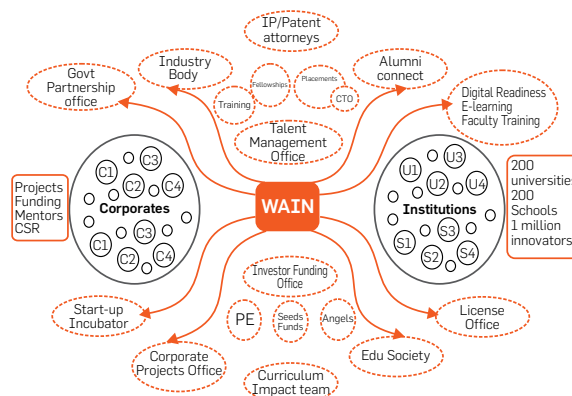


Accendere facilitates universities w.r.t. improving their rankings through research and start-up incubation. The recent macroeconomic moves in India with the introduction of the NIRF ranking framework by the MHRD which focuses a lot on innovation has proved to be a bolt to Accendere’s offerings. The NIRF is to Accendere what demonetization was to Paytm. The awareness created among institutions is hugely beneficial. It offers following services to the educational institutions:

- ◆ Research and Innovation
 - Research Incubation Services
 - Start-up Incubation Services
 - Worldwide Academia-Industry Network
 - Corporate Research Incubation and IP Management
- ◆ Benefits extended to the universities
 - Attract Smart Students
 - Improved Research Output & Publishing
 - Seed Funding and CSR projects
 - Attract Research Funds from Govt. & Industry
 - NIRF, NAAC, QS and THE consultancy

WAIN connect Platform: Industry and Academia are the two biggest contributors to the innovation quotient of an economy.

The objective of WAIN platform is to provide interlinked opportunities to both Academic Institutions and Companies to work together.



Some of the collaboration opportunities through WAIN platform are as follows:

Academia-Industry Collaboration

- ◆ Fundamental / Open research in Institutions – General Areas.
- ◆ Corporate Sponsored Research in Institutions / Collaborative Research – Specific Areas.
- ◆ Corporate funded Research Fellowships for bright students.
- ◆ Talent sourcing – Selection and Training of right students.
- ◆ Knowledge / Skill sharing between Academia and Industry.
- ◆ Corporate sponsored Labs / Centre of Excellence in Institutions.

Branding through various edu-properties such as Young India Challenge, Campassador Program, Hackathons, Melting Pot Innovation Summit, Young India Fellowships etc.

Collaboration in these areas not only creates success stories in the end but also helps all the stakeholders in commercial terms as well as desired quality output.

Benefits for Academia and Industry from WAIN are:

Academia	Industry
<ul style="list-style-type: none"> ◆ Exposure to Real Research Problems ◆ Improved research output and publications - Higher standing in various Global ranking frameworks. 	<ul style="list-style-type: none"> ◆ Greater access to young researchers with multiple capabilities to facilitate R&D. ◆ Greater exposure to academic research; high visibility,



- | | |
|--|---|
| <ul style="list-style-type: none"> ◆ Ability to attract research funds from government, corporates and other organizations ◆ Improved employability prospects of students ◆ Improved student & faculty uptake ◆ Improvement in infrastructure through new age technologies and learning mechanisms. ◆ Identify and support young start-ups on campus. ◆ Develop a culture of innovation on campus. | <ul style="list-style-type: none"> ◆ Branding ◆ CSR initiative ◆ New Innovation & Technology Improvements ◆ Publication credit & intellectual property ownership ◆ Expand scale of R&D and get first hand access to new disruptions. ◆ Wider choice of students (PPO/PPI) for the companies (expanding the pool). Best regional and integral selection of candidates for a particular company. ◆ Best fit of candidates ◆ Opportunity to invest in young start-ups on campus. |
|--|---|

Govt. Vocational Training (Discontinued Operations)

Under its Government Vocational Training business, CL used to undertake vocational training programs, as an implementation agency, under project tenders issued by the Central and various State Governments in India. During fiscal 2016, they had 6,663 enrolments, respectively, in Government vocational training programs of varying durations, across States including Gujarat, Jharkhand, Chhattisgarh, Madhya Pradesh, Odisha and Uttar Pradesh.

During the year, the Company consciously decided to scale down its Govt. Vocational Training operations due to high outstanding receivables from this business. As a result the revenue from GVET saw a decline of over 90% in FY 17 over FY 16.

Financial Performance

CL has sustained its consolidated revenue over past three years despite conscious scaling down of the GVET business

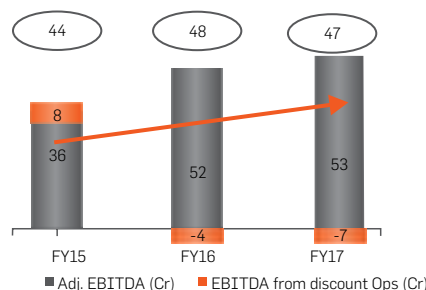
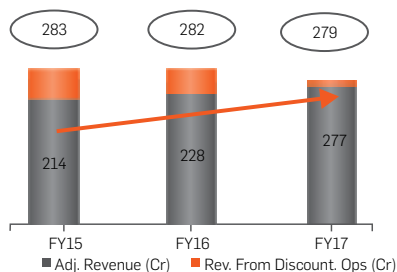
Key Financial Highlights

Stand-alone Financial Performance

Particulars (in Lakhs)	FY16	FY17
Revenue from Operations	16,435.40	14,783.60
Other Income	859.74	849.42
Total Revenue	17,295.14	15,633.01
Expenses		
Purchases of traded goods	1,537.40	1,218.92
(Increase)/decrease in inventory of traded goods	27.88	(65.96)
Cost of services	7,191.36	6,257.96
Employee benefits expense	2,480.05	2,404.53
Other expenses	4,272.43	3,737.84
EBITDA	1,786.01	2,079.72
Depreciation	621.95	478.86
Finance Cost	518.17	525.08
Profit Before Tax	645.88	1,075.79
Profit after Tax	441.67	724.39

- ◆ Revenue from operations de-grew by 10.1% from ₹ 16,435.4 lakhs in FY 16 to ₹ 14,783.6 lakhs in FY 17.
- ◆ EBITDA increased by 16.45% to ₹ 2,079.72 lakhs. This increase is primarily due to decrease in cost of services by 13%, purchase of traded goods by 21% and other expenses by 12.5%. Consequently, EBITDA margin increased from 10.3% in FY 16 to 13.3% in FY 17.
- ◆ PBT increased by 66.6% to ₹ 1,075.79 lakhs.
- ◆ PAT increased by 64.0% to ₹ 724.39 lakhs.

due to high receivables and loss in the Nokia business. Adjusted revenue has grown at a 3 year CAGR of 14% driven by strong growth in the consumer and enterprise business.



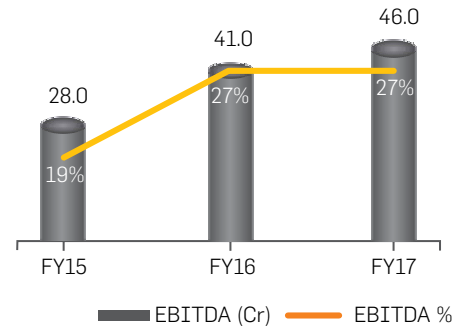
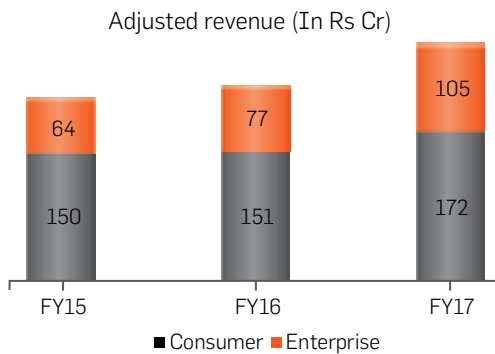
EBITDA has grown at a 3 year CAGR of 3% despite losses in

Consolidated Financial Performance

Particulars (in Lakhs)	FY16	FY17
Revenue from Operations	27,388.68	26,986.79
Other Income	840.31	918.74
Total Revenue	28,228.99	27,905.54
Expenses		
Cost of raw material and components consumed	649.60	869.31
Cost of services	11,798.70	13,265.30
Purchases of traded goods	343.71	158.31
Decrease/(increase) in inventories of finished goods, WIP and traded goods	184.37	-207.70
Employee benefit expenses	6,109.54	5,059.41
Other expenses	5,162.60	4,872.57
EBITDA	3,980.46	3,888.33
Depreciation	796.15	641.83
Finance Cost	711.28	788.08
Profit from continuing operations before Tax	2,473.03	2,458.42
Profit from continuing operations after Tax	1,901.03	1,661.66
Profit from discontinued operations	245.11	234.01
Profit for the year	2,146.14	1,895.66

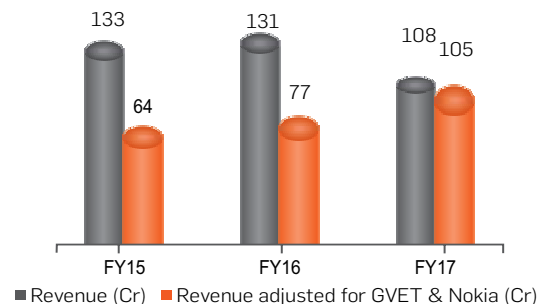
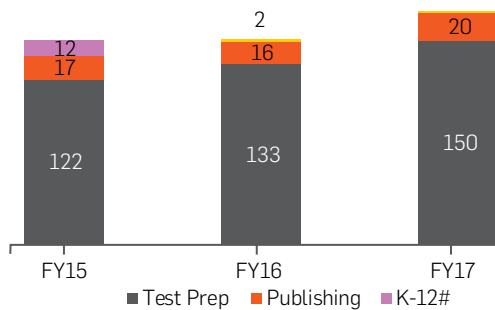
- ◆ Revenue from operations de-grew by 1.5% from ₹ 28,228.99 lakhs in FY 16 to ₹ 27,905.54 lakhs in FY 17.
- ◆ EBITDA decreased by 2.3% to ₹ 3,888.33 lakhs. This decrease is primarily due to increase in cost of raw material and components consumed by 33.8 and cost of services by 12.4%. Consequently, EBITDA margin decreased from 14.1% in FY 16 to 13.9% in FY 17.
- ◆ PBT from continuing operations was flat to remain at ₹ 3,888.33 lakhs.
- ◆ Profit from discontinued operations was at ₹ 245.11 lakhs
- ◆ Profit for the year decreased by 12.6% to ₹ 1,895.66 lakhs.

the GVET business. Adjusted EBITDA has grown at a strong 3 year CAGR of 21% driven by growth in the consumer business.



The adjusted revenue share of the enterprise segment has increased from 30% in FY15 to 38% in FY16 as a result of strong growth in the integrated marketing and sales business which grew at a 3 year CAGR of 27%. Media and research business grew 48% YoY to reach ₹ 8.6 Cr in FY17 from ₹ 5.8 Cr in FY16.

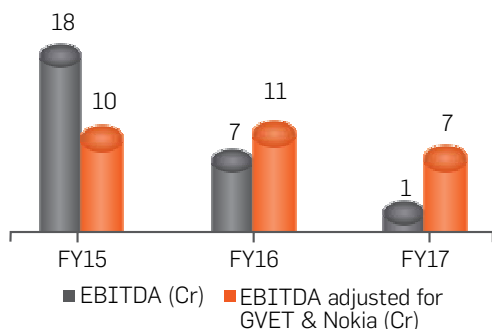
Consumer Revenue has grown at a 3 year CAGR of 7% driven by growth in the test prep business which grew at a 3 year CAGR of 11%.



EBITDA has grown at a strong 3 years CAGR of 28% with margins expanding from 19% in FY15 to 27% in FY17.



The adjusted revenue of the discontinued business of GVET and Nokia has witnessed a strong 3 year CAGR of 28% driven by the growth in the corporate business.



With a plethora of Services this segment has maintained a revenue of ₹ 96 Cr in FY17 despite the discontinuation of GVET and Nokia Business.

Overall the enterprise business has grown by 36% YoY to reach ₹ 105 Cr in FY17 from ₹ 77 Cr in FY16, adjusted for Nokia and GVET business. Demonetization has also affected the business which led to low corporate marketing spends for 90 days with operational challenges and work shifted to new fiscal as clients shifted product launches to new year.

Key Highlights of the year:

CL Educate went Public

Over the years, CL has had many marquee investors funding its expansion goals.

- 2001: Intel Pacific Inc.
- 2007: GPE (India) Limited and Gaja Trustee Company Private Limited (as trustee for Gaja Capital India Fund –I)
- 2014: Housing Development Finance Corporation Limited

However, the Company had reached such a scale of operations and given its history of strong governance and management, CL decided to reach out to the Capital Markets to fund its future goals. On March 31, 2017 the Company got listed on the National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE").

Through this Public Issue, the Company had offered 4,760,000 equity shares to the public, of which 2,180,119 equity shares were fresh issue equity shares and the remaining 2,579,881 equity shares were offered for sale by the existing shareholders of the Company. The Company successfully raised close to ₹ 23,895.2 lacs of which ₹ 10,106.4 lacs (net of offer expenses) is available to the Company for fulfilling its Objects of the Offer while the balance ₹ 12,951 lacs (net of offer expenses) were the sales proceeds given to the selling shareholders.

Out of the proceeds with the Company, as on March 31, 2017, ₹ 1,860.4 lacs were utilized for repayment of loan taken by its step-down subsidiary, Career Launcher Infrastructure Private Limited (CLIP). The Company expects to utilize bulk of the remaining funds in FY 18 for the purposes of meeting the working capital requirements of CL Educate and its subsidiaries Kestone and GK Publications, Funding Acquisitions and other strategic Initiatives and General Corporate purposes.

Given that CL Educate got listed as on March 31, 2017, the funds were available to it only as on that date. Thus, the Company could not utilize these funds in FY 17 and expects to utilize them in FY 18 thereby improving the profitability of the company.

Additionally, the Board and shareholders of the Company had passed the resolution for IPO on July 22, 2014 and September 5, 2014 respectively. Pursuant to such resolution, the Company submitted a Draft Red Herring Prospectus (DRHP) with Securities & Exchange Board of India (SEBI) on September 26, 2014. However, due to various strategic reasons, the Company had to withdraw the DRHP in April 14, 2015. In the course of submitting the DRHP and going for IPO, the Company incurred expenses aggregating ₹ 33,480,134 (net of service tax) towards audit and financial restatement engagement, legal counsel fees, merchant banker fees and other incidental expenses in relation to submission of DRHP on September 26, 2014. The Company also paid filing fee to SEBI and the stock exchanges. These offer expenses however, not included by the Bankers in the prospectus filed by the Company with the ROC and consequently, these expenses have been adjusted against the Securities Premium in accordance with Section 52 of the IT Act.

Risks:

The Company has a structured, robust and well-documented risk management policy, that lists the identified risks, its impact and the mitigation strategy in place. The risks faced by CL under Key Risk Categories are:

Strategic Risks

- ◆ Significant operating revenues from particular business segment and consequently, any failure to sustain, expand and scale the revenues in that segment
- ◆ Limited operating history to new businesses/ products and lack of experience to address risks frequently encountered in these businesses
- ◆ Seasonality of different products/ businesses
- ◆ Brands are important in its business and dilution of the same

Industry related Risks

- ◆ Significant changes in test-patterns of competitive exams
- ◆ Significant changes in delivery mechanism due to technology changes or Innovations
- ◆ Significant change in Raw material cost in Publishing

Market & Competition

- ◆ Entry of new player with substantial financial muscles in Test Prep & competition from other existing players may lead to market share loss & lowered prices
- ◆ IPR plagiarizing / Conflicts could result in loss of business

Resources

- ◆ Loss of or competition from any key member of management team
- ◆ Inability to attract / hire and retain new talent
- ◆ Failure to raise additional capital in the future
- ◆ Success of technology driven products, dependent on student acceptability as well as its ability to prevent any disruption of the equipment or systems required to deliver

Operations

- ◆ Inability to effectively advertise & market and attract & enroll students
- ◆ Difficulty in introducing new courses, expanding network, continuing partnerships

- ◆ Inability to obtain statutory & regulatory licenses and permits required to operate
- ◆ Cost overruns and payment delays in case of fixed price contracts
- ◆ Inability to explain new distribution channels in the Publishing Industry
- ◆ Operations primarily concentrated in North India and the inability to retain and grow subscribers in the region

Regulatory Environment

- ◆ Changes in Central or State govt. policies or legislation
- ◆ Increases in interest rate & Raw material costs may adversely impact its results of operations
- ◆ Volatility in political, economic and social developments in India
- ◆ Instability in Indian financial markets
- ◆ Civil disturbances, regional conflicts and other violent acts in India and abroad may disrupt or otherwise adversely affect the Indian economy

Outlook

- ◆ The Company has a structured, robust and well documented risk management policy that lists the identified risks, its impact and the mitigation strategy in place.



Report on Corporate Governance

I. Philosophy on Corporate Governance

The Company's Corporate Governance framework is guided by its Core Values - ROOHI and is based on the following principles:

- ◆ Risk Taking: Acting decisively based on sound judgment and intuition.
- ◆ Ownership: Accepting responsibility for actions and carrying the team forward in a crisis situation.
- ◆ Openness: Regularly sharing experiences with team members and customers and encouraging feedback and initiative from them.
- ◆ Honesty & commitment to customers: Communicating clearly & honestly to customers, the deliverables and expectations from them.
- ◆ Innovation: Creating products, systems and processes with enhanced effectiveness to meet customer needs.

The Board of Directors of the Company is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to best practices across the globe.

The Company has a strong legacy of fair, transparent and ethical governance practices.

The Company has adopted a Code of Conduct - applicable to all Directors & Senior Management which includes Code of Conduct for Independent Directors which suitably incorporates the duties of Independent Directors as laid down in the Companies Act, 2013 ("the Act"). These codes are available on the Company's website. The Company's Corporate Governance philosophy has been further strengthened through the Code of Conduct for Regulating & Reporting Trading by Insiders and for Fair Disclosure, 2016 ("Insider Trading Code").

The Company is in compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations"), as applicable, with regard to Corporate Governance.

II. Board of Directors

A quality Board, being at the core of its Corporate Governance practice, plays the most pivotal role in overseeing how the management serves and protects the long term interests of all our stakeholders. The Company firmly believes that an active, well-informed and independent Board is necessary to ensure the highest standards of Corporate Governance to bring objectivity and transparency in the Management.

In terms of the requirement of the provisions of the Companies Act, 2013 and provisions of the SEBI Listing Regulations, the Nomination, Remuneration and Compensation Committee has been designated to evaluate the need for change in the composition and size of the Board of the Company and to select members to fill Board vacancies and nominating candidates for election by the Shareholders at the Annual General Meeting.

Composition of the Board

The composition of the Board is in conformity with Regulation 17 of the SEBI Listing Regulations read with Section 149 of the Act. The Chairman of the Board of Directors of the Company, Mr. Satya Narayanan .R is an Executive Director.

As on March 31, 2017, the Board had 9 Directors of which 5 Directors were Non-Executive Independent Directors (including a woman Director), 1 Non-Executive (Nominee) Director and 3 Executive Directors.

Further, as on March 31, 2017,

- (i) None of the Directors on the Board held Directorships in more than ten Public Companies.
- (ii) None of the Directors on the Board, was a member of more than ten committees, across all public limited companies in which he/she is a Director; and
- (iii) None of the Directors of the Company was a chairman of more than five committees across all public limited companies in which he/she is a director.

For the purpose of sub-paragraphs (ii) and (iii) above, chairmanship/ membership of only the audit committee and/or the stakeholders' relationship committee have been considered.

Composition of Board of Directors as on March 31, 2017

Name of Director	Designation	Category
Mr. Satya Narayanan .R (00307326)	Chairman & Whole Time Director	Promoter
Mr. Gautam Puri (00033548)	Vice Chairman & Managing Director	Promoter
Mr. Nikhil Mahajan (00033404) ¹	Executive Director & Chief Financial Officer	Promoter
Mr. Gopal Jain (00032308) ²	Non-Executive Nominee Director	Non-Promoter
Mr. Sridar Iyengar (00278512)	Non-Executive Independent Director	Non-Promoter
Mr. Safir Anand (02117658)	Non-Executive Independent Director	Non-Promoter
Mr. Viraj Tyagi (01760948)	Non-Executive Independent Director	Non-Promoter
Mr. Kamil Hasan (03457252) ³	Non-Executive Independent Director	Non-Promoter
Ms. Sangeeta Modi (03278272) ⁴	Non-Executive Independent Director	Non-Promoter

¹ The Designation of Mr. Nikhil Mahajan has been changed from Executive Director & CFO to Executive Director & Group CEO Enterprise Business on and with effect from July 02, 2017.

² The Designation of Mr. Gopal Jain has been changed from Non-Executive Nominee Director to Non-Executive Non Independent Director on Board of the Company on and with effect from July 24, 2017.

³ Mr. Kamil Hasan, Non-Executive Independent Director of the Company has resigned from the Board of the Company on and with effect from May 01, 2017.

⁴ Ms. Sangeeta Modi, Non-Executive Independent Director of the Company has resigned from the Board of the Company on and with effect from July 03, 2017.

Ms. Madhumita Ganguli & Mr. Paresh Surendra Thakker have been appointed as Additional (Non-Executive Independent) Directors on the Board of the Company on and with effect from July 02, 2017.

Independent Directors

Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act. The maximum tenure of Independent Director is in compliance with the Act. All the Independent Directors have confirmed that they meet the criteria of independence as mentioned under Regulation 16(1)(b) of the SEBI Listing Regulations read with Section 149(6) of the Act.

Not less than one-half of the Board of Directors of the Company comprises of Non-Executive Independent Directors.

As on March 31, 2017, the Company had 5 Independent Directors on Board. In relation to such Independent Directors, it is hereby confirmed that:

- (i) All of the Independent Directors of the Company, hold office for a term of up to 5 consecutive years and are eligible for re-appointment for another term of up to 5 consecutive years on passing of a special resolution by the Company.
- (ii) The Company has issued a formal letter of appointment to all Independent Directors in a manner provided under the Companies Act, 2013.
- (iii) The Nomination, Remuneration and Compensation Committee of the Board has laid down the evaluation criteria for performance evaluation of the Independent Directors.
- (iv) During the year, the Independent Directors of the Company held separate meeting, without the attendance of Non-Independent Directors of the Company or members of its Management on March 23, 2017, wherein only the Independent Directors of the Company were present.
- (v) None of the Independent Directors of the Company serve as an Independent Director in more than seven companies listed in India;
- (vi) None of the Independent Directors of the Company who also serve as Whole Time Directors in any other listed company, serve as an Independent Director in more than three companies listed in India;

Meetings of the Board

The Board met 11 (Eleven) times during the Financial Year 2016-17 and there has not been a time gap of more than 120 days



between any two meetings of the Board.

Directors' attendance at the Board Meetings held during the year as well as at the last Annual General Meeting (AGM) are given herein below.

S.No	Director Name	Designation	1				2				3				4				No. of total meetings attended	Attendance at last AGM	
			29-Apr-16	25-Jun-16	28-Jul-16	12-Aug-16	01-Sep-16	27-Oct-16	21-Nov-16	23-Jan-17	09-Feb-17	06-Mar-17	24-Mar-17	09-Apr-17	27-May-17	24-Jun-17	02-Jul-17	01-Aug-17			
1	Mr. Satiya Narayanan .R (00307326)	Chairman & Whole Time Director (Promoter)	P	P	P	A	P	P	P	P	P	P	P	P	P	P	P	P	P	10	P
2	Mr. Gautam Puri (00033548)	Vice Chairman & Managing Director (Promoter)	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	11	P
3	Mr. Nikhil Mahajan (00033404)	Executive Director & Chief Financial Officer (Promoter)	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	P	10	P
4	Mr. Sridar Iyengar (00278512)	Non-Executive Independent Director (Non-Promoter)	P	P	P	A	A	P	A	P	A	A	A	P	P (VC)	A	A	A	A	6	A
5	Mr. Kamil Hasan (03457252)	Non-Executive Independent Director (Non-Promoter)	A	A	A	A	A	A	A	A	A	A	A	P (VC)	A	A	A	A	A	1	A
6	Mr. Safir Anand (02117658)	Non-Executive Independent Director (Non-Promoter)	P	A	P	P	P	P	P	P	A	A	A	P	A	A	A	P	A	7	P
7	Mr. Viraj Tyagi (01760948)	Non-Executive Independent Director (Non-Promoter)	P	P	P (VC)	A	A	A	A	P (VC)	A	A	A	P	A	A	A	A	A	5	A
8	Mr. Gopal Jain (00032308)	Non-Executive Nominee Director (Non-Promoter)	A	P (VC)	P (VC)	A	A	A	A	P (VC)	A	A	A	A	A	A	A	A	A	3	A
9	Ms. Sangeeta Modi (03278272)	Non-Executive Independent Director (Non-Promoter)	P	A	P (VC)	A	A	A	A	P	P (VC)	A	A	P (VC)	P (VC)	A	A	A	A	6	A
	Board Strength		9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9	9		9
	Total Present		7	6	8	3	4	8	4	8	4	3	8	8	5	3	8	5	3		4
	Absent		2	3	1	6	5	1	6	1	5	6	1	1	4	6	4	4	6		5

Notes:

- This includes the meeting(s) attended by the Director (s) through audio-video conferencing facility provided by the Company.
- The Designation of Mr. Nikhil Mahajan has been changed from Executive Director & CFO to Executive Director & Group CEO Enterprise Business on and with effect from July 02, 2017.
- Mr. Kamil Hasan, Non-Executive Independent Director of the Company has resigned from the Board of the Company on and with effect from May 01, 2017.
- Ms. Sangeeta Modi, Non-Executive Independent Director of the Company has resigned from the Board of the Company on and with effect from July 03, 2017.
- The Designation of Mr. Gopal Jain has been changed from Non-Executive Nominee Director to Non-Executive Non Independent Director on Board of the Company on and with effect from July 24, 2017.
- The Attendance at the Board Meetings as given hereinabove does not consider/include the attendance of Directors participating in the meeting through tele-conferencing facility.
- The necessary quorum was present for all the meetings.

P=Present

A=Absent

VC= Video Conferencing

Disclosure of relationships between Directors inter-se;

None of the Directors are related to each other.

Other Directorships, Chairmanships and Memberships of the Board members

The number of Directorships and Committee Chairmanships / Memberships held by the Directors of the Company in other public limited companies as on March 31, 2017 is given herein below.

Other Directorships do not include Directorships of private limited companies, foreign companies and companies under Section 8 of the Act. For the purpose of determination of limit of the Board Committees, chairpersonship and membership of the Audit Committee and Stakeholders' Relationship Committee have been considered as per Regulation 26(1)(b) of SEBI Listing Regulations.

Name of the Director	Designation	No. of Directorship in listed entities including this listed entity	No. of memberships in Audit/ Stakeholder Committee(s) including this listed entity	No. of post of Chairperson in Audit/ Stakeholder Committee held in listed entities including this listed entity
Mr. Satya Narayanan .R	Chairman & Whole Time Director	1	0	0
Mr. Gautam Puri	Vice Chairman & Managing Director	1	1	0
Mr. Nikhil Mahajan ¹	Executive Director & Chief Financial Officer	1	1	0
Mr. Gopal Jain	Non-Executive Nominee Director	2	1	0
Mr. Sridar Iyengar	Non-Executive Independent Director	3	0	4
Mr. Safir Anand	Non-Executive Independent Director	1	1	1
Mr. Viraj Tiyagi	Non-Executive Independent Director	1	1	0
Mr. Kamil Hasan ²	Non-Executive Independent Director	1	1	0
Ms. Sangeeta Modi ³	Non-Executive Independent Director	1	0	0

Notes:

¹ The Designation of Mr. Nikhil Mahajan has been changed from Executive Director & CFO to Executive Director & Group CEO Enterprise Business on and with effect from July 02, 2017.

² The Designation of Mr. Gopal Jain has been changed from Non-Executive Nominee Director to Non-Executive Non Independent Director on Board of the Company on and with effect from July 24, 2017.

³ Mr. Kamil Hasan, Non-Executive Independent Director of the Company has resigned from the Board of the Company on and with effect from May 01, 2017

⁴ Ms. Sangeeta Modi, Non-Executive Independent Director of the Company has resigned from the Board of the Company on and with effect from July 03, 2017.

Details of Equity Shares of the Company held by the Directors as on March 31, 2017:

Name	Designation	Number of equity shares
Mr. Satya Narayanan .R	Chairman & Whole Time Director	2,262,579
Mr. Gautam Puri	Vice Chairman & Managing Director	2,262,579
Mr. Nikhil Mahajan ¹	Executive Director & Chief Financial Officer	29,817
Mr. Sridar Iyengar	Non-Executive Independent Director	2,400
Mr. Safir Anand	Non-Executive Independent Director	2,400
Mr. Viraj Tyagi	Non-Executive Independent Director	2,400
Mr. Kamil Hasan ²	Non-Executive Independent Director	Nil
Ms. Sangeeta Modi ³	Non-Executive Independent Director	Nil
Mr. Gopal Jain ⁴	Non-Executive Nominee Director	Nil

Notes:

¹ The Designation of Mr. Nikhil Mahajan has been changed from Executive Director & CFO to Executive Director & Group CEO Enterprise Business on and with effect from July 02, 2017.

² Mr. Kamil Hasan, Non-Executive Independent Director of the Company has resigned from the Board of the Company on and with effect from May 01, 2017.

³ Ms. Sangeeta Modi, Non-Executive Independent Director of the Company has resigned from the Board of the Company on and with effect from July 03, 2017.

⁴ The Designation of Mr. Gopal Jain has been changed from Non-Executive Nominee Director to Non-Executive Non Independent Director on Board of the Company on and with effect from July 24, 2017.



Convertible Instrument

The Company has not issued any convertible instruments during the year.

Familiarization Programme

The Board of Directors has adopted the familiarization programme in accordance with Regulation 25 of the SEBI Listing Regulations, aims to provide insights into the Company to enable the Independent Directors to understand its business in-depth and contribute significantly to the Company.

The details of the familiarization programme of the Independent Directors are available on the website of the Company (www.cleducate.com).

III. Audit committee

The primary objective of the Audit Committee is to act as a catalyst in helping the Company to achieve its objectives by overseeing the Integrity of the Company's Financial Statements; Adequacy & reliability of the Internal Control Systems of the Company; Compliance with legal & regulatory requirements and the Company's Code of Conduct; Performance of the Company's Statutory & Internal Auditors.

Audit Committee monitors & provides an effective supervision of the financial reporting process of the Company with a view to ensure accurate and timely disclosures with the highest level of transparency, integrity and quality.

Composition, Meetings & Attendance during the year:

As on March 31, 2017, the Audit Committee comprised of 5 members majority of them being Independent Directors in compliance with the provisions of Section 149 of the Companies Act, 2013 and Regulation 16 of the SEBI Listing Regulations. During the year under review, 5(five) Audit Committee meetings were held and the time gap between any two meetings was less than 120 days. The details of the Audit Committee meetings held during 2016-17 are given as under:

S. No	Member Name	Designation on Committee	Designation on Board	Quarters					No. of total meetings attended
				1 Apr 29, 2016	2 Jun 25, 2016	3 Jul 28, 2016	4 Oct 27, 2016	5 Feb 09, 2017	
1	Mr. Sridar A. Iyengar	Chairman	Non-Executive Independent Director	P	P	P	P	P	5
2	Mr. Kamil Hasan	Member	Non-Executive Independent Director	A	A	A	A	P(V.C)	1
3	Mr. VirajTyagi	Member	Non-Executive Independent Director	P	P	P(V.C)	P(V.C)	P	5
4	Mr. Gopal Jain	Member	Non-Executive Nominee Director	A	P(V.C)	P(V.C)	P(V.C)	A	3
5	Mr. SafirAnand	Member	Non-Executive Independent Director	N.A.	N.A.	N.A.	N.A.	A	0
	Total no. of Members			4	4	4	4	5	
	Total Present			2	3	3	3	3	
	Absent			2	1	1	1	2	

Notes:

- Mr. SafirAnand, Non-Executive Independent Director of the Company was appointed as member of the Audit Committee on October 27, 2016.
- Mr. Kamil Hasan, Non-Executive Independent Director of the Company has resigned from the Board (and hence from the Audit Committee) of the Company on and with effect from May 01, 2017.
- The Designation of Mr. Gopal Jain has been changed from Non-Executive Nominee Director to Non-Executive Non Independent Director on Board of the Company on and with effect from July 24, 2017.
- Ms. Madhumita Ganguli, Non-Executive Independent Director of the Company was appointed as member of the Audit Committee on July 24, 2017.
- The necessary quorum was present for all the meetings.

P=Present

A=Absent

V.C.= Video Conferencing

N.A.= Not Applicable

In addition to the members of the Audit Committee, these meetings were attended by Chief Financial Officer, Statutory Auditor, Internal Auditor and/or their representatives, wherever necessary and by such executives of the Company as were considered necessary for providing inputs to the Committee.

Terms of Reference:

Set forth below are the scope, functions and the terms of reference of our Audit Committee, in accordance with Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI Listing Regulations.

A. Powers of Audit Committee

The Audit Committee shall have powers, including the following:

- ◆ To investigate any activity within its terms of reference;
- ◆ To seek information from any employee;
- ◆ To obtain outside legal or other professional advice; and
- ◆ To secure attendance of outsiders with relevant expertise, if it considers necessary.

B. Role of Audit Committee

The role of the Audit Committee shall include the following:

- ◆ Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- ◆ Recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- ◆ Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
- ◆ Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - o Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;
 - o Changes, if any, in accounting policies and practices and reasons for the same;
 - o Major accounting entries involving estimates based on the exercise of judgment by management;
 - o Significant adjustments made in the financial statements arising out of audit findings;
 - o Compliance with listing and other legal requirements relating to financial statements;
 - o Disclosure of any related party transactions; and
 - o Qualifications in the draft audit report.
- ◆ Reviewing, with the management, the quarterly financial statements before submission to the Board for approval;
- ◆ Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
- ◆ Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- ◆ Approval of any subsequent modification of transactions of the company with related parties;
- ◆ Scrutiny of inter-corporate loans and investments;
- ◆ Valuation of undertakings or assets of the company, wherever it is necessary;
- ◆ Evaluation of internal financial controls and risk management systems;
- ◆ Reviewing, with the management, performance of statutory and internal auditors and the adequacy of the internal control systems;
- ◆ Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
- ◆ Discussion with internal auditors of any significant findings and follow up there on;
- ◆ Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
- ◆ Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
- ◆ Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;



- ◆ Reviewing the functioning of the whistle blower mechanism;
- ◆ Approval of appointment of CFO (i.e., the whole-time finance director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
- ◆ Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

Further, the Audit Committee shall mandatorily review the following information:

- ◆ Management discussion and analysis of financial condition and results of operations;
- ◆ Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
- ◆ Management letters / letters of internal control weaknesses issued by the statutory auditors;
- ◆ Internal audit reports relating to internal control weaknesses;
- ◆ The appointment, removal and terms of remuneration of the Chief internal auditor shall be subject to review by the Audit Committee.
- ◆ Statement of deviations:
 - (a) Quarterly statement of derivation(s) including report of monitoring agency, if applicable, submitted to the stock exchanges in terms of sub-Regulation (1) of Regulation 32 of the SEBI Listing Regulations; and
 - (b) Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of sub-Regulation (7) of Regulation 32 of SEBI Listing Regulations.

The Company Secretary of the Company shall act as the Secretary to the Audit Committee. As required under the SEBI Listing Regulations, the Audit Committee shall meet at least four times in a year, and not more than 120 days shall elapse between two meetings. The quorum shall be two members present, or one third of the members, whichever is greater, provided that there should be a minimum of two Independent Directors present.

The Chairman of the Audit Committee is a Non-Executive Independent Director of the Company.

IV. Nomination, Remuneration and Compensation Committee

The constitution and the terms of reference of the Nomination, Remuneration and Compensation Committee ("NRC") are in compliance with the provisions of Section 178(1) of the Companies Act, 2013 and Regulation 19 of the SEBI Listing Regulations.

Composition, Meetings & Attendance during the year:

The details of its composition and of the meetings held during the Financial Year 2016-17 are as under:

S.No.	Name of Director	Designation on Committee	Designation on Board	Two (2) meetings held in the Financial Year 2016 -17		
				Attendance (Apr 29, 2016)	Attendance (Jun 25, 2016)	No. of total meetings attended
1.	Mr. Viraj Tyagi	Chairman	Non-Executive Independent Director	P	P	2
2.	Mr. Gopal Jain	Member	Non-Executive Nominee Director	A	P (V.C)	1
3.	Mr. Safir Anand	Member	Non-Executive Independent Director	P	A	1
4.	Mr. Kamil Hasan	Member	Non-Executive Independent Director	A	A	0

• Mr. Kamil Hasan, Non-Executive Independent Director of the Company has resigned from the Board (and hence from the NRC Committee) of the Company on and with effect from May 01, 2017.

• The Designation of Mr. Gopal Jain has been changed from Non-Executive Nominee Director to Non-Executive Non Independent Director on Board of the Company on and with effect from July 24, 2017.

• Mr. Paresh Surendra Thakker, Non-Executive Independent Director of the Company was appointed as member of the NRC Committee on July 24, 2017.

P=Present

A=Absent

V.C.= Video Conferencing

Terms of Reference:

Set forth below are the terms of reference of our Nomination, Remuneration and Compensation Committee.

- ◆ Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of the directors, KMP and other employees;
- ◆ Formulation of criteria for evaluation of Independent Directors and the Board;

- ◆ Devising a policy on Board diversity;
- ◆ Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal;
- ◆ Implementation and administration of the amended Career Launcher Employee Stock Option Plan 2008; and
- ◆ Carrying out any other function contained in the SEBI Listing Regulations and the Equity Listing Agreement.

The Nomination, Remuneration and Compensation Committee shall meet as and when required. The quorum shall be two members present.

The Chairman of the Nomination, Remuneration and Compensation Committee is a Non-Executive Independent Director of the Company.

Performance evaluation criteria for Independent Directors:

The Nomination, Remuneration and Compensation Committee of the Board has laid down the evaluation criteria for performance evaluation of the independent directors. The detail pertaining to the evaluation of the performance of the Independent Directors forms part of the Directors' report.

V. Stakeholders' Relationship Committee

The Board has constituted a Stakeholders' Relationship Committee pursuant to Section 178 of the Companies Act, 2013 and Regulation 20 of the SEBI Listing Regulations, to look into the redressal of grievances of shareholders and other security holders, if any. The Committee considers and resolves the grievances of the Security holders of the Company including complaints related to transfer of shares, non-receipt of Balance Sheet or non- receipt of declared dividends.

Composition, Meetings & Attendance during the year:

The details of its composition and meeting held during the Financial Year 2016-17 are as under:

S.No.	Name of Director	Designation on Committee	Designation on Board	One (1) meeting held on July 28, 2016 during the Financial Year 2016 -17
				Attendance
1.	Mr. Safir Anand	Chairman	Non-Executive Independent Director	1
2.	Mr. Gautam Puri	Member	Vice Chairman & Managing Director	1
3.	Mr. Nikhil Mahajan*	Member	Executive Director & CFO	1

**The Designation of Mr. Nikhil Mahajan has been changed from Executive Director & CFO to Executive Director & Group CEO Enterprise Business on and with effect from July 02, 2017.*

Terms of Reference:

Considering and resolving grievances of shareholders', debenture holders and other security holders;

- ◆ Redressal of grievances of the security holders of the Company, including complaints in respect of transfer of shares, non-receipt of declared dividends, balance sheets of the Company, etc.; and
- ◆ Carrying out any other function under applicable law, including the SEBI Listing Regulations and the Equity Listing Agreements

The Chairman of the Stakeholders' Relationship Committee is a Non-Executive Independent Director of the Company.

Number of Shareholders' Complaints received during the Financial Year 2016–17: NIL

Number of Shareholders' Complaints not solved to the satisfaction of Shareholders: NIL

Number of Pending Complaints as on March 31, 2017: NIL

VI. Corporate Social Responsibility (CSR) Committee of the Board

In accordance with the requirements of the Section 135 of the Companies Act, 2013, the Board has constituted a Corporate Social Responsibility Committee to assist the Board in setting the Company's Corporate Social Responsibility Policy and assessing its Corporate Social Responsibility performance.



Composition, Meetings & Attendance during the year:

The details of its composition and of the meetings held during the Financial Year 2016-17 are as under:

S.No.	Name of Director	Designation on Committee	Designation on Board	One (1) meeting held on July 28, 2016 during the Financial Year 2016 -17
				Attendance
1.	Mr. Safir Anand	Chairman	Non-Executive Independent Director	1
2.	Mr. Satya Narayanan .R	Member	Chairman & Whole time director	1
3.	Mr. Gautam Puri,	Member	Vice Chairman & Managing Director	1

Terms of Reference:

Set forth below are the terms of reference of the CSR Committee.

- ◆ formulating and recommending to our Board, a corporate social responsibility policy which will indicate the activities to be undertaken by our Company, in accordance with Schedule VII of the Companies Act, 2013;
- ◆ recommending the amount of expenditure to be incurred on such activities;
- ◆ monitoring the corporate social responsibility policy of our Company; and
- ◆ any other duties, roles and responsibilities pursuant to the provisions of Section 135 of the Companies Act and Companies (Corporate Social Responsibility Policy) Rules, 2014 as amended from time to time

The CSR Committee shall meet as and when required. The quorum shall be two members present.

The Chairman of the CSR Committee is a non-executive independent director of the Company.

VII. Risk Management Committee of the Board

The Company has constituted the Risk Management Committee of the Board ("Risk Management Committee") and details of its composition and meeting held during the Financial Year 2016-17 are is as under:

S.No.	Name of Director	Designation on Committee	Designation on Board	One (1) meeting held on July 28, 2016 during the Financial Year 2016 -17
				Attendance
1.	Mr. Satya Narayanan .R	Chairman	Chairman & Whole time Director	1
2.	Mr. Gautam Puri,	Member	Vice Chairman & Managing Director	1
3.	Mr. Nikhil Mahajan*	Member	Executive Director & CFO	1

**The Designation of Mr. Nikhil Mahajan has been changed from Executive Director & CFO to Executive Director & Group CEO Enterprise Business on and with effect from July 02, 2017.*

Terms of Reference:

Set forth below are the terms of reference of the Risk Management Committee.

- ◆ review annually and recommend to the Board the Corporate Risk Management Policy;
- ◆ define risk management accountabilities;
- ◆ review the status of key corporate risks at every meeting and report to the Board;
- ◆ review risk assessments of major corporate strategies and report to the Board;
- ◆ provide direction to the risk manager on risk-related issues, and support the development and continuous improvement of risk management practices;
- ◆ work with the audit committee on shared risk issues;
- ◆ review and report to the Board on the adequacy of the reinsurance protection of the corporation;
- ◆ review our Company's business continuity plan;



- ◆ review our Company's report of outstanding litigation, excluding claims litigation and report to the Board as appropriate;
- ◆ review and report to the Board on corporate liability protection programmes for directors and officers and, as required, recommend to the Board changes to the programmes; and
- ◆ review at least every three years in conjunction charged with corporate governance and report to the Board on the adequacy of the Committee's term of reference.

The Risk Management Committee shall meet as and when required. The quorum shall be two members present.

The Chairman of the Risk Management Committee is an Executive Director of the Company.

VIII. Remuneration of Directors

(a) All pecuniary relationship or transactions of the Non-Executive Directors vis-à-vis the listed entity;

There are no other pecuniary relationships or transactions between Non- Executive Directors vis-a-vis the Company except for the payment of commission and out of pocket expenses incurred for attending the Meetings, apart from the Stock Options granted to some of Non-Executive Independent Directors.

The details pertaining to commission and Stock Options payable to the Non-Executive Directors forms part of the Directors' report.

(b) Criteria of making payments to Non-Executive Directors:

The details pertaining to the criteria of making payments to Non-Executive Directors forms part of the Directors' report.

(c) All elements of remuneration package of individual Directors summarized under major groups, such as salary, benefits, bonuses, stock options, pension etc;

The details pertaining to the above forms part of the Directors' report.

(d) Details of fixed component and performance linked incentives, along with the performance criteria;

The details pertaining to the above forms part of Annexure III of the Directors' Report Process of Determination of Directors' Remuneration.

(e) Service contracts, notice period, severance fees;

The Company does not enter into service contracts with the Directors as they are appointed/re-appointed with the approval of the shareholders for the period permissible under the applicable provisions of the Companies Act, 2013 and/or SEBI Listing Regulations. Independent Directors have been issued an appointment letter which prescribes that any Independent Director may resign from his office subject to written notice to the Board. The Company does not pay any severance fees or any other payment to the Directors.

(f) Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.

The details pertaining to the above forms part of the Directors' report.

IX. Material Subsidiaries

The Audit Committee of the Company reviews the Consolidated Financial Statements of the Company and the investments made by its unlisted subsidiary companies. The minutes of the Board meetings along with a report on significant developments of the unlisted subsidiary companies are periodically placed before the Board of Directors of the Company.

In accordance with the provisions of Regulation 16(1)(c) of the SEBI Listing Regulations, as well as pursuant to the Policy for Determining Material Subsidiary as adopted by the Board of Directors of the Company on April 14, 2017, Career Launcher Education Infrastructure and Services Limited and Kestone Integrated Marketing Services Private Limited are 'Material Subsidiaries' of the Company. Mr. SafirAnand, Independent Director on the Board of the Company has been appointed as an Independent Director on the Boards of both these Material Subsidiaries.

In terms of the requirement of said Policy a subsidiary shall be considered as unlisted material subsidiary if its income or net worth exceeds twenty (20)% of the consolidated income or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

A copy of the said Policy on Material Subsidiaries is available on the website of the Company (www.cleducate.com).



X. Management

(a) Management Discussion and Analysis report:

The Management Discussion and Analysis Report is given separately and forms part of this Annual Report.

(b) Disclosures on Related Party Transactions:

In compliance with the requirements of the SEBI Listing Regulations, the Board of Directors has adopted a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions between the Company and its Related Parties to ensure proper approval and reporting of such transactions.

A copy of the Policy on dealing with Related Party Transactions is available on the website of the Company (www.cleducate.com)

A summary statement of the significant transactions entered into by the unlisted subsidiaries of the Company during the Financial Year 2016-17 is as under:

S. No.	Name of the subsidiary Company	Details of other party, if any	Nature of the transaction (in detail)	Amount (in ₹ Lakhs)	Date of the Transaction
1.	Career Launcher Infrastructure Private Limited	Nalanda Foundation	Infrastructure Revenue Share Q-1 Nalanda Foundation	57.90	30/06/2016
2.	Career Launcher Infrastructure Private Limited	Nalanda Foundation	Infrastructure Revenue Share Q-2 Nalanda Foundation	51.07	30/09/2016
3.	Career Launcher Infrastructure Private Limited	Nalanda Foundation	Infrastructure Revenue Share Q-3 Nalanda Foundation	61.33	31/12/2016
4.	Career Launcher Infrastructure Private Limited	Nalanda Foundation	Infrastructure Revenue Share Q-4 Nalanda Foundation	49.67	31/03/2017
5.	Career Launcher Infrastructure Private Limited	CL Educate Limited	Loan Received Form CL Educate Limited	1861.07	31/03/2017
6.	Career Launcher Education Infrastructure and Services Limited	Nalanda Foundation	Interest booked for Q1 from Nalanda Foundation	109.97	30/06/2016
7.	Career Launcher Education Infrastructure and Services Limited	Nalanda Foundation	Interest booked for Q2 from Nalanda Foundation	109.12	30/09/2016
8.	Career Launcher Education Infrastructure and Services Limited	Nalanda Foundation	Interest booked for Q3 from Nalanda Foundation	120.39	31/12/2016
9.	Career Launcher Education Infrastructure and Services Limited	Nalanda Foundation	Interest booked for Q4 from Nalanda Foundation	147.49	31/03/2017
10.	CL Media Private Limited	GK Publications Private Limited .	Sale of text books	1564.29	01/04/2016 - 31/03/2017
11.	CL Media Private Limited	CL Educate Limited	Sale of text books	1012.15	01/04/2016 - 31/03/2017
12.	CL Media Private Limited	MLJ & Sons	Paper Purchased	295.83	01/04/2016 - 31/03/2017
13.	Accendere Knowledge Management Services Private Limited	CL Media Private Limited	Professional Service Provided to CL Media Private Limited	160.32	01/04/2016 - 31/03/2017
14.	GK Publications Private Limited	CL Media Private Limited	Purchase of Text Book	164.03	01/04/2016 - 31/03/2017

Details of all Related Party Transactions i.e. transactions of the Company, with its Promoters, Directors or Management, their subsidiaries or relatives etc. are present under Note no. 43 to Financial Statement which forms part of the Annual Report.

(c) Disclosure of accounting treatment in preparation of financial statements:

The Financial Statements have been prepared in accordance with the generally accepted accounting principles in India under the historical cost convention on accrual basis. Pursuant to section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014, till the standards of accounting or any addendum thereto are prescribed by Central Government in consultation and recommendation of the National Financial Reporting Authority, the existing Accounting Standards notified under the Companies Act, 1956 shall continue to apply. Consequently, these Financial Statements have been prepared to comply, in all material aspects, with the accounting standards notified under Section 211(3C) [Companies (Accounting Standards) Rule, 2006, as amended] and other relevant provisions of the Companies Act, 2013.

Pursuant to the provisions of Section 133 of Companies Act 2013 and Rule 4 (iii) (a) of Companies (Indian Accounting Standards) Rules 2015, the companies whose equity or debt securities were listed or were in the process of being listed on any stock exchange in India or outside India and having net worth of less than ₹ Five Hundred crores, had to comply with the Indian Accounting Standards (Ind AS), for the accounting periods beginning on or after April 01, 2017. Accordingly, Ind AS is applicable upon the Company and its subsidiaries beginning April 01, 2017.

(d) Details of non-compliance by the listed entity, penalties, strictures imposed on the listed entity by stock exchange(s) or the board or any statutory authority, on any matter related to capital markets, during the last three years;

The aforesaid is not applicable upon the Company, as the equity shares of the Company got listed on the stock exchange(s) i.e. National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") on March 31, 2017.

(e) Code of Conduct for Prevention of Insider Trading

Pursuant to SEBI (Prohibition of Insider Trading) Regulations, 2015, Code of Conduct for Regulating & Reporting Trading by Insiders and for Fair Disclosure ("Insider Trading Code") was approved and adopted by the Company. The Insider Trading Code is displayed on the website of the Company (www.cleducate.com).

(f) CEO/CFO certification:

Mr. Gautam Puri (Vice Chairman & Managing Director) and Mr. Nikhil Mahajan (Executive Director & Chief Financial Officer) have provided certification on Financial Statements, Internal Control and Accounting Policies etc. for Financial Year 2016-17 to the Board under Regulation 17(8) read with Part B of Schedule II of the SEBI Listing Regulations and the same is enclosed at the end of this Report.

(g) Code of Conduct:

The Board has laid down a Code of Conduct for all Board members and Senior Management of the Company. The Code of Conduct is displayed on the website of the Company (www.cleducate.com). All Board members and Senior Management Personnel affirmed compliance with the Code of Conduct. A declaration signed by Mr. Gautam Puri (Vice Chairman & Managing Director) dated April 22, 2017 to this effect is as under.

To,
The Board of Directors
CL Educate Limited
A-41, Espire Building, Lower Ground Floor,
Mohan Estate Industrial Area,
Main Mathura Road,
New Delhi 110044

Sub: Declaration confirming compliance with the Code of Conduct

I, Gautam Puri, Vice Chairman and Managing Director of CL Educate Limited, hereby certify that the Directors of the Company and the Senior Management Personnel have affirmed compliance with the Code of Conduct of the Company for the Financial Year ended March 31, 2017.

sd/
Name: Gautam Puri
Designation: Vice Chairman
and Managing Director

Place: New Delhi
Date: April 22, 2017



(h) Sexual Harassment of Women at Workplace

Your Company is committed to creating and maintaining a secure work environment where its employees, agents, vendors and partners can work and pursue business together in an atmosphere free of harassment, exploitation and intimidation. To empower women and protect women against sexual harassment, your Company has adopted a policy on prevention, prohibition and redressal of sexual harassment of Women at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (India) and the Rules framed thereunder.

All employees (permanent, contractual, temporary, trainees) are covered under this policy. This policy allows employees to report sexual harassment at the workplace. The Internal Committee is empowered to look into all complaints of sexual harassment and facilitate free and fair enquiry process with clear timelines. During Financial Year 2016-17, the Company has received 1 (one) complaint on sexual harassment which was thoroughly investigated, and resolved by the Internal Complaint Committee constituted under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal Policy).

The policy against Sexual Harassment is made available to employees on the Company's intranet (CL Zone). The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Policy is also available on the website of the Company (www.cleducate.com).

(i) Details of establishment of vigil mechanism, whistle blower policy and affirmation that no personnel has been denied access to the Audit Committee;

The Company has established a Vigil Mechanism/ Whistle Blower Policy to enable stakeholders (including Directors, Employees, retainers, franchisees) to report unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimization of Director(s)/ employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy are to be appropriately and expeditiously investigated by the Ethics Committee. Your Company hereby affirms that no Director/ employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The Vigil Mechanism/Whistle Blower Policy is available on the website of the Company (www.cleducate.com).

XI. Compliance

(a) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements;

The Company has complied with all applicable mandatory requirements prescribed under the SEBI Listing Regulations.

(b) The Company has duly fulfilled the following discretionary requirements as prescribed in Part E of Schedule II of the SEBI Listing Regulations:

- ◆ **Modified opinion(s) in audit report:** The Company is endeavoring to move towards a regime of financial statements with unmodified audit opinion.
- ◆ **Reporting of Internal Auditors:** The Internal Auditor also reports to the Audit Committee while submitting internal audit report.
- ◆ The Company has duly appointed separate persons to the posts of Chairperson and Managing Director.

XII. Shareholders

(a) Means of communication:

The Quarterly/Half-yearly/ Annual results of the Company are published in (1) Financial Express, the leading newspaper in India and in (2) Jansatta at regional level. The results are also displayed on the Company's website "www.cleducate.com". Press Releases made by the Company from time to time are also displayed on the Company's website. Presentations made to the institutional investors and analysts after the declaration of the quarterly, half-yearly and annual results are also displayed on the Company's website.

The Company has designated a dedicated e-mail ID as compliance@cleducate.com for investors to register their grievances, if any. This has been initiated by the Company to resolve such investors' grievances, immediately. The Company has displayed the said e-mail ID on its website for the information of investors.

(b) General shareholder information:

General Body Meetings:

Annual General Meeting ("AGM")

FY	Date	Time	Venue	Special Resolution Passed
2013-14	05.09.2014	11.00 AM	DTJ 925, DLF Tower-B, Jasola District Centre, New Delhi 110025	<ol style="list-style-type: none"> 1. Adoption of new set of Article of Association; 2. Grant approval to the Initial Public Offering (IPO) by the Company; 3. Increase in the Foreign Investment Limit (from the current default of 24% to 74%); 4. Preferential allotment of equity shares to Mr. Rakesh Mittal and Mrs. Poonam Mittal against the 3rd tranche of GKP shares acquired from them; 5. To approve further investment in the shares of CLEIS, by making an offer to purchase CLEIS shares from certain CLEIS shareholders and, effect a share swap, by making an offer/ invitation to them to subscribe, to an equivalent value of equity shares of CLE, value derived from the relative valuation report dated 1st August, 2014, such that the statutory requirement of making a minimum investment of ₹ 20,000/- face value while subscribing to the shares of CL Educate Limited is met; 6. Offer, issue and allot equity shares to GPE (India) Limited & Housing Development Finance Corporation Limited (HDFC) Ltd., shareholders of CLEIS, on a private placement basis, at the fair market value derived from the share valuation report obtained from an independent, Category 1 Merchant Banker; 7. To approve further investment in the shares of CLEIS, by purchasing CLEIS shares from GPE (India) Limited, (hereinafter 'GPE, Mauritius', and Housing Development Finance Corporation Ltd., (hereinafter 'HDFC'), at a price derived from the valuation report dated 1st August, 2014, obtained from an independent, category 1 Merchant Banker; 8. To grant approval to the board of directors for making investments in its subsidiary companies as well as giving loans/ guarantees or providing security for and on behalf of subsidiary companies in excess of limits prescribed in section 186 of Companies Act, 2013. 9. Adoption of the 'Amended Career Launcher Employee Stock Options Plan (ESOP) 2008';
2014-15	07.09.2015	11.00 AM	A-41, Espire Building, Lower Ground Floor, Mohan Co-Operative Industrial Area, Main Mathura Road, New Delhi – 110 044	<ol style="list-style-type: none"> 1. Approval to increase borrowing powers of the board under section 180(1)(c) of the Companies Act, 2013; 2. Approval under section 180 (1)(a) of the Companies Act, 2013 for creation of mortgage and charge; 3. To approve further investment in the shares of CLEIS, by making an offer to purchase all the CLEIS shares held by 'Bilakes Consulting Private Limited' and pay back partly in cash, and partly in kind (by effecting a share swap) by allotting fresh equity shares; 4. Preferential allotment of equity shares (as part consideration against the acquisition of a minimum of 51% stake) to the promoters of 'Accendere Knowledge Management Services Private Limited';



2015-16	21.09.2016	05:00 PM	The Park Hotel, 10th Floor, Board Room, 15, Parliament Street, Connaught Place, New Delhi – 110 001	<ol style="list-style-type: none"> 1. Re-appointment of Mr. Satya Narayanan .R (DIN: 00307326) as the Chairman, Whole time Director of the Company for a period of 3 (three) years commencing from April 1, 2017, being the last date of his current tenure; 2. Re-appointment of Mr. GautamPuri (DIN: 00033548) as the Vice-Chairman, Managing Director of the Company for a period of 3 (three) years commencing from April 1, 2017, being the last date of his current tenure; 3. Re-appointment of Mr. Nikhil Mahajan (DIN: 00033404) as a Whole time Director & Chief Financial Officer of the Company for a period of 3 (three) years commencing from April 1, 2017, being the last date of his current tenure; 4. Approval to the overall maximum managerial remuneration that may be paid to the Executive Director(s) of the company over a period of 3 years, commencing from April 1, 2017, i.e. For Financial Year 2017-18 till Financial Year 2019-2020;
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Postal Ballot:

During the year under review, no resolution has been passed through the exercise of postal ballot.

Details of special resolution proposed to be conducted through postal ballot:

No special resolution is proposed to be conducted through postal ballot at the ensuing AGM of the Company to be held on August 24, 2017.

(c) Additional Shareholder Information

Annual General Meeting for Financial Year 2016-2017

Date: August 24, 2017	
Time: 11:00 A.M	
Venue: PHD Chamber of Commerce and Industry, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi, Delhi 110016	
Financial Calendar:	
Year	April 01 to March 31
AGM in	August
Dividend Payment	NIL
Listing on Stock Exchanges	National Stock Exchange of India Limited ("NSE") Exchange Plaza, C-1, Block G Bandra Kurla Complex Bandra (East), Mumbai 400 051 BSE Limited ("BSE") 25th Floor, P.J. Towers, Dalal Street Mumbai 400 001
Stock Codes/Symbol:	
NSE	CLEUCATE
BSE	540403
Listing Fees as applicable has been paid to National Stock Exchange of India Limited ("NSE") & BSE Limited ("BSE")	
Corporate Identity Number (CIN) of the Company: U74899DL1996PLC078481*	
ISIN No.: INE201M01011	

*The equity shares of the Company got listed on the stock exchange(s) i.e. National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") on March 31, 2017. Change of CIN number of the Company to depict the Listed status will be initiated by filing the Annual Return for the Financial Year 2016-17 in Form MGT-7 with the Registrar of Companies, post the Annual General Meeting of the Company.

(d) Book Closure

The dates of book closure are from August 18, 2017 to August 24, 2017(both days inclusive).

(e) Dividend policy

The Board of Directors has adopted a dividend policy of the Company at its meeting held on May 29, 2017.

(f) Market price data- high, low during each month in last Financial Year;

The equity shares of the Company got listed on the stock exchange(s) i.e. National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") on March 31, 2017. Hence the aforesaid is not applicable upon the Company.

However, Market price data- high, low on March 31, 2017 is as under:

	Date	High Price (in Rs.)	Low Price (in Rs.)	Total Traded Quantity
NSE	March 31, 2017	422.1	402	138262
BSE	March 31, 2017	417.9	398	15094318

(g) Performance in comparison to broad-based indices such as BSE Sensex, CRISIL Index;

The equity shares of the Company got listed on the stock exchange(s) i.e. National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") on March 31, 2017. Hence the aforesaid is not applicable upon the Company.

(h) Distribution of Shareholding

Following is the distribution of the shareholding of the equity shares of the Company by size and by ownership class as on March 31, 2017:

Distribution by size as on March 31, 2017

S. No	Category	Cases	% of Cases	Amount	%
1	upto 1 - 5000	62740	99.67	18552890	13.10
2	5001 - 10000	49	0.08	356740	0.25
3	10001 - 20000	44	0.07	664660	0.47
4	20001 - 30000	20	0.03	506320	0.36
5	30001 - 40000	15	0.02	483990	0.34
6	40001 - 50000	6	0.01	275290	0.19
7	50001 - 100000	16	0.03	1104880	0.78
8	100001 & ABOVE	55	0.09	119688010	84.51
	Total:	62945	100.00	141632780	100.00

Distribution of shareholding as on March 31, 2017

S. No	Category of shareholder	Nos. of shareholders	Total nos. shares held	Shareholding as a % of total no. of shares	Number of Locked in shares	Number of Shares pledged or otherwise encumbered	Number of equity shares held in dematerialized form
1	Promoter & Promoter Group	22	6781376	47.88	6781376	0	6781376
2	Public	62923	7381902	52.12	3770293	0	7096780
3	Non Promoter- Non Public	0	0	0	0	0	0
4	Shares underlying DRs	0	0	0	0	0	0
5	Shares held by Employee Trusts	0	0	0	0	0	0
	Total	62945	14163278	100	10551669	0	13878156


STATEMENT SHOWING SHAREHOLDING OF PERSONS BELONGING TO THE CATEGORY “PROMOTER & PROMOTER GROUP” AS ON MARCH 31, 2017:

S. no	Name of the Promoter	Shares	% of Total Shareholding	Category
1	Satya Narayanan .R	2262579	15.97	Promoter
2	Gautam Puri	2262579	15.97	Promoter
3	Bilakes Consulting Private Limited	1253090	8.85	Promoter
4	R Sreenivasan	349698	2.47	Promoter
5	R Shivakumar	349698	2.47	Promoter
6	Sujit Bhattacharyya	203062	1.43	Promoter
7	Nikhil Mahajan	29817	0.21	Promoter
8	Abhijit Bhattacharyya	3000	0.02	Promoter Group
9	Abhirup Bhattacharyya	2000	0.01	Promoter Group
10	Abhishek Bhattacharyya	2000	0.01	Promoter Group
11	Indira Ganesh	1800	0.01	Promoter Group
12	Katyaini Mahajan	13500	0.10	Promoter Group
13	Parul Mahajan	10000	0.07	Promoter Group
14	Rajlakshmi Ganesh Sonone	134	0.00	Promoter Group
15	Samita Bhalla	1262	0.01	Promoter Group
16	Sapna Puri	1800	0.01	Promoter Group
17	Seshadry Parvathy	3572	0.03	Promoter Group
18	Shefali Acharya	3000	0.02	Promoter Group
19	Sneha Krishnan	2000	0.01	Promoter Group
20	Uma Ramachandran	1800	0.01	Promoter Group
21	Vitasta Mahajan	13500	0.10	Promoter Group
22	Career Launcher Employees Welfare Society Trust	11485	0.08	Promoter Group
	Total	6781376	47.88	

STATEMENT SHOWING SHAREHOLDING OF PERSONS BELONGING TO THE CATEGORY “PUBLIC” AND HOLDING MORE THAN 1% OF THE TOTAL NUMBER OF SHARES” AS ON MARCH 31, 2017:

S. no	Name of the Shareholder	Shares	% of Total Shareholding	Cat-egory
1	GPE (India) Ltd	946473	6.68	FB
2	Housing Development Finance Corporation Limited	594233	4.20	LTD
3	Ocean Dial Gateway To India Mauritius Limited	416308	2.94	FPI
4	HDFC Trustee Company Limited - HDFC Prudence Fund	319890	2.26	MUT
5	DSP Blackrock Micro Cap Fund	279697	1.97	MUT
6	CANARA HSBC Oriental Bank Of Commerce Life Insurance Company Ltd	274954	1.94	LTD
7	Gaja Trustee Company Pvt Ltd	251409	1.78	LTD
8	ICICI Lombard General Insurance Company Ltd	243757	1.72	LTD
9	Macquarie Emerging Markets Asian Trading Pte. Ltd.	236604	1.67	FPI
10	HDFC Standard Life Insurance Company Limited	207705	1.47	LTD
11	Ashoka Pte Ltd	199230	1.41	FPI
		3970260	28.03	

(i) Dematerialization of shares and liquidity;

The Company's shares are compulsorily traded in dematerialised form on National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE"). Equity shares of the Company representing approximately 98% equity share capital were held in dematerialised form, as on March 31, 2017.

S. No	Description	No of Holders	Shares	% of Total Shareholding
1	PHYSICAL	100	285122	2.01
2	NSDL	31483	12553181	88.63
3	CDSL	31362	1324975	9.36
	Total:	62945	14163278	100.00

(j) Outstanding GDRs or ADRs or warrants or any convertible instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs / Warrants or any convertible instruments in the past and hence as on March 31, 2017, the Company does not have any outstanding GDRs / ADRs / Warrants or any convertible instruments.

(k) Details of Public Funding Obtained in the last three years:

The Company made the initial public offering (IPO) on March 31, 2017 and apart from that, the details of Public Funding Obtained in the last three years are as stated hereunder:

Date of allotment	Number of Equity Shares	Face value (₹)	Issue Price (₹)	Nature of Consideration	Nature of allotment
July 22, 2014	235,294	10	425	Cash	Conversion of CCPS and optionally convertible preference shares ("OCPS")
September 5, 2014	23,486	10	590	Other than cash	Preferential allotment
	419,019	10	590	Other than cash	Preferential allotment
	824,233	10	590	Cash	Preferential allotment
	2,400	10	300	Cash	Allotment against exercise of options granted under ESOP 2008
	500	10	175	Cash	Allotment against exercise of options granted under ESOP 2008
September 16, 2014	237,293	10	590	Cash	Preferential allotment
May 13, 2015	2,400	10	300	Cash	Allotment against exercise of options granted under ESOP 2008
September 7, 2015	185,830	10	590	Other than cash	Preferential Allotment
January 20, 2016	5,000	10	210	Cash	Allotment against exercise of options granted under ESOP 2008
	21,429	10	350	Cash	Allotment against exercise of options granted under ESOP 2008
October 27, 2016	28,571	10	350	Cash	Allotment against exercise of options granted under ESOP 2008
	15,000	10	210	Cash	Allotment against exercise of options granted under ESOP 2008

(l) Registrar to the Issue and Share Transfer Agents;

Name and Address	:	Karvy Computershare Private Limited Karvy Selenium Tower B Plot 31-32, Gachibowli, Financial District Nanakramguda, Hyderabad 500 032, Telangana, India
Telephone	:	+91 (40) 6716 2222
Fax	:	+91 (40) 2343 1551



E-mail	:	einward.ris@karvy.com
Website	:	http://karisma.karvy.com
Investor Grievance E-mail	:	cleducate.ipo@karvy.com
Contact Person	:	M. Murali Krishna
SEBI Registration Number	:	INR000000221

(m) Share Transfer System:

As on March 31, 2017, 98% (approximately) of the equity shares of the Company were in electronic form. Transfer of the shares held in demat form are done through the depositories with no involvement of the Company. As regards transfer of shares held in physical form the transfer documents can be lodged with the Company or with Karvy Computershare Private Limited at any of the above mentioned addresses.

The members are requested to lodge the shares either by personal delivery or through registered post/courier at the above mentioned address. The members are further requested not to hand over their shares at Branch offices or other offices of our Company.

(n) Registered and Corporate Office address:

A-41, Espire Building
 Lower Ground Floor, Mohan Co-operative Industrial Area
 Main Mathura Road
 New Delhi 110 044, India
 Tel: +91 (11) 4128 1100
 Fax: +91 (11) 4128 1110
 E-mail for Investors: compliance@cleducate.com
 Website: www.cleducate.com

(o) Plant locations:

In view of the nature of the Company's business viz. Educational Services, the Company operates from various centers in India and abroad.

(p) Confirmation of Compliance with the Corporate Governance requirements specified in Regulation 17 to 27 and clauses (b) to (i) of sub-regulation 2 of Regulation 46:

S. No	Particulars	Regulation Number	Compliance status (as on March 31, 2017) (Yes/No/N.A.)
1	Independent Director(s) have been appointed in terms of specified criteria of 'independence' and/or 'eligibility'	16(1)(b) & 25(6)	Yes
2	Board composition	17(1)	Yes
3	Meeting of Board of Directors	17(2)	Yes
4	Review of Compliance Reports	17(3)	N.A.
5	Plans for orderly succession for appointments	17(4)	Yes
6	Code of Conduct	17(5)	Yes
7	Fees/compensation	17(6)	Yes
8	Minimum Information	17(7)	N.A.
9	Compliance Certificate	17(8)	N.A.
10	Risk Assessment & Management	17(9)	Yes
11	Performance Evaluation of Independent Directors	17(10)	Yes
12	Composition of Audit Committee	18(1)	Yes
13	Meeting of Audit Committee	18(2)	Yes

14	Composition of nomination & remuneration committee	19(1) & (2)	Yes
15	Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
16	Composition and role of risk management committee	21(1),(2),(3),(4)	Yes
17	Vigil Mechanism	22	Yes
18	Policy for related party Transaction	23(1),(5),(6),(7) & (8)	Yes
19	Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	N.A.
20	Approval for material related party transactions	23(4)	N.A.
21	Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
22	Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	N.A.
23	Maximum Directorship & Tenure	25(1) & (2)	Yes
24	Meeting of independent directors	25(3) & (4)	Yes
25	Familiarization of independent directors	25(7)	Yes
26	Memberships in Committees	26(1)	Yes
27	Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	N.A.
28	Disclosure of Shareholding by Non-Executive Directors	26(4)	N.A.
29	Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes
30	Disclosure on the website of the Company	46(2)	Yes

N.A.= Not Applicable

XIII. Other Disclosures

(a) Name and Designation of Compliance Officer;

Ms. Rachna Sharma,

Company Secretary & Compliance Officer

Tel: +91 (11) 4128 1100 Fax: +91 (11) 4128 1110

E-mail: compliance@cleducate.com

(f) Disclosure of Commodity Price risk or Foreign Exchange Risk and Hedging Activities:

Commodity price risk is the possibility of impact from changes in the prices of raw materials, such as paper. While we seek to pass on commodity price increases to students enrolled in our test prep courses, vocational training courses and in the Indus World Schools, as well as to our corporate customers, we may not be able to achieve this at all times or to the fullest extent.

The Company has limited Foreign Exchange exposures and the transactions in foreign currency are recorded at the exchange rate prevailing at the date of the transaction. Exchange differences arising on foreign currency transactions settled during the period/year are recognized in the statement of profit and loss.

(g) Disclosures by Senior Management pursuant to Regulation 26(5) of SEBI Listing Regulations:

The members of the Senior Management have made disclosures to the Board relating to all material financial and other transactions, if any, stating that they did not have personal interest that could result in a conflict with the interest of the Company at large.

(h) Disclosures with respect to Equity shares in suspense account/ unclaimed suspense account:

In accordance with the requirement of Regulation 34(3) and Part F of Schedule V to the SEBI Listing Regulations, the Company reports the following details in respect of equity shares lying in the suspense account which were issued in dematerialised form pursuant to the public issue of the Company:



Particulars	Number of shareholders	Number of equity shares
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year;	NIL	NIL
Number of shareholders who approached listed entity for transfer of shares from suspense account during the year;	NIL	NIL
Number of shareholders to whom shares were transferred from suspense account during the year;	NIL	NIL
Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year;	1*	29

The voting rights on the shares outstanding in the suspense account as on March 31, 2017 were to remain frozen till the rightful owner of such shares claimed the shares.

** As on the date of this report, the shares lying in suspense account have been transferred to its rightful owner.*

(i) Disclosure on Website

The following information has been disseminated on the website of the Company at (www.cleducate.com).

- ◆ Details of Business
- ◆ Terms and conditions of appointment of Independent Directors
- ◆ Composition of various committees of Board of Directors
- ◆ Criteria of making payments to Non-Executive Directors
- ◆ Board Familiarisation Programme
- ◆ Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances
- ◆ Email address for grievance redressal and other relevant details
- ◆ Financial results
- ◆ Shareholding pattern
- ◆ Corporate Governance Report
- ◆ MOA & AOA of the Company
- ◆ Quarterly Reports
- ◆ Policy on Preservation & Destruction of Documents
- ◆ Archival Policy
- ◆ Policy on dealing with Related Party Transactions
- ◆ Policy for determining 'Material' Subsidiaries
- ◆ Code of Conduct of Board Of Directors and Senior Management Personnel
- ◆ Details of establishment of vigil mechanism/ Whistle Blower policy
- ◆ Policy on Determining Materiality of Events/Information
- ◆ Policy against Sexual Harassment
- ◆ Risk Management Policy
- ◆ Succession Policy
- ◆ Policy on Board Diversity

XIV. Other Disclosures

Corporate Governance Certificate

The equity shares of the Company got listed on the stock exchange(s) i.e. National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") on March 31, 2017. The Company was required to comply with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, with effect from March 31, 2017 only. Seeking Corporate Governance Certificate from either the auditors or the practicing Company Secretary, for a single day would have been futile. Hence, the Corporate Governance Certificate for 2016-17 has not been sought. The compliance related to seeking Corporate Governance Certificate shall be done for the Financial Year 2017-18.

**CERTIFICATION BY MANAGING DIRECTOR AND CHIEF FINANCIAL OFFICER
FOR FINANCIAL YEAR 2016-17**

To,
The Board of Directors
CL Educate Limited
A-41, Espire Building, Lower Ground Floor,
Mohan Estate Industrial Area,
Main Mathura Road,
New Delhi 110044

We, the undersigned, in our respective capacities as Vice Chairman & Managing Director and Executive Director & Chief Financial Officer of CL Educate Limited ("the Company") to the best of our knowledge and belief certify that we have reviewed the Financial Results for the year and that to the best of our knowledge and belief the financial results do not contain any false or misleading statement or figures and do not omit any material fact which may make the statements or figures contained therein misleading.

sd/-

Gautam Puri

Vice Chairman & Managing Director
DIN: 00033548

sd/-

Nikhil Mahajan

Executive Director & Chief Financial Officer¹
DIN : 00033404

Place : New Delhi
Date : May 29, 2017

¹The Designation of Mr. Nikhil Mahajan has been changed from Executive Director & CFO to Executive Director & Group CEO Enterprise Business with effect from July 02, 2017.

**CERTIFICATION BY MANAGING DIRECTOR AND CFO FOR FINANCIAL YEAR 2016-17**

To the Board of Directors
CL Educate Limited

We, the undersigned, in our respective capacities as 'Vice Chairman & Managing Director' and 'Executive Director & Chief Financial Officer' of CL Educate Limited ("the Company") to the best of our knowledge and belief certify that:

- A. We have reviewed Financial Statements and the Cash Flow Statement for the year and that to the best of our knowledge and belief:
- (1) these Statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) these Statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's Code of Conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee
- (1) significant changes in internal control over financial reporting during the year;
 - (2) significant changes in accounting policies during the year and that the same have been disclosed in the Notes to the Financial Statements; and
 - (3) instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

sd/-

Gautam Puri

Vice Chairman & Managing Director
DIN: 00033548

sd/-

Nikhil Mahajan

Executive Director & Chief Financial Officer¹
DIN : 00033404

Place : New Delhi

Date : May 29, 2017

¹The Designation of Mr. Nikhil Mahajan has been changed from Executive Director & CFO to Executive Director & Group CEO Enterprise Business with effect from July 02, 2017.

Directors' Report 2017

Dear Member(s),

Your Directors are pleased to present the Twenty First Annual Report on the business and operations together with the Company's Audited Financial Statements and the Auditor's Report thereon for the Financial Year ended March 31, 2017. The results of operations for the year under review are given below:

1. Results of Our Operations

	Standalone		Consolidated	
	FY2017	FY2016	FY2017	FY2016
Revenue from Operations	14,783.60	16,435.40	26,986.79	27,388.68
Other Income	849.42	859.74	918.74	840.31
Total Revenue (1+2)	15,633.01	17,295.14	27,905.54	28,228.99
Expenditure				
Cost of Raw Material Consumed	-	-	869.31	649.60
Cost of Services	6,257.96	7,191.36	13,265.30	11,798.70
Purchase of Traded Goods	1,218.92	1,537.40	158.31	343.71
(Increase)/Decrease in Inventory of Traded Goods	(65.96)	27.88	(207.70)	184.37
Employee Benefit Expenses	2,404.53	2,480.05	5,059.41	6,109.54
Other Expenses	3,737.84	4,272.43	4,872.57	5,162.60
Total Expenditure	13,553.29	15,509.12	24,017.21	24,248.53
EBIDTA (4-5)	2,079.72	1,786.01	3,888.33	3,980.46
Finance Cost	525.08	518.17	788.08	711.28
Depreciation / Amortization	478.86	621.95	641.83	796.15
Profit from Continuing Operations before Tax and minority interest (5-6-7)	1,075.79	645.89	2,458.42	2,473.03
Tax Expenses	351.39	204.22	796.76	572.01
Profit from Continuing Operations after tax before minority interest (8-9)	724.39	441.67	1,661.66	1,901.03
Share of minority in profit/(loss) for the year	-	-	-	-
Profit after Tax	724.39	441.67	1,661.66	1,901.03
Discontinued Operations				
Profit From discontinued Operations before Tax	N.A.	N.A.	393.67	424.19
Tax Expense of Discontinued Operations	N.A.	N.A.	159.66	179.08
Profit from Discontinued Operations	N.A.	N.A.	234.01	245.11
Profit for the year (10+15)	724.39	441.67	1,895.66	2,146.14

2. Financial Review

Our total revenue from operations on standalone basis de-grew by 10.05% from ₹ 16,435.40 lakhs in fiscal 2016 to ₹ 14,783.60 lakhs in fiscal 2017, primarily on account of a conscious decision by the management to reduce its exposure to the working capital intensive Vocational Training business. The total revenue for the year 2017 reduced by 9.61 % from ₹ 17,295.14 lakhs in fiscal 2016 to ₹ 1,5633.01 lakhs in fiscal 2017. Our EBIDTA on standalone basis increased by 16.45% from ₹ 1,786.01 lakhs in fiscal 2016 to ₹ 2,079.72 lakhs in fiscal 2017. This increase is primarily due to decrease in cost of services by 12.98%, decrease in purchase of traded goods by 20.72% and decrease in other expenses by 12.51%. Consequently, EBITDA margin increased from 10.33% in fiscal 2016 to 13.30% in fiscal 2017.

Our Profit After Tax on standalone basis increased by 64.01% from ₹ 441.67 in fiscal 2016 to ₹ 724.39 lakhs in fiscal 2017.



Our total revenue from operations on a consolidated basis decreased by 1.47% from ₹ 27,388.68 lakhs in fiscal 2016 to ₹ 26,986.79 lakhs in fiscal 2017, primarily on account of an increase in sale of products by 12.62% from ₹ 4,252.31 lakhs in fiscal 2016 to ₹ 4,788.91 lakhs in fiscal 2017.

Our EBIDTA on consolidated basis decreased by 2.31% from ₹ 3,980.46 lakhs in fiscal 2016 to ₹ 3,888.33 lakhs in fiscal 2017. This decrease is primarily due to increase in cost of raw material and components consumed by 33.82% and cost of services by 12.43%. Consequently, EBITDA margin decreased from 14.10% in fiscal 2016 to 13.93% in fiscal 2017

Our Profit after tax for the year on consolidated basis decreased by 11.67% from ₹2,146.14 lakhs in fiscal 2016 to ₹1,895.66 lakhs in fiscal 2017.

3. Dividend

Your Directors do not recommend any dividend for the Financial Year 2016-17.

4. Transfer to reserves

The Company did not transfer any amount to reserves during the year.

5. Capital and Finance

Issue of equity share capital during the Financial Year 2016-17:

(Figures in ₹.)

S. No.	Date of Allotment	Number of Equity Shares	Face Value (₹)	Issue Price (₹)	Nature of Consideration	Nature Of Allotment
1	October 27, 2016	28,571 ¹	10	350	Cash	Allotment against exercise of options granted under CL ESOP Plan 2008
2	October 27, 2016	15,000 ²	10	210	Cash	Allotment against exercise of options granted under CL ESOP Plan 2008
3	March 29, 2017	2,180,119	10	502	Cash	Allotment Pursuant to the Initial Public Offer of the Company

¹ Allotment of 28,571 Equity Shares to Shantanu Prakash.

² Allotment of 15,000 Equity Shares to Sanjeev Srivastava.

The issued, subscribed and paid up capital of the Company increased from ₹119,395,880 as on March 31, 2016 to ₹141,632,780 as on March 31, 2017.

Pursuant to Section 43(a)(ii) of the Act read with Sub-rule 4 of Rule 4 of the Companies (Share and Capital Debentures) Rules, 2014, the Company has not issued any Equity shares with differential rights during the period under review.

LISTING OF SHARES

The Company's shares got listed on National Stock Exchange of India Ltd. ("NSE") & BSE Limited ("BSE") on March 31, 2017. The annual listing fee for the Financial Year 2016-17 has been paid to NSE & BSE.

6. SEGMENT REPORTING & OPERATIONAL OVERVIEW

Of the total revenues for the year ended March 31, 2017, on a standalone basis, approx. 95% came from Operations while just 5% came from Other Income.

The company has identified two reportable business segments as primary segments: Education and training programme (including sale of study material) and Vocational training. The segment have been identified and reported taking into account the nature of products, the differing risks and returns, the organization structure and the internal financial reporting systems.

Education and training programme (including sale of study material) mainly include coaching for higher education entrances. Vocational training includes specific projects undertaken (including government projects).

Out of the Revenues from operations, approx. 98.0% came from the Test Preparation and training segment (including sale of study material) and only 2.0% came from the Vocational Training segment.

The segmentation of revenues by business segments on a standalone basis is as follows:

(Figures in ₹ Lakhs)

	FY 2017	% of total	FY 2016	% of total
Education and training programme (including sale of study material)	14,545.67	98.39%	12,825.83	78.04%
Vocational Training	237.93	1.61%	3,609.57	21.96%
Total Revenue from Operations	14,783.60	100.0%	16,435.40	100.0%

Our revenue from Education and Training Programme segment increased by 13.41% from ₹ 12,825.83 lakhs in fiscal 2016 to 14,545.67 lakhs in fiscal 2017 primarily on the account of increase in sale of study material given the increase in the average pricing across our Test Preparation and Training course offerings over the previous year.

Our revenue from Vocational training segment decreased by 93.41% from ₹ 3,609.57 lakhs in fiscal 2016 to ₹ 237.93 lakhs in fiscal 2017 due to a conscious descending of vocational training operations by the management given the working capital intensive nature of the business

The Company has identified Geographical Segment as Secondary Segment. The segmentation of revenues by geographical segment on a standalone basis is as follows:

(Figures in ₹ Lakhs)

	FY 2017	% of total	FY 2016	% of total
Within India	14,286.10	96.63%	16,051.85	97.67%
Overseas	497.50	3.37%	383.55	2.33%
Total Revenue from Operations	14,783.60	100.00%	16,435.40	100.00%

Of the total revenues for the year ended March 31, 2016, on a consolidated basis, approx. 97% came from Operations while just 3% came from Other Income.

The group has identified six reportable business segments as primary segments: Education & training programme (including sale of study material), Sale of educational books, Manpower management services, Marketing and sales services, K - 12 and Vocational training. The segments have been identified and reported taking into account the nature of products, the differing risks and returns, the organization structure and the internal financial reporting system.

- ◆ **Education & training programme** (including sale of study material) mainly includes coaching for higher education entrance exams.
- ◆ **Sale of educational books** mainly includes publishing and sale of educational books to related and third parties.
- ◆ The group provides extended skilled manpower services to clients across locations, markets and roles, ranging from managing enterprise customers, to channel relationships, to retail through **Manpower management services**. On the basis of client requirements, group not only provide manpower but also equip, support and manage these skilled teams to meet the business objectives.
- ◆ The group also, helps its clients to conduct very large conferences combined with exhibitions and trade shows attended by thousands of persons, too much targeted seminars for focused, exclusive audiences, to unique experiential activities through its **Marketing and sales services**.
- ◆ Under the **K-12** segment, the group provides soft skills, infrastructure facilities and other support services to schools involved in Kindergarten to senior secondary studies.
- ◆ **Vocational training** segment includes specific projects undertaken (including government projects). And Others segment includes revenue from integrated solutions to educational institutions.

On March 16, 2017, we entered into a Business Transfer Agreement (BTA) with B&S Strategy Services Private Limited and I-Take Care Private Limited to sale our K-12 business of running & operating pre-schools, providing school management services and Infrastructure Services business respectively on a slump sale basis. The proposed sale of business is consistent with our long term strategy of following an Asset- Light Model and hence, decided to discontinue our K-12 business.



The segmentation of revenues by business segments on a consolidated basis is as follows:

(Figures in ₹ Lakhs)

	FY 2017	% of total	FY 2016	% of total
Education and training programme (including sale of study material)	14,724.10	53.25%	12,876.73	45.56%
Vocational Training	237.93	0.86%	3,609.57	12.77%
Sale of educational books	4,595.62	16.62%	3,794.80	13.43%
Manpower Management services	1,348.11	4.88%	2,688.46	9.51%
Marketing and Sales Services	8,094.76	29.27%	6,226.15	22.03%
Others	1,080.85	3.91%	1,312.89	4.65%
<i>Eliminations</i>	(3,094.57)	-11.19%	(3,119.92)	-11.04%
Total Revenue from Continuing Operations	26,986.79	97.60%	27,388.68	96.90%
K-12 – Discontinued Operations	664.14	2.40%	875.46	3.10%
Total Revenue	27,650.94	100.00%	28,264.13	100.00%

Our revenue from Education and Training Programme segment increased by 14.35% from ₹ 12,876.73 lakhs in fiscal 2016 to ₹ 14,724.10 lakhs in fiscal 2017 primarily on the account of increase in sale of study material given the increase in the average pricing across our Test Preparation and Training course offerings over the previous year.

Our revenue from Vocational training segment decreased by 93.41% from ₹ 3,609.57 lakhs in fiscal 2016 to ₹ 237.93 lakhs in fiscal 2017 due to a conscious descaling of vocational training operations by the management given the working capital intensive nature of the business

Our revenue from Manpower Management Services decreased by 49.86% from ₹ 2,688.46 lakhs in fiscal 2016 to ₹ 1,348.11 lakhs in fiscal 2017 given that an ongoing engagement with one of our clients was not renewed during fiscal 2016 and it had a spillover effect in fiscal 2017 as well.

Our revenue from Marketing and Sales Services increased by 30.01% from ₹ 6,226.15 lakhs in fiscal 2016 to ₹ 8,094.76 lakhs in fiscal 2017 due to an increase in both number of events organized as well as an increase in average revenue earned per event.

Our revenue from discontinued operations of K-12 segment stood at ₹ 664.14 lakhs for the fiscal 2017 vis-à-vis ₹ 875.46 lakhs for the fiscal 2016

During the year, CL divested its School chain comprising of its K-12 schools under the brand Indus World Schools (IWS), for an aggregate consideration of ₹ 8500 lakhs. The divestment is in line with the company's strategy to focus on asset-light & technology led knowledge and career services. The proceeds from the transaction would be used to fund growth and inorganic expansion in asset light businesses. In fiscal 2016, Indus World School (IWS – Chain of K-12 Schools) had ~27% share of total asset, but had a very small contribution to revenue and EBITDA, dragging the overall profitability of the organization. This divestment would help increase the overall profitability of CL Educate.

The Company has identified Geographical Segment as Secondary Segment. The segmentation of revenues by geographical segment on a consolidated basis is as follows:

(Figures in ₹ Lakhs)

	FY 2017	% of total	FY 2016	% of total
Within India	26,989.42	97.61%	27,880.58	98.64%
Overseas	661.52	2.39%	383.55	1.36%
Total Revenue	27,650.94	100.00%	28,264.13	100.00%

Detailed analysis of performance of the company and its businesses has been presented in the Management Discussion and Analysis section which forms a part of this report

7. Material changes

(The following Material Changes have occurred between the end of the Financial Year (March 31, 2017) and the date of the report July 24, 2017).

- The Company purchased the balance 49% i.e. 5880 no. of equity shares of Accendere Knowledge Management Services Private Limited on April 12, 2017 for an aggregate purchase price of ₹ 13,23,00,000/- (Rupees Thirteen Crore Twenty Three Lakh Only). Consequently, the Company now holds the entire 100% equity shares of Accendere Knowledge Management Services Private Limited, making it a wholly-owned subsidiary of the Company.



- ii. The Company has entered into a Business Transfer Agreement dated April 18, 2017 with IndiaCan Education Private Limited pursuant to which the Company acquired all the assets and liabilities of ETEN, a business division of IndiaCan Education Private Limited, currently running CA and Civil Services preparatory courses delivered through VSAT.
- iv. CLEIS executed a Business transfer agreement dated March 16, 2017 ("CLEIS Business Transfer Agreement") with B&S Strategy Services Private Limited ("Eduvisors"), with CL as a confirming party, and a shareholders' agreement dated March 16, 2017 ("SHA") executed among CLEIS, Eduvisors and the promoters and other shareholders of Eduvisors. Pursuant to the CLEIS Business Transfer Agreement, CLEIS has agreed to sell its business in relation to four pre-schools, one each situated at Indore and Gurgaon and two situated at Raipur and infrastructure and management services contracts of CLEIS in relation to six K-12 schools, one each situated at Raipur, Gurgaon, Bhiwani and Ludhiana and two situated at Indore, including all related assets (which includes all intellectual property), liabilities, rights, obligations, etc. of such business (collectively, the "Pre-schools Business and Services Contracts"), on a slump sale basis, to Eduvisors. The proposed sale of Pre-schools Business and Services Contracts was agreed to be undertaken for a lump sum consideration of ₹ 4000.00 lakhs to be paid by Eduvisors to CLEIS in tranches, including ₹ 3400.00 lakhs through issuance of Equity Shares and Compulsorily Convertible Debentures of Eduvisors to be subscribed to by CLEIS. Pursuant to the acquisition of such securities of Eduvisors, our Company, through CLEIS, will indirectly hold a minority interest in Eduvisors, on the Completion Date. Further, the parties have also entered into the SHA for the purpose of regulating their inter-se relationship as shareholders of Eduvisors and for certain matters including those in relation to the restrictions on transfer of securities of Eduvisors and management and operations of Eduvisors. The closing of the proposed sale of Pre-schools Business and Services Contracts is subject to fulfilment of certain conditions provided in the CLEIS Business Transfer Agreement, which include, receipt of all corporate resolutions of CLEIS and Eduvisors, receipt of third party consents and execution of certain software and service agreements by our Company or any affiliates nominated by us with Eduvisors. The transaction of disinvestment of the business is likely to close in Q1 2017.
- v. CLIP executed a Business transfer agreement dated March 16, 2017 ("CLIP Business Transfer Agreement") with CLEIS and I-Takecare Private Limited ("I-Takecare"). Pursuant to the CLIP Business Transfer Agreement, CLIP has agreed to transfer its business of providing leasing and infrastructural services required for operating K-12 schools which are run by Nalanda Foundation and all assets, liabilities, rights, obligations, etc. thereof, including land and buildings situated at Raipur and Indore and movable assets, receivables and contracts in connection with operation of the K-12 schools situated at the aforementioned locations ("School Infrastructure"), on a slump sale basis, to I-Takecare. The proposed sale of School Infrastructure is being undertaken for a lump sum consideration of ₹ 4500.00 lakhs to be paid by I-Takecare to CLIP, out of which ₹ 4000.00 lakhs is payable prior to the closing of such transaction and balance in tranches. Further, under the terms of the CLIP Business Transfer Agreement, CLIP is required to pay a monthly interest amount calculated at 11% p.a. on advance sale consideration of ₹ 100.00 lakhs received from I-Takecare from the date of the CLIP Business Transfer Agreement until the date of closing of the transaction. The closing of the proposed sale of School Infrastructure is subject to fulfilment of certain conditions provided in the CLIP Business Transfer Agreement, which include, execution of sale deeds for sale of land, execution of assignment deed by CLIP in relation to the infrastructure contracts entered into between CLIP and Nalanda Foundation and receipt of all requisite consents and approvals by CLIP. The transaction of disinvestment of the business is likely to close in Q2 2017.
- vi. The Board of Directors of the Company at its meeting held on July 02, 2017 gave its in-principle approval to the acquisition of a majority stake in the shareholding of ICE GATE Educational Institute Private Limited, an entity that provides testprep services for GATE, subject to Financial, Business & Legal Due-Diligence.
- vii. The Board of Directors of the Company at its meeting held on July 24, 2017 approved Amendment Agreements to the Business transfer agreement (BTA) & Shareholders' Agreement (SHA) dated March 16, 2017, executed with B&S Strategy Services Private Limited ("Eduvisors"), pursuant to which the following amendments were approved by the Board of Directors with respect to the sale of four pre-schools and infrastructure and management services contracts of CLEIS in relation to six K-12 schools, including all related assets (which includes all intellectual property), liabilities, rights, obligations, etc. of such business on a slump sale basis, to Eduvisors:



Particulars	Original Agreement dated March 16, 2017	Amended Agreement approved by the Board dated July 24, 2017
Total Consideration (Out of which)	₹ 4,000 lakhs	₹ 4,650 lakhs
Cash advance	₹ 200 lakhs	₹ 200 lakhs
Deferred Cash	₹ 400 lakhs	₹ 400 lakhs
Balance non cash – Equity	5174 shares equivalent to 26% voting power	7526 shares equivalent to 40.32% voting power
Balance non cash –Compulsorily Convertible Debentures ("CCD")	859003 CCD convertible at 8.79% voting power	NIL
Effective date of the transaction	April 01, 2017	July 01, 2017
Infrastructure contracts and related assets	Included contracts other than Jhalaria and Raipur, which would have been transferred by CLIP to CLEIS and then sold by CLEIS to Eduvisors	Remains in CLIP now

8. Material and Significant Orders Passed By Regulators & Courts

No significant and material orders have been passed by any Regulators or Courts or Tribunals against the Company impacting the going concern status and company's operations in future.

9. Internal Financial Control Systems

CL has aligned its current systems of internal financial control with the requirement of the Companies Act 2013. The Internal Control systems are intended to increase transparency and accountability in an organisation's process of designing and implementing a system of internal control. The framework requires a company to identify and analyse risks and manage appropriate responses. The Company has successfully laid down the framework and ensured its effectiveness. CL's internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorisation and ensuring compliance of corporate policies. CL has a well-defined delegation of power with authority limits for approving revenue as well as expenditure. Processes for formulating and reviewing annual and long term business plans have been laid down. CL uses a state-of-the-art enterprise resource planning (ERP) system to record data for accounting, consolidation and management information purposes and connects to different locations for efficient exchange of information. It has continued its efforts to align all its processes and controls with best practices.

Our management assessed the effectiveness of the Company's internal control over financial reporting as of March 31, 2017. The assessment involved self review, peer review and external audit.

- ◆ CL has re-appointed Axis Risk Consulting Services Pvt. Ltd. (now Genpact Enterprise Risk Consulting LLP) to oversee and carry out internal audit of its activities. The audit is based on an internal audit plan, which is reviewed each year in consultation with the statutory auditors (Haribhakti & Co. LLP) and the Audit Committee. The conduct of internal audit is oriented towards the review of internal controls and risks in its operations such as IT processes and general controls, accounting and finance, procurement, employee engagement, including most of the subsidiaries. The Audit Committee reviews reports submitted by the management and audit reports submitted by internal auditors and statutory auditors. Suggestions for improvement are considered and the Audit Committee follows up on corrective action. The Audit Committee also meets CL's statutory auditors to ascertain, inter alia, their views on the adequacy of internal control systems and keeps the Board of Directors informed of its major observations periodically.
- ◆ During the year 2016-17, the Company has appointed Manchanda & Manchanda, Chartered Accountants in order to check upon the adequacy and effectiveness of as well as to report on the gaps in the Internal Financial Control Systems and processes within the organization with respect to revenue, procurement, payroll, Inventory, Finance & Accounts and Statutory Compliance (Taxation) along with its recommendations. The Firm reviewed the processes and transactions and issued its summary report which was considered by the Audit Committee.

- ◆ Haribhakti & Co. LLP, the statutory auditors of the Company has audited the financial statements included in this annual report and has issued an attestation report on our internal controls over financial reporting (as defined in section 143 of Companies Act 2013).

Qualified opinion by Statutory Auditors on adequacy and therefore operating effectiveness of Internal Financial Controls over Financial Reporting for CL on a Standalone basis :

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2017:

- a) The procurement policy implemented for purchase of goods and services was not operating effectively, which could potentially result in the Company procuring unnecessary goods and services, or procuring goods of lower quality, or procure goods and services at higher prices.

Management's response:

Last year the Company had formulated a comprehensive procurement policy, however, it was felt that the policy was not fully and effectively being implemented on the ground. In the coming year, Company would further tighten the implementation of the policy specifically covering:

- ◆ Periodic vendor master review
- ◆ Restricted access to vendor master
- ◆ Compulsory Vendor Registration Forms for vendor code creation
- ◆ Requirement of at least three vendor quotations and exception approvals

Qualified opinion by Statutory Auditors on adequacy and therefore operating effectiveness of Internal Financial Controls over Financial Reporting for CL on a consolidated basis :

I. According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified on the adequacy (and therefore operating effectiveness) of the Group's Internal Financial Controls Over Financial Reporting as at March 31, 2017:

- a) In case of one of the subsidiary Kestone Integrated Marketing Services Private Limited, comprehensive procurement policies for purchase of goods and services have not been documented, which could potentially result in the aforesaid company procuring unnecessary goods and services, or procuring goods of lower quality, or procure goods and services at higher prices.
- b) In case of one of the subsidiary, Kestone Integrated Marketing Services Private Limited, it has not maintained adequate documentation for 'partially completed events' in the Event Management Services at any given point of time. This could potentially result in incorrect recording of provisional revenue and corresponding provisional expenses in respect of such incomplete services as at the reporting date.
- c) In case of one of the subsidiary, Career Launcher Education Infrastructure and Services Limited, comprehensive policy for periodical review and reconciliation of students and fee income recorded in the books of account has not been documented. This could potentially result in incorrect recording of revenue.

II. According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Group's internal financial controls over financial reporting as at March 31, 2017:

- a) In case of one of the Company and one of the subsidiary, CL Media Private Limited, the procurement policy implemented for purchase of goods and services was not operating effectively, which could potentially result in the Company procuring unnecessary goods and services, or procuring goods of lower quality, or procure goods and services at higher prices.

Management's response:

During the course of the previous year, the Company had defined and documented the procurement related policy, however, the effective execution was not 100% and would be further tightened. Further, documentation related to policies in those areas is being further tightened. Necessary processes related to documentation of policies/procedures and periodical review of the policies have now been put in place or are in the process of being put in place.



10. Details of Subsidiaries/Joint Ventures/Associate Companies

Our Company has seven subsidiaries (including two indirect subsidiaries) to carry out activities in various streams of education and other educational training. A brief profile of our subsidiaries is given hereunder:

a. **Kestone Integrated Marketing Services Private Limited (Kestone)**

Our Company acquired Kestone on the 1st day of April, 2008 and it is a wholly owned subsidiary. Under our brand Kestone, we enjoy strong relationships with corporates to whom we provide our integrated business, marketing and sales services. Kestone focuses on a wide variety of Corporates, across various segments and industries.

Kestone provides integrated business, marketing and sales services to our corporate customers, including event management, marketing support (including digital marketing support in the form of online marketing initiatives, to support offline marketing campaigns), customer engagement (including audience generation, lead generation, loyalty and reward programs and contest management), managed manpower and training services. The business has shown extremely robust growth not only in top line but also in its bottom line.

The total income of Kestone was ₹ 9639.31 lakhs in Financial Year 2017 as against ₹ 9735.84 Lakhs in Financial Year 2016, thereby decreasing marginally by almost 1% over the previous year.

a.1. **Kestone Asia Hub PTE. Ltd., Singapore**

Kestone Asia Hub Pte. Ltd. (Previously Known as 'Career Launcher Asia Educational Hub Pte. Ltd.', Singapore - an indirect subsidiary of CL Educate Limited), now a subsidiary company of Kestone, and hence an indirect subsidiary of CL, was incorporated in the year 2008. It is currently engaged in providing integrated marketing solutions for products and services for and on behalf of inland and overseas clients and customers. However, Kestone Asia actually started doing business in Singapore from last Financial Year.

b. **CL Media Private Limited (CL Media)**

CL Media, as a subsidiary of CL, was incorporated on February 1, 2008. CL holds 100% of the issued and paid-up equity capital in this company. CL Media provides integrated solutions to educational institutions and universities including business advisory and outreach support services.

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

The business has shown growth and the total income of CL Media was ₹ 3757.58 lakhs in Financial Year 2017 as against ₹ 2988.69 lakhs in Financial Year 2016, recording increase by 25.73% over the previous year.

c. **GK Publications Private Limited (GKP)**

GK Publications Private Limited became a subsidiary of CL Educate Limited on November 12, 2011. As on date, CL holds 100% stake in the Company. GKP is currently engaged in the business of distribution of test preparation guides, books and other academic material.

The business of GKP has shown substantial growth and the total income has increased from about ₹ 1487.20 lakhs in 2016 to about ₹ 1893.34 lakhs in 2017, thus reflecting a 27.31% increase.

d. **Accendere Knowledge Management Services Private Limited (AKMS)**

Accendere Knowledge Management Services Private Limited became a wholly owned subsidiary of the Company pursuant to the purchase of balance 49% i.e. 5880 no. of equity shares of Accendere Knowledge Management Services Private Limited by the Company on April 12, 2017.

Accendere was incorporated under the Companies Act 1956 on September 19, 2008. Accendere is currently engaged in the business of facilitating educational institutions and establishing their institutional credibility, international presence and thought leadership by improving their research output in terms of both the quality and quantity of research articles published by them.

The business of AKMS has shown substantial growth and the total income has increased from about ₹ 131.32 lakhs in 2016 to about ₹ 178.43 lakhs in 2017, thus reflecting 35.87% increase.

e. Career Launcher Education Infrastructure and Services Limited (CLEIS)

CLEIS is a wholly owned subsidiary of CL incorporated on June 16, 2005. CLEIS is currently engaged in the business of providing educational services for K-12 schools including brand licensing and providing education soft skills under the brand Indus World School. The Company owns brand names "Indus World School" and "Ananda".

As on March 31 2017, CLEIS operated 8 (eight) K-12 schools across India under the IWS brand of which two K-12 schools are owned, five schools are operated through an infrastructure partnership model & one school is operated through educational partnership model.

During the year under review, CLEIS executed a Business transfer agreement dated March 16, 2017 ("CLEIS Business Transfer Agreement") with B&S Strategy Services Private Limited ("Eduvisors"), with CL as a confirming party, and a shareholders' agreement dated March 16, 2017 ("SHA") executed among CLEIS, Eduvisors and the promoters and other shareholders of Eduvisors:

Pursuant to the CLEIS Business Transfer Agreement, CLEIS has agreed to sell its business in relation to four pre-schools, one each situated at Indore and Gurgaon and two situated at Raipur and infrastructure and management services contracts of CLEIS in relation to six K-12 schools, one each situated at Raipur, Gurgaon, Bhiwani and Ludhiana and two situated at Indore, including all related assets (which includes all intellectual property), liabilities, rights, obligations, etc. of such business (collectively, the "Pre-schools Business and Services Contracts"), on a slump sale basis, to Eduvisors.

The proposed sale of Pre-schools Business and Services Contracts was agreed to be undertaken for a lump sum consideration of ₹ 4000.00 lakhs to be paid by Eduvisors to CLEIS in tranches, including ₹ 3400.00 lakhs through issuance of Equity Shares and Compulsorily Convertible Debentures of Eduvisors to be subscribed to by CLEIS. Pursuant to the acquisition of such securities of Eduvisors, our Company, through CLEIS, will indirectly hold a minority interest in Eduvisors, on the Completion Date. Further, the parties have also entered into the SHA for the purpose of regulating their inter-se relationship as shareholders of Eduvisors and for certain matters including those in relation to the restrictions on transfer of securities of Eduvisors and management and operations of Eduvisors. The closing of the proposed sale of Pre-schools Business and Services Contracts is subject to fulfilment of certain conditions provided in the CLEIS Business Transfer Agreement, which include, receipt of all corporate resolutions of CLEIS and Eduvisors, receipt of third party consents and execution of certain software and service agreements by our Company or any affiliates nominated by us with Eduvisors. The transaction of disinvestment of the business is likely to close in Q1 2017.

The amendments related to the above transaction is mentioned in Point no. 7 (vii) in Material Changes.

e.1. Career Launcher Infrastructure Private Limited (CLIP)

CLIP, a wholly owned subsidiary of CLEIS, and hence a subsidiary of CL, was incorporated in the year 2008. CLIP is currently engaged in the business of providing infrastructure facilities for K-12 schools operating under the brand Indus World School.

During the year under review, CLIP executed a Business transfer agreement dated March 16, 2017 ("CLIP Business Transfer Agreement") with CLEIS and I-Takecare Private Limited ("I-Takecare"):

Pursuant to the CLIP Business Transfer Agreement, CLIP has agreed to transfer its business of providing leasing and infrastructural services required for operating K-12 schools which are run by Nalanda Foundation and all assets, liabilities, rights, obligations, etc. thereof, including land and buildings situated at Raipur and Indore and movable assets, receivables and contracts in connection with operation of the K-12 schools situated at the aforementioned locations ("School Infrastructure"), on a slump sale basis, to I-Takecare. The proposed sale of School Infrastructure is being undertaken for a lump sum consideration of ₹ 4500.00 lakhs to be paid by I-Takecare to CLIP, out of which ₹ 4000.00 lakhs is payable prior to the closing of such transaction and balance in tranches. Further, under the terms of the CLIP Business Transfer Agreement, CLIP is required to pay a monthly interest amount calculated at 11% p.a. on advance sale consideration of ₹ 100.00 lakhs received from I-Takecare from the date of the CLIP Business Transfer Agreement until the date of closing of the transaction. The closing of the proposed sale of School Infrastructure is subject to fulfilment of certain conditions provided in the CLIP Business Transfer Agreement, which include, execution of sale deeds for sale of land, execution of assignment deed by CLIP in relation to the infrastructure contracts entered into between CLIP and Nalanda Foundation and receipt of all requisite consents and approvals by CLIP. The transaction of disinvestment of the business is likely to close in Q2 2017.

Change in the status of subsidiaries/associate companies/joint venture, during the year:

There are no associate companies or joint venture companies within the meaning of section 2(6) of the Companies Act, 2013 ("Act").



There has been no material change in the nature of the business of the subsidiaries, except that CLEIS & CLIP have agreed to transfer their respective (school) businesses to outside parties, as has been detailed above.

Pursuant to Section 129(3) of the Companies Act, 2013 read with Rule 5 of the Companies (Accounts) Rules, 2014, a statement containing salient features of the Financial Statements of the Company's Subsidiaries' in Form AOC-1 is attached to the Financial Statements (attached to this report as **Annexure-I**).

Further, pursuant to the provisions of section 136 of the Act, the Financial Statements of the Company, including the Consolidated Financial Statements along with relevant documents and separate audited accounts in respect of subsidiaries, are available on the website of the Company (www.cleducate.com).

Equity Investment in Subsidiaries

As on March 31, 2017 the Company's holding in its various direct subsidiaries were as follows:

- a) 1,000,000 Equity Shares of ₹ 10 each comprising of 100% Equity Capital in Kestone Integrated Marketing Services Private Limited;
- b) 190,000 Equity Shares of ₹ 10 each comprising of 100% Equity Capital in GK Publications Private Limited;
- c) 10,000 Equity Shares of ₹ 10 each comprising of 100% Equity Capital in CL Media Private Limited;
- d) 6,120 equity shares of ₹ 10 each comprising of 51% Equity Capital in Accendere Knowledge Management Services Private Limited*
- e) 9,447,606 Equity Shares of ₹ 10 each comprising of 100% Equity Capital in Career Launcher Education Infrastructure and Services Limited;

**Accendere Knowledge Management Services Private Limited became a wholly owned subsidiary of the Company pursuant to the purchase of balance 49% i.e. 5880 no. of equity shares of Accendere Knowledge Management Services Private Limited by the Company on April 12, 2017.*

11. Fixed Deposits

During the year under review, your Company has not invited or accepted any deposits from the public/members pursuant to the provisions of Sections 73 and 76 of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

12. Auditors and Auditors' Report

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and the Company (Audit and Auditors) Rules, 2014, M/s. Haribhakti & Co., LLP, Chartered Accountants, Statutory Auditors (ICAI Firm Registration No. 103523W) holds the office till the conclusion of the Annual General Meeting for the Financial Year 2018-19, subject to ratification at every Annual General Meeting.

The Company has received written consent and a certificate stating that they satisfy the criteria provided under Section 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and that the appointment, if ratified, shall be in accordance with the applicable provisions of the Companies Act, 2013 and rules issued thereunder. As required under Clause 33 (1) (d) of the SEBI (LODR), Regulations, 2015, M/s. Haribhakti & Co., LLP, Chartered Accountants, have also confirmed that they hold a valid certificate issued by the Peer Review Board of the Institute of Chartered Accountants of India.

The members are requested to ratify the appointment of the Auditors as well as to authorize the Board to fix the Auditor's remuneration.

In this connection, the attention of the members is invited to item number 3 of the Notice convening the Annual General Meeting.

Statutory Auditors' Report

The auditor's qualifications in the Statutory Auditor's report/CARO Report and the management response thereon, are as under:

Clause (iii) (a) and Clause (iv) of Annexure I to the Independent Auditor's Report:

'The Company has granted unsecured loans to companies and other parties covered in the register maintained under Section 189 of the Act.'

- (iii) (a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of loans granted by the Company to 2 parties covered in the register maintained under

Section 189 of the Act, (total loan amount granted during the year ₹ 1.10 lakhs and balance outstanding as at balance sheet date ₹ 538.46 lakhs) are prejudicial to the Company's interest on account of the fact that the Company is not charging any interest on such loans.

- (iv) According to the information and explanation given to us in respect of loans, investments, guarantees, and securities, the Company has complied with the provisions of Section 185 and 186 of the Act, except for the details given below:

Nature of non-compliance	Name of Company/party	Amount granted during the year in ₹	Balance as at March 31, 2016 in ₹
Loan given at rate of interest lower than prescribed	Kestone Asia Hub Pte Ltd.	Nil	8.34 lakhs
Loan given at rate of interest lower than prescribed	Career Launcher Education Foundation	1.10 lakhs	530.13 lakhs

Managements' response:

In view of the Business operations of CLEF (one Party), the loan amount remained dormant during this Financial Year and, for the interest of CL, the outstanding loan amount has been guaranteed by Bilakes Consulting Private Limited, a promoter controlled entity with the payment falling due under term of the guarantee in case of non-repayment on or after March 31, 2018.

Kestone Asia Hub Pte. Ltd. (other party), is the wholly owned subsidiary company of Kestone (wholly owned subsidiary company of CL), hence charging of interest at lower rate will not impact the overall viability of CL Group. And as the Kestone Asia has just started its business in Singapore, it is expected that Foreign Subsidiary will be able to repay the outstanding amount in near future.

Clause (vii) (a) of Annexure I to the Independent Auditor's Report:

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

According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, which were outstanding, at the year-end for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount ₹	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Advance Tax	34.33 lakhs	April 1, 2016 to June 30, 2016	June 15, 2016	Not yet paid
Income Tax Act, 1961	Advance Tax	68.66 lakhs	July 1, 2016 to September 30, 2016	September 15, 2016	Not yet paid

Managements' response:

Due to unpredictability of business, it is slightly difficult to estimate the net tax liability to be deposited so early in the year and hence generally the Company waits till end of the year, when its liability estimates is much clear to deposit advance tax with appropriate interest

There is no instance of fraud reported by auditors under sub section (12) of section 143.

Secretarial Auditors

Pursuant to Section 204 of the Companies Act, 2013 read with Rule 9 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company based on the recommendation of the Audit Committee, appointed M/s. S. Anantha & Ved LLP, Company Secretaries, Mumbai (LLP IN: AAH-8229) as the Secretarial Auditors of the Company on May 17, 2017 for the Financial Year 2017-18.

Since the equity shares of the Company got listed on the stock exchange(s) i.e. National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") on March 31, 2017, the appointment of Secretarial Auditor for the Financial Year 2016-17 was not applicable.



Internal Auditor

Pursuant to section 138 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014, the Company has, based on the recommendation of the Audit Committee, on May 17, 2017, extended the existing term of M/s Axis Risk Consulting Services Private Limited (now 'Genpact Enterprise Risk Consulting LLP') as the Internal Auditor of the Company upto March 31, 2018.

The Internal Auditor presents its audit report before the Audit Committee on a quarterly basis. The Audit Committee sets out the scope and timelines with respect to the services rendered by the Internal Auditor, as well as the fee payable against the same.

Cost Auditor

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, 2014 and Notification issued by Ministry of Corporate Affairs dated December 31, 2014, on and from the Financial Year commencing April 1, 2014, the Companies in Education Sector are required to get their cost records audited.

The Company has, based on the recommendation of the Audit Committee, re-appointed M/s Sunny Chhabra & Co., Cost Accountants as the Cost Auditor of the Company for the Financial Year 2017-18 at the Board Meeting dated May 17, 2017.

13. Directors and Key Managerial Personnel

Appointments & Resignations during the Financial Year 2016-17:

There was no change in Directors and Key Managerial Personnel during the Financial Year 2016-17. However, the following changes occurred in the composition of the Board of Directors and Key Managerial Personnel of the Company between the end of the Financial Year (March 31, 2017) and the date of the report (July 24, 2017).

- a. Mr. Kamil Hasan, Non-Executive Independent Director of the Company has resigned from the Board of the Company on and with effect from May 01, 2017.
- b. Ms. Madhumita Ganguli has been appointed as Additional (Non-Executive Independent) Director on the Board of the Company on and with effect from July 02, 2017.
- c. Mr. Paresh Surendra Thakker has been appointed as Additional (Non-Executive Independent) Director on the Board of the Company on and with effect from July 02, 2017.
- d. Mr. Sudhir Bhargava has been appointed as the Chief Financial Officer and a Key Managerial Personnel of the Company on and with effect from July 02, 2017.
- e. The Designation of Mr. Nikhil Mahajan has been changed from Executive Director & CFO to Executive Director & Group CEO Enterprise Business on and with effect from July 02, 2017.
- f. Ms. Sangeeta Modi, Non-Executive Independent Director of the Company has resigned from the Board of the Company on and with effect from July 03, 2017.
- g. Ms. Madhumita Ganguli, Additional (Non-Executive Independent) Director of the Company was appointed as Member of the Audit Committee on July 24, 2017.
- h. Mr. Paresh Surendra Thakker, Additional (Non-Executive Independent) Director of the Company was appointed as Member of the NRC Committee on July 24, 2017.
- i. The Designation of Mr. Gopal Jain*(DIN: 00032308) has been changed from Non-Executive Nominee Director to Non-Executive Non Independent Director on Board of the Company on and with effect from July 24, 2017.

* The Company has received the letter from the pre-IPO investors for withdrawing the nomination of Mr. Gopal Jain (DIN: 00032308), who was holding the office as Nominee Director of the Company on account of which he ceased to be a Nominee (of Gaja) Director on the Board of the Company. However, taking into consideration his contribution towards the growth of the Company, the Board of Directors at its meeting held on 24th July, 2017, re-designated him as a Non-Executive & Non-Independent Director, liable to retire by rotation. Your Directors recommends his re-designation as Non-Executive Non-Independent Director of the Company.

The Directors place on record their appreciation of the valuable contribution of Ms. Sangeeta Modi & Mr. Kamil Hasan as Independent Director on the Board of the Company.

Separate resolutions seeking members' approval to the appointment of Ms. Madhumita Ganguli & Mr. Paresh Surendra Thakker as Non-Executive Independent Directors on Board of the Company have been incorporated in the notice of the 21st Annual General Meeting of the Company.

Retirement by Rotation:

Mr. Satya Narayanan .R, Chairman & Whole Time Director , retires by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment. The brief resume of Mr. Satya Narayanan .R and other information under Regulation 36 of the SEBI (LODR) 2015 and Secretarial Standard-2 (SS-2) with respect to his re-appointment has been incorporated in the notice of the 21st Annual General Meeting of the Company. Your Directors recommend his re-appointment.

Declaration by Independent Directors

Pursuant to sub-section (7) of Section 149 of the Companies Act, 2013, the Independent Directors of the Company declared that they meet the criteria of independence in terms of Section 149(6) of the Companies Act, 2013 and that there was no change in their status as Independence Directors. The Company has received the declaration of Independence from all the Independent Directors of the Company at its Board Meeting held on April 12, 2017.

Earlier, pursuant to sub-section (10) & (11) of section 149 of the Companies Act, 2013, the board had, at its Meeting held on July 22, 2014, formalized the appointment of all Independent Directors for an initial period of 5 years w.e.f April 1, 2014

Further detail pertaining to Independent Directors forms part of the Corporate Governance Report.

The profiles of Directors and the terms and conditions of appointment of Independent Directors are disclosed on the Company's website (www.cleducate.com).

Separate Meeting of Independent Director

In terms of requirements of Schedule IV of the Companies Act, 2013, the Independent Directors of the Company met separately on March 23, 2017, without the attendance of Non-Independent Directors, or any other official of the Company or members of its management to review the performance of Non-Independent Directors (including the Chairman), the entire Board and the quality, quantity and timeliness of the flow of information between the Management and the Board.

All Directors disclosed their Directorship and Interest in other Companies in specified formats prescribed in Companies Act, 2013.

Details of Board (& Committee) Meetings held during Financial Year 2016-17

The detail pertaining to the Number of Board (& Committee) Meetings held during Financial Year 2016-17 forms part of the Corporate Governance Report.

Annual Evaluation by the Board

Pursuant to the provisions of the Companies Act, 2013, the Board has adopted a methodology for evaluating the performance of every individual Director, of the Chairperson of the Company, of the Board as a whole, of the Independent, as well as of the Non - Independent Directors of the Company, and of the functioning of the committees.

During the year 2016-17, the Board Of Directors carried out an annual evaluation of its own performance, board committees and individual directors for the year 2015-16, pursuant to the provisions of the Act and the corporate governance requirements.

The performance of the Board as well as Committees was evaluated by the Independent Directors after seeking inputs from all the Non-Executive Directors on the basis of criteria such as the Board composition and structure, effectiveness of board processes, information and functioning, etc.

The Board and the 'Nomination, Remuneration and Compensation committee' reviewed the performance of the individual directors on the basis of the criteria such as the contribution of the individual director to the board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings, etc.

In addition, the Chairman of the Company was also evaluated on the key aspects of his role.

In a separate meeting of Independent Directors, performance of Non-Independent Directors, performance of the Board as a whole and performance of the Chairman was evaluated, taking into account the views of Executive Directors and Non-Executive Directors. The same was discussed in the board meeting that followed the meeting of the Independent Directors, at which the performance of the board, its committees and Individual Directors was also discussed.

Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.



Key Managerial Personnel

As on the date of this report, the following persons have been designated as Key Managerial Personnel of the Company pursuant to Section 2(51) and Section 203 of the Act, read with the Rules framed thereunder:

- a. Mr. Satya Narayanan .R, Chairman & Whole Time Director
- b. Mr. Gautam Puri, Vice Chairman & Managing Director
- c. Mr. Nikhil Mahajan, Executive Director and Group CEO Enterprise Business (change in designation from Executive Director & CFO with effect from July 02, 2017.)
- d. Ms. Rachna Sharma, Company Secretary and Compliance Officer
- e. Mr. Sudhir Bhargava, Chief Financial Officer (with effect from July 02, 2017)

14. Corporate Governance

A Report on the Corporate Governance is voluntarily disclosed and annexed, for the Financial Year under review, considering SEBI (LODR) Regulations, 2015, is not applicable for the year under review, on account of the listing of the shares of the Company on and from March 31, 2017.

15. Management Discussion & Analysis

Management's Discussion and Analysis Report for the Financial Year under review, as stipulated under Regulation 34 of SEBI (LODR) Regulations, 2015 is presented in a separate section forming part of the Annual Report.

17. Number of Meetings of the Board of Directors & Committees thereof

The Board of Directors of the Company met 11 (Eleven) times during the year under review. In addition to this, one meeting of Independent Directors was also held. The details of the meetings of the Board including those of its Committees and Independent Directors' meeting are given in the Report on Corporate Governance section forming part of this Annual Report.

17. Composition of Audit Committee

The Audit Committee of the Board of Directors of the Company is duly constituted in accordance with the provisions of Sections 177 (8) of the Companies Act, 2013, read with Rule 6 and 7 of the Companies (Meetings of the Board and its Powers) Rules, 2013 and Regulation 18 of SEBI (LODR) Regulations, 2015. The details of the composition, powers, functions, meetings of the Committee held during the year are given in the Report to Corporate Governance section forming part of this Annual Report.

All the recommendations of the Audit Committee during the year were accepted by the Board of Directors of the Company.

18. Vigil Mechanism / Whistle Blower Policy

Your Company has established a Vigil Mechanism/ Whistle Blower Policy in compliance with the provisions of section 177(9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI (LODR), 2015 to enable stakeholders (including Directors, Employees, retainers, franchisees) to report unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The Policy provides adequate safeguards against victimization of Director(s)/ employee(s) and direct access to the Chairman of the Audit Committee in exceptional cases. The Protected Disclosures, if any reported under this Policy are to be appropriately and expeditiously investigated by the Ethics Committee. Your Company hereby affirms that no Director/ employee has been denied access to the Chairman of the Audit Committee and that no complaints were received during the year. The Vigil Mechanism/Whistle Blower Policy is available on the website of the Company (www.cleducate.com).

19. Corporate Social Responsibility

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company has constituted a Corporate Social Responsibility Committee ("CSR Committee"). The Composition and the terms of reference of the CSR Committee are provided in Corporate Governance Report. Further, the Company at the Board Meeting held on February 16, 2015 approved of a Policy on CSR. The Policy has been hosted on the website of the Company (www.cleducate.com).

CSR Funds (Past & Present):

A table showing accumulated CSR Funds till date, to be spent on CSR activities by the Company is set out below:

Particulars	2014-15 (In ₹)	Cumulative Amount for	
		Financial Year 2015-16 (In ₹)	Financial Year 2016-17 (In ₹)
CL Educate Limited	2.24 lakhs	16.76 lakhs	28.88 lakhs

CSR activities/projects contemplated to be taken up by the Company:

As part of CSR initiative, your Company, during the Financial Years 2014-15, 2015-16 & 2016-17 has, amongst other activities, earmarked the funds to be invested in the CSR activities/ projects. It intends to spend the said amount in the following areas:

- Driving research and innovation and funding technology incubators located within academic institutions which are approved by the Central Government, and/or
- Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic Sports; and/or
- Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art, setting up public libraries, promotion and development of traditional arts and handicrafts. These projects are as prescribed under the Schedule VII of the Companies Act, 2013.
- Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly and the differently abled and livelihood enhancement projects.

CSR Spend

Though the Company has earmarked the funds for specific CSR activities, and has determined target CSR activities/ projects, in the education space, and in research and Innovation area, to be undertaken, the Company has not been able to spend the mandated amounts on the said activities till date, as the capacities to spend the sanctioned amount were being built, and are now broadly in place and specific projects have been identified

The implementation of the planned activities has thus spilled over to the next Financial Year, the execution of which is expected to be initiated in the Financial Year 2017-18 and should happen over the coming multiple years.

As a socially responsible Company, the Company is committed to increase its CSR impact and spend over the coming years with the aim of playing a larger role in India's sustainable development, and thereby fulfill its Corporate Social Responsibility.

The Annual report on CSR Activities is attached as **Annexure- II**.

20. Risk Management Policy

Your Company has a robust Risk Management policy. The Company, through a steering committee oversees the Risk Management process including risk identification, impact assessment, effective implementation of mitigation plans and risk reporting.. The Risk Management Policy is available on the website of the Company (www.cleducate.com).

21. Directors' Nomination and Remuneration Policy

The process of determining the Remuneration of the Directors is initiated with the general body of shareholders approving the overall maximum managerial remuneration that may be paid to the Directors, generally over a period of 3 years. Within this overall limit, the actual payout is decided by the Board, on the specific recommendation of the Nomination, Remuneration and Compensation Committee (comprising of all Non-Executive Directors, with majority of them being independent), while also keeping the provisions of Companies Act 2013 in mind.

The document evidencing the process of determination of remuneration of Directors, i.e. the latest Recommendation Report issued by the Nomination, Remuneration and Compensation Committee is attached as **Annexure- III** to this Report.

Details of the Remuneration Recommended by NRC Committee vis a vis the Remuneration actually paid to WTDs for the Financial Year 2016-17:

(Figures in ₹ Lakhs)

S. No.	Whole Time Director	Fixed Compensation		Variable Compensation		Total Compensation#	
		Recommended	Actually Paid	Recommended	Actually Paid	Recommended	Actually Paid
1	Mr. Satya Narayanan .R	75.20	69.83	37.60	0	112.80	69.83
2	Mr. Gautam Puri	75.20	69.83	37.60	0	112.80	69.83
3	Mr. Nikhil Mahajan*	73.10	69.28	36.40	0	109.50	69.28

* This includes an amount equivalent to 10,000 AED per month, which is paid to Mr. Nikhil Mahajan from the Company's Dubai business operations.

This does not include ₹ 24.24 lakhs paid each to Mr. Satya Narayanan .R and Mr. Gautam Puri, and ₹ 23.52 lakhs to Mr Nikhil Mahajan, being the variable compensation pertaining to Financial Year 2014-15, paid out in Financial Year 2016-17.

**Commission paid to Non Executive Directors for 2016-17:**

(Figures in ₹ Lakhs)

S. No.	Non-Executive Independent Directors	Commission	
		Recommended (% of Net Profits)	Amount to be Paid (in ₹ Lakh)
1	Mr. Sridar Iyengar	0.25% of the net profits	3.04
2	Mr. Safir Anand	0.15% of the net profits	1.82
3	Mr. Viraj Tyagi	0.15% of the net profits	1.82
4	Mr. Kamil Hasan ¹	0.15% of the net profits	1.82
5	Ms. Sangeeta Modi ²	0.15% of the net profits	1.82

¹Mr. Kamil Hasan, Non-Executive Independent Director of the Company has resigned from the Board of the Company on and with effect from May 01, 2017.

²Ms. Sangeeta Modi, Non-Executive Independent Director of the Company has resigned from the Board of the Company on and with effect from July 03, 2017.

22. Particulars of Employees

People are our most valuable asset and your Company places the engagement, development and retention of talent as its highest priority, to enable achievement of organizational vision.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the relevant information as on March 31, 2017, is given in **Annexure - IV**.

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016, the names of the top ten employees in terms of remuneration drawn, as on March 31, 2017, along with the relevant information thereon is given in **Annexure - V**.

Further, during the Financial Year 2016-17, there was no employee who:

- (i) if employed throughout the Financial Year, was in receipt of remuneration for that year which, in the aggregate, was not less than one crore and two lakh rupees;
- (ii) if employed for a part of the Financial Year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than eight lakhs and fifty thousand rupees per month;
- (iii) if employed throughout the Financial Year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

23. Particulars of Loans, Guarantees and Investments

Details of loans, Guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

24. Particulars of Contracts or Arrangements with Related Parties

All transactions entered by the Company with Related Parties during the Financial Year 2016-17 as defined under section 2 (76) of the Companies Act, 2013 read with the Companies (Specification of Definitions Details) Rules, 2014 were in the Ordinary Course of Business and were at Arm's Length pricing basis and in accordance with the provisions of the Companies Act, 2013, Rules issued thereunder and Regulation 23 of SEBI (LODR), 2015. The Audit Committee granted omnibus approval for the transactions (which were all routine and repetitive in nature) and the same was reviewed and approved by the Board of Directors. There were no materially significant transactions with Related Parties during the Financial Year 2016-17 which were in conflict with the interest of the Company. Suitable disclosures as required under AS-18 have been made in the Notes to the financial statements.

Pursuant to Section 134(3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 in respect of the particulars of contracts or arrangements with related parties under section 188 in prescribed form AOC-2 is annexed as **Annexure-VI** to this report.

The policy on Related Party Transactions as approved by the Board is hosted on the website of the Company (www.cleducate.com)

25. Extract of Annual Return

Pursuant to Section 92 of the Companies Act, 2013 read with the Rule 12 of the Companies (Management and Administration) Rules, 2014, the extract of the Annual Return in prescribed Form MGT-9 is attached as **Annexure - VII** to this Report.

26. Details of CL ESOP 2008 Scheme:

S. no.	Particulars	Details of the extant CL ESOP Scheme as on March 31, 2017 (on a Cumulative basis)	
(a)	Options granted	312,468	
(b)	Options vested (excluding the options that have been exercised)	108,257	
(c)	Options exercised	80,075	
(d)	The total number of shares arising as a result of exercise of option;	80,075	
	The total number of options exercisable at the end of the year	108,257	
(e)	Options forfeited/lapsed/cancelled	75,636	
(f)	Exercise Price of outstanding ESOPs	₹210 – 430	
(g)	Variation of terms of options (The Company has adopted the Amended and Restated Career Launcher Employee Stock Options Plan 2014 in its Board Meeting held on January 29, 2016 and the same has been approved by the shareholders of the Company in their EGM held on March 22, 2016)	<p>There is no variation in the terms of options except:</p> <p>Extension of exercise period with respect to options granted to Mr. Shantanu Prakash from 36 months to 60 months at the Board meeting dated September 22, 2014.</p> <p>Extension of exercise period with respect to the 2nd vested options granted to independent directors of the Company was extended upto August 31, 2014 at the Board meeting dated August 11, 2014.</p> <p>Extension of exercise period with respect to options granted to independent directors of the Company from 36 months to 60 months at the Board meeting dated January 24, 2013.</p>	
(h)	Money realized by exercise of options	₹ 243.51 lakhs	
(i)	Total number of options in force	156,757	
(j)	Employee wise details of options granted to Directors/ Key management personnel (as on date)		
I.	Name of Director and Key (Senior) Management Personnel	No. of options granted under ESOP Scheme	
	Sridar Iyengar	4,000	
	Safir Anand	4,000	
	Viraj Tyagi	4,000	
	Shantanu Prakash (Ceased to be a director on Board of CLEIS on and with effect from April 1, 2015)	142,857	
	Sanjeev Srivastava	25,000	
	Ajit Kumar	6,500	
	Himanshu Jain	4,100	
	Piyush Gupta	46,500	
	Ruchika Govila	2,500	
	Rachna Sharma	3,000	
	Soumya Dutta Gupta	5,000	
	Total	247,457	
II.	Any other employee who received a grant in any one year of options amounting to 5% or more of the options granted during the year	Name of Employee	No. of options granted under ESOP Scheme
		Year 2011-12, Total No. of grants: 37,500	
		More than 5%	
		Sanjay Shivnani#	12,000 (32.00%)
		Dipanjan Das #	6,000 (16.00%)
		Saaket Arora #	4,000 (10.67%)
		Vinod V V#	2,500 (6.67%)



		Year 2013-14, Total No. of grants 5,000
		More than 5%
	Vivek Garg #	5,000 (100%)
		Year 2014-15, total no. of grants: 23,500
		More than 5% :
	Niharika Mittal#	2,500 (10.64%)
	Vivek Garg#	2,000 (8.51%)
	Manav Agarwal#	2,000 (8.51%)
		Year 2016-17, Total No. of grants: 40,000
		More than 5%
		Piyush Gupta 35,000 (87.50%)
		Soumya Dutta Gupta 5,000 (12.50%)
		<i>#As on date, these are no more the employees of the Company</i>
III.	Identified employees who were granted options during any one year equal to exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of our Company at the time of grant.	Mr. Shantanu Prakash (then director on the board of CLEIS) was granted 142,857 options on January 28, 2009, which was approximately 1.63% of the issued capital at the time of the grant.

Shares issued under ESOP during Financial Year 2016-17

Details of options exercised during the Financial Year 2016-17

S.No.	Date of Allotment	Name of the Allottee	No. of Options Exercised	Price per Share (₹)
1	October 27, 2016	Mr. Shantanu Prakash	28,571	350
2	October 27, 2016	Mr. Sanjeev Srivastava	15,000	210

A certificate from M/s. Haribhakti & Co., LLP, Chartered Accountants with regards to the implementation of the Company's Employee Stock Option Scheme in line with SEBI (Share Based Employees Benefits) Regulations, 2014 would be placed in the ensuing Annual General Meeting.

27. Disclosure of Energy conservation, Technology Absorption & Foreign Exchange Inflows & Outflows

The Information on conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo stipulated under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are given hereunder.

a) Conservation of Energy

(i) Steps taken or impact on conservation of energy:

The planning and installation of equipment of the Company is done in a manner such that maximum energy is conserved. To the extent possible, energy efficient equipment and instruments are used.

(ii) The Steps taken by the Company for Utilising alternate sources of energy

The Company continuously uses its best endeavors for identifying and utilizing alternate sources of energy.

(iii) Capital Investment on energy conservation equipments: Nil

b) Technology absorption

(i) The efforts made towards technology absorption: No efforts have been made during the year

(ii) The benefits derived like production improvement, cost reduction, product development or import substitution: Nil

(iii) In case of imported technology (imported during the last three years reckoned from the beginning of the Financial Year)

(a) The details of technology imported: Nil

(b) The year of import: N.A.

(c) Whether the technology been fully absorbed: N.A.

c) Your Company does not carry out any manufacturing activity, the particulars regarding technology absorption and other particulars as required to be stated by the Companies Act, 2013 and rules made thereunder are not applicable.

d) The foreign exchange earnings and outflows (on Standalone basis) are detailed below:-

(Figures in ₹ lakhs)

Particulars	FY 2017	FY 2016
Test preparation training services	275.84	180.35
Sale of study material	221.65	203.20
Total	497.45	383.55

Expenditure in Foreign Currency (on accrual basis) (on a Standalone basis):

(Figures in ₹ lakhs)

Particulars	FY 2017	FY 2016
Travelling and conveyance	6.20	8.27
Bank charges	5.52	1.06
Rent	54.94	28.62
Salary and wages	128.88	25.85
Faculty expenses	80.48	9.52
Others	553.35	294.30
Total	829.37	367.62

28. Transfer of unclaimed dividend to Investor Education and Protection Fund

There is no amount which is required to be transferred to the Investor Education and Protection Fund (IEPF) as per the provisions of Section 125(2) of the Companies Act, 2013.

29. Buy Back of Securities

Your Company did not carry out buy back of any securities during the year under review.

30. Initial Public Offer (IPO)

The Company came out with Initial Public offer (IPO) of 4,760,000 Equity Shares of Face Value of ₹ 10 Each for cash at a price of ₹ 502 per Equity Share aggregating to ₹ 23,895.2 Lakhs comprising a fresh issue of 2,180,119 Equity Shares by the Company and an offer for sale of 2,579,881 Equity Shares by the selling shareholders.

Subsequent to the Completion of the IPO, the paid up Equity Share capital of the Company has increased from ₹ 119,831,590 to ₹ 141,632,780.

The Company's Equity Share got listed on NSE and BSE on March 31, 2017.

The objects of the Net Proceeds of the Fresh Issue were:

- Funding working capital requirements of our Company and our Subsidiaries, GKP and Kestone;
- Pre-payment of outstanding amount of a debt facility availed of by our Subsidiary, CLIP;
- Acquisitions and other strategic initiatives; and
- General corporate purposes.

The Company had not received any proceeds of the Offer for sale by the selling shareholders.

There has been no deviation in the utilization of the IPO proceeds by the Company.

31. Statement of Deviation(s) or Variation(s) in the Projected Utilization of Net Proceeds (if any)

The Quarterly and Annual Statement of Deviation(s) or Variation(s) pursuant to Regulation 32(1) & 32(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the Quarter and Year ended March 31, 2017



(Figures in ₹ lakhs)

S. No.	Particulars	Projected utilization of Net proceeds	Actual utilization of Funds during Quarter and Financial Year ended March 31, 2017
1.	Meeting working capital requirements of CL Educate and its subsidiaries namely Kestone Integrated Marketing Services Private Limited and GK Publications Private Limited	5250	-
2.	Repayment of loan taken by Career Launcher Infrastructure Private Limited(A step down subsidiary) from HDFC Bank Limited	1860.41	1860.41
3.	Acquisitions and other strategic initiatives	2000	-
4.	General corporate purposes	1006.29	-

- The aforesaid statement, as reviewed by the Audit Committee of the Company, is also available on the website of the Stock Exchange(s) at www.bseindia.com & www.nseindia.com and the Company at www.cleducate.com.
- The Company expects to utilize bulk of the remaining funds in Financial Year 2017-18. Pending utilization the amounts have been parked into the current account of the Company and would be deployed in Bank FDs till full amounts are utilized.

32. Directors Responsibility Statement

To the best of our knowledge and belief and according to the information and explanations obtained by us, your Directors make the following statements in terms of Section 134(3)(c) of the Companies Act, 2013:

- in the preparation of the Annual Accounts for the year ended March 31, 2017, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the
- state of affairs of the Company as at end of Financial Year ended March 31, 2017 and of the Profit and Loss of the Company for that period;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the Annual Financial Statements on a 'going concern' basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating efficiently; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

33. Acknowledgement

Your Directors take this opportunity to thank the Company's customers, shareholders, vendors and bankers for their support and look forward to their continued support in the future.

Your Directors also place on record their appreciation for the excellent contribution made by all employees who are committed to strong work ethics, excellence in performance and commendable teamwork and have thrived in a challenging environment.

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

sd/-

Gautam Puri

Vice Chairman & MD

DIN: 00033548

Address: R-90, Greater Kailash-I,
New Delhi – 110 048

sd/-

Nikhil Mahajan

Executive Director & Group CEO Enterprise Business

DIN: 00033404

Address: House No. 457, Sector – 30,
Faridabad - 121 003, Haryana

Place: New Delhi

Date: July 24, 2017

Annexures to Directors' Report 2017

Annexure I: Form AOC – I Features of Financial Statement of Subsidiaries

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/ associate companies/ joint ventures

PART "A": Subsidiaries

(Figures in ₹ Lakhs)

S. No.	Particulars	(1)	(2)		(3)	(4)	(5)	(6)	(7)
1	Name of the Subsidiary	Kestone Integrated Marketing Services Private Limited	Kestone Asia Hub Pte Ltd., Singapore ¹		G K Publications Private Limited	CL Media Private Limited	Accendere Knowledge Management Services Private Limited ²	Career Launcher Education Infrastructure and Services Limited	Career Launcher Infrastructure Private Limited ³
2	Financial Period Ended	31.03. 2017	31.03. 2017		31.03. 2017	31.03. 2017	31.03. 2017	31.03. 2017	31.03. 2017
3	Reporting Currency and Exchange Rate	INR	SGD	INR	INR	INR	INR	INR	INR
4	Share Capital (Nos. of Equity & Preference shares) (In No.)	10,00,000	14,001	14,001	190,000	10,000	12,000	9,447,606	248,468
									98,468 Equity
									150,000 Preference
5	Reserves & Surplus	2,890.01	(3.80)	(181.72)	64.69	4,032.88	(88.30)	7,685.15	1,873.43
6	Total Assets	6,087.21	1.32	63.03	3,374.94	6,837.83	214.40	9,975.53	4,788.44
7	Total Liabilities	6,087.21	(3.66)	(175.03)	3,374.94	6,837.83	214.40	9,975.53	4,788.44
8	Investments	6.66	-	-	-	-	-	3,372.64	-
9	Turnover	9,639.31	3.43	164.02	1,893.34	3,757.58	178.43	109.80	35.25
10	Profit / (Loss) Before Taxation (PBT)	548.30	(0.53)	(25.18)	4.36	967.27	(49.97)	(39.76)	24.93
11	Provisions for Taxation	213.57	-	-	-	249.86	-	-	0.01
12	Profit/ Loss from Discontinued operations	-	-	-	-	-	-	615.59	(221.92)
13	Tax expenses of Discontinued operations	-	-	-	-	-	-	159.66	-
14	Profit for the Year from discontinuing operations	-	-	-	-	-	-	455.93	(221.92)
15	Profit / (Loss) After Taxation (PAT)	353.46	(0.53)	(25.18)	5.37	716.65	(50.88)	416.17	(197.00)
16	Dividend	Nil	Nil		Nil	Nil	Nil	Nil	Nil
17	% of share holding	100%	100%		100%	100%	51% ³	100%	100%

¹Subsidiary of Kestone Integrated Marketing Services Private Limited

²Accendere Knowledge Management Services Private Limited became a wholly owned subsidiary of the Company pursuant to the purchase of balance 49% i.e. 5880 no. of equity shares of Accendere Knowledge Management Services Private Limited by the Company on April 12, 2017.

³Wholly owned subsidiary of Career Launcher Education Infrastructure & Services Limited



Notes:

- Names of subsidiaries which are yet to commence operations : None
- Names of subsidiaries which have been liquidated or sold during the year: None.

Part "B": Associates and Joint Ventures

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures
(Figures in ₹ Lakhs)

NAME OF THE ASSOCIATES/JOINT VENTURES	NONE
1. Latest audited Balance Sheet Date	NA
2. Shares of Associate / Joint Ventures held by the Company on the year end	NA
No.	
Amount of Investment in Associate/Joint Venture	
Extend of Holding %	
3. Description of how there is significant influence	NA
4. Reason why the associate/joint Venture is not consolidated	NA
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	NA
6. Profit / Loss for the year	NA
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

Notes:

- Names of associates or joint ventures which are yet to commence operations: None
- Names of associates or joint ventures which have been liquidated or sold during the year: None

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

sd/-

Gautam Puri

Vice Chairman & MD
DIN: 00033548

sd/-

Nikhil Mahajan

Executive Director & Group
CEO Business Enterprise
DIN: 00033404

sd/-

Rachna Sharma

Company Secretary & Compliance Officer
ICSI Membership
No.:A17780

Place: New Delhi
Date : July 24, 2017

Annexure II: ANNUAL REPORT ON CSR ACTIVITIES

1. A brief outline of the company's CSR policy, including overview of projects or programmes proposed to be undertaken and reference to the web-link to the CSR policy and projects or programmes:

Corporate Social Responsibility (CSR) Policy:

With the advent of the Companies Act, 2013 constitution of a Corporate Social Responsibility Committee of the Board and formulation of a Corporate Social Responsibility Policy became a mandatory requirement. Therefore, the Company seeks to formulate a robust CSR Policy which encompasses its philosophy and guides its sustained efforts for undertaking and supporting socially useful programs for the welfare & sustainable development of the society.

A. CSR Vision:

To accomplish passionate commitment to the social obligation towards social, financial and educational upliftment of people belonging to economically weaker sections of the society.

B. Constitution of CSR Committee:

Pursuant to Section 135 (1) of the Companies Act, 2013, and the Companies (Corporate Social Responsibility Policy) Rules, 2014, both of which came into force on 1st day of April 2014, every company having net worth of rupees five hundred crore or more, or turnover of rupees one thousand crore or more or a net profit of rupees five crore or more during any Financial Year shall constitute a Corporate Social Responsibility Committee of the Board consisting of three or more directors, out of which at least one director shall be an independent director.

In compliance with the above provisions, the Corporate Social Responsibility (CSR) Committee of the Company was constituted on April 29 2014, to comprise of:

S. No	NAME OF DIRECTOR	DESIGNATION ON COMMITTEE	DESIGNATION ON BOARD
1.	Mr. Safir Anand	Chairman	Non-Executive, Independent Director
2.	Mr. Satya Narayanan .R	Member	Chairman & Whole time director
3.	Mr. Gautam Puri,	Member	Vice Chairman, Managing Director

C. Duties and responsibilities of the CSR Committee:

The Corporate Social Responsibility Committee shall:

- i. Formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII;
- ii. Recommend the amount of expenditure to be incurred on the activities referred to in clause (a); and
- iii. Monitor the Corporate Social Responsibility Policy of the company from time to time.
- iv. The CSR Committee shall monitor the implementation of the CSR Policy and CSR Plan. For this purpose, the CSR Committee shall meet at such intervals, as it may deem necessary.
- v. In discharge of CSR functions of the Company, the CSR Committee shall be directly responsible to the Board for any act that may be required to be done by the CSR Committee in furtherance of its statutory obligations, or as required by the Board.

D. Duties and responsibilities of the Board of Directors:

The Board of Directors of the Company shall:

- i. After taking into account the recommendations made by the CSR Committee, approve the CSR Policy for the Company



and disclose the contents of such policy in its Board Report and also place it on the Company's website.

- ii. Ensure that the activities as are included in CSR Policy of the Company are undertaken by the Company.
- iii. Ensure that the Company spends, in every Financial Year, at least 2% of the average net profits of the Company made during the three immediately preceding Financial Years in pursuance of its CSR Policy.

The Board shall include in its Report the annual report on CSR Projects as per the format prescribed from time to time.

E. Key Areas of Corporate Social Responsibility:

The Company is eligible to undertake any of the following suitable/rightful activity as specified in Schedule VII to the Act and also amended from time to time:

- i. Eradicating hunger, poverty and malnutrition, promoting health care including preventive health care and sanitation and making available safe drinking water;
- ii. Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects;
- iii. Promoting gender equality, empowering women, setting up homes and hostels for women and orphans; setting up old age homes, day care centers and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- iv. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro-forestry, conservation of natural resources and maintaining quality of soil, air and water;
- v. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional art and handicrafts;
- vi. Measures for the benefit of armed forces veterans, war widows and their dependents;
- vii. Training to promote rural sports, nationally recognized sports, Paralympics sports and Olympic sports;
- viii. Contribution to the prime minister's national relief fund or any other fund set up by the central government for socio-economic development and relief and welfare of the scheduled castes, the scheduled tribes, other backward classes, minorities and women;
- ix. Contributions or funds provided to technology incubators located within academic institutions which are approved by the central government
- x. Rural development projects.
- xi. Slum area development."

F. Identification of CSR Projects:

- i. CSR Projects need to be identified and planned for approval of the CSR Committee, with estimated expenditure and phase wise implementation schedules.
- ii. The Company shall ensure that in identifying its CSR Projects, preference shall be given to the local area and areas around which the Company (including its Units) operates. However, this shall not bar the Company from pursuing its CSR objects in other areas.
- iii. As a cardinal principle, the CSR Projects shall be identified on the basis of a detailed assessment survey. Every year, the CSR Budget, along with its implementation schedule shall be presented to the Board, by the CSR Committee, for its approval.
- iv. The Chairman and the Managing Director of the Company are authorized severally to decide the Projects to be implemented as approved by the CSR Committee.
- v. The CSR Committee may engage external professionals/firms/agencies if required for the purpose of identification of CSR Projects.

G. Implementation of CSR Projects

- i. The Company may itself undertake the CSR activities, as per its CSR Policy, as projects, or programs, or activities (either new or outgoing);
- ii. The Board of the Company may decide to undertake its CSR activities, approved by the CSR Committee, through a Registered Trust, or a Registered Society, or a Company established by the Company, or its Holding or subsidiary or associate company under Section 8 of the Act, or otherwise;
- iii. The Company may also collaborate with other companies, including its Group Companies, for undertaking projects or programs or CSR activities in such a manner that the CSR Committees of respective Companies are in a position to report separately on such projects or programs in accordance with the CSR Rules.
- iv. The CSR Committee may engage external professionals/firms/agencies if required, for the purpose of implementation of its CSR Projects.
- v. The Company may implement the identified CSR Projects through Agencies, subject to the condition that:
 - (a) The activities pursued by the Agency are covered within the scope and ambit of Schedule VII to the Act;
 - (b) The Agency has an established track record of at least three years in undertaking similar programs or projects;

Provided that such expenditure shall not exceed 5% of the total CSR expenditure of the Company in one Financial Year, and the Company shall specify the Project to be undertaken through the Agency, the modalities of utilization of funds on such Projects and the monitoring and reporting mechanism.

- vi. The Company may collaborate with other companies, including its holding and subsidiary Companies and Group Companies if required, for fulfilling its CSR objects through the Implementing Agency, provided that the CSR Committees of respective companies are in a position to monitor separately such Projects.

H. Monitoring Mechanism:

The CSR Committee will review and monitor the progress of CSR Project periodically and report to the Board at regular interval.

I. Fund allocation and Others:

CSR Funds

The corpus for the purpose of carrying on the aforesaid activities would include the followings:

- i. 2% of the average Net Profits of the Company made during the three immediately preceding Financial Years (calculated in accordance with the provisions of Section 198, excluding any profit arising from any overseas branch or branches of the Company, whether operated as a separate Company or otherwise)
- ii. any income arising there from.
- iii. surplus arising out of CSR activities carried out by the company and such surplus shall not form a part of business profit of the company.

CSR Expenditure

CSR Expenditure shall include all expenditure including contribution to corpus, for projects or programs relating to CSR activities approved by the Board on the recommendation of its CSR Committee, but will not include any expenditure on an item not in conformity or not in line with activities which fall within the purview of Schedule VII of the Act.

Others

The CSR Committee shall ensure that major portion of the CSR expenditure in the Annual Plan shall be for the Projects as per CSR objectives. However, there shall not be any preference given to any particular projects for budgetary allocation and it shall be made purely as per the identified CSR Projects on need basis.

J. Review Periodicity and amendment:

- i. CSR Policy may be revised/modified/amended by the CSR Committee as it may deem fit.
- ii. The CSR Committee shall review the Policy every two years unless such revision is necessitated earlier.



2. The Composition of the CSR Committee:

Members of the committee are:

- i. Mr. Safir Anand (Chairman, Non-Executive & Independent Director)
- ii. Mr. Satya Narayanan .R (Member, Chairman & Whole time Director)
- iii. Mr. Gautam Puri (Member, Vice Chairman & Managing Director)

3. Average net profit of the company for last three Financial Years

₹ 606.08 Lakhs

4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):

₹ 12.12 lakhs

5. Details of CSR spent during the Financial Year:

1	2	3	4	5	6	7	8
S. No.	CSR Project or activity identified	Sector in which the project is covered	Projects or programmes (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or program wise	Amount spent on the projects or programs Sub-heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto the reporting period	Amount spent. Direct or through implementing agency
	-	-	-	-		-	-

6. In case the Company has failed to spend the two percent of the average net profit of the last three Financial Years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report.

Though the Company has earmarked the funds for specific CSR activities, and has determined target CSR activities/ projects, in the education space, and in research and Innovation area, to be undertaken, the Company has not been able to spend the mandated amounts on the said activities till date, as the capacities to spend the sanctioned amount were being built, and are now broadly in place and specific projects have been identified

The implementation of the planned activities has thus spilled over to the next Financial Year, the execution of which is expected to be initiated in the Financial Year 2017-18 and should happen over the coming multiple years.

As a socially responsible Company, the Company is committed to increase its CSR impact and spend over the coming years with the aim of playing a larger role in India's sustainable development, and thereby fulfill its Corporate Social Responsibility.

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company.

CSR Committee of the Company certifies that all the CSR activities/ projects earmarked by the Company are line with the objectives set in the CSR policy of the Company.

For and on behalf of CL Educate Limited

sd/-

Gautam Puri
Vice Chairman & MD
DIN: 00033548

sd/-

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

sd/-

Safir Anand
Chairman of CSR Committee
DIN: 02117658

Place: New Delhi

Date : July 24, 2017

Annexure III: Process of Determination of Director's Remuneration

The process of determining the Remuneration of Directors is as under:

1. The general body of shareholders approves the overall maximum managerial remuneration that may be paid to the Directors, generally over a period of 3 years.
2. Within the overall limit approved by the shareholders, the remuneration payable for a particular year is recommended by the Nomination, Remuneration and Compensation Committee (comprising of all non-executive Directors, with majority of them being independent) to the Board.

- (a) The NRC Committee sets out the Key Considerations for setting the compensation.

The Key Considerations taken into account by the Nomination, Remuneration and Compensation Committee while recommending the remuneration of Directors are stated hereunder:

- i) The provisions of Companies Act, 2013 and any other law for the time being in force relating to Companies;
- ii) Market factors;
- iii) The executive and operational responsibilities carried out by the Directors for the Company.
- iv) Market salary of people with similar background/educational qualification/ experience, to ensure that Directors receive a fair compensation and there is "headroom" to pay competitive salaries to the Director's direct reports and for attracting new talent in the Company;
- v) Compensation trends for the last three years;
- vi) Inflation;

- (b) The NRC Committee also recommends the split between fixed and variable salaries payable to the Executive Directors of the Company, while making specific recommendation for any fiscal

3. Based on the recommendation of the NRC Committee, the Board approves the remuneration payable to the Directors for the year;
4. The Remuneration paid during the year is checked against the estimated Profits of the Company for the year, to comply with the relevant provisions of the Companies Act 2013 and the Rules made thereunder.

Extract of the Recommendation Report 2017 issued by the NRC committee

The table below summarizes the total compensation for the whole time Directors (WTDs)

Table 1 Salary (actually paid) trends for the WTD 2013-14 to 2015-16

(Amount in ₹ Lakhs)

Director	2013-14			2014-15			2015-16		
	Fixed	Variable	Total	Fixed	Variable	Total	Fixed	Variable	Total
Satya Narayanan .R	56.00	0	56.00	59.50	24.24	83.74	68.10	0	68.10
Gautam Puri	56.00	0	56.00	59.50	24.24	83.74	68.10	0	68.10
Nikhil Mahajan	54.50	0	54.50	57.79	23.52	81.31	67.70	0	67.70

For the year 2015-16, the recommended compensation for Mr. Satya Narayanan .R and Mr. Gautam Puri, was ₹ 104.40 Lakhs (₹ 69.60 Lakhs + ₹ 34.80 Lakhs). It was ₹ 101.40 Lakhs (₹ 67.70 Lakhs + ₹ 33.7 Lakhs) for Mr. Nikhil Mahajan.

The three executive directors did not take any variable bonus for the year 2015-16.



1. Specific Recommendation for Fiscal 2016-17

Increase fixed and variable compensation by 8% each

Considering the inflation (CPI) in the year 2015 was 5.88%. In addition, AON Hewitt report on compensation trends pegs average increase for Top Management in service sector at 9%

Keeping in mind above mentioned factors, the committee recommends an 8% increase in the total compensation for the Directors, to be paid subject to the compliance with the provisions of the Companies Act, 2013:

Table 2 Recommended Salary for WTD for 2016-17

(Amount in ₹ Lakhs)

WTD	Fixed Compensation	Variable Compensation	Total Compensation
Satya Narayanan .R	75.2	37.6	112.8
Gautam Puri	75.2	37.6	112.8
Nikhil Mahajan	73.1	36.4	109.5

In view of the Committee the variable part of the compensation should be paid based on the business performance of the Company with equal weight being ascribed to Revenue and Profitability.

Table 3 Commission for Non-Executive Independent Directors for the Financial Year 2016-17

Non-Executive Director's Name	Commission Payable for 2016-17
Mr. SridarIyengar	0.25% of the net profits
Mr. SafirAnand	0.15% of the net profits
Mr. VirajTyagi	0.15% of the net profits
Mr. Kamil Hasan	0.15% of the net profits
Ms. Sangeeta Modi	0.15% of the net profits

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

sd/-

Gautam Puri

Vice Chairman & MD

DIN: 00033548

Address: R-90, Greater Kailash-I,
New Delhi – 110 048

sd/-

Nikhil Mahajan

Executive Director & Group CEO Enterprise Business

DIN: 00033404

Address: House No. 457, Sector – 30,
Faridabad - 121 003, Haryana

Place: New Delhi

Date: July 24, 2017

Annexure IV: Particulars of Employees

Particulars of Employees and Related disclosure

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the Financial Year 2016-17:

Name of the Directors	Ratio to median remuneration
Non-Executive Directors	
Mr. SridarIyengar	1.20
Mr. SafirAnand	0.72
Mr. VirajTyagi	0.72
Mr. Gopal Jain ¹	-
Ms. Sangeeta Modi ²	0.72
Mr. Kamil Hasan ³	0.72
Executive Directors	
Mr. Satya Narayanan .R	27.47
Mr. GautamPuri	27.47
Mr. Nikhil Mahajan	27.25

¹Mr. Gopal Jain, Non-Executive Nominee Director of the Company does not receive any remuneration from the Company. The Designation of Mr. Gopal Jain* (DIN: 00032308) has been changed from Non-Executive Nominee Director to Non-Executive Non Independent Director on Board of the Company on and with effect from July 24, 2017.

²Ms. Sangeeta Modi, Non-Executive Independent Director of the Company has resigned from the Board of the Company on and with effect from July 03, 2017.

³Mr. Kamil Hasan, Non-Executive Independent Director of the Company has resigned from the Board of the Company on and with effect from May 01, 2017.

- The percentage increase in remuneration of each director, chief executive officer, chief financial officer, company secretary in the Financial Year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the Financial Year
Mr. Satya Narayanan .R, Executive Director & Chairman	2.48%
Mr. Gautam Puri, Vice Chairman & Managing Director	2.48%
Mr. Nikhil Mahajan, Executive Director & Chief Financial Officer ¹	2.08%
Ms. Rachna Sharma, Company Secretary & Compliance Officer	35.67%

¹ The Designation of Mr. Nikhil Mahajan has been changed from Executive Director & CFO to Executive Director & Group CEO Enterprise Business on and with effect from July 02, 2017.

- The percentage increase/decrease in the median remuneration of employees in the Financial Year:** There was a nominal increase of 0.06% in median remuneration of employees in the Financial Year 2016-17.
- The number of permanent employees on the rolls of Company:** The Company had 318 no. of permanent employees, as on March 31, 2017.
- Average percentage increase already made in the salaries of employees other than the managerial personnel in the last Financial Year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:** The average annual increase in the salaries of employees other than the managerial personnel in the last Financial Year was 0.06%. Increase in the managerial remuneration for the year was 2.35%.
- Affirmation that the remuneration is as per the remuneration policy of the Company:** The Company affirms that the remuneration is as per the remuneration policy of the Company.

Note:

1. Managerial personnel includes only Managing Director & Whole-Time Directors of the Company.

2. The above Managerial remuneration includes ₹ 24.24 Lakhs paid each to Mr. Satya Narayanan .R and Mr. GautamPuri, and ₹ 23.52 Lakhs to Mr. Nikhil Mahajan, being the variable compensation pertaining to Financial Year 2014-15, paid out in Financial Year 2016-17.

Annexure V:



Remuneration to top ten employees pursuant to Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

(a) Remuneration paid in Financial Year 2016-17 to Whole Time Directors:

₹ in Lakhs

S. No.	Name of the Employee	Designation	Remuneration Paid during 2016-17			Nature of employment	Educational Qualification	Experience (in years)	Date of Joining	Age	Previous employment	Equity holding in the Company	Name of director or manager who is the relative of Employee
			Fixed Remuneration pertaining to 2016-17	Variable Remuneration pertaining to 2016-17	Variable Remuneration pertaining to 2014-15								
1	Satya Narayanan .R	Chairman and Whole-Time Director	69.83	Nil	24.24	Whole Time Employee	PGDM, IIM (Bangalore), B.Sc(Computer Science)	20	25.04.1996 Since Incorporation	47	Marketing Executive, Ranbaxy Laboratories Limited (1993-95)	2262579	None
2	Gautam Puri	Vice Chairman and Managing Director	69.83	Nil	24.24	Whole Time Employee	PGDB, IIM (Bangalore), B.E. (Chem.)	20	25.04.1996 Since Incorporation	52	Vam Organics Chemicals Limited	2262579	None
3	Nikhil Mahajan ¹	Chief Financial Officer and Whole-Time Director	69.28	Nil	23.52	Whole Time Employee	PGDM, IIM (Bangalore), B.Tech (Elect.)	19	28.12.1998	46	Executive Assistant, ModiponFibers Company (1996-98)	29817	None

¹ The Designation of Mr. Nikhil Mahajan has been changed from Executive Director & CFO to Executive Director & Group CEO Enterprise Business on and with effect from July 02, 2017.



(b) Remuneration paid in Financial Year 2016-17 to Employees other than Whole Time Directors:

₹ in Lakhs

S. No.	Name of the Employee	Designation	Gross Remuneration paid (₹) in Financial Year 2016-17	Nature of employment	Educational Qualification	Experience (in years)	Date of Joining	Age	Previous employment	Equity holding in the Company	Name of director or manager who is the relative of Employee
4	Sujit Bhattacharyya	Director in Subsidiary Company	46.06	Whole Time Employee	B.Tech (Elect.) IIT (Kharagpur, PGDM, IIM (Bangalore)	16	01.04.2015	50	Wipro and Dharma Systems	203062	None
5	Sanjeev Srivastava	President, EBG	60.35	Whole Time Employee	B.A. (Economics) DU, MA Sociology	21	01.10.2010	57	Allahabad Bank, Bank of Punjab, The Times Bank and HDFC Bank Limited and Kotak Mahindra Bank	27132	None
6	Ajit Kumar	President	39.37	Whole Time Employee	B.Com, Oemaniya University	16	07.04.2008	47	T.I.M.E.	1957	None
7	Himanshu Jain	President	31.28	Whole Time Employee	B.com, DU	23	28.09.2011	45	KarROX Technologies Ltd, iProf Learning Solutions India Ltd, Sri Sidharth Industries and STG International Ltd	1176	None
8	Ashish Bahri	Vice President	28.26	Whole Time Employee	B.com, DU	21	07.11.2014	43	NIIT Limited, STG International Limited and First Computers	580	None
9	Ruchika Govila	Associate Vice President	27.88	Whole Time Employee	B.Com, DU, PGDM, IIM (Lucknow)	10	21.03.2011	33	HSBC Bank	-	None
10	Harshvardhan Teckchandani	Vice President	18.24	Whole Time Employee	PGDM, Lucknow University	15	21.10.2010	38	Bank of Tokyo (2002-2003), Indusind Bank (2003-2005), CITI Bank (2005-2006), Kotak Bank (Sept 2006-2010)	-	None

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

sd/-

Gautam Puri
Vice Chairman & MD
DIN: 00033548
Address: R-90, Greater Kailash-I,
New Delhi - 110 048

sd/-

Nikhil Mahajan
Executive Director & Group CEO Enterprise Business
DIN: 00033404
Address: House No. 457, Sector - 30,
Faridabad - 121 003, Haryana

Place: New Delhi
Date: July 24, 2017



Annexure VI: AOC – II Contracts/ Arrangements with Related Parties

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso thereto.

- 1. Details of contracts or arrangements or transactions not at Arm's length basis:-** There were no contracts or arrangements or transactions entered into by the Company with any of its Related Parties during the year ended March 31, 2017, which were not at arm's length basis.
- 2. Details of contracts or arrangements or transactions at Arm's length basis.-** The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2017 are as follows:-

Name(s) of the related party and nature of relationship	Nature of Contracts/ arrangement/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any	Date(s) of approval by the Board of CL Educate Ltd.	Amount paid as advance (if any)	Cumulative Amount of Transaction During the Financial Year ended 31.03.2017
CL Media Pvt. Ltd. (CLM), Wholly owned Subsidiary Co. of CL	Content Development by CLM for CL and monetization of academic Assets	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout 2016-17.	CL to license its entire content and to allow CLM to monetize it. CL to pay Rs 4.60 Lakhs per month for the projects running at Chhattisgarh, Jharkhand, MP & UP respectively for the content management/ upgradation and to charge 40% of the revenue as revenue share so earned from monetization.	29.04.2016	Nil	₹ 120 Lakhs Paid by CL to CLM for content development and management.
			CL to license its entire content and to allow CLM to monetize it. CL to pay around Rs 3.35 Lakhs per month for the project running at Gujarat for the content management/ upgradation and to charge 40% of the revenue as revenue share so earned from monetization.	29.04.2016		₹ 267.86 Lakhs Paid by CLM to CL as revenue share out of its IPR's monetization.
			CL to license its entire content and to allow CLM to monetize it. CL to pay around Rs 2.97 Lakhs per month for the project running at Odisha for the content management/ upgradation and to charge 40% of the revenue as revenue share so earned from monetization.	29.04.2016		Nil amount is paid by CL to CLM for the project running at Chhattisgarh, Jharkhand, MP, UP, Gujarat & Odisha for the content management/ upgradation, during the FY 2016-17.

CL Media Pvt. Ltd. (CLM), Wholly owned Subsidiary Co. of CL	Material Purchase and Sale. Sale of books by CLM to CL	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout 2016-17.	CLM to publish all the course books for CL and to sell to CL at 'an upto 65% discount to the MRP' as is a standard industry practice. This also enables CLM to take significant benefit of the tax exemption of its unit in Uttarakhand	29.04.2016	Nil	₹ 1021 Lakhs
Ms. Sapna Puri, Spouse of Mr. Gautam Puri (Vice Chairman & MD of CL)	Payment of Remuneration	Contract not expiring in 2016-17	Remuneration is equivalent to people with similar background and similar experience.	29.04.2016	Nil	₹ 4.56 Lakhs
G K Publications Pvt. Ltd. (GKP), Wholly owned Subsidiary Co. of CL	1. Material Purchase and Sale. Sale of books by GKP to CL.	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout 2016-17.	CL purchases some books directly from GKP and provides these as additional support for its students. These books are purchased at 15-40% discount to the MRP which are more or less the same terms at which GKP sells to outside distributors or dealers.	29.04.2016	Nil	₹ 39.60 Lakhs
	2. Interest payable by GKP to CL				Nil	₹ 16.5 Lakhs
CL Media Pvt. Ltd (CLM), Wholly Owned Subsidiary Company of CL & Mr. Sreenivasan .R (Brother of Mr. Satya Narayanan .R)	Payment of Remuneration	Employment Contract (Appointment Letter dated 01.04.2014)	Remuneration is equivalent to people with similar background and similar experience.	29.04.2016	Nil	₹ 43.8 Lakhs
CL Media Pvt. Ltd. (CLM) & G K Publications Pvt. (GKP) Ltd, Both Wholly Owned Subsidiary Companies of CL	Material Purchase	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout 2016-17	CLM publishes all the course books for GKP and sells to GKP at a 60% discount to the MRP as is a standard industry practice. This also enables CLM to take significant benefit of the tax exemption of its unit in Uttarakhand.	29.04.2016	Nil	₹ 1640.33 Lakhs
CL Media Pvt. Ltd. (CLM), Wholly Owned Subsidiary Companies of CL and R Shiva Kumar (Brother in Law of Satya Narayanan .R)	Remuneration	Appointed as Whole time Director for period of 3 years i.e. from 01.04.2015 to 31.03.2018	Remuneration is equivalent to people with similar background and similar experience.	29.04.2016	Nil	₹ 46.12 Lakhs



Kestone Integrated Marketing Services Pvt. Ltd. (Kestone), Wholly Owned Subsidiary Company of CL	Infrastructure servicing/ Leasing by Kestone for some of CL center's	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout 2016-17	For All Government projects in which purchase of fixed assets is prohibited by the Government CL leases the same from Kestone. Before the start of the project CL had called for 3 quotations and Kestone was closed at the lowest quotation point including some manpower cost allocation.	29.04.2016	Nil	₹ 79.26 Lakhs
Career Launcher Education Infrastructure and Services Limited (CLEIS), Wholly Owned Subsidiary Company of CL	Cost Sharing for shared infrastructure and various common administrative expenses by CLEIS	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout 2016-17	The infrastructure at Corporate office is co- shared with CLEIS and since is owned by CL it was agreed that CLEIS will pay an amount proportionate to the usage by it. It includes the operating running and electricity cost for an area of approximately 1650 Sqft including some manpower cost allocation.	29.04.2016	Nil	₹ 21 Lakhs
Career Launcher Education Infrastructure and Services Limited (CLEIS), Wholly Owned Subsidiary Company of CL	Payment of rent by CLEIS for use of vehicle owned by CL	Original car Lease Agreement dated 01.04.2012 is further extended upto 31.03.2017	CLEIS uses the vehicle owned by CL and pays ₹ 15,000/- per month towards vehicle rent	29.04.2016	Nil	0
Kestone Integrated Marketing Services Pvt. Ltd. (Kestone) and G K Publications Pvt. (GKP) Ltd, both Wholly Owned Subsidiary Companies of CL-	Security extended to GKP	These are the routine & regular group transactions, which are carried out on continuing basis. The contracts are renewed accordingly.	Security extended to GKP for loan from Indus Ind Bank as the loan taken is used to repay Kestone.	29.04.2016	Nil	₹ 200 Lakh
Career Launcher Education Infrastructure and Services Limited (CLEIS), Wholly Owned Subsidiary Co. of CL & Nalanda Foundation (NF), Group Entity	1. Leasing of Brand Name & Educational Soft Skills for Indus World Schools	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout 2016-17.	CLEIS has licensed IWS brand, academic and technological backend and various other support services to schools at Nalanda. CLEIS charges the revenue share as the same % of fee collected as it charges the other IP schools which also is charged by similar players in the industry.	29.04.2016	Nil	₹ 269.15 Lakhs
	2. Interest payable on outstanding loan		Additionally NF pays to CLEIS interest at 5 BP higher than rate at which CLIP/ CLEIS have borrowed money on outstanding loan	29.04.2016	Nil	₹ 424.53 Lakhs

Career Launcher Infrastructure Private Limited (CLIP), Step Down Wholly Owned Subsidiary Co. of CL & Nalanda Foundation (NF), Group Entity	1. Leasing out of infrastructure facilities for Indus World Schools. 2. Interest Payable on outstanding loan	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout 2016-17.	CLIP has given infrastructure to Nalanda Foundation for running the schools. In return NF pays a certain % of revenue to CLIP and this % Is almost similar or in range to what NF pays to outside infrastructure providers. Additionally NF pays CLIP interest at 5 BP higher than the rate CLIP has borrowed money from lenders for amounts outstanding.	29.04.2016	Nil	₹ 215.32 Lakhs
Threesixtyone Degreeminds Consulting Pvt. Ltd. (361 DM), related party as per section 2(76) (iv)	License rights of Software	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout 2016-17.	CL holds sub 10% equity in 361 DM directly and through its Chairman and VC. CL has jointly developed products with 361 DM the IP of which belongs to each ones contribution respectively. Since the product runs of 361 DM platform CL pays on a per license basis to 361 DM at a rate which has been commercially agreed between CL and 361 DM	29.04.2016	Nil	₹ 5.72 Lakhs
CL & Anand & Anand Law Firm (M/s Anand & Anand), Safir Anand, Independent Director is a Partner	Most of the Intellectual Property related legal matters of CL are handled by M/s Anand & Anand	Being our Trade Mark Agent, Anand & Anand is given job work, as and when required.	Not a Related party transaction since the transaction between CL and M/s Anand & Anand does not exceed 2% or 50 Lakh which ever is higher limit.	29.04.2016	Nil	₹ 5.38 Lakhs
CL Media Pvt. Ltd. (CLM), Wholly owned Subsidiary Co. of CL	Cost Sharing for shared infrastructure and various common administrative expenses by CL Media	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout 2016-17	The infrastructure at Corporate office is co- shared with CL Media and it has been agreed that CL Media will pay an amount proportionate to the usage by it. It includes the operating, running and electricity cost for an area of approximately 4300 Sq ft. including some manpower cost allocation	29.04.2016	Nil	₹ 60 Lakhs
Accendere Knowledge Management Services Pvt. Ltd. (AKMS), CL Media Pvt. Ltd (CLM), Both are Wholly Owned Subsidiary Companies of CL	Sale of books and Services rendered to/by CL Media & GKP		Service rendered by CLM	29.04.2016	Nil	₹ 64.19 Lakhs
			Service rendered to CLM		Nil	₹ 141.9 Lakhs



CL Media Pvt. Ltd. (CLM), Wholly Owned Subsidiary Company of CL	Allocation of Manpower Cost in relation to shared staff (Support)		CL Educate and CL Media have entered into an arrangement whereby an appropriate portion of the salaries of certain support staff, based broadly on their respective contribution to CL Media is allocated / debited to CL Media.	25.06.2016	Nil	₹ 115.15 Lakhs
Career Launcher Education Infrastructure and Services Limited, (CLEIS) Wholly Owned Subsidiary Co. of CL	Allocation of Manpower Cost in relation to shared staff (Support)		CL Educate and CLEIS have entered into an arrangement whereby an appropriate portion of the salaries of certain support staff, based broadly on their respective contribution to CLEIS is allocated / debited to CLEIS	25.06.2016	Nil	₹ 63.41 Lakhs
Kestone Integrated Marketing Services Pvt. Ltd. (Kestone), Wholly Owned Subsidiary Companies of CL	Allocation of Manpower Cost in relation to shared staff (Support)		CL Educate and Kestone have entered into an arrangement whereby an appropriate portion of the salaries of certain support staff, based broadly on their respective contribution to Kestone is allocated / debited to Kestone	25.06.2016	Nil	₹ 116.18 Lakhs
Bilakes Consulting Pvt. Ltd. (Bilakes), Corporate Promoter of CL	Business (consultancy) services to CL	The parties entered in to an agreement on 14.01.2016 and the period of agreement is from 01.04.2016 to 31.03.2018.	Bilakes has agreed to provide certain business (consultancy) services to CL over the next 24 months. The maximum amount CL can pay under this arrangement is ₹ 125 Lakhs, of which about ₹ 95 Lakhs has been paid as business advance during the year 2015-16.	25.06.2016	95 Lakhs	0

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

sd/-

Gautam Puri

Vice Chairman & MD
DIN: 00033548
Address: R-90, Greater Kailash-I,
New Delhi – 110 048

sd/-

Nikhil Mahajan

Executive Director & Group CEO Enterprise Business
DIN: 00033404
Address: House No. 457, Sector – 30,
Faridabad - 121 003, Haryana

Place: New Delhi
Date: July 24, 2017

Annexure VII:

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
As on the Financial Year ended on 31.03.2017
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies
(Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	U74899DL1996PLC078481*
2.	Registration Date	April 25, 1996
3.	Name of the Company	CL Educate Limited
4.	Category/Sub-category of the Company	Listed Public Limited Company / Limited by Shares
5.	Address of the Registered office & contact details	A-41, Espire Building, Lower Ground Floor, Mohan Co-operative Industrial Area, Main Mathura Road, New Delhi – 110 044 Tel. No.: +91 11 – 4128 0800 / 1100, Fax No.: +91 11 - 4128 1110
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Karvy Computershare Private Limited Karvy Selenium Tower B, Plot 31-32, Gachibowli, Financial District, Nanakramguda, Hyderabad – 500 032, Telangana State Tel. No.: +91 40 67161604 Email Id: support@karvy.com

*The equity shares of the Company got listed on the stock exchange(s) i.e. National Stock Exchange of India Limited ("NSE") and BSE Limited ("BSE") on March 31, 2017. The request for change of CIN number of the Company (from Unlisted to Listed) to depict the Listed status will be done pursuant to filing the Annual Return in Form MGT-7 for the Financial Year 2016-17 with the Registrar of Companies, post the Annual General Meeting of the Company.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

S. No.	Name and Description of main products / services	NIC Code of the Product/service*	% (approximately) to total turnover of the company
1	Education	8550 - Educational Support Services	98.39
2	Education	8522- Technical and vocational secondary education	1.61

*As per National Industrial Classification 2008

III. PARTICULARS OF HOLDING /SUBSIDIARY AND ASSOCIATE COMPANIES (as on 31 March, 2017)

S. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary/ Associate	% of shares held	Applicable Section
1	Kestone Integrated Marketing Services Private Limited	U73100DL1997PTC186183	Subsidiary	100%	2(87)(ii)
2	Kestone Asia Hub Pte. Ltd. (Singapore)	Registration Number : 200715067R	Indirect Subsidiary	99.99% by Kestone	2(87)(ii)
3	G K Publications Private Limited	U22110DL2001PTC111015	Subsidiary	100%	2(87)(ii)
4	CL Media Private Limited	U74300DL2008PTC173449	Subsidiary	100%	2(87)(ii)
5	Accendere Knowledge Management Services Private Limited	U74900TN2008PTC069339*	Subsidiary	51%#	2(87)(ii)
6	Career Launcher Education Infrastructure and Services Limited (CLEIS)	U70101DL2005PLC137699	Subsidiary	100%	2(87)(ii)



7	Career Launcher Infrastructure Private Limited	U45200DL2008PTC174240	Indirect Subsidiary	100% by CLEIS	2(87)(ii)
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* The CIN No. of the company has been changed to U74900DL2008PTC320628 on and with effect from July 13, 2017, pursuant to the change in registered office of the company from the 'State of Tamil Nadu' to 'NCT of Delhi & Haryana'.

#Accendere Knowledge Management Services Private Limited became a wholly owned subsidiary of the Company pursuant to the purchase of balance 49% i.e. 5880 no. of equity shares of Accendere Knowledge Management Services Private Limited by the Company on April 12, 2017.

IV. SHARE HOLDING PATTERN (Equity & Preference Share Capital Breakup as percentage of Total Equity & Preference)

(i) (a) Category-wise Equity Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2016]				No. of Shares held at the end of the year [As on 31-March-2017]				% Change the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters (including Group)									
(1) Indian									
a) Individual/ HUF	6487095	3706	6490801	54.36	5516801	-	5516801	38.94	-15.42
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	1217891	35199	1253090	10.50	1253090	-	1253090	8.85	-1.65
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other Society (Careeer Launcher Employee Welfare Society (CLEWS))	-	11010	11010	0.09	11485	-	11485	0.08	-0.01
Sub- Total (A) (1)	7704986	49915	7754901	64.95	6781376	-	6781376	47.87	-17.08
(2) Foreign									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other.....	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	7704986	49915	7754901	64.95	6781376	0	6781376	47.87	-17.08
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	0	0.00	1094053	-	1094053	7.72	7.72
b) Banks / FI	594233	-	594233	4.98	-	-	-	-	-4.98
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	108790	267619	376409	3.15	-	-	-	-	-3.15
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-

h) Foreign Venture Capital Funds	59952	-	59952	0.50	-	-			-0.50
i) Others (Foreign Portfolio Investors)	-	-			904677	-	904677	6.39	6.39
j) Others (Foreign Corporate Bodies)			-	-	946473		946473	6.68	6.68
Sub-total (B)(1):-	762975	267619	1030594	8.63	2945203	-	2945203	20.79	12.16
2. Non-Institutions							-		
a) Bodies Corp.									
i) Indian	203658	12843	216501	1.81	1639065	12843	1651908	11.66	9.85
ii) Overseas	467293	959180	1426473	11.95					-11.95
b) Individuals							-	-	
i) Individual shareholders holding nominal share capital up to ₹ 1 lakh	69827	133580	203407	1.70	1930474	113982	2044456	14.46	12.75
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	523932	210074	734006	6.15	481698	151097	632795	4.47	-1.68
c) Others (specify)	-	-	0	0.00			0	0.00	0.00
Non Resident Indians	-	7643	7643	0.06	12964	-	12964	0.09	0.03
Overseas Corporate Bodies	-	-	0	0.00			0	0.00	0.00
Foreign Nationals	-	-	0	0.00			0	0.00	0.00
Clearing Members	-	-	0	0.00	87376	-	87376	0.62	0.62
Trusts/HUF	562913	3150	566063	4.74	0	0	0	0.00	-4.74
Foreign Bodies - D R	-	-	0	0.00			0	0.00	0.00
Directors			0	0.00	-	7200	7200	0.05	0.05
Sub-total (B)(2):-	1827623	1326470	3154093	26.42	4151577	285122	4436699	31.34	4.93
Total Public Shareholding (B)=(B)(1)+ (B)(2)	2590598	1594089	4184687	35.05	7096780	285122	7381902	52.13	17.09
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	10295584	1644004	11939588	100.00	13878156	285122	14163278	100.00	0.00

(i) (b) Category-wise Preference Share Holding

There is no preference shareholding of Company as on March 31, 2017

(ii) Shareholding of Promoter-

S.No.	Shareholder's Name	Shareholding at the beginning of the year (01.04.2016)			Shareholding at the end of the year (31.03.2017)			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged / encumbered to total shares	
1	Mr. Satya Narayanan .R	2562579	21.46	0.00	2262579	15.97	0.00	5.49
2	Mr. Gautam Puri	2562579	21.46	0.00	2262579	15.97	0.00	5.49
3	Mr. Sreenivasan .R	449698	3.77	0.00	349698	2.47	0.00	1.30



4	Mr. Shiva Kumar Ramachandran	449698	3.77	0.00	349698	2.47	0.00	1.30
5	Mr. Sujit Bhattacharyya	303062	2.54	0.00	203062	1.43	0.00	1.11
6	Mr. Nikhil Mahajan	69817	0.58	0.00	29817	0.21	0.00	0.37
7	Bilakes Consulting Private Limited	1253090	10.49	0.10	1253090	8.85	0.00	1.64

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.	Particulars No. of shares % of total shares of the company	Shareholding At The Beginning Of The Year (01.04.2016)		Cumulative Shareholding During The Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	At the beginning of the year 01.04.2016	7650523	64.07	7650523	64.07
	Less: 940000 has been transferred by the Promoters pursuant to offer for sale on March 29, 2017 in the IPO of the Company	(940000)	7.87	6710523	47.38
2	At the end of the year 31.03.2017	6710523	47.38	6710523	47.38

S. No.	Name Of The Promoter	Shareholding		Date	Increase/ Decrease In Share Holding	Reason	Cumulative Shareholding During The Year (01-04-16 To 31-03-2017)	
		No. Of Shares At The Beginning 01.04.16/ End Of The Year 31.03.17	% Of Total Shares Of The Company				No. Of Shares	% Of Total Shares
1	Mr. Satya Narayanan .R	2562579/ 2262579	21.46/ 15.97	March 29, 2017	(300000)	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company	2262579	15.97
2	Mr. Gautam Puri	2562579/ 2262579	21.46/ 15.97	March 29, 2017	(300000)	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company	2262579	15.97
3	Mr. Sreenivasan .R	449698/ 349698	3.77/ 2.47	March 29, 2017	(100000)	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company	349698	2.47

4	Mr. Shiva Kumar Ramachandran	449698/ 349698	3.77/ 2.47	March 29, 2017	(100000)	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company	349698	2.47
5	Mr. Sujit Bhattacharyya	303062/ 203062	2.54/ 1.43	March 29, 2017	(100000)	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company	203062	1.43
6	Mr. Nikhil Mahajan	69817/ 29817	0.58/ 0.21	March 29, 2017	(40000)	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company	29817	0.21
7	Bilakes Consulting Private Limited	1253090 / 1253090	10.49/ 8.85	NA	NA	NA	1253090	8.85

Manner of change in Shareholding of Promoters

Name of Promoter	Date Of Transfer	No. Of Equity Shares transferred	Face Value (₹)	Transfers Price (₹)	Cash/Other Than Cash	Nature Of Transfer
Mr. Satya Narayanan .R	29.03.2017	300000	10	502	Cash	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company
Mr. Gautam Puri	29.03.2017	300000	10	502	Cash	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company
Mr. Sreenivasan .R	29.03.2017	100000	10	502	Cash	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company
Mr. Shiva Kumar Ramachandran	29.03.2017	100000	10	502	Cash	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company
Mr. Sujit Bhattacharyya	29.03.2017	100000	10	502	Cash	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company



Mr. Nikhil Mahajan	29.03.2017	40000	10	502	Cash	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company
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Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

S. No.	Name	Shareholding		Date	In-crease/De-crease In Share Holding	Reason	Cumulative Shareholding During The Year (01-04-16 To 31-03-2017)	
		No. Of Shares At The Beginning 01.04.16/End Of The Year 31.03.17	% Of Total Shares Of The Company				No. Of Shares	% Of Total Shares
1	GPE (India) Ltd.	1426473/946473	11.95/6.68	Demat Transfer	-480000	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company	946473	6.68
2	Housing Development Finance Corporation Limited	594233/594233	4.98 /4.20	-	Nil	Change in % due to Increase in PUC	594233	4.20
3	Ocean Dial Gateway to India Mauritius Limited	NIL (at the beginning)/416308	NIL/2.94	29.03.2017	416308	Allotment on March 29, 2017, pursuant to the IPO of the Company	416308	2.94
4	HDFC Trustee Company Limited - HDFC Prudence Fund	NIL (at the beginning)/ 319890	NIL/2.26	29.03.2017	319890	Allotment on March 29, 2017, pursuant to the IPO of the Company	319890	2.26
5	DSP Blackrock Micro Cap Fund	NIL (at the beginning)/ 279697	NIL/1.97	29.03.2017	279697	Allotment on March 29, 2017, pursuant to the IPO of the Company	279697	1.97
6	Canara HSBC Oriental Bank of Commerce Life Insurance Company Ltd	NIL (at the beginning)/ 274954	NIL/1.94	29.03.2017	274954	Allotment on March 29, 2017, pursuant to the IPO of the Company	274954	1.94
7	Gaja Trustee Company Private Limited	376409 /251409	3.15/ 1.78	Demat Transfer	-125000	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company	251409	1.78
8	ICICI Lombard General Insurance Company Ltd	NIL (at the beginning)/ 243757	NIL /1.72	29.03.2017	243757	Allotment on March 29, 2017, pursuant to the IPO of the Company	243757	1.72

9	Macquarie Emerging Markets Asian Trading Pte. LTD.	NIL (at the beginning)/ 236604	1.67	29.03.2017	236604	Allotment on March 29, 2017, pursuant to the IPO of the Company	236604	1.67
10	HDFC Standard Life Insurance Company Limited	NIL (at the beginning)/ 207705	NIL /1.47	29.03.2017	207705	Allotment on March 29, 2017, pursuant to the IPO of the Company	207705	1.47

(v) Shareholding of Directors and Key Managerial Personnel:

S No.	Name Of The Director/ Key Managerial Personnel	Shareholding		Date	Increase / Decrease In Share Holding	Reason	Cumulative Shareholding During The Year (01-04-16 To 31-03-2017)	
		No. Of shares at the beginning 01.04.16/end of the year 31.03.17	% of total shares of the company				No. Of shares	% of total shares
1	Mr. Satya Narayanan .R	2562579/ 2262579	21.46/ 15.97	29.03.2017	300000	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company	2262579	15.97
2	Mr. Gautam Puri	2562579/ 2262579	21.46/ 15.97	29.03.2017	300000	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company	2262579	15.97
3	Mr. Nikhil Mahajan	69817/29817	0.58/ 0.21	29.03.2017	40000	Transferred pursuant to offer for sale on March 29, 2017, in the IPO of the Company	29817	0.21
4	Mr. Sridar Iyengar	2400/2400	0.02/ 0.02	-	NA	Change in % due to Increase in PUC	2400	0.02
5	Mr. Kamil Hasan	0	0.00	-	0	NIL	0	0.00
6	Mr. Viraj Tyagi	2400/2400	0.02/ 0.02	-	NA	Change in % due to Increase in PUC	2400	0.02
7	Mr. Safir Anand	2400/2400	0.02/ 0.02	-	NA	Change in % due to Increase in PUC	2400	0.02
8	Mr. Gopal Jain	0	0.00	-	0	NIL	0	0.00
9	Ms. Sangeeta Modi	0	0.00	-	0	NIL	0	0.00



10	Ms. Rachna Sharma, (Company Secretary, KMP)	250/ 29	0.00/ 0.00	29.03.2017	221	Transferred 250 shares pursuant to offer for sale on March 29, 2017, in the IPO of the Company Allotment of 29 shares on March 29, 2017, pursuant to the IPO of the Company	29	0.00
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V. INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Figures in ₹ lakhs)

S. No.	Particulars	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
1	Indebtedness at the beginning of the Financial Year (01.04.2016)	469.09	284.63	-	753.73
	i) Principal Amount	-	-	-	-
	ii) Interest due but not paid	-	-	-	-
	iii) Interest accrued but not due	3.90	3.40	-	7.30
	Total (i+ii+iii)	472.99	288.03	-	761.02
	Change in Indebtedness during the Financial Year				
	* Addition	-	150.00	-	150.00
	* Reduction	(208.22)	(106.18)	-	(314.40)
	Net Change	(208.22)	43.82	-	(16.44)
2	Indebtedness at the end of the Financial Year (31.03.2017)				
	i) Principal Amount	260.88	328.45	-	589.33
	ii) Interest due but not paid	-	-	-	-
	iii) Interest accrued but not due	2.88	3.97	-	6.85
	Total (i+ii+iii)	263.76	332.42	-	596.18

The above details do not include the amount of OD limit of ₹ 3311.81 Lakhs availed by the Company on March 31, 2017.

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Figures in ₹ Lakhs)

S. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			Total Amount
		Mr. Satya Narayanan .R	Mr. Gautam Puri	Mr. Nikhil Mahajan	
1	Gross salary*				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	94.07*	94.07*	71.65*	259.79
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.40	0.40	0.40	1.20
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-

5	Others #	-	-	21.88	
	Total (A)	94.47	94.47	93.93	282.87
	Ceiling as per the Act	₹252Lakhs in case of inadequacy of profits, and ₹ 12.16 Lakhs in case of adequacy of profits (As re-commended by the Nomination, Remuneration and Compensation Committee and subsequently approved by the Board).			

* This includes Provident Fund and ₹ 24.24 lakhs paid each to Mr. Satya Narayanan .R and Mr. Gautam Puri, and ₹ 23.52 lakhs to Mr. Nikhil Mahajan, being the variable compensation pertaining to Financial Year 2014-15, paid out in Financial Year 2016-17.

w.e.f. 01.11.2014, the total compensation payable to Mr. Nikhil Mahajan was split into 2 parts, whereby an amount equivalent to 10,000 AED per month (Exchange rate @ 18.23/-) is paid to him as a salary from Dubai operations in his capacity as General Manager, Dubai operations and the balance amount is paid in India in his capacity as an Executive Director & CFO (change in designation to Executive Director & Group CEO Enterprise Business with effect from July 02, 2017).

B. Remuneration to other directors (Independent Directors)

(Figures in ₹ Lakhs)

SN.	Particulars of Remuneration	Name of Directors					Total Amount	
		Mr. Sridar Iyengar	Mr. Viraj Tyagi	Mr. Safir Anand	Mr. Kamil Hasan ¹	Ms. Sangeeta Modi ²		
1	Independent Directors							
	Fee for attending board committee meetings	-	-	-	-	-	-	
	Commission	3.04	1.82	1.82	1.82	1.82	10.32	
	Others, please specify	-	-	-	-	-	-	
	Total (1)						-	
2	Other Non-Executive Directors							
	Fee for attending board committee meetings	-	-	-	-	-	-	
	Commission	-	-	-	-	-	-	
	Others, please specify	-	-	-	-	-	-	
	Total (2)	-	-	-	-	-	-	
	Total (B)=(1+2)	3.04	1.82	1.82	1.82	1.82	10.32	
	Total Managerial							
	Remuneration (A+B)						293.19	
	Overall Ceiling as per the Act	12.16 lakhs (being 1% of the net profit of the Company calculated as per Section-197 of the Companies Act, 2013)						

¹Mr. Kamil Hasan, Non-Executive Independent Director of the Company has resigned from the Board of the Company on and with effect from May 01, 2017.

²Ms. Sangeeta Modi, Non-Executive Independent Director of the Company has resigned from the Board of the Company on and with effect from July 03, 2017.

C. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

(Figures in ₹ lakhs)

S. No.	Particulars of Remuneration	CS (Ms. Rachna Sharma)	Total
	Gross salary		
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	17.70	17.70
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-
2	Stock Option (Exercised)	-	-
3	Sweat Equity	-	-
4	Commission		
	- as % of profit	-	-
	others, specify...	-	-
5	Others*	-	-
	Total	17.70	17.70



VI. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: bvv

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NIL		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Note: There are no Penalties / Punishment/ Compounding of offences under Companies Act, 2013 other than the below:

Our Company filed an application, dated September 27, 2016, with the Foreign Exchange Department, RBI, seeking compounding of contraventions of regulations 16, 16(i)(iv) and 13 of the Foreign Exchange Management (Transfer or Issue of Any Foreign Security) (Amendment) Regulations, 2004, in relation to the transfer of our entire 99.99% shareholding in its then subsidiary in Singapore, Career Launcher Asia Educational Hub Pte. Ltd ("CL Asia"), to one of its own wholly-owned resident subsidiaries, Kestone, on December 4, 2013. Pursuant to an order dated January 13, 2017, the General Manager, Foreign Exchange Department, RBI compounded the contraventions on payment of ₹ 1.28 lakhs by our Company. Our Company has paid such amount to the RBI.

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

sd/-

Gautam Puri

Vice Chairman & MD
DIN: 00033548
Address: R-90, Greater Kailash-I,
New Delhi – 110 048

sd/-

Nikhil Mahajan

Executive Director & Group CEO Enterprise Business
DIN: 00033404
Address: House No. 457, Sector – 30,
Faridabad - 121 003, Haryana

Place: New Delhi
Date: July 24, 2017

Standalone Financial Statements

Independent Auditor's Report

To the Members of CL Educate Limited

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of CL Educate Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("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 and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 and ensuring their operating effectiveness and the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements

and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the standalone financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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 Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;



- b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
- g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- (i) The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements – Refer Note 31 on Contingent Liabilities and Note 45 in respect of other pending litigations;
- (ii) The Company did not have any long-term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
- (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
- (iv) The company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from November 8, 2016 to December 30, 2016. Based on audit procedures and relying on the management representation, we report that the disclosures are in accordance with the books of account maintained by the company and as produced to us by the Management (Refer Note No. 49 to the financial statements)

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

sd/-

Raj Kumar Agarwal
Partner
Membership No.:074715

Place: New Delhi
Date : May 29, 2017

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of CL Educate Limited on the standalone financial statements for the year ended March 31, 2017]

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) During the year, the fixed assets of the Company have been physically verified by the management and as informed, no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The title deeds of immovable properties recorded in the books of account of the Company are held in the name of the Company.
- (ii) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. As informed, no material discrepancies were noticed on physical verification carried out during the year.
- (iii) The Company has granted unsecured loans to companies and other parties covered in the register maintained under Section 189 of the Act.
 - (a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of loans granted by the Company to 2 parties covered in the register maintained under Section 189 of the Act, (total loan amount granted during the year ₹ 110,240 and balance outstanding as at balance sheet date ₹ 53,846,311) are prejudicial to the Company's interest on account of the fact that the Company is not charging any interest on such loans.
 - (b) The schedule of repayment of principal and payment of interest in respect of such loans has not been stipulated and thus we are unable to comment whether the repayments or receipts are regular and report amounts overdue for more than ninety days, if any, as required under paragraph 3(iii)(c) of the Order.
 - (c) In respect of the aforesaid loans, as the schedule of repayment of principal has not been stipulated, we are unable to comment whether there is any overdue amount of loans granted to company and other parties listed in the register maintained under Section 189 of the Act.
- (iv) According to the information and explanation given to us in respect of loans, investments, guarantees, and securities, the Company has complied with the provisions of Section 185 and 186 of the Act, except for the details given below:

Nature of non-compliance	Name of Company/party	Amount granted during the year	Balance as at March 31, 2016
Loan given at rate of interest lower than prescribed	Kestone Asia Hub Pte Ltd.	Nil	833,500
	Career Launcher Education Foundation	110,240	53,012,811

- (v) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the provisions of Sections 73 to 76 of the Act and the rules framed there under.
- (vi) We have broadly reviewed the books of account maintained by the Company in respect of services where the maintenance of cost records has been specified by the Central Government under sub-section (1) of Section 148 of the Act and the rules framed there under and we are of the opinion that *prima facie*, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, however, there have been slight delays in few cases. According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, which were outstanding, at the year-end for a period of more than six months from the date they became payable are as follows:



Name of the statute	Nature of the dues	Amount ₹	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Advance Tax	3,432,887	April 1, 2016 to June 30, 2016	June 15, 2016	Not yet paid
Income Tax Act, 1961	Advance Tax	6,865,773	July 1, 2016 to September 30, 2016	September 15, 2016	Not yet paid

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

Name of the statute	Nature of dues	Amount Disputed Rs.	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	16,635,768	-	October 2010 to September 2011	Commissioner of Service Tax (Appeals), New Delhi
Finance Act, 1994	Service Tax	12,553,238	-	October 2011 to June 2012	Commissioner of Service Tax (Appeals), New Delhi
Finance Act, 1994	Cenvat credit reversal	4,648,826	-	September 2004 to March 2007	Central Excise and Service Tax Appellate Tribunal, New Delhi
Finance Act, 1994	Cenvat credit reversal	1,569,481	-	October 2007 to March 2008	Central Excise and Service Tax Appellate Tribunal, New Delhi

Name of the statute	Nature of dues	Amount Disputed Rs.	Amount paid under protest	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Cenvat credit reversal	40,097,178	-	April 2008 to March 2012	Central Excise and Service Tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Tax deducted at Source	35,557,912	-	FY 2002-03 to FY 2005-06	Income Tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Tax deducted at Source	27,330,519	-	FY 2006-07 to 2008-09	Income Tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Tax deducted at Source	38,064,894	-	FY 2009-10	Income Tax Appellate Tribunal, New Delhi
Income Tax Act, 1961	Tax deducted at Source	15,716,776	-	FY 2010-11	Commissioner of Income Tax (Appeals), New Delhi
Income Tax Act, 1961	Tax deducted at Source	87,668,910	-	FY 2011-12	Income Tax Appellate Tribunal, New Delhi

(viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to financial institution and banks. There are no debenture holders.

(ix) The Company has made an initial public offer during the year. As explained in Note no. 47 of financial statements, the net proceeds in respect of shares issued in initial public offer were received on March 31, 2017. In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of initial public issue offer during the year for the purposes for which they were raised and the details of utilised/unutilised amount are as under:

Objects	Amount (Rs.)	Utilised Till March 31, 2017	Remarks
Repayment of loan taken by CLIP (step down subsidiary) from HDFC Bank Limited	186,040,723	186,040,723	-
Meeting the working capital requirements of CL Educate and its subsidiaries namely Kestone Integrated Marketing Services Private Limited and GK Publications Private Limited	525,000,000	Nil	The Company expects to utilize remaining funds in Financial Year 2017-18. Pending utilization the amounts is presently lying in the current account of the Company.
Funding Acquisitions and other strategic Initiatives	200,000,000	Nil	---Do---
General Corporate purposes	108,571,671	Nil	---Do---

Further, in our opinion and according to the information and explanations given to us, the Company has utilized the term loans for the purposes for which they were obtained.

(x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come



across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.

- (xi) According to the information and explanations given to us, managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Therefore, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanation given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.:103523W/W100048

sd/-

Raj Kumar Agarwal

Partner

Membership No.:074715

Place: New Delhi

Date : May 29, 2017



ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of **CL Educate Limited** on the financial statements for the year ended March 31, 2017]

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We were engaged to audit the internal financial controls over financial reporting of **CL Educate Limited** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control 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 issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Company's internal financial controls over financial reporting as at March 31, 2017:

The procurement policy implemented for purchase of goods and services was not operating effectively, which could potentially result in the Company procuring unnecessary goods and services, or procuring goods of lower quality, or procure goods and services at higher prices.

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

In our opinion, the Company has, in all material respects, maintained adequate internal financial controls over financial reporting as of March 31, 2017, 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 issued by the ICAI, and except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company's internal financial controls over financial reporting were operating effectively as of March 31, 2017.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2017 financial statements of the Company, and the material weakness does not affect our opinion on the financial statements of the Company.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.:103523W/W100048

sd/-

Raj Kumar Agarwal

Partner

Membership No.:074715

Place: New Delhi

Date : May 29, 2017



Balance Sheet as at March 31, 2017

		March 31, 2017	March 31, 2016
		Amount in Rs.	Amount in Rs.
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	141,632,780	119,395,880
Reserves and surplus	4	3,477,653,309	2,442,117,297
		3,619,286,089	2,561,513,177
Non-current liabilities			
Long-term borrowings	5	31,559,304	45,856,573
Deferred tax liabilities (net)	6	21,411,598	14,542,392
Long-term provisions	7	24,448,009	22,927,652
		77,418,911	83,326,617
Current liabilities			
Short-term borrowings	8	331,180,610	330,530,375
Trade payables	9		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		431,391,570	455,281,474
Other current liabilities	10	1,465,004,937	321,587,312
Short-term provisions	7	570,943	596,336
		2,228,148,060	1,107,995,497
Total		5,924,853,060	3,752,835,291
ASSETS			
Non-current assets			
Fixed assets			
- Tangible assets	11	373,513,862	329,392,731
- Intangible assets	12	118,182,638	103,049,415
Non-current investments	13	1,716,156,056	1,716,362,934
Long-term loans and advances	14	50,366,449	62,199,355
Other non-current assets	15	121,164,690	112,030,033
		2,379,383,695	2,323,034,468
Current assets			
Inventories	16	47,600,580	42,125,606
Trade receivables	17	856,291,452	843,799,297
Cash and bank balances	18	2,146,226,138	79,910,548
Short-term loans and advances	19	483,800,683	392,025,740
Other current assets	20	11,550,513	71,939,632
Total		3,545,469,366	1,429,800,823
		5,924,853,060	3,752,835,291

Summary of significant accounting policies

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.:103523W/W100048

sd/-

Raj Kumar Agarwal

Partner

Membership No.:074715

Place: New Delhi

Date : May 29, 2017

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

sd/-

Gautam Puri

Vice Chairman & MD

DIN: 00033548

Place: New Delhi

Date : May 29, 2017

sd/-

Nikhil Mahajan

Director & CFO

DIN: 00033404

sd/-

Rachna Sharma

Company Secretary

ICSI M. No.: A17780

Statement of Profit and Loss for the year ended March 31, 2017

Particulars	Notes	March 31, 2017	March 31, 2016
		Amount in ₹	Amount in ₹
Income			
Revenue from operations	21	1,478,359,741	1,643,539,548
Other income	22	84,941,749	85,974,009
Total Revenue		1,563,301,490	1,729,513,557
Expenses			
Purchases of traded goods	23	121,891,582	153,740,164
(Increase)/decrease in inventory of traded goods	24	(6,595,954)	2,787,546
Cost of services	25	625,795,812	719,136,270
Employee benefits expense	26	240,453,373	248,005,322
Finance costs	27	52,507,738	51,817,104
Depreciation and amortisation expenses	28	47,885,988	62,195,280
Other expenses	29	373,784,395	427,243,121
Total expenses		1,455,722,934	1,664,924,807
Profit before tax		107,578,556	64,588,750
Income tax expense:			
- Current tax		28,270,000	23,737,000
- Deferred tax charge/(benefit)	6	6,869,206	(3,315,351)
Total tax expenses		35,139,206	20,421,649
Profit after tax		72,439,350	44,167,101
Earnings per equity share	30		
Nominal value of ₹ 10 each (Previous year ₹ 10 each)			
- Basic		6.05	3.74
- Diluted		6.05	3.72
Summary of significant accounting policies	2		
The accompanying notes form an integral part of the Financial Statements.			

Summary of significant accounting policies

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.:103523W/W100048

sd/-

Raj Kumar Agarwal

Partner

Membership No.:074715

Place: New Delhi

Date : May 29, 2017

For and on behalf of the Board of Directors of

CL Educate Limited

sd/-

Gautam Puri

Vice Chairman & MD

DIN: 00033548

Place: New Delhi

Date : May 29, 2017

sd/-

Nikhil Mahajan

Director & CFO

DIN: 00033404

sd/-

Rachna Sharma

Company Secretary

ICSI M. No.: A17780



Cash Flow Statement for the year ended March 31, 2017

	March 31, 2017	March 31, 2016
	Amount in Rs.	Amount in Rs.
Cash flow from operating activities		
Net profit before tax	107,578,556	64,588,750
Adjustments for:		
Depreciation and amortisation on fixed assets	47,885,988	62,195,280
Depreciation and amortisation on investments property	206,878	207,445
Finance costs	48,078,942	48,002,889
Loan processing charges	1,375,414	1,354,536
Interest on delay in payment of taxes	3,053,382	2,459,679
Interest income	(18,808,459)	(24,825,744)
Loss on sale of fixed assets	23,928	5,252,963
Rent income on investments property	(2,119,900)	(1,125,000)
Advances written off	9,831,329	921,811
Bad debts written off	50,882,473	69,566,398
Provision for doubtful advances	1,464,732	750,000
Provision for doubtful debts	1,148,581	935,332
Provision for obsolescence of inventory	1,120,982	-
Liability no longer required written back	(18,187,379)	(16,070,574)
Transfer to stock options outstanding	(6,207,342)	(6,026,151)
Unrealised foreign exchange gain	(1,790,320)	(286,798)
Operating profit before working capital changes	225,537,785	207,900,816
Adjustments for (increase)/decrease in operating assets		
Trade receivables	(62,523,274)	(378,762,562)
Other current assets	-	800,000
Non current assets		
Long term loans and advances	(4,377,820)	(714,001)
Short term loans and advances	69,930,405	(110,288,705)
Inventories	(6,595,956)	2,620,622
Adjustments for increase/(decrease) in operating liabilities		
Other current liabilities	1,165,322,362	17,475,469
Long term provisions	1,520,357	3,499,080
Short term provisions	(25,393)	93,315
Trade payables	(5,921,289)	229,662,036
Cash (used in)/generated from operations	1,382,867,177	(27,713,930)
Taxes paid	(12,387,110)	(15,557,497)
Net cash generated from operating activities	1,370,480,067	(43,271,427)
Cash flow from investing activities:		
Purchase of investment of in subsidiaries (net of payable for investments)	(15,000,000)	(164,206,360)
Purchase of fixed assets (net)	(59,901,821)	(43,841,836)
Disposal of fixed assets	60,000	4,320,000
(Proceeds)/investments in deposits not considered as cash and cash equivalents (net)	(9,521,540)	47,167,667
Loans given to subsidiaries (including conversion of interest and receivables)	(231,933,300)	(60,892,847)
Interest income received	19,591,725	25,587,633
Rent income on investments property	2,119,900	1,125,000

Proceeds from realisation of loan given to subsidiaries (including adjustments)	58,986,946	61,581,297
Net cash (used in) investing activities	(235,598,090)	(129,159,445)
Cash flow from financing activities:		
Proceeds from issue of equity shares	22,236,900	2,944,330
Securities premium received on equity shares (net of share issue expenses)	977,045,210	162,866,763
Proceeds from long-term borrowings	15,000,000	32,294,462
Repayment of long-term borrowings	(31,439,521)	(54,577,892)
Net increase in working capital borrowings	650,235	93,997,155
Loan processing fee paid	(1,375,414)	(1,354,536)
Interest paid	(51,177,922)	(50,393,400)
Net cash generated from financing activities	930,939,488	185,776,882
Net increase in cash and cash equivalents	2,065,821,465	13,346,010
Unrealised foreign exchange gain on cash and cash equivalents	107,243	15,338
Cash and cash equivalents at beginning of the year	76,158,464	62,797,116
Cash and cash equivalents at end of the year	2,142,087,172	76,158,464
Cash and cash equivalents comprise		
Fixed deposits shown under cash and bank balances:		
– on current accounts	2,132,534,978	68,482,619
- Cheques/ drafts on hand	3,242,683	4,095,211
- Cash on hand	6,309,510	3,580,634
	2,142,087,171	76,158,464
Add:		
– Deposits with original maturity for more than 3 months but less than 12 months from the reporting date	2,569,929	2,392,109
- on unpaid dividend account	19,402	26,355
Current restricted cash (Margin money deposit and under lien deposits)	1,549,636	1,333,620
Total cash and bank balances at end of the year (Refer note 18)	2,146,226,138	79,910,548

Notes :

- The above Cash Flow Statement has been prepared under the indirect method set out in AS-3 "Cash Flow Statements" as notified under section 133 of the Companies Act, 2013, read with rules 7 of the Companies (Accounts) Rules, 2014.
- Notes to the Financials Statements are integral part of the Cash Flow Statement.
- Pursuant to the requirements of Section 135 of the Act, the Company has incurred ₹ Nil on CSR activities during the year.

Summary of significant accounting policies

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.:103523W/W100048

sd/-

Raj Kumar Agarwal

Partner

Membership No.:074715

Place: New Delhi

Date : May 29, 2017

For and on behalf of the Board of Directors of

CL Educate Limited

sd/-

Gautam Puri

Vice Chairman & MD

DIN: 00033548

Place: New Delhi

Date : May 29, 2017

sd/-

Nikhil Mahajan

Director & CFO

DIN: 00033404

sd/-

Rachna Sharma

Company Secretary

ICSI M. No.: A17780



Notes to the Financial Statements for the year ended March 31, 2017

1. Background

CL Educate Limited ('the Company') was incorporated in India on April 25, 1996 to conduct various educational and consulting programmes. The Company is providing in education and training programme which include coaching for higher education entrance examinations.

The Company's shares have been listed with Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) consequent to a public offer of shares during the year by the Company along with the offer for sale by promoters and investor shareholders.

Summary of significant accounting policies

(i) Basis for preparation of Financial Statements:

The financial statements have been prepared to comply in all material respects with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ('the Act'), read with Rule 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of services, the operating cycle of the Company cannot be ascertained as it may range from 1 month to 3 years due to wide range of various test preparation coaching programmes being offered by the Company. In absence of any ascertainable operating cycle, the same has been taken as 12 months for the purpose of current and non-current classification of assets and liabilities except in case of trade receivables, unearned revenue, trade payables related to franchisee fees and prepaid franchisee fees which in view of the management are directly linked to revenue from coaching and hence have been treated as current for the purpose of disclosure in financial statements.

(ii) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the reported date and the reported amounts of revenues and expenses during the

reporting period. Although these estimates are based on the management's best knowledge of current events and actions, actual results could differ from these estimates. Any revision in accounting estimate is recognised prospectively in current and future periods.

(iii) Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Company and revenue can be reliably measured.

Educational and training business of the Company includes revenue from services and sales of text books.

Revenue from services

Revenue in respect of educational and training fees received from students is recognised on time basis over the period of the course. Fee is recorded at invoice value, net of discounts and taxes, if any.

Revenue in respect of vocational training is recognised over the period of the training period, after taking into account the uncertainty involved in conditions to be fulfilled under the terms of the contract.

Revenue from sale of text books

Sale of text books for full course is recognised at the time of receipt of first payment on account of test preparation services provided by the Company and is recorded net of discounts and taxes, if any.

Other operating income

- Revenue in respect of one-time license fee received from the franchisees is recognised on execution of the contract.
- Revenue from licensing of content given for a long term period and dependent on percentage of revenue earned by the licensee is recognised as and when the right to receive payment is established.

Other Income

Revenue from advertising income is recognised on percentage completion basis as per the terms of agreement.

- Revenue from infrastructure fees is recognised on the basis of time period over the period of contract.

Interest

Revenue from interest on time deposits and inter-corporate loans is recognised on the time proportion method taking into consideration the amount outstanding and the applicable interest rates.

Dividend

Dividend income is recognised when the right to receive the same is established.

Unbilled revenue

Unbilled revenue, included in other current assets, represents amounts recognised based on services performed in advance of billing in accordance with service terms.

Unearned revenue

Amounts billed and received or recoverable prior to the reporting date for services to be performed after the reporting date are recorded as unearned revenue in other current liabilities.

iv. Grant

Government grants available to the Company are recognised when both the following conditions are satisfied:

- (a) where there is reasonable assurance that the Company will comply with the conditions attached to them; and
- (b) where such benefits have been earned by the Company and it is reasonably certain that the ultimate collection will be made.

Grants related to specific fixed assets are shown as a deduction from the gross value of the asset concerned in arriving at its book value. The grant is thus recognised in the Statement of Profit and Loss over the useful life of a depreciable asset by way of a reduced depreciation charge. Where the grant equals the whole, or virtually the whole, of the cost of the asset, the asset is shown in the Balance Sheet at a nominal value.

Grants for various government projects carried out by the Company are disclosed in other operating income as grant income.

v. Fixed assets

Tangible assets

Tangible fixed assets are stated at cost of acquisition net of recoverable taxes (wherever applicable), less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

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

Fixed assets retired from active use and held for disposal are stated at lower of book value and net realisable value as estimated by the Company and are shown separately

in the financial statements under other current assets. Loss determined, if any, is recognised immediately in the Statement of Profit and Loss, whereas profit and sale of such assets is recognised only upon completion of sale thereof.

Intangible assets

An intangible asset is recognized when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortisation and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Losses arising from the retirement of, and gain or losses arising from disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognised as income or expense in the Statement of Profit and Loss.

vi. Depreciation and amortisation

Depreciation has been calculated on Straight Line Method at the useful lives, which are equal to useful lives specified as per schedule II to the Act. Amortisation has been calculated on straight line method at the useful lives, based on management estimates and in accordance with Accounting Standard-26 "Intangible Asset".

Depreciation and amortisation on addition to fixed assets is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation and amortisation on sale/discard from fixed assets is provided for up to the date of sale, deduction or discard of fixed assets as the case may be.

The useful lives of the assets are as under:

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



License fees	3
Intellectual property rights	10
Goodwill	5
CAT Online Module	1

(vii) Impairment of assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

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

(viii) Borrowing cost

Borrowing costs directly attributable to acquisition or construction or production of assets which takes substantial period of time to get ready for its intended use are included as cost of such assets to the extent they relate to the period till such assets are ready to be put to use. Other borrowing costs are recognised as an expense in the year in which they are incurred.

(iv) Leases:

Where the Company is lessee

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

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

Leases, where the lessor effectively retains substantially

all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Company is the lessor

Leases in which the Company transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Company apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognised in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

Leases in which the Company does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Statement of Profit and Loss.

(x) Investment property

An investment in land or buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Company, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost comprises purchase price and directly attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

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

On disposal of an investment property, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

(xi) Investments other than investments property

Accounting treatment

Investments which are readily realisable and intended

to be held for not more than one year from the date on which such investments are made are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of long term investments on individual investment basis.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss.

Classification in the financial statements as per requirements of Schedule III

Investments that are realisable within the period of twelve months from the balance sheet date are classified as current investment. All other investments are classified as non-current investments.

(xii) Inventories

Inventories comprising traded goods are valued at the lower of cost and net realisable value. Cost comprises all costs of purchases and other costs incurred in bringing the inventory to their present location and condition. Cost is determined on first in first out basis. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on individual item basis.

(Xiii) Employee Benefits

Short term employee benefits:

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

Long term employee benefits:

(i) Defined contribution plan: Provident fund

All employees of the Company are entitled to

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

(ii) Defined Benefit Plan: Gratuity

The Company provides for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the company with respect to gratuity, a defined benefit plan is accounted for on the basis of an actuarial valuation as at the balance sheet date. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the balance sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation or change in return of the plan assets is recognised as an income or expense in the Statement of Profit and Loss. The expected return on plan assets is based on the assumed rate of return of such assets. 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.

(iii) Other long-term benefits: Leave encashment

Benefits under the Company's leave encashment scheme constitute other employee benefits. The liability in respect of leave encashment is provided on the basis of an actuarial valuation done by an independent actuary as at the balance sheet date. Actuarial gain and losses are recognised immediately in the Statement of Profit and Loss.

(iv) Employee stock option scheme

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 follows the fair value method to account



for its stock-based employee compensation plans. Compensation cost is measured using independent valuation by a firm of Chartered Accountants using Black-Scholes model and in accordance with the guidance note issued by the Institute of Chartered Accountants of India. Compensation cost, if any is amortised over the vesting period.

(xiv) Foreign exchange transactions

Transactions in foreign currency are recorded at the exchange rate prevailing at the date of the transaction. Exchange differences arising on foreign currency transactions settled during the year are recognized in the Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date, not covered by forward exchange contracts, are translated at year end rates. The resultant exchange differences are recognized in the Statement of Profit and Loss. Non monetary assets and liabilities are recorded at the rates prevailing on the date of the transaction.

Translation of integral and non integral foreign operations

The Company classifies its foreign operations as either "integral foreign operations" or "non integral foreign operations".

The financial statements of an integral foreign operation are translated as if the transactions of the foreign operations have been those of the Company itself. The assets and liabilities (except share capital which is taken at historical cost) both monetary and non monetary, of the non integral foreign operation are translated at the closing rate. Income and expense items of the non integral foreign operation are translated at average rates at the date of transaction. All resulting exchange differences are accumulated in a foreign currency translation reserve until the disposal of the net investment, at which time the accumulated amount is recognized as income or as expense.

When there is a change in the classification of a foreign operation, the translation procedures applicable to the revised classifications are applied from the date of the change in the classification.

(xv) Taxation

Tax expense for the year comprising current tax, deferred tax charge or benefit and MAT credit entitlement is included in determining the net profit for the year.

Current tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty backed by convincing evidence of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

The break-up of the major components of the deferred tax assets and liabilities as at Balance Sheet date has been arrived at after setting off deferred tax assets and liabilities where the entity has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same governing taxation laws.

Minimum alternate tax

Minimum alternate tax (MAT) under the Income Tax Act, 1961, payable for the year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the period in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the "Income-tax Act, 1961", the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(xvi) Provisions, contingent liabilities and contingent assets

Provision

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

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable

estimate of the obligation cannot be made.

Contingent assets

Contingent assets are neither recorded nor disclosed in the financial statements.

(xvii) Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

(xviii) Exceptional items

Items of income or expense from ordinary activities which are of such size, nature or incidence that, their disclosure is relevant to explain the performance of the enterprise for the period are disclosed separately in the Statement of Profit and Loss.

(xix) Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period are adjusted for events such as bonus issue, share split or consolidation of shares.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted into equity shares as at the beginning of the period, unless they have been issued at a later date.

(xx) Segment Reporting

The Company 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 by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Company. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market / fair value factors.

Revenue, expenses, assets and liabilities which relate to the Company as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

(xxi) Share issue expenses

Share issue expenses are adjusted against the securities premium account as permissible under Section 52 of the Act, to the extent balance is available for utilization in the securities premium account. The balance of share issue expenses in excess of securities premium account, if any, are charged to Statement of Profit and Loss.

(xxii) Material Events

Material events occurring after the balance sheet date are taken into cognizance.



3. Share capital

a) The Company has one class of shares i.e. Equity Shares having a par value of Rs. 10 per share.

Particulars	March 31, 2017		March 31, 2016	
	Numbers	Amount in Rs.	Numbers	Amount in Rs.
Authorised				
Equity shares of ₹ 10 each (previous year ₹ 10) with equal voting rights	16,000,000	160,000,000	16,000,000	160,000,000
	16,000,000	160,000,000	16,000,000	160,000,000
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each (previous year ₹ 10) with equal voting rights	14,163,278	141,632,780	11,939,588	119,395,880
	14,163,278	141,632,780	11,939,588	119,395,880

b) Reconciliation of shares outstanding as at the beginning and at the end of the reporting year

1) Class-I shares-Equity shares

Particulars	March 31, 2017		March 31, 2016	
	Numbers	Amount in Rs.	Numbers	Amount in Rs.
At the beginning of year	11,939,588	119,395,880	11,645,155	116,451,550
Add: Share issued during the year by way of:				
- Employee stock option plan	43,571	435,710	28,829	288,290
-Allotment of share for a consideration in cash (Refer footnote i and 47)	2,180,119	21,801,190	-	-
-Allotment of share for a consideration other than in cash (Refer footnote ii)	-	-	265,604	2,656,040
Outstanding at the end of the year	14,163,278	141,632,780	11,939,588	119,395,880

Footnote i.

For the year ended March 31, 2017

Pursuant to initial public offering (IPO), 2,180,119 equity shares of the Company of ₹ 10 each were allotted at ₹ 502 per equity share:

Date of allotment	No. of shares	Share capital	Total
March 28, 2017	2,180,119	21,801,190	1,094,419,738

The equity shares of the Company were listed on BSE and NSE with effect from March 31, 2017

Footnote ii

For the year ended March 31, 2016

The Company on September 7, 2015 entered into an agreement with the promoters of Accendere Knowledge Management Services Private Limited (hereinafter referred as "AKMS") to acquire 51% of share capital of AKMS held by them for a consideration of ₹ 134,639,700. The Company has issued 185,830 equity shares of ₹ 10 each at a price of ₹ 590 per share and balance consideration amounting ₹ 25,000,000 to be paid in cash in three tranches as per the share purchase agreement dated September 7, 2015. (Refer footnote i of note 13)

The Board of Directors of the Company at its meeting held on August 3, 2015 approved further investment in equity shares of Career Launcher Education and Infrastructure Services ("CLEIS"), by making an offer to purchase 199,553 equity shares of CLEIS held by Bilakes Consulting Private Limited (hereinafter referred as "Bilakes") at a consideration of ₹ 56,066,660. The Company has issued 79,774 equity shares of ₹ 10 each at a price of ₹ 590 per share to Bilakes and balance consideration amounting ₹ 9,000,000 is to be paid in cash. Consequent to such investment, the Company now holds 100% share in CLEIS.

c) Terms/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. The Company has not distributed any dividend in the current year and previous year.

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.

d) The Company does not have any holding Company.

e) Shares held by the shareholders holding more than 5% shares in the Company.

1) Class-I shares-Equity shares

Name of share holders	March 31, 2017		March 31, 2016	
	Numbers	% held	Numbers	% held
Mr. Gautum Puri	2,262,579	15.97%	2,562,579	21.46%
Mr. Satya Narayanan R	2,262,579	15.97%	2,562,579	21.46%
GPE (India) Limited	946,473	6.68%	1,426,473	11.95%
Bilakes Consulting Private Limited	1,253,090	8.85%	1,253,090	10.50%
	6,724,721	47.47%	7,804,721	65.37%

As per records of the Company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownerships of shares.

f) No class of shares have been issued as bonus shares and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date except for one class of share for which aggregate value as on date has been mentioned below:

1) Class-I shares-Equity shares

	March 31, 2017	March 31, 2016
	Numbers In aggregate	Numbers In aggregate
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash	1,511,627	2,092,555
	1,511,627	2,092,555

In addition to aforesaid, the Company has issued equity shares aggregating 75,300 (previous year 36,504) of ₹ 10 each fully paid up during the period of five years immediately preceding the reporting date, on exercise of options granted under the employee stock option plans wherein part consideration was received in form of employee services.

g) No class of shares have been bought back by the Company during the period of five years immediately preceding the reporting date.

Shares reserved for issue under options

h) Employees stock option schemes (ESOP) (refer note 34)

The Company has one stock option plan. Employee stock options are convertible into equity shares in accordance with the employees' stock option plan.

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. As at March 31, 2017 and March 31, 2016 the Company had 13,168 and 48,518 number of shares reserved for issue under the scheme respectively.

Pursuant to the resolution passed by the Board of Directors at its meeting held on January 28, 2014 and special resolution passed by the members in the Extraordinary general meeting held on May 29, 2014, the Company renewed "Career Launcher Employee Stock Options Plan 2008" for a further period of one year i.e. from April 01, 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 "Ammended 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"



4. Reserves and Surplus

4. Reserves and Surplus	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
4.1. Securities premium account		
Opening balance	2,008,359,668	1,845,492,905
(+) Securities premium received		
-on issue of equity shares [Refer footnote i of 3 (b)]	1,072,618,548	-
-on issue of equity shares consideration other than cash	-	154,050,320
-on issue of ESOP	12,714,140	8,981,860
(-) Share issue expenses (Refer note 47b)	(108,287,478)	(165,417)
Closing balance	2,985,404,878	2,008,359,668
4.2. Capital reserves		
Opening balance	19,939	19,939
Closing balance	19,939	19,939
4.3. General reserves		
Opening balance	6,469,578	5,784,256
Add: Transferred from ESOP reserves	-	685,322
Closing balance	6,469,578	6,469,578
4.4. Employee stock option outstanding		
Gross employee stock compensation for options granted in earlier years	28,374,997	39,185,183
(+) Gross compensation for options for the year	(6,207,342)	(6,026,151)
(+) Gross compensation for options granted to employees of subsidiary (Refer footnote i of note 20)	(7,741,206)	(4,098,713)
(-) Less: Transferred to general reserve	-	(685,322)
Closing balance	14,426,449	28,374,997
4.5. Surplus in the Statement of Profit and Loss		
Opening balance	398,893,115	354,726,014
(+) Net profit for the year	72,439,350	44,167,101
Closing balance	471,332,464	398,893,115
Total reserves and surplus	3,477,653,309	2,442,117,297

5. Long-term borrowings

	Non-current portion		Current maturities	
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
Term loans (secured)				
-From banks				
a) Vehicle loans (Refer footnote i)	838,063	1,573,930	735,869	1,186,814
b) Other term loans (Refer footnote ii)	12,566,178	24,536,846	11,947,843	19,612,033
Term loans (unsecured)				
-From others	18,155,063	19,745,797	14,690,052	8,717,169
a) Term loan (Refer footnote iii)				-
The above amount includes				
Amount disclosed under the head "Other current liabilities" (Refer note 10)	-	-	(27,373,764)	(29,516,016)
Net amount	31,559,304	45,856,573	-	-

Footnotes

i. Vehicle loans from banks are secured against hypothecation of concerned vehicles.

The terms of the vehicle loans are as follows:

For amount outstanding as at March 31, 2017

Loan	Outstanding Amount	Rate of Interest	Equal monthly installment (EMI)	Date of Last EMI
	Amount in ₹		Amount in ₹	
Loan 1	558,383	14.00%	27,821	February 5, 2019
Loan 2	256,550	14.00%	12,782	February 5, 2019
Loan 3	758,999	14.00%	37,816	February 5, 2019
	1,573,932			

Loan	Outstanding Amount	Rate of Interest	Equal monthly installment (EMI)	Date of Last EMI
	Amount in ₹		Amount in ₹	
Loan 1	65,009	11.99%	33,030	May 7, 2016
Loan 2	142,564	12.27%	24,618	September 7, 2016
Loan 3	310,360	11.53%	32,700	January 5, 2017
Loan 4	795,676	14.00%	27,821	February 5, 2019
Loan 5	365,581	14.00%	12,782	February 5, 2019
Loan 6	1,081,554	14.00%	37,816	February 5, 2019
	2,760,744			

ii. Secured term loans from bank-other term loans

The Company had entered into a finance facility agreement with limit amounting ₹ 510,000,000 (previous year ₹ 510,000,000) with Kotak Mahindra Bank, under which various term loans and overdrafts have been availed at different times during the current year and previous year.

The term loans so availed comprise two loans of ₹ 50,000,000 and ₹ 44,000,000. Year end balances of these loans are ₹ Nil and ₹ 24,514,021 (previous year ₹ 9,140,254 and ₹ 35,008,625) respectively.

Interest rate:

These loans carry interest at bank's base rate + 3.75% (previous year bank's base rate + 3.75%) per annum ranging from 13.25% to 14.25% (previous year 13.25% to 14.25%).

epayment

The loan of ₹ 50,000,000 was repayable in 24 equal monthly installments of ₹ 2,406,554 (inclusive of interest) for which July 25, 2016 was the last installment date.

The loan of ₹ 44,000,000 is repayable in 48 equal monthly installments of ₹ 1,207,890 (inclusive of interest) for which March 01, 2019 is the last installment date.

Primary security

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

Collateral security

Lien over fixed deposits of ₹ 110,000,000

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

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

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

These loans are part of overall limit sanctioned by the bank to the Company, which comprise term loans as detailed above, overdraft facility upto ₹ 385,000,000 (Previous year ₹ 440,000,000) (disclosed in short term borrowings in the financial statements), cash management facility of ₹ 2,500,000 (Previous Year ₹ 2,500,000) and overdraft against credit card receivables of ₹ 15,000,000 (availed) (Previous Year ₹ 15,000,000). Securities mentioned above are securities provided by the Company for such overall limit.

iii. Term Loan- from others

Unsecured loans represent term loan taken from Shri Ram City Union Finance Limited.

**Interest rate:**

These loans carry interest at 16.00% per annum.

Repayment schedule:

During the year, the Company has taken an additional loan of ₹ 15,000,000 which is repayable in 36 equal monthly installments of ₹ 527,356 (inclusive of interest) for which September 5, 2019 is the last installment date.

During the previous year, the Company had taken loan of ₹ 30,000,000 which is repayable in 36 equal monthly installments of ₹ 1,054,711 (inclusive of interest) for which January 5, 2019 is the last installment date.

Collateral security:

- The loan is secured by personal guarantees of the promoter and directors (Satyanarayan R., Gautam Puri and Nikhil Mahajan) of the Company.
- Registered mortgage of agricultural land in Amritsar capitalised in the books of subsidiary named Career Launcher Infrastructure Private Limited.
- 125,000 shares of the Company held by Bilakes Consulting Private Limited.

Aggregate amount of loans guaranteed by directors of the Company ₹ 388,539,746 (previous year ₹ 403,142,220) [Includes amount of ₹ 26,637,895 (previous year ₹ 28,329,202) disclosed under other current liabilities as current maturities of long term borrowing (Refer note 10)] and short term borrowings amounting ₹ 331,180,610 (previous year ₹ 330,530,375) (Refer note 8).

6. Deferred tax liabilities

In accordance with Accounting Standard 22 on 'Accounting for Taxes on Income' the increase in net Deferred Tax Liability of ₹ 6,869,206 for the current year has been recognised as charge in the Statement of Profit and Loss. The tax effect of significant timing differences as at March 31, 2017 that reverse in one or more subsequent years gave rise to the following net Deferred Tax Liabilities as at March 31, 2017.

	March 31, 2017	Charge/(benefit)	March 31, 2016
	Amount in ₹	Amount in ₹	Amount in ₹
Deferred tax assets			
Provision for gratuity	3,724,676	(104,870)	3,619,805
Provision for leave encashment	4,358,570	(200,639)	4,157,931
Provision for loans and advances	14,411,470	(280,328)	14,131,141
Provision for incentive	2,909,806	3,061,077	5,970,883
Provision for doubtful debts	689,004	(379,755)	309,249
Provision for obsolescence of inventory	508,559	(370,630)	137,929
	26,602,084	1,724,855	28,326,938
Deferred tax liabilities			
On account of depreciation	48,013,682	5,144,351	42,869,330
Total deferred tax liabilities	48,013,682	5,144,351	42,869,330
Net deferred tax liabilities	21,411,598	6,869,206	14,542,392

7. Provisions (Refer Note 33)

	Long-term		Short-term	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
Provision for employees benefits				
Provision for gratuity	11,662,549	10,753,645	172,587	193,420
Provision for leave encashment	12,785,460	12,174,007	398,356	402,916
	24,448,009	22,927,652	570,943	596,336

8. Short-term borrowings

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Secured, from bank, repayable on demand		
-Cash credit (Refer footnote i)	331,180,610	330,530,375
	331,180,610	330,530,375

Footnotes (i)

Overdraft from Kotak Mahindra Bank

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

- It carries interest rate of bank's base rate plus 3.75 % ranging from 13.75% to 14.25% (previous year 13.75% to 14.00%) calculated on monthly basis on the actual amount utilised.
- Security details: Refer footnote ii and iii of note 5.

9. Trade payables

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Trade payables		
- Related parties (Refer note 43)	329,084,989	331,470,841
- Others	102,306,581	123,810,633
	431,391,570	455,281,474

Footnote:

For dues to Micro, Small and Medium Enterprises refer note 42

10. Other current liabilities

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Current maturities of long term borrowing (Refer note 5)		
Term Loans- secured		
- From Banks- Vehicle loan (Refer footnote i of note 5)	735,869	1,186,814
- From Banks- Term loan (Refer footnote ii and iii of note 5)	11,947,843	19,612,033
- From Others- Term loan (Refer footnote iii of note 5)	14,690,052	8,717,169
Interest accrued but not due on borrowings	684,545	730,143
Unearned revenue on education and training services	73,075,689	127,895,472
Advance from customers	3,528,147	16,898,000
Payable for purchase of fixed assets		
- Related party (Refer note 42 and 43)	170,540	1,181,531
- Others (Refer note 42)	1,691,165	5,550,206
Payables for purchase of investments		
- Related party (Refer note 43)	1,507,733	1,507,733
- Others	10,000,000	25,000,000
Employee related payables	38,384,769	42,705,171
Statutory dues payable	17,680,149	11,295,811
Payables for expenses		
- Related party (Refer note 42 and 43)	5,683,519	607,103
- Selling shareholders	1,177,431,228	-
- Others (Refer note 42)	107,793,689	58,700,126
	1,465,004,937	321,587,312



11. Tangible assets*

Current year

Particulars	Gross block (at cost)				Accumulated depreciation				Net block As at March 31, 2017
	As at April 1, 2016	Additions/ Adjust- ments	Disposals/ Adjustments	As at March 31, 2017	As at April 1, 2016	Deprecia- tion for the year	Disposals/ Adjustments	As at March 31, 2017	
Leased assets									
Land (Refer footnote ii)	20,043,350	51,864,647	-	71,907,997	2,592,125	210,096	-	2,802,221	69,105,776
Owned assets									
Building (Refer footnote i)	303,750,926	-	-	303,750,926	30,100,688	4,799,062	-	34,899,750	268,851,176
Plant & machinery	9,558,757	33,600	-	9,592,357	6,469,953	472,797	-	6,942,750	2,649,607
Leasehold improvement	26,239,995	8,503,195	-	34,743,190	20,705,461	4,979,434	-	25,684,895	9,058,295
Furniture and fixtures	5,834,117	681,519	-	6,515,636	3,122,126	498,544	-	3,620,670	2,894,966
Vehicles	12,616,453	-	924,448	11,692,005	8,712,649	1,094,650	840,520	8,966,779	2,725,226
Office equipment	19,311,644	2,218,594	-	21,530,238	14,796,331	1,521,568	-	16,317,899	5,212,339
Computers	49,302,528	1,539,904	-	50,842,432	30,765,706	7,060,250	-	37,825,956	13,016,476
Total	446,657,770	64,841,459	924,448	510,574,781	117,265,039	20,636,400	840,520	137,060,919	373,513,862

*Tangible assets are subject to first pari passu charge to secure the Company's borrowings referred in notes as secured term loan from banks and bank overdrafts. (See note 5 & 8).

Footnote:

- Building includes 5 shares of ₹ 50 each, being the cost of shares in Tardao Air conditioned Market Building Cooperative Society Limited, Mumbai.
- Land measuring 20,007 square metres has been acquired by the Company under a lease agreement with Greater Noida Industrial Development Authority for a lease period of 90 years commencing from July 20, 2004. The premium paid on the land and other expenses incidental to the acquisition are amortised over the period of the lease.
- Pursuant to the board resolution dated October 31, 2012, the Company had classified freehold land amounting ₹ 51,864,647 located at Faridabad, as fixed assets held for sale under other current assets. However, during the year, due to non availability of buyers the same has been re-classified in fixed assets.

11. Tangible assets*

Previous year

Particulars	Gross block (at cost)				Accumulated depreciation				Net block As at March 31, 2016
	As at April 1, 2015	Additions	Disposals/ Adjustments	As at March 31, 2016	As at April 1, 2015	Deprecia- tion for the year	Disposals/ Adjustments	As at March 31, 2016	
Leased assets									
Land (Refer footnote ii)	20,043,350	-	-	20,043,350	2,381,454	210,671	-	2,592,125	17,451,225
Owned assets									
Building (Refer footnote i)	303,750,926	-	-	303,750,926	25,288,478	4,812,210	-	30,100,688	273,650,238
Plant & machinery	9,558,757	-	-	9,558,757	5,996,516	473,437	-	6,469,953	3,088,804

Leasehold improvement	23,656,108	2,583,887	26,239,995	17,054,659	3,650,802	-	20,705,461	5,534,534
Furniture and fixtures	5,381,978	452,139	5,834,117	2,687,321	434,805	-	3,122,126	2,711,991
Vehicles	12,616,453	-	12,616,453	7,357,546	1,355,103	-	8,712,649	3,903,804
Office equipment	17,729,546	1,582,098	19,311,644	13,506,898	1,289,433	-	14,796,331	4,515,313
Computers	48,750,371	27,622,157	49,302,528	25,745,707	22,517,036	17,497,037	30,765,706	18,536,822
Total	441,487,489	32,240,281	27,070,000	100,018,579	34,743,497	17,497,037	117,265,039	329,392,731

*Tangible assets are subject to first pari passu charge to secure the Company's borrowings referred in notes as secured term loan from banks and bank overdrafts. (See note 5 & 8).

Footnote:

- i. Building includes 5 shares of ₹ 50 each being the cost of shares in Tardeo Air conditioned Market Building Cooperative Society Limited, Mumbai.
- ii. Land measuring 20,007 square metres has been acquired by the Company under a lease agreement with Greater Noida Industrial Development Authority for a lease period of 90 years commencing from July 20, 2004. The premium paid on the land and other expenses incidental to the acquisition are amortised over the period of the lease.
- iii. Pursuant to the board resolution dated October 31, 2012, the Company had classified freehold land amounting ₹ 51,864,647 located at Faridabad, as fixed assets held for sale under other current assets. (Refer note 20).

12. Intangible assets*

Current year

Particulars	Gross block (at cost)			Accumulated amortisation			Net block	
	As at April 1, 2016	Additions	Disposals/ Adjustments	As at March 31, 2017	As at April 1, 2016	Amortisation for the year	Disposals/ Adjustments	As at March 31, 2017
Owned assets								
Intellectual property rights and trademarks	166,147,995	2,643,444	-	168,791,439	94,883,282	13,819,408	-	108,702,690
Softwares	14,797,307	1,414,331	-	16,211,638	10,874,079	1,241,930	-	12,116,009
Content development	48,625,514	37,753,112	-	86,378,626	21,151,774	11,323,421	-	32,475,195
License fees	2,800,000	-	-	2,800,000	2,800,000	-	-	2,800,000
CAT online module	8,693,070	571,926	-	9,264,996	8,305,336	864,831	-	9,170,167
Total	241,063,886	42,382,813	-	283,446,699	138,014,471	27,249,590	-	165,264,061
								118,182,638

*Intangible assets are subject to first pari passu charge to secure the Company's borrowings referred in notes as secured term loan from banks and bank overdrafts. (See note 5 & 8).

Footnote (i):

Content Development includes internally generated intangible assets

Particulars	Gross block (at cost)			Accumulated amortisation			Net block	
	As at April 1, 2016	Additions	Disposals/ Adjustments	As at March 31, 2017	As at April 1, 2016	Amortisation for the year	Disposals/ Adjustments	As at March 31, 2017
Content Development	1,945,176	16,598,993	-	18,544,169	83,861	1,977,371	-	2,061,232
								16,482,937



12. Intangible assets*

Previous year

Particulars	Gross block (at cost)			Accumulated amortisation			Net block As at March 31, 2016
	As at April 1, 2015	Additions	Disposals/ Adjustments	As at March 31, 2016	Amortisa- tion for the year	Disposals/ Adjustments	
Owned assets							
Intellectual property rights and trademarks	166,147,995	-	-	166,147,995	13,663,848	-	94,883,282
Softwares	12,147,964	2,649,343	-	14,797,307	741,941	-	10,874,079
Content development	39,622,705	9,002,809	-	48,625,514	7,370,855	-	21,151,774
License fees	2,800,000	-	-	2,800,000	891,880	-	2,800,000
CAT online module	7,641,070	1,052,000	-	8,693,070	4,783,259	-	8,305,336
Total	228,359,734	12,704,152	-	241,063,886	27,451,783	-	138,014,471

*Intangible assets are subject to first pari passu charge to secure the Company's borrowings referred in notes as secured term loan from banks and bank overdrafts. (See note 5 & 8).

Footnote (i):

Content Development includes internally generated intangible assets

Particulars	Gross block (at cost)			Accumulated amortisation			Net block As at March 31, 2016
	As at April 1, 2015	Additions	Disposals/ Adjust- ments	As at March 31, 2016	Amortisa- tion for the year	Disposals/ Adjustments	
Content Development	-	1,945,176	-	1,945,176	83,861	-	83,861
							1,861,315

13. Non-current investments

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Investment property (Non-trade, valued at cost less accumulated depreciation)		
Cost of building	13,113,500	13,113,500
Less: Accumulated depreciation	2,028,891	1,822,013
Closing balance (A)	11,084,609	11,291,487
Equity shares in subsidiary companies		
(Trade, un-quoted, at cost)		
9,447,606 (Previous year 9,447,606) fully paid up equity shares of ₹ 10 each of Career Launcher Education Infrastructure and Services Limited [Refer footnote (i) of 3(b)]	1,352,842,769	1,352,842,769
10,000 (Previous year 10,000) fully paid up equity shares of ₹ 10 each of CL Media Private Limited	100,000	100,000
1,000,000 (Previous year 1,000,000) fully paid up equity shares of ₹ 10 each of Kestone Integrated Marketing services Private Limited.	69,100,000	69,100,000
190,000 (Previous year 190,000) fully paid up equity shares of ₹ 10 each of G.K. Publications Private Limited	143,388,978	143,388,978
6,120 (Previous year 6,120) fully paid of equity shares of ₹ 10 each of Accendere Knowledge Management Services Private Limited [Refer footnote (i) of 3(b)]	134,639,700	134,639,700
Closing balance (B)	1,700,071,447	1,700,071,447
Equity shares in other companies (Non-trade, un-quoted, at cost)		
909 (Previous year 909) fully paid up equity shares of ₹ 10 each of Threesixtyone Degree Minds Consulting Private Limited	5,000,000	5,000,000
Closing balance (C)	5,000,000	5,000,000
Closing balance (A+B+C)	1,716,156,056	1,716,362,934

The aggregate book value of unquoted non current investment are as follows:

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Aggregate book value of unquoted non current investment	1,705,071,447	1,705,071,447

Till Financial Year 2015-16, The Company has given an undertaking to HDFC Limited against the loan of Rs. 280,000,000 taken by Career Launcher Infrastructure Private Limited (CLIP), a subsidiary company of its subsidiary named Career Launcher Education Infrastructure and Services Limited (CLEIS), that it will continue to hold atleast 51% of equity shares of CLEIS throughout the tenure of said loan. However, during the current year loan has been repaid by CLIP and accordingly, the said undertaking shall stand cancelled and extinguished.

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

14. Long-term loans and advances

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Unsecured, considered good, unless otherwise stated		
Capital advances	38,224	366,060
Security deposits	16,767,820	12,329,000
Subtotal (A)	16,806,044	12,695,060
Service tax paid under protest	21,302,000	21,302,000
Loans and advances to employees	-	61,000



Advance income-tax [(net of provision for tax of ₹ 200,459,800 (P.Y. ₹ 172,189,800))]	12,258,405	28,141,295
Subtotal (B)	33,560,405	49,504,295
Total (A+B)	50,366,449	62,199,355

15. Other non-current assets

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Unsecured, considered good		
Non-current bank balances (Refer note 18)	121,164,690	112,030,033
	121,164,690	112,030,033

16. Inventories (Valued at cost or net realisable value, whichever is lower)

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Traded goods		
- Text books	49,138,730	42,542,776
Less: Provision for obsolescence of inventory	1,538,150	417,170
	47,600,580	42,125,606

17. Trade receivables

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payment (Refer footnote i & ii)		
- Considered good	649,421,440	491,284,040
- Considered doubtful	2,083,913	935,332
	651,505,353	492,219,372
Less: Provision for doubtful trade receivables	2,083,913	935,332
	649,421,440	491,284,040
Others (Refer footnote ii)	206,870,012	352,515,257
	856,291,452	843,799,297

Footnote:

- Refer note 44 for long outstanding receivables amounting ₹ 13,634,645 (previous year ₹ 13,930,740) considered good.
- Includes amounts from related party (refer Note 43).

18. Cash and bank balances

	Non-current		Current	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
Cash and cash equivalents				
Balances with banks:				
- on current accounts (Refer note 47 and i)	-	-	2,132,534,978	68,482,619
Cheques/ drafts on hand	-	-	3,242,683	4,095,211
Cash on hand	-	-	6,309,510	3,580,634
	-	-	2,142,087,171	76,158,464
Other bank balances				
- in unpaid dividend account	-	-	19,402	26,355
- Deposits with original maturity for more than 3 months but less than 12 months from the reporting date	-	-	2,569,929	2,392,109

- Margin money deposits and under lien deposits (Refer footnote ii)	121,164,690	112,030,033	1,549,636	1,333,620
	121,164,690	112,030,033	2,146,226,138	79,910,548
Amount disclosed under other non-current assets (Refer note 15)	(121,164,690)	(112,030,033)	-	-
	-	-	2,146,226,138	79,910,548

Footnote: i

Includes ₹ 1,290,597,927 (Previous year ₹ Nil) lying in Public Issue account CL Educate IPO and which is considered as restricted cash.

Footnote: ii
Current deposits include:

- ◆ Deposits of ₹ 1,549,636 (Previous year ₹ 1,333,620) for issue of guarantees in favor of Northern Eastern Council Secretariat, Shilong,

Non current deposits include:

- ◆ Deposits of ₹ 101,094 (Previous year ₹ 75,000) for issue of guarantees in favor of value added tax authorities,
- ◆ Deposits of ₹ 1,975,935 (Previous year ₹ 1,684,764) for issue of guarantees in favor of Development Support Agency of Gujarat- TDD Project,
- ◆ Deposits of ₹ 255,696 (Previous year ₹ 200,000) for issue of guarantees in favor of The Directorate of Employment Training, Gandhi Nagar-TDD,
- ◆ Deposits aggregating to ₹ 110,000,000 (Previous year ₹ 110,000,000) pledged with banks for overall loan facility (Refer footnote ii of note 6).
- ◆ Deposits of ₹ 81,965 (Previous year ₹ 70,269) submitted in bank against consumer court case appeal
- ◆ Deposits of ₹ 8,750,000 (Previous year ₹ Nil) pledged with Shri Ram City Union Finance Limited for loan taken (Refer footnote iii of note 5).

19. Short term loans and advances

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Security deposits		
Unsecured, considered good, unless otherwise stated		
- Considered good	36,038,773	17,809,298
- Considered doubtful	2,804,998	1,386,266
	38,843,771	19,195,564
Less: provision for doubtful balance	2,804,998	1,386,266
Subtotal (A)	36,038,773	17,809,298
Loans and advance to related parties (Refer note 43)		
- Considered good	301,223,698	128,277,344
- Considered doubtful	833,500	1,404,371
	302,057,198	129,681,715
Less: Provision for doubtful advances	833,500	1,404,371
Subtotal (B)	301,223,698	128,277,344
Other receivables from related parties (Refer note 43)		
Considered good		
- on account of transfer of fixed assets	317,378	1,393,621
- others	49,087,270	67,294,385
Subtotal (C)	49,404,648	68,688,006
Other loans and advances		
Loans and advances to employees	2,264,963	7,210,838
Balance with government authorities		
- Service tax credit receivable available for adjustment	6,364,178	1,055,401
Other advances recoverable in cash or in kind		
- Prepaid expenses	82,550,164	111,139,373



- Advance to suppliers	1,020,023	4,798
- Receivable from others considered good	4,934,236	57,840,682
- Receivable from others considered doubtful	39,949,409	39,949,409
	137,082,973	217,200,501
- Less: Provision for doubtful loans and advances	39,949,409	39,949,409
Subtotal (D)	97,133,564	177,251,092
Total (A+B+C+D)	483,800,683	392,025,740

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

Company/Party name	March 31, 2017	March 31, 2016
Kestone Asia Educational Hub Pte. Ltd. (formally known as Career Launcher Asia Educational Hub Pte. Ltd)	833,500	8,570,231
Career Launcher Education Foundation	53,012,811	52,902,571
Nalanda Foundation	20,490,273	46,452,720
CL Media Private Limited	13,963,207	10,821,561
GK Publications Private Limited	12,355,058	10,934,632
Accendere Knowledge Management Services Private Limited	9,003,903	-
Career Launcher Education Infrastructure and Services Limited	6,291,207	-
Career Launcher Infrastructure Private Limited	186,107,239	-
Total	302,057,198	129,681,715

* Includes conversion of interest into loans.

20. Other current assets

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Interest accrued but not due on fixed deposits	549,310	1,332,576
Other receivable from related party (Refer footnote i and note 43)	11,001,203	18,742,409
Total (A)	11,550,513	20,074,985
Fixed asset held for sale (Refer footnote (iii) of note 11)*#	-	51,864,647
Total (B)	-	51,864,647
Total (A+B)	11,550,513	71,939,632

Footnote:

i. During the current and previous year, CLEIS, a subsidiary company has recorded expense and income respectively towards ESOP in accordance with guidance note issued by ICAI in respect of shares of the Company to be issued to a director of CLEIS. All amounts related to issue of such shares on exercise of ESOP shall be reimbursed by CLEIS to the Company. Accordingly, no income/expense has been recorded by the Company and ESOP reserves have been credited with a corresponding receivable from CLEIS.

* Tangible assets are subject to first pari passu charge to secure the Company's borrowings referred in notes as secured term loan from banks and bank overdrafts in the current year and previous year. (See note 5).

During the year, due to non availability of buyers the same has been re-classified in fixed assets.21. Revenue from operations

21. Revenue from operations

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Revenue from operations		
Sale of products (traded)		
- Sale of text book	281,852,677	260,946,538
Sale of services		
- Education and training programmes	1,052,042,104	931,920,357
- Online education services	94,902,347	71,350,472

- Vocational training services	23,792,774	306,809,367
	1,452,589,902	1,571,026,734
Other operating revenue		
Start up fees from franchisees	25,769,839	18,365,484
Grant income	-	54,147,330
Revenue from operations	1,478,359,741	1,643,539,548

22. Other Income

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Interest income on		
- fixed deposits	8,789,117	12,420,012
- loans and advances (refer footnote i)	10,019,342	12,405,732
Advertising income (refer footnote i)	23,006,344	19,672,417
Expense reversal on employee stock option (ESOP) scheme (Refer note 34)	6,207,342	6,026,151
Net gain on foreign currency transactions and translations	-	1,503,063
Insurance claim received	42,381	804,720
Liabilities no longer required written back	18,187,379	16,070,574
Infrastructure fees (refer footnote i)	8,472,492	7,380,000
Rent income from investment property net of expenses (refer footnote ii)	1,913,022	917,555
Bad debts recovered	4,695,663	2,528,428
Notice period recovery	1,047,779	998,631
Miscellaneous income (refer footnote i)	2,494,012	5,189,479
Scrap sale	66,876	57,247
	84,941,749	85,974,009

Footnotes

- i. Includes income from related parties (refer note 43).
ii. Rent income (net of expense)

Rent income on building classified as Investment property	2,119,900	1,125,000
Less: Depreciation on building classified as investment property	206,878	207,445
	1,913,022	917,555

23. Purchase of traded goods

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Text books (refer footnote i)	106,577,264	124,463,386
Paper	1,818,409	1,226,566
Others	13,495,909	28,050,212
	121,891,582	153,740,164

Footnotes

- i. Includes purchase from related parties (refer note 43).

24. Decrease/(increase) in inventories of traded goods

		March 31, 2017	March 31, 2016
		Amount in ₹	Amount in ₹
Opening stock	A	42,542,776	45,330,322
Closing stock	B	49,138,730	42,542,776
(Increase)/decrease in inventory of traded goods	(A+B)	(6,595,954)	2,787,546

25. Cost of services

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Franchisee expenses	514,159,284	429,015,491



Faculty expenses	82,643,108	103,307,852
Equipment hire expenses (Refer footnote i)	21,856,419	90,973,222
Hostel expenses	996,250	57,996,361
Material development and printing expenses (Refer footnote i)	4,970,116	11,203,368
Mobilization expenses (Refer footnote i)	294,240	14,376,797
Placement support expenses (refer footnote i)	745,671	11,441,615
Other test prep related consumables	130,724	821,564
	625,795,812	719,136,270

Footnotes

i. Includes expense from related party (refer Note 43).

26. Employee benefits expense

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Salary, wages, bonus and other benefits	217,407,948	225,861,941
Contribution to provident and other funds (Refer note 33)	9,824,289	8,354,036
Gratuity expense (Refer note 33)	2,874,514	1,670,309
Leave encashment expense (Refer note 33)	2,173,546	3,478,967
Staff welfare expenses	8,173,076	8,640,069
	240,453,373	248,005,322

27. Finance costs

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Interest expense on borrowings		
-Vehicle loan	310,924	150,884
-Overdraft	38,375,963	37,446,320
-Term loan	9,392,055	10,405,685
Other borrowing costs		
- Loan processing charges	1,375,414	1,354,536
Interest on delay in payment of		
- Advance income tax	3,053,382	2,459,679
	52,507,738	51,817,104

28. Depreciation and amortisation expenses

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Depreciation of tangible assets (Refer note 11)	20,636,398	34,743,497
Amortisation of intangible assets (Refer note 12)	27,249,590	27,451,783
	47,885,988	62,195,280

29. Other expenses

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Rent expenses (Refer note 37)	84,498,343	99,508,154
Office expenses	23,603,210	32,948,189
Travelling and conveyance expenses	23,113,976	26,591,825
Communication expenses	19,737,846	18,074,735
Water and electricity expenses	14,600,210	13,952,415
Legal and professional expenses (Refer note 35 & 43)	13,276,563	14,056,046
Repairs and maintenance expenses		
-Building	7,976,207	15,939,831

-Others	2,635,242	4,976,417
Marketing research (Refer note 43)	6,706,346	10,418,441
Advertisement, publicity and sales promotion	49,939,201	69,346,950
Freight and cartage expenses	2,298,170	4,799,446
Printing and stationery expenses	3,529,084	3,576,863
Rates and taxes expenses	3,431,404	1,799,984
Provision for obsolescence of inventory	1,120,982	-
Newspaper, books and periodicals expenses	813,370	1,352,570
Insurance expenses	1,476,933	1,564,432
Recruitment, training and development expenses (Refer note 43)	670,790	1,899,743
Bank charges (other than finance cost)	5,841,938	4,454,629
Business promotion expenses	31,787,713	15,964,265
Sales Incentive	8,357,371	4,514,000
Commission to non executive directors	696,793	372,500
Bad debts written off	50,882,473	69,566,398
Doubtful advances written-off	9,831,329	921,811
Provision for doubtful advance	1,464,732	750,000
Provision for doubtful debts	1,148,581	935,332
Loss on Sale of asset	23,928	5,252,963
Loss on foreign currency transactions and translations	1,843,262	-
Miscellaneous expenses	2,478,398	3,705,182
	373,784,395	427,243,121

30. Basic and diluted earnings per equity share

The calculation of earnings per Share (EPS) has been made in accordance with Accounting Standard (AS) -20. A statement on calculation of Basic and Diluted EPS is as under.

	Reference	Units	March 31, 2017	March 31, 2016
			Amount in ₹	Amount in ₹
Profit after tax	A	₹	72,439,350	44,167,101
Weighted average numbers of equity shares	B	Numbers	11,964,183	11,802,697
Add: Dilutive potential equity shares (Refer footnote i)	C	Numbers	18,817	70,372
Number of equity shares for dilutive EPS	D=B+C	Numbers	11,983,000	11,873,069
Basic earnings per share	A/B	₹	6.05	3.74
Diluted earnings per share	A/D	₹	6.05	3.72

Footnotes:

i. Following are the potential equity shares considered to be dilutive in nature, hence these have been adjusted to arrive at the dilutive earnings per share:

	March 31, 2017	March 31, 2016
	In numbers	In numbers
Weighted average number of shares		
Employee stock option outstanding (Refer footnote a)	18,817	70,372
	18,817	70,372

a. The Company has Employee Stock Option Plan outstanding as on balance sheet date and shares which are outstanding and will be issued at a price lower consideration than its fair value. Such equity shares generate lesser proceeds and have no effect on the net profit attributable to equity shares outstanding. Therefore, value of such differential (fair value per share less exercise price per share) in respect of ESOP outstanding are considered dilutive and equalised number of ESOP outstanding derived by dividing such differential value with fair value per share is added to the number of equity shares outstanding in the computation of diluted earnings per share.

31. Contingent liabilities (to the extent not provided for)

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Claims against the Company not acknowledged as debt [Refer footnote (i)]	80,561,650	311,137,187
Corporate guarantees [Refer footnote (ii)]	176,500,000	386,500,000
	257,061,650	697,637,187

**Footnote i: Details of claims against the Company not acknowledged as debt**

Particulars	Year Pertaining	March 31, 2017	March 31, 2016
		Amount in Rs.	Amount in Rs.
Service Tax (a)	July 2003 to September 2008	-	142,013,412
Service Tax (a)	October 2008 to March 2009	-	7,372,308
Service Tax (a)	April 2009 to September 2009	-	10,664,476
Service Tax (a)	October 2009 to September 2010	-	71,756,945
Service Tax (b)	October 2010 to September 2011	16,635,768	16,635,768
Service Tax (b)	October 2011 to June 2012	12,553,238	12,553,238
Cenvat credit reversal (c)	September 2004 to March 2007	4,648,826	4,648,826
Cenvat credit reversal (c)	October 2007 to March 2008	1,569,481	1,569,481
Cenvat credit reversal (d)	April 2008 to March 2012	40,097,178	40,097,178
Other cases (e)	Various years	5,057,159	3,825,555
Total		80,561,650	311,137,187

Amount above includes:

- Demand for service tax aggregating ₹ 160,784,835 (previous year ₹ 160,784,835) for the period July 1, 2003 to September 30, 2010 is disputed by the Company. Penalty of ₹ 71,022,306 (previous year ₹ 71,022,306) has also been imposed under Section 78 of the Finance Act, 1994. The Company has preferred an appeal with CESTAT against these orders of the Commissioner of Service tax. The Company has paid ₹ 21,302,000 (previous year ₹ 21,302,000) against the said demand. During the year, CESTAT has allowed the appeal filed by the Company and set aside the earlier demand issued by the Commissioner of Service Tax.
- Demand for service tax aggregating ₹ 29,189,006 (previous year ₹ 29,189,006) for the period October 2010 to June 2012 is disputed by the Company and against which the Company has filed an appeal before Commissioner (Appeals) of Service tax.
- Demand for service tax aggregating ₹ 3,118,307 (previous year ₹ 3,118,307) for the period 2004-05 to 2007-08 due to incorrect availment of service tax cenvat credit is disputed by the Company. Penalty, aggregating ₹ 3,100,000 (previous year ₹ 3,100,000) has also been levied under Section 15 read with Rule 15 of Cenvat Credit Rules, 2004. During the previous year, the Company had received an order passed by Commissioner (Appeals) of Service tax. The Company had preferred an appeal with CESTAT against the order of the Commissioner (Appeals) of Service tax.
- The Company had received a demand for service tax in earlier years aggregating ₹ 40,097,178 (previous year ₹ 40,097,178) for the period 2008-09 to 2011-12 due to incorrect availment of service tax cenvat credit. The Company has disputed the demand and has filed a reply with Commissioner (Appeals) of Service tax and preferred an appeal before CESTAT against the order of Commissioner (Appeals) of Service tax.

e. Other cases

Triangle Education, a franchisee of the Company in Jaipur, had arbitrarily terminated the agreement and started a competing business using the brand of CL Educate. The Company has filed a statement of claim before the sole Arbitrator amounting ₹ 19,000,000 (previous year ₹ 19,000,000) against triangle education. Triangle Education also filed a counter claim against the Company amounting ₹ 3,205,961 (previous year ₹ 3,205,961).

A student, has filled a case against the Company for refund of fees amounting ₹ 619,594 (previous year ₹ 619,954) 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 Director of Industries and Commerce cum Chairman MSE- Chandigarh has sent a notice amounting ₹ 1,231,604 (including interest of ₹ 330,039) on behalf of Reivera Fabricators regarding non payment of dues on account of uniforms supplied to Indus World Schools. The Company has preferred an appeal against the same and the matter is pending for final argument.

Based on the interpretations of the provisions of the relevant statutes involved, the Company is of the view that the demands referred above are likely to be deleted or substantially reduced and penalty waived off by appellate authorities at higher levels and accordingly no further provision is required.

Footnote ii: Corporate guarantees		March 31, 2017	March 31, 2016
		Amount in ₹	Amount in ₹
Bank Name/NBFC Name	Name of the guaranter		
IndusInd Bank Limited	CL Educate Limited	115,000,000	95,000,000
Magma Fincorp Limited	CL Educate Limited	9,000,000	9,000,000
IndusInd Bank Limited	CL Educate Limited	2,500,000	2,500,000

Ratnakar Bank Limited	CL Educate Limited	50,000,000	-
HDFC Limited	CL Educate Limited	-	280,000,000
Total		176,500,000	386,500,000

32. Commitments

Particulars	March 31, 2017	March 31, 2016
	Amount in Rs.	Amount in Rs.
Estimated amount of contracts remaining to be executed on capital account and not provided for		
- to related party [Net of advances of ₹ Nil (previous year ₹ Nil)]	14,400,000	6,000,000
- to others [Net of advances of ₹ 38,224 (previous year ₹ 366,060)]	-	388,290
Total capital commitments (A)	14,400,000	6,388,290
Other material Commitments		
Commitment for maintenance of contents to related party	9,600,000	6,000,000
Commitment for purchase of study material to related party	-	7,252,040
Total other material commitments (B)	9,600,000	13,252,040
Total commitments (A+B)	24,000,000	19,640,330

33. Employee benefits obligations

The Company has in accordance with the Accounting Standard-15 'Employee Benefits' calculated various benefits provided to employees as under:

A. Defined contribution plans

During the year, the Company has recognised the following amounts in the Statement of Profit and Loss:

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Employers contribution to provident fund	9,723,636	8,311,250
Total (Refer note 26)	9,723,636	8,311,250

Defined benefit plans and other long term employee benefits:

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

I. Actuarial assumptions

Particulars	Earned Leave (unfunded)		Gratuity (funded)	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Discount rate (per annum)	7.69%	8.00%	7.69%	8.00%
Expected rate of increase in compensation levels	8.00%	8.00%	8.00%	8.00%
Expected rate of return on plan assets	N.A.	N.A.	8.00%	8.35%
Expected average remaining working lives of employees (years)	25.81	26.42	25.81	26.42
Retirement age (years)	58	58	58	58
Mortality table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
Ages	Withdrawal Rate (%)		Withdrawal Rate (%)	
Up to 30 Years	3		3	
From 31 to 44 years	2		2	
Above 44 years	1		1	

Note:

The discount rate has been assumed at 7.69% (previous year 8.00%) which is determined by reference to market yield at the balance sheet date on government securities. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

**II. Present value of obligation**

Particulars	Earned Leave (unfunded)		Gratuity (funded)	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Present value of obligation at the beginning of the year	12,576,923	10,509,661	12,194,932	10,946,746
Acquisition adjustment : Transfer In	-	170,363	-	282,692
Transfer Out	-	(4,268)	-	(3,347)
Current service cost	2,701,334	3,288,963	2,683,780	2,715,738
Interest cost	1,006,154	840,773	975,595	875,740
Past service cost	-	-	-	-
Benefit paid	(1,566,653)	(1,577,800)	(2,259,404)	(831,346)
Actuarial (gain)/loss on obligation	(1,533,942)	(650,769)	(695,637)	(1,791,291)
Present value of obligation at the end of the year	13,183,816	12,576,923	12,899,266	12,194,932

III. Fair value of plan assets

Particulars	Gratuity (funded)	
	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Fair value of plan assets at the beginning of the year	1,247,867	1,524,814
Expected return on plan assets	104,197	133,421
Administrative expenses	(4,292)	(84,867)
Contributions	796,908	377,849
Benefits paid	(1,065,577)	(699,807)
Actuarial (loss) on plan assets	(14,973)	(3,543)
Fair value of plan assets at the end of the year	1,064,130	1,247,867

IV. Expenses recognised in the Statement of Profit and Loss for the year

Particulars	Earned Leave (unfunded)		Gratuity (funded)	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Current service cost	2,701,334	3,288,963	2,683,780	2,715,738
Interest cost	1,006,154	840,773	975,595	875,740
Past service cost	-	-	-	-
Expected return on plan assets	-	-	(104,197)	(133,421)
Net actuarial (gain)/loss to be recognized	(1,533,942)	(650,769)	(680,664)	(1,787,748)
Expense recognised in Statement of Profit and Loss	2,173,546	3,478,967	2,874,514	1,670,309

V. Reconciliation of present value of defined benefit obligation and fair value of assets

Particulars	Earned Leave (unfunded)		Gratuity (funded)	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Present value of obligation as at the end of the year (A)	13,183,816	12,576,923	12,899,266	12,194,932
Fair Value of plan assets as at the end of the year (B)	-	-	1,064,130	1,247,867
Net liability recognized in Balance Sheet as at year end (A-B)	13,183,816	12,576,923	11,835,136	10,947,065
Amount classified as:				
Short term provision (Refer note 7)	398,356	402,916	172,587	193,420
Long term provision (Refer note 7)	12,785,460	12,174,007	11,662,549	10,753,645

VI. Net asset/(liability) and actuarial experience gain/(loss) for present benefit obligation ('PBO') and plan assets and employers best estimate for next year**(a) Gratuity (Funded)**

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
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PBO	12,899,266	12,194,932	10,946,746
Plan assets	1,064,130	1,247,867	1,524,814
Net (liability)	11,835,136	10,947,065	(9,421,932)
Experience gain/(loss) on PBO	1,108,220	1,791,291	1,739,727
Experience gain/(loss) on plan assets	(14,973)	(3,543)	(13,302)

Particulars	March 31, 2016	March 31, 2015
PBO	7,792,400	5,930,320
Plan assets	1,131,646	2,031,805
Net (liability)	(6,660,754)	(3,898,515)
Experience gain/(loss) on PBO	452,704	924,288
Experience gain/(loss) on plan assets	(37,893)	(2,879)

(b) Earned Leave (unfunded)

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
PBO	13,183,816	12,576,923	10,509,661
Plan assets	-	-	-
Net (liability)	(13,183,816)	(12,576,923)	(10,509,661)
Experience gain/(loss) on PBO	1,969,145	650,769	119,956
Experience gain/(loss) on plan assets	-	-	-

Particulars	March 31, 2016	March 31, 2015
PBO	7,377,071	5,917,117
Plan assets	-	-
Net (liability)	(7,377,071)	(5,917,117)
Experience (loss) on PBO	(191,308)	(648,627)
Experience gain/(loss) on 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. Information on categories of plan assets as at March 31, 2017 and March 31, 2016 has not been provided by Life Insurance Corporation of India.

(c) Employer's best estimate for contribution during next 12 months

Particulars	Amount in Rs.
Employees gratuity fund	4,386,479
Earned leave	2,328,254

34. Employees share based payment plan

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 subsidiaries 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. All exercised options shall be settled by physical 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 (previous year 272,468) stock options have been granted under this scheme.

*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.

Share based payment expenses	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
CL ESOP -2008 (Refer footnote)	(6,207,342)	(6,026,151)

The information concerning stock options granted, exercised, forfeited and outstanding at the year end is as follows:

ESOP to directors of the Company



Particulars	March 31, 2017		March 31, 2016	
	Number of Stock Options	Weighted average exercise Price (Rs.)	Number of Stock Options	Weighted average exercise Price (Rs.)
Employees Stock Option Plan 2008				
Outstanding at the beginning of the year	4,800	300.00	7,200	300.00
Granted during the year	-	-	-	-
Exercised during the year	-	-	2,400	300.00
Forfeited during the year	2,400	300.00	-	-
Expired during the year	-	-	-	-
Outstanding at the end of year	2,400	300.00	4,800	300.00
Exercisable at year end	2,400	300.00	4,800	300.00
Vested during the year	-	-	-	-
Weighted average grant date fair value per option for option granted during the period at less than fair value	-	-	-	-

ESOP to person other than directors of the Company

Particulars	March 31, 2017		March 31, 2016	
	Number of Stock Options	Weighted average exercise Price (Rs.)	Number of Stock Options	Weighted average exercise Price (Rs.)
Employees Stock Option Plan 2008				
Outstanding at the beginning of the year	160,178	339.48	200,357	336.92
Granted during the year	40,000	430.00	-	-
Exercised during the year	43,571	301.80	26,429	323.51
Forfeited during the year	-	-	-	-
Expired during the year	2,250	210.00	13,750	332.91
Outstanding at the end of year	154,357	375.46	160,178	339.48
Exercisable at year end	105,857	350.47	147,428	331.65
Vested during the year	4,250	430.00	18,750	259.87
Weighted average grant date fair value per option for option granted during the year at less than fair value	-	-	-	-

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2017	March 31, 2016
Dividend yield (%)	-	-
Expected volatility (%)*	0.00%	0.00%
Risk-free interest rate (%)	7.69%	8.00%
Weighted average share price (in ₹)	496.29	495.00
Exercise price (in ₹)	210-430	210-430

*Expected volatility has been determined using historical fluctuation in share issue prices of the Company. Since, the Company got listed on March 31, 2017 no fluctuations in price of share of the Company is available on March 31, 2017 and March 31, 2016.

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	Contractual life of options (in years)
Directors of the Company (and its subsidiaries)	2,400	3 years' service from the grant date	0.08
Employees	154,357	3 years' service from the grant date	2.20

35. Payment to auditors (excluding service tax)

Particulars	March 31, 2017	March 31, 2016
	Amount in Rs.	Amount in Rs.
Statutory audit	2,750,000	2,750,000
Other matters [including fee for Initial Public Offerings ('IPO')]*	7,250,000	9,150,000

Out of pocket expenses	227,167	72,500
Total	10,227,167	11,972,500

* Till Financial Year 2015-16, the expenses related to IPO were recorded under loans and advances considering the IPO proceeding were not completed.

36. Segment reporting

Primary segment

The Company has identified two reportable business segments as primary segments: Education and training programme (including sale of study material) and Vocational training. The segment have been identified and reported taking into account the nature of products, the differing risks and returns, the organisation structure and the internal financial reporting systems.

Education and training programme (including sale of study material) mainly include coaching for higher education entrances.

Vocational training includes specific projects undertaken (including government projects).

Financial information about the primary segments is given below:

For the year ended March 31, 2017

Particulars	Education and training programme (including sale of study material)	Vocational Training	Total
Revenue			
External revenue	1,454,566,967	23,792,774	1,478,359,741
Total revenue	1,454,566,967	23,792,774	1,478,359,741
Results			
Segment results	274,615,550	(65,354,847)	209,260,703
Unallocated expenses			134,116,158
Operating profit			75,144,545
Finance costs			(52,507,738)
Other income including finance income	21,880,255	1,643,410	23,523,665
Unallocated other income			61,418,084
Profit before tax			107,578,556
Income taxes			(35,139,206)
Net profit			72,439,350
As at March 31, 2017			
Segment assets	683,460,719	548,169,826	1,231,630,545
Unallocable assets			4,693,222,515
Total assets			5,924,853,060
Segment liabilities	352,666,352	239,423,234	592,089,586
Unallocable liabilities			1,713,477,385
Total liabilities			2,305,566,971
Other information			
Capital expenditure-allocable	50,741,501	-	50,741,501
Capital expenditure-unallocable	-	-	4,618,124
Depreciation and amortisation- allocable	34,105,908	5,539,165	39,645,073
Depreciation and amortisation-unallocable	-	-	8,240,917
Other significant non-cash expenses (net)-allocable	61,038,729	2,197,946	63,236,675
Other significant non-cash expenses (net)-unallocable	-	-	1,199,713

Secondary segment

The Company has identified Geographical Segment as Secondary Segment.

Financial information about the geographic segment is given below:



Particulars	Within India	Overseas	Total
Segment revenue	1,428,610,077	49,749,664	1,478,359,741
Segment assets	5,907,080,935	17,772,125	5,924,853,060
Segment liabilities	2,273,896,774	31,670,197	2,305,566,971
Capital expenditures	55,359,625	-	55,359,625

For the year ended March 31, 2016

Particulars	Education and training programme (including sale of study material)	Vocational Training	Total
Revenue			
External revenue	1,282,582,851	360,956,697	1,643,539,548
Total revenue	1,282,582,851	360,956,697	1,643,539,548
Results			
Segment results	181,543,465	(46,830,011)	134,713,454
Unallocated expenses			104,281,609
Operating profit			30,431,845
Finance costs			(51,817,104)
Other income including finance income	25,780,838	7,170,018	32,950,856
Unallocated other income			53,023,153
Profit before tax			64,588,750
Income taxes			(20,421,649)
Net profit			44,167,101
As at March 31, 2016			
Segment assets	625,763,817	658,836,083	1,284,599,900
Unallocable assets			2,468,235,391
Total assets			3,752,835,291
Segment liabilities	383,202,831	309,599,334	692,802,165
Unallocable liabilities			498,519,949
Total liabilities			1,191,322,114
Other information			
Capital expenditure-allocable	14,236,486	26,875,000	41,111,486
Capital expenditure-unallocable	-	-	3,832,947
Depreciation and amortisation- allocable	33,692,605	21,081,827	54,774,432
Depreciation and amortisation-unallocable	-	-	7,420,848
Other significant non-cash expenses (net)-allocable	52,282,678	10,043,783	62,326,461
Other significant non-cash expenses (net)-unallocable	-	-	1,393,628

Secondary segment

The Company has identified Geographical Segment as Secondary Segment.

Financial information about the geographic segment is given below:

Particulars	Within India	Overseas	Total
Segment revenue	1,605,184,506	38,355,042	1,643,539,548
Segment assets	3,724,280,864	27,499,026	3,751,779,890
Segment liabilities	1,185,452,855	5,869,259	1,191,322,114
Capital expenditures	44,944,433	-	44,944,433

37. Leases

As lessee

The Company is a lessee under various operating leases for coaching centres across India. The lease terms of these premises range from 1 to 2 years and accordingly are short term leases. Rental expense for operating lease for the year ended March 31, 2017 and March 31, 2016 was ₹ 84,498,343 and ₹ 99,508,154 respectively. Total of future minimum lease payments under non-

cancellable leases are as follows:

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Not later than one year	-	7,263,806
Later than one year but not later than 5 years	-	-
Later than 5 years	-	-
Total	-	7,263,806

As lessor

The Company has given a portion of its premises on cancellable operating lease to various franchisees.

Lease receipts are recognized in the Statement of Profit and Loss during the year amounting ₹ 2,119,900 (Previous year ₹ 1,125,000). There are no non cancellable leases and hence disclosure relating to minimum lease receipts has not been provided.

38. Expenditure in foreign currency

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Travelling and conveyance	619,465	827,013
Bank charges	551,780	105,726
Rent	5,494,231	2,862,260
Salary and wages	12,888,313	2,584,512
Faculty expenses	8,047,667	952,119
Others	55,334,515	29,430,333
Total	82,935,972	36,761,963

39. Earnings in foreign currency

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Test preparation training services	27,584,327	18,035,098
Sale of study material	22,165,337	20,319,944
Total	49,749,664	38,355,042

40. Un-hedged foreign currency exposure

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise as follows:

Receivables in foreign currency

Particulars	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Amount in Rs.	Amount in Rs.	Amount in Original Currency	Amount in Original Currency
- Trade receivables	44,419,674	39,333,602	AED 3,308,134	AED 2,185,256
- Trade payable	6,305,237	2,489,939	AED 357,898	AED 187,740
- Payable for expenses	3,735,192	3,519,197	AED 250,541	AED 138,330
- Short term loans and advances	40,921,704	62,044,452	SGD 17,307	SGD 174,867
			USD 768,589	USD 768,589
			AED 9,764	AED 609,778
- Cash and bank balances	3,090,912	1,254,947	AED 175,446	AED 69,719

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

41. Section 135 of the Companies Act, 2013, which came into effect on April 1, 2014, requires the Company to constitute a Corporate Social Responsibility (CSR) Committee of Directors, adopt a CSR Policy and spend at least 2% of its average net profits made during the immediately preceding three Financial Years towards CSR activities as set out in Schedule VII to the Companies Act, 2013.

Accordingly, the board of directors approved CSR Policy of the Company at its meeting held on February 16, 2015. In accordance with the provisions of Section 135 of the Companies Act, 2013, the Company was required to spend ₹ 2,887,804 (previous year 1,675,633) on prescribed CSR activities. The Company is yet to undertake CSR activities and in accordance with the guidance provided by the Institute of Chartered Accountants of India, no provision has been recorded in the books of account towards such unspent expenditure.



42. Disclosure relating to suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006):

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting year included in		
Principal amount due to micro and small enterprises	6,931,193	-
Interest due on above	-	-
	6,931,193	-
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 appointed day during each accounting year.	-	-
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 year) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting year.	-	-
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.	-	-

43. Related party disclosure

The disclosure as required by the Accounting Standard -18 (Related Party Disclosure) are given below:

(A) List of related parties with whom transactions have taken place:

Nature of relationship	Name of related party
Subsidiary companies (Including subsidiaries of subsidiaries)	i. Career Launcher Education Infrastructure & Services Ltd, India
	ii. CL Media Private Limited, India
	iii. Kestone Asia Educational Hub Pte Ltd, Singapore
	iv. Kestone Integrated Marketing Services Private Limited, India
	v. Career Launcher Infrastructure Private Limited, India
	vii. G K Publications Private limited, India
	viii. Accendere Knowledge Management Services Private Limited, India (From September 7, 2015)
	Enterprises in which key management personnel and their relatives are able to exercise significant influence
	ii. Career Launcher Employee Welfare Society
	iii. Career Launcher Employee Group Gratuity Trust
	iv. Nalanda Foundation
	v. Bilakes Consulting Private Limited
Key Management Personnel	i. Mr. Satya Narayanan R
	ii. Mr. Gautam Puri
	iii. Mr. Nikhil Mahajan

(B) Details of related party transactions are as below:

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
1. Other income		
a. Interest on loans and advances		

- Career Launcher Education Infrastructure and Services Limited	101,341	-
- G K Publications Private Limited	1,585,521	1,954,337
- Career Launcher Infrastructure Private Limited	73,907	-
- CL Media Private Limited	1,954,718	5,538,659
- Nalanda Foundation	5,966,182	4,912,736
-Accendere Knowledge Management Services Private Limited	337,673	-
	10,019,342	12,405,732
b. Infrastructure Fees		
- CL Media Private Limited	6,000,000	6,000,000
- Career Launcher Education Infrastructure & Services Limited	2,100,000	1,380,000
	8,100,000	7,380,000
c. Rent income-others		
- Career Launcher Education Infrastructure and Services Limited	-	180,000
d. Advertising Income		
- CL Media Private Limited	23,006,344	19,672,417
2. Purchase of traded goods		
- CL Media Private Limited	102,099,236	108,963,595
- G.K. Publications Private Limited	3,961,389	14,205,618
	106,060,625	123,169,213
3. Cost of services		
a. Material development and printing expenses		
- CL Media Private Limited	4,860,000	9,478,880
- Kestone Integrated Marketing Services Private Limited	-	398,656
	4,860,000	9,877,536

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
b. Equipment hiring charges		
- Kestone Integrated Marketing Services Private Limited	7,925,744	76,951,184
c. Mobilisation expenses		
- Kestone Integrated Marketing Services Private Limited	-	8,340,277
d. Placement support expenses		
- Kestone Integrated Marketing Services Private Limited	-	4,401,640
4. Other expenses		
a. Marketing expenses		
- Kestone Integrated Marketing Services Private Limited	2,416,445	1,267,361
b. Legal and professional charges		
- Kestone Integrated Marketing Services Private Limited	1,285,510	87,773
c. Recruitment, training and development expenses		
- Kestone Integrated Marketing Services Private Limited	-	203,724
5. Employee benefit expenses		
a. Managerial remuneration*		
- Mr. Gautam Puri	6,983,268	6,814,356
- Mr. Satya Narayanan R.	6,983,268	6,814,356
- Mr. Nikhil Mahajan	6,927,528	6,786,120
	20,894,064	20,414,832
*Does not include provision for incremental gratuity and leave encashment liabilities, since the provisions are based on actuarial valuation for the Company as a whole.		
6.Reimbursement of expense from related parties		
- Career Launcher Education Infrastructure and Services Limited	6,340,864	5,153,421
- Kestone Integrated Marketing Services Private Limited	11,817,896	9,840,871



- Nalanda Foundation	-	-
- CL Media Private Limited	12,472,056	11,076,638
- G K Publications Private Limited	464,430	160,000
-Accendere Knowledge Management Services Private Limited	3,273,382	-
	34,368,628	26,230,930
7.Reimbursement of expense to related parties		
- Career Launcher Infrastructure Private Limited	676,183	695,720
	676,183	695,720
8.Amount paid by related party for purchase of fixed assets		
- Kestone Integrated Marketing Services Private Limited	-	170,540
	-	170,540
9.Advance given for services		
- Bilakes Consulting Private Limited	-	9,550,000
10. Loans given to related party		
- Career Launcher Education Infrastructure and Services Limited	6,200,000	
- Career Launcher Education Foundation	110,240	10,000
- CL Media Private Limited	7,500,000	31,836,238
- Nalanda Foundation	13,667,989	17,267,406
- Career Launcher Infrastructure Private Limited	186,040,723	
-Accendere Knowledge Management Services Pvt. Ltd.	8,700,000	
	222,218,952	49,113,644

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
11. Conversion of interest into loan		
- Career Launcher Education Infrastructure and Services Limited	91,207	-
- G K Publications Private Limited	1,420,426	1,758,903
- Nalanda Foundation	5,369,564	4,421,463
- CL Media Private Limited	1,759,247	4,984,793
- Career Launcher Infrastructure Private Limited	66,516	-
-Accendere Knowledge Management Services Pvt. Ltd.	303,904	-
	9,010,864	11,165,159
12. Repayment of loan given		
- G K Publications Private Limited	-	5,100,000
- CL Media Private Limited	6,117,600	56,481,297
- Nalanda Foundation	45,000,000	
- Kestone Asia Educational Hub Pte. Ltd.	7,869,346	-
	58,986,946	61,581,297
13. Purchase of assets from related party		
CL Media Private Limited		
-Content purchased	7,200,000	4,030,000
Accendere Knowledge Management Services Private Limited		
- Intellectual property rights	2,544,444	-
	9,744,444	4,030,000
14. Purchase of additional shares in subsidiary company from		
- Bilakes Consulting Private Limited	-	56,074,393
	-	56,074,393
15. Liability transferred from		
- Career Launcher Education Infrastructure and Services Limited	-	102,248
- Nalanda Foundation	-	382,382
	-	484,630
16. Liability transferred to		
- Career Launcher Education Infrastructure and Services Limited	-	7,615

17. Shares issued during the year		
- Bilakes Consulting Private Limited	-	47,066,660
18. Investment written off		
- CL Higher Education Services Private Limited	-	65,760
(C) Balance outstanding with or from related parties as at:		

(C) Balance outstanding with or from related parties as at:

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
1. Trade receivable		
- CL Media Private Limited	-	6,921,218
2. Short-term loans and advances		
a. Loans advanced to related parties		
- Kestone Asia Educational Hub Pte. Ltd.	833,500	8,570,231
- Career Launcher Education Foundation	53,012,811	52,902,571
- Nalanda Foundation	20,490,273	46,452,720
- CL Media Private Limited	13,963,207	10,821,561
- GK Publications Private Limited	12,355,058	10,934,632
- Career Launcher Education Infrastructure and Services Limited	6,291,207	-
- Career Launcher Infrastructure Private Limited	186,107,239	-
- Accendere Knowledge Management Services Pvt. Ltd.	9,003,903	-
	302,057,198	129,681,715
*including restatement of foreign exchange		
b. Receivables on account of transfer of fixed assets		
- Career Launcher Infrastructure Private Limited	317,378	1,393,621
	317,378	1,393,621
c. Other dues from related parties:		
- Career Launcher Education Infrastructure and Services Limited	9,071,742	7,124,754
- GK Publications Private Limited	862,951	398,521
- Kestone Integrated Marketing Services Private Limited	3,818,835	10,684,914
- CL Media Private Limited	21,320,335	38,456,173
- Nalanda Foundation	1,080,023	1,080,023
- Bilakes Consulting Private Limited	9,550,000	9,550,000
- Accendere Knowledge Management Services Private Limited	3,383,384	-
	49,087,270	67,294,385
c. Provision for doubtful loans and advances		
- Kestone Asia Educational Hub Pte. Ltd.	833,500	1,404,371
4. Other current assets		
a. ESOP expenses to be recovered from subsidiary		
- Career Launcher Education Infrastructure and Services Limited	11,001,203	18,742,409
5. Trade payable		
- CL Media Private Limited	178,534,391	161,533,873
- GK Publications Private Limited	11,780,410	27,741,831
- Kestone Integrated Marketing Services Private Limited	138,770,188	142,195,137
	329,084,989	331,470,841
6. Other current liabilities		
a. Payable for expenses		
- Kestone Integrated Marketing Services Private Limited	4,795,989	392,556
- Career Launcher Infrastructure Private Limited	887,530	214,547
	5,683,519	607,103
Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
b. Payable for Fixed assets		
- Kestone Integrated Marketing Services Private Limited	170,540	1,181,531
c. Payable for Investments		



- Bilakes Consulting Private Limited	1,507,733	1,507,733
d. Employee related payables		
- Mr. Gautam Puri	3,334,768	3,099,116
- Mr. Satya Narayanan R	3,334,768	3,209,481
- Mr. Nikhil Mahajan	2,929,294	3,245,109
	9,598,830	9,553,706
8. Guarantees given on behalf of (Refer note 31):		
Kestone Integrated Marketing Services Private Limited (Guarantee for loan taken by the related party)	115,000,000	95,000,000
Career Launcher Infrastructure Private Limited (Guarantee for loan taken by the related party)	-	280,000,000
- Career Launcher Education Infrastructure and Services Limited (Guarantee for loan taken by the related party)	61,500,000	11,500,000
Total	176,500,000	386,500,000
9. Guarantees given to Company:		
Bilakes Consulting Private Limited (Guarantee against loans given to Career Launcher Education Foundation)	45,758,320	45,758,320
Total	45,758,320	45,758,320

44. In the Financial Year 2009-10, the Company had given a franchisee to Ms Monica Oli in the name of Comprehensive Education and IT Training Institute to provide test preparation services in Dubai (UAE). In the Financial Year 2012-13, the Company had terminated the franchise agreement on account of non-recovery of fees collected by the franchisee from students. At the time of the cancellation of agreement the total amount of receivables from and payable to Ms Monica Oli in the name of Comprehensive Education and IT Training Institute were AED 1,019,842 (₹ 15,088,052) and AED 261,318 (₹ 3,866,069) respectively. The details of the amount recoverable are as follows:

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

In the Financial Year 2012-13, the Company had adjusted/squared off traded receivables of AED 261,318 (₹ 3,866,069) against the amounts payable to AED 261,318 (₹ 3,866,069) on account of its share in the books of account.

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

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

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

During the Financial Year 2014-15, on March 16, 2015 the Hon'ble Arbitrator has passed an award amounting AED 2,063,267 (equivalent to ₹ 35,137,437) in favour of the Company.

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

Subsequent to Financial Year 2016-17, the Company has obtained necessary documents from Delhi High Court and were submitted to Ministry of Law on April 13, 2017. The Company understand that these documents have been sent to UAE through Indian Embassy for depositing in Dubai Courts for execution. On receipt of submission detail the Company will follow up the case in Dubai court.

45. The Company has filed legal cases against certain debtors for recovery of outstanding receivables amounting ₹ 13,634,645 (previous year ₹ 13,930,740). 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 ₹ 74,093,424 (previous year

₹ 51,460,794). 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 & professional charges in respect of all such cases.

46. (a). During the previous year, the management became aware of inappropriate actions of the finance manager of the Company involving unauthorized payment of personal utility bills like electricity, water, telephone etc. Consequently, the management appointed a consultant to investigate the matter and since the finance manager was one of the joint signatories for payment from banks, the scope of investigation was extended to include review of transactions and bank payments for last 4 years. During the investigation it was found that finance manager had been paying his personal utility bills from the Company's bank account for the last 3 years by including his personal bills during the batch processing of payments of Company's genuine utility bills. During the investigation, it was also found that large amounts of cash were transferred to various bank accounts which were in the name of the finance manager and his family members. The matter was discussed with the finance manager and he failed to provide any proper justification. From a detailed scrutiny of the bank statements and RTGS/NEFT details it was found that a total of ₹ 4,700,000 was transferred in various bank accounts operated by the finance manager and/ or his family members and the total misappropriation was to the tune of ₹ 4,764,402. The modus operandi was to affect these payments during batch processing of payments through RTGS/NEFT and adjusting these against the following:
- ◆ Unclaimed credits lying in the Company's vendor accounts;
 - ◆ Putting fake invoices in the vendors, customers, employees, franchisees accounts;
 - ◆ Showing as funds transfer to other Bank accounts and later reversed and put it in other ledgers;

Out of the total amount misappropriated by the finance manager either through fraudulent transfer to personal bank accounts or through payment of his personal bills aggregate ₹ 4,764,402 a sum of ₹ 4,700,000 is recovered by the Company, from the finance manager and his services have been terminated with immediate effect.

- 46 (b). During the previous year, while following up for outstanding fees payable by the students at one of the centre operated by the Company, the Company had become aware that the center manager in collusion with 3 other employees had been misappropriating funds by either issuing temporary receipts to the students, entering lesser or no amount in the ERP against the fees collected from students. Upon a detailed investigation, it was found that such employees had misappropriated funds aggregating ₹ 1,487,651. All such employees were issued show cause notices and were terminated after due processes. The Company had been able to recover ₹ 900,000 from such employees. The management of the Company had initiated the process of further strengthening the controls and put such checks in place as necessary to prevent such instances of fraud in the future.
47. (a) During the year ended March 31, 2017 pursuant to initial public offering (IPO), 2,180,119 equity shares of ₹ 10 each were allotted to public at a premium of ₹ 492 per share along with offer for sale of 2,579,881 equity shares by the selling shareholders. The proceeds of the IPO was in Escrow account as at March 31, 2017. The details of which are as under:

Particulars	No. of Shares	Price per share	Amount (Rs.)
Gross proceeds from IPO - Fresh issue	2,180,119	502	1,094,419,738
Gross proceeds from IPO - Offer for sale	2,579,881	502	1,295,100,262
Total share issue expenses			172,731,681
Net Proceeds from IPO			2,216,788,319

The designated utilisation of proceeds from the IPO net of share issue expenses are as below:

Objects	Amount (Rs.)	Utilised Till March 31, 2017	Remarks
Repayment of loan taken by Career Launcher Infrastructure Private Limited (step down subsidiary) from HDFC Bank Limited	186,040,723	186,040,723	
Meeting the working capital requirements of CL Educate and its subsidiaries namely Kestone Integrated Marketing Services Private Limited and GK Publications Private Limited	525,000,000	-	The Company expects to utilize bulk of the remaining funds in Financial Year 2017-18. Pending utilization the amounts have been parked into the current account of the Company and would be deployed in Bank FDs till full amounts are utilized.
Funding Acquisitions and other strategic Initiatives	200,000,000	-	
General Corporate purposes	108,571,671	-	

- (b) The Board and shareholders of the Company had passed the resolution for IPO on August 11, 2014. Pursuant to such resolution, the Company appointed Lawyers and Bankers and submitted a Draft Red Herring Prospectus (DRHP) with Securities & Exchange Board of India (SEBI) on September 29, 2014. However, due to various strategic reasons, the Company



had to withdraw the DRHP in April 2015. The Company thereafter resubmitted DRHP with SEBI, after certain restructuring, on March 16, 2016 and completed the IPO with listing on the stock exchanges by March 31, 2017.

In the course of submitting the DRHP and going for IPO, the Company incurred expenses aggregating ₹ 33,480,134 (net of service tax) towards audit and financial restatement engagement, legal counsel fees, merchant banker fees and other incidental expenses in relation to submission of DRHP on September 29, 2014. The Company also paid filing fee to SEBI and the stock exchanges.

In course of resubmission of DRHP on March 16, 2016, the Company incurred further expenses, aggregating ₹ 172,731,681 (net of service tax) towards merchant banker fees, legal counsel fees, brokerage and selling commission, auditors fees, registrar to the issue, printing and stationary expenses, advertising and marketing expenses, fees to SEBI and stock exchanges and other incidental expenses related to IPO, and accordingly summed up the total cost of entire process to ₹ 206,211,815. However, the Bankers decided to include only ₹ 172,731,681 towards cost of the IPO and same was included in the prospectus filed by the Company with the ROC. Amount of ₹ 97,924,337 have been recovered from the selling shareholders and is held in Escrow Account as at March 31, 2017 and the balance ₹ 108,287,478 (₹ 74,807,344 agreed by the banker ₹ 33,480,134 incurred initially) and have been adjusted against the Securities Premium in accordance with Section 52 of the Act.

48. Disclosure of transactions in Specified Bank Notes (SBNs) are as below:

Particulars	SBNs	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	10,002,400	2,148,061	12,150,461
Permitted receipts	-	17,519,051	17,519,051
Permitted payments	-	-	-
Deposit in banks	10,002,400	10,154,623	20,157,023
Closing cash in hand as on December 30, 2016	-	9,512,489	9,512,489

49. The Company has reclassified/regrouped previous year figures where necessary to conform to the current year's classification.

Summary of significant accounting policies

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.:103523W/W100048

sd/-

Raj Kumar Agarwal

Partner

Membership No.:074715

Place: New Delhi

Date : May 29, 2017

For and on behalf of the Board of Directors of

CL Educate Limited

sd/-

Gautam Puri

Vice Chairman & MD

DIN: 00033548

Place: New Delhi

Date : May 29, 2017

sd/-

Nikhil Mahajan

Director & CFO

DIN: 00033404

sd/-

Rachna Sharma

Company Secretary

ICSI M. No.: A17780

Consolidated Financial Statements

Independent Auditor's Report

To the Members of CL Educate Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of CL Educate Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at March 31, 2017, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Financial Statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated Financial Statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Consolidated Financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the Consolidated Financial Statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the Consolidated Financial Statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their report referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of other auditors on separate financial statements, the aforesaid Consolidated Financial Statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at March 31, 2017, their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

We did not audit the financial statements of two (2) subsidiaries whose financial statements reflects total assets of ₹ 27,564,568 and net assets of ₹ (8,403,405) as at March 31, 2017, total revenues of ₹ 34,245,099 and net cash outflows amounting to ₹ 758,822 for the year ended on that date, as considered in the Consolidated Financial Statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the Consolidated Financial Statements, in



so far as it relates to the amounts and disclosures included in respect of these subsidiaries and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiaries is based solely on the reports of the other auditors.

One of these subsidiaries is located outside India whose financial statements have been prepared in accordance with accounting principles generally accepted in their respective countries and which have been audited by other auditors under generally accepted auditing standards applicable in their respective countries. The Company's management has converted the financial statements of such subsidiary from accounting principles generally accepted in their respective countries to accounting principles generally accepted in India. We have audited these conversion adjustments made by the Company's management. Our opinion in so far as it relates to the balances and affairs of such subsidiary is based on the report of other auditors and the conversion adjustments prepared by the management of the Company and audited by us.

Our opinion on the Consolidated Financial Statements and our report on the Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Financial Statements;
- b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Financial Statements have been kept by the Company so far as it appears from our examination of those books and the reports of the other auditors;
- c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Financial Statements;
- d. In our opinion, the aforesaid Consolidated Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014;
- e. On the basis of written representations received from the directors of the Holding Company as on March 31, 2017 taken on record by the Board of Directors of the Holding

Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies in India is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act;

- f. With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, we give our separate Report in the "Annexure".
- j. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Consolidated Financial Statements disclose the impact of pending litigations on the consolidated financial position of the Group, Refer Note 31 to the Consolidated Financial Statements in respect of contingent liability and note 46 in respect of other pending litigation;
 - (ii) The Group did not have any long term contracts including derivative contracts. Hence, the question of any material foreseeable losses does not arise;
 - (iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.
 - (iv) The Holding Company and its subsidiary companies incorporated in India have provided the requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of account maintained by the Holding Company and its subsidiary companies far as it appears from our examination of those books and the reports of the other auditors; (Refer note 51 to the consolidated financial statements)

As per our report of even date.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.:103523W/W100048

sd/-

Raj Kumar Agarwal

Partner

Membership No.:074715

Place: New Delhi

Date : May 29, 2017

ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of CL Educate Limited on the consolidated financial statements for the year ended March 31, 2017]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2017, we have audited the internal financial controls over financial reporting of the Group which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the of the Group which are companies incorporated in India are 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 issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial

reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial



controls over financial reporting, 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 over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified Opinion

(I) According to the information and explanations given to us and based on our audit, the following material weaknesses have been identified on the adequacy (and therefore operating effectiveness) of the Group's Internal Financial Controls Over Financial Reporting as at March 31, 2017:

- (a) In case of one of the subsidiary Kestone Integrated Marketing Services Private Limited, comprehensive procurement policies for purchase of goods and services have not been documented, which could potentially result in the aforesaid company procuring unnecessary goods and services, or procuring goods of lower quality, or procure goods and services at higher prices.
- (b) In case of one of the subsidiary, Kestone Integrated Marketing Services Private Limited, it has not maintained adequate documentation for 'partially completed events' in the Event Management Services at any given point of time. This could potentially result in incorrect recording of provisional revenue and corresponding provisional expenses in respect of such incomplete services as at the reporting date.
- (c) In case of one of the subsidiary, Career Launcher Education Infrastructure and Services Limited, comprehensive policy for periodical review and reconciliation of students and fee income recorded in the books of account has not been documented. This could potentially result in incorrect recording of revenue.

(II) According to the information and explanations given to us and based on our audit, the following material weakness has been identified in the operating effectiveness of the Group's internal financial controls over financial reporting as at March 31, 2017:

- (a) In case of one of the Company and one of the subsidiary, CL Media Private Limited, the procurement policy implemented for purchase of goods and services was not operating effectively, which could potentially result in the Company procuring unnecessary goods

and services, or procuring goods of lower quality, or procure goods and services at higher prices.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the Group's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weaknesses described above on the achievement of the objectives of the control criteria, the Group has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2017, based on the internal control over financial reporting criteria established by the Group considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

We have considered the material weaknesses identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2017 consolidated financial statements of the Group, and these material weaknesses do not affect our opinion on the consolidated financial statements of the Group.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to one (1) subsidiary company which is the company incorporated in India, is based on the corresponding reports of the auditors of such companies incorporated in India.

As per our report of even date.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.:103523W/W100048

sd/-

Raj Kumar Agarwal

Partner

Membership No.:074715

Place: New Delhi

Date : May 29, 2017

Consolidated Balance Sheet as at March 31, 2017

		March 31, 2017	March 31, 2016
		Amount in Rs.	Amount in Rs.
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	141,632,780	119,395,880
Reserves and surplus	4	3,439,072,608	2,286,409,716
		3,580,705,388	2,405,805,596
Non-current liabilities			
Long-term borrowings	5	79,601,772	254,900,333
Deferred tax liabilities (net)	6	21,507,048	14,547,172
Other long-term liabilities	7	3,771,218	3,023,500
Long-term provisions			
	8	37,547,368	34,902,915
		142,427,406	307,373,920
Current liabilities			
Short-term borrowings	9	434,245,616	376,204,632
Trade payables	10		
(i) total outstanding dues of micro enterprises and small enterprises		-	-
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		267,085,366	246,843,384
Other current liabilities	11	1,745,404,531	507,262,975
Short-term provisions			
	8	22,094,799	22,464,709
		2,468,830,312	1,152,775,700
Total		6,191,963,106	3,865,955,216
ASSETS			
Non-current assets			
Fixed assets			
- Tangible assets	12	829,227,197	764,134,068
- Intangible assets	13	124,196,424	105,337,112
- Capital work-in-progress	44	6,312,785	6,312,785
Goodwill on consolidation	43	331,093,118	331,093,118
Non-current investments	14	16,584,609	16,791,487
Deferred tax assets (net)	6	10,731,153	8,276,153
Long-term loans and advances	15	193,775,631	219,704,564
Other non-current assets	16	127,722,110	112,030,033
		1,639,643,027	1,563,679,320
Current assets			
Inventories	17	81,699,117	65,341,698
Trade receivables	18	1,390,978,729	1,179,960,546
Cash and cash equivalents	19	2,225,178,933	158,685,837
Short-term loans and advances	15	720,509,850	739,407,931
Other current assets	20	133,953,450	158,879,884
		4,552,320,079	2,302,275,896
		6,191,963,106	3,865,955,216

Summary of significant accounting policies

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.:103523W/W100048

sd/-

Raj Kumar Agarwal

Partner

Membership No.:074715

Place: New Delhi

Date : May 29, 2017

For and on behalf of the Board of Directors of

CL Educate Limited

sd/-

Gautam Puri

Vice Chairman & MD

DIN: 00033548

Place: New Delhi

Date : May 29, 2017

sd/-

Nikhil Mahajan

Director & CFO

DIN: 00033404

sd/-

Rachna Sharma

Company Secretary

ICSI M. No.: A17780



Consolidated Statement of Profit and Loss for the year

Particulars	Notes	March 31, 2017	March 31, 2016
		Amount in ₹	Amount in ₹
Income			
Revenue from operations	21	2,698,679,485	2,738,867,531
Other income	22	91,874,476	84,031,285
Total revenue (I)		2,790,553,961	2,822,898,816
Expenses			
Cost of raw material and components consumed	23A	86,930,544	64,959,689
Cost of services	23B	1,326,530,237	1,179,870,446
Purchases of traded goods	24	15,830,957	34,371,451
Decrease in inventories of finished goods, work-in-progress and traded goods	25	(20,769,685)	18,437,394
Employee benefit expenses	26	505,941,427	610,953,894
Finance costs	27	78,808,419	71,128,078
Depreciation and amortisation expense	28	64,182,740	79,614,711
Other expenses	29	487,257,369	516,259,763
Total expenses (II)		2,544,712,008	2,575,595,426
Profit from continuing operations before tax and minority interest (I - II)		245,841,953	247,303,390
Income tax expense:			
For current year:			
-Current tax		74,613,097	79,189,690
-Minimum alternate tax ('MAT') credit		-	(15,491,034)
-Deferred tax charge/(benefit)		4,749,789	(8,859,398)
For earlier years:			
-Tax adjustment/expenses		313,532	2,361,424
-Deferred tax (benefit)			
Total tax expenses		79,676,418	57,200,682
Profit from continuing operations after tax before minority interest		166,165,535	190,102,708
Share of minority in profit/(loss) for the year		-	-
Profit after tax		166,165,535	190,102,708
Discontinued operations			
Profit from discontinued operations before tax		39,366,882	42,419,463
Tax expense of discontinued operations			
-Current tax		16,210,839	17,908,255
-Deferred tax (benefit)		(244,912)	-
Tax expense of discontinued operations			
Profit from discontinued operations		23,400,955	24,511,208
Profit for the year		189,566,490	214,613,916
Earnings per equity share (Nominal value ₹ 10 per share)	30		
- Basic earnings per share from continuing operations		13.89	16.11
- Diluted earnings per share from continuing operations		13.87	16.01
- Basic earnings per share		15.84	18.18
- Diluted earnings per share		15.82	18.08

Summary of significant accounting policies

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.:103523W/W100048

sd/-

Raj Kumar Agarwal

Partner

Membership No.:074715

Place: New Delhi

Date : May 29, 2017

For and on behalf of the Board of Directors of

CL Educate Limited

sd/-

Gautam Puri

Vice Chairman & MD

DIN: 00033548

Place: New Delhi

Date : May 29, 2017

sd/-

Nikhil Mahajan

Director & CFO

DIN: 00033404

sd/-

Rachna Sharma

Company Secretary

ICSI M. No.: A17780

Consolidated Cash Flow Statement for the year ended March 31, 2017

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
A. Cash flow from operating activities		
Net profit before tax and minority interest and after prior period items	285,208,835	289,722,853
Adjustments for:		
Depreciation and amortisation	73,411,505	90,006,200
Depreciation and amortisation on investment property	206,878	207,445
Interest expense	100,951,997	92,422,696
Loan processing charges	4,345,882	4,322,085
Interest income	(76,353,993)	(71,543,940)
Fixed assets written off	906,979	-
Loss on sale of fixed assets (net)	685,213	5,274,525
Transfer to employee stock option outstanding	(13,948,808)	(10,124,864)
Advances and deposits written off	10,072,608	3,506,800
Bad debts written off	54,453,548	70,306,583
Rent on investment properties	(2,119,900)	(1,125,000)
Bad debts recovered	(4,695,663)	(2,528,428)
Liability no longer required written back	(24,623,252)	(17,725,254)
Provision for doubtful advances	5,373,706	1,685,332
Provision no longer required written back	(9,529,865)	(21,860)
Provision for slow moving inventory	1,832,424	1,931,225
Unrealised foreign exchange loss	2,844,772	141,924
Operating profit before working capital changes	409,022,866	456,458,322
Adjustments for (increase)/decrease in operating assets		
Trade receivables	(262,797,847)	(390,602,336)
Other non current assets	-	2,456,525
Other current assets	(83,721,811)	11,451,818
Long term loans and advances	(5,517,027)	(6,742,244)
Short term loans and advances	43,553,363	(54,105,212)
Inventories	(18,189,843)	20,874,904
Adjustments for increase/(decrease) in operating liabilities		
Other current liabilities	1,252,344,305	43,196,752
Non current liabilities	747,718	433,500
Long term provisions	2,644,453	5,835,569
Short term provisions	(303,340)	(824,911)
Trade payables	20,484,700	46,113,147
Cash generated from operations	1,358,267,537	134,545,834
Taxes paid (net of refund including interest on refund)	(70,523,336)	(85,651,369)
Net cash generated from operating activities	1,287,744,201	48,894,465
B. Cash flow from investing activities:		
Purchase of fixed assets (including capital advances and fixed assets related payable)	(28,829,873)	(76,716,641)
Proceeds from sale of fixed assets	1,196,442	4,665,525
Purchase of investment in subsidiaries	-	(164,206,360)
Inter-corporate deposits (net)	-	-
Realisation from fixed deposits (net)	(7,639,585)	57,798,751
Loan given	(71,389,967)	(123,779,535)
Proceeds from realisation of loan given	29,962,272	64,079,150
Rental income	2,119,900	1,125,000
Interest received	90,555,401	67,114,556



Net cash used in Investing activities	15,974,590	(169,919,554)
C. Cash Flow from financing activities:		
Proceeds from issue of equity shares of subsidiary company (net of minority adjustments)	(15,000,000)	(568,175)
Proceeds from issue of equity shares of holding company	22,236,900	2,944,330
Security premium	1,085,332,688	163,032,580
Share application money received (utilised) (net)	-	-
Proceeds from long-term borrowings (including current maturities)	25,031,462	77,314,924
Repayment of long-term borrowings	(191,371,520)	(69,530,576)
Proceeds from short-term borrowings (net)	58,040,984	66,776,553
Loan processing fee paid	(4,345,882)	(4,322,085)
Dividend adjusted	6,953	-
Share issue expenses	(108,287,478)	(165,817)
Interest paid (include interest capitalised)	(100,917,595)	(91,865,406)
Net cash flow from financing activities	770,726,512	143,616,328
Net increase in cash and cash equivalents	2,074,445,304	22,591,239
Unrealised foreign exchange loss on cash and cash equivalents	106,981	15,338
Cash and cash equivalents at beginning of the year	91,947,964	69,341,387
Adjustment on account of acquisition of subsidiary		-
Cash and cash equivalents at end of the year	2,166,500,249	91,947,964
Cash and cash equivalents comprise		
Balances with banks:		
– on current accounts	2,156,906,548	84,271,547
– Deposits with original maturity of less than three months	-	-
Cheques/ drafts on hand	3,242,683	4,095,211
Cash on hand	6,351,275	3,581,207
	2,166,500,506	91,947,965
Add:		
– Deposits with original maturity for more than 3 months but less than 12 months from the reporting date	57,109,389	65,377,897
- on unpaid dividend account	19,402	26,355
Current restricted cash (Margin money deposit and under lien deposits)	1,549,636	1,333,620
Total cash and bank balances at end of the year	2,225,178,933	158,685,837

Notes :

- The above Cash Flow Statement has been prepared under the indirect method set out in AS-3 "Cash Flow Statements" as specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- Notes to the financial statements are integral part of the Consolidated Cash Flow Statement.
- Pursuant to the requirements of Section 135 of the Act, the Group has incurred ₹ Nil on CSR activities during the year.
This is the Consolidated Cash Flow Statement referred to in our report of even date attached.

As per our report of even date.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.:103523W/W100048

sd/-

Raj Kumar Agarwal

Partner

Membership No.:074715

Place: New Delhi

Date : May 29, 2017

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

sd/-

Gautam Puri

Vice Chairman & MD

DIN: 00033548

sd/-

Nikhil Mahajan

Director & CFO

DIN: 00033404

sd/-

Rachna Sharma

Company Secretary

ICSI M. No.: A17780

Place: New Delhi

Date : May 29, 2017

Notes to the Consolidated Financial Statements for the year ended March 31, 2017

1. Background

CL Educate Limited ('the Company') was incorporated in India on April 25, 1996 to conduct various educational and consulting programmes. The Company is providing in education and training programme which include coaching for higher education entrance examinations.

The Company's shares have been listed with Bombay Stock Exchange Limited (BSE) and National Stock Exchange of India Limited (NSE) consequent to a public offer of shares during the year by the Company along with the offer for sale by promoters and investor shareholders.

The Group has entered into the business of/or related to education infrastructure services, event management, manpower resourcing and publication of books through formation/acquisition of various subsidiaries.

The accompanying Consolidated Financial Statements reflect results of activities undertaken by the Company and its subsidiaries (collectively referred to as 'the Group') during the period April 1, 2016 to March 31, 2017.

2. Significant accounting policies

a. Basis of preparation of Consolidated Financial Statements

The Consolidated Financial Statements have been prepared to comply with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 ("the Act"), read with Rule 7 of the Companies (Accounts) Rules, 2014. The Consolidated Financial Statements have been prepared on a going concern basis under the historical cost convention on accrual basis. The accounting policies have been consistently applied by the Group and are consistent with those used in the previous year.

b. Principles of consolidation

The Consolidated Financial Statements include the financial statements of the Company and its subsidiaries.

The Consolidated Financial Statements have been prepared in accordance with Accounting Standard

(AS-21) on "Consolidated Financial Statements" specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The Consolidated Financial Statements are prepared on the following basis:

- i. Consolidated Financial Statements include Consolidated Balance Sheet, Consolidated Statement of Profit and Loss, Consolidated Cash Flow Statement and notes to Consolidated Financial Statements, other statements and explanatory material that form an integral part thereof. The Consolidated Financial Statements are presented, to the extent possible, in the same format as adapted by the Company for its standalone financial statements.
- ii. The Consolidated Financial Statements have been combined on a line by line basis by adding the book values of like items of assets, liabilities, income and expenses after eliminating intra-group balances/ transactions and resulting unrealised profits in full. The amounts shown in respect of reserves comprise the amount of the relevant reserves as per the Balance Sheet of the Company and its share in the post-acquisition increase/ (decrease) in the relevant reserves of the entity to be consolidated. This procedure has been performed using the audited Standalone Financial Statements of CL Educate Limited and its subsidiaries.
- iii. As per Accounting Standard 21 on Consolidated Financial Statements, notes involving items which are material need to be disclosed. Materiality for this purpose is assessed in relation to the information contained in the Consolidated Financial Statements.
- iv. The Consolidated Financial Statements have been drawn to keep all the information as contained in the Audited Financial Statements of the Company for the year ended March 31, 2017 on standalone basis.

c. Basis for Consolidation

The Consolidated Financial Statements include the financial statements of CL Educate limited and its subsidiaries (collectively known as "the Group").



Subsidiaries	Effective shareholding	
	March 31, 2017	March 31, 2016
Kestone Integrated Marketing Services Private Limited (Kestone) (India)	100.00%	100.00%
Kestone Asia Hub Pte Ltd (Singapore)	99.99%	99.99%
G. K. Publications Private Limited (GKP) (India)	100.00%	100.00%
CL Media Private Limited (CLM) (India)	100.00%	100.00%
Career Launcher Education Infrastructure and Services Limited (India) (CLEIS)	100.00%	100.00%
Career Launcher Infrastructure Private Limited (CLIP) (India)	100.00%	100.00%
Accendere Knowledge Management Services Private Limited (AKMS) (India) (Refer footnote i)	51.00%	51.00%

- i. During the previous year, the Company had acquired 51% shares of AKMS held by its promoters.

Entities acquired/ sold during the period have been consolidated from/upto the respective date of their acquisition/ disposal and there are no subsidiaries, joint ventures and associates which have not been consolidated in the financial statements.

d. Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingent liabilities at the reported date and the reported amounts of revenues and expenses during the reporting period. Although these estimates are based on the managements' best knowledge of current events and actions, actual results could differ from these estimates. Any revision in accounting estimate is recognised prospectively in current and future periods.

e. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefit will flow to the Group and revenue can be reliably measured.

Educational and training business of the Group

includes revenue from services and sales of text books.

- Revenue from services

Revenue in respect of educational and training fees received from students is recognised on time basis over the period of the course. Fee is recorded at invoice value, net of discounts, if any.

Revenue in respect of vocational training is recognised over the period of the training period after taking into account the uncertainty involved in conditions to be fulfilled under the terms of the contract.

- Revenue from sale of text books

Sale of text books for full course is recognised at the time of receipt of first payment on account of test preparation services provided by the Group.

Advertisement income

Revenue is recognised on accrual basis, if the right to receive payment is established by the Balance Sheet date.

Infrastructure fees and soft skill fees

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

Event management service income

Revenue in respect of event management service is recognised on proportionate completion method by relating the revenue with work accomplished and certainty of consideration available.

Manpower resourcing service income

Revenue in respect of managed manpower services is recognised on an accrual basis, in accordance with the terms of the respective contract.

Sale of books (other than as explained in education and training businesses)

Revenue is recognised when the significant risks and rewards of ownership have passed on to the buyer and is disclosed net of sales return and trade discounts. Allowances for sales returns are estimated and provided for in the period of sales.

Other operating revenues

Revenue from consultancy services and seminar and

alliance income is recognised as and when services are actually rendered.

Revenue in respect of training fee, school fee and subscription fee is recognised on accrual basis in the period to which it pertains.

Passthrough revenue arises on account of facility provided to customers, in which debtors of the customers are realised through the Group. Revenue is generally a portion of such realisation and recognition of such revenue is made on receipt of request of such realisation from customers.

License fee

Revenue in respect of one-time license fee received from the franchisees is recognised on execution of the contract.

Revenue from licensing of content given for a long term period and dependent on percentage of revenue earned by the licensee is recognised when the right to receive payment is established.

License fee on account of grant of brand on non exclusive basis is one-time fee charged from different schools and is recognised in the period in which contract is executed.

Royalty income

Revenue from royalty is recognised on an accrual basis in accordance with the terms of the relevant agreement.

Content development income

Content development fee is recognised on accrual basis on raising of bill for the period for which services are provided.

Subscription fee

Revenue is recognised on accrual basis over the period to which it relates.

Unbilled revenue

Unbilled revenue, included in other current assets, represents amounts recognised based on services performed in advance of billing in accordance with service terms.

Unearned revenue

Amounts billed and received or recoverable prior to the reporting date for services to be performed after the reporting date are recorded as unearned revenue in other current liabilities.

Other Income

Interest income

Revenue from interest on time deposits, inter-corporate loans and other loans are recognised on the time proportion method taking into consideration the amount outstanding and the applicable interest rates.

Dividend income

Dividends income is recognised when the right to receive the same is established.

f. Grant

Government grants available to the Group are recognised when both the following conditions are satisfied:

- (a) where there is reasonable assurance that the group will comply with the conditions attached to them; and
- (b) where such benefits have been earned by the Group and it is reasonably certain that the ultimate collection will be made.

Grants related to specific fixed assets are shown as a deduction from the gross value of the asset concerned in arriving at its book value. The grant is thus recognised in the Consolidated Statement of Profit and Loss over the useful life of a depreciable asset by way of a reduced depreciation charge. Where the grant equals the whole, or virtually the whole, of the cost of the asset, the asset is shown in the Balance Sheet at a nominal value.

Grants for various government projects carried out by the Company are disclosed in other operating income as grant income.

g. Fixed Assets

Tangible Assets

Tangible fixed assets are stated at cost of acquisition net of recoverable taxes (wherever applicable), less accumulated depreciation and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

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

Fixed assets retired from active use and held for disposal are stated at lower of book value and net realisable value as estimated by the Group and are shown separately in the financial statements under other current assets.



Loss determined, if any, is recognised immediately in the Statement of Profit and Loss, whereas profit and sale of such assets is recognised only upon completion of sale thereof.

Intangible Assets

An intangible asset is recognised when it is probable that the future economic benefits attributable to the asset will flow to the enterprise and where its cost can be reliably measured. Intangible assets are stated at cost of acquisition less accumulated amortization and impairment losses, if any. Cost comprises the purchase price and any cost attributable to bringing the assets to its working condition for its intended use.

Losses arising from the retirement of, and gain or losses arising from disposal of an intangible asset are determined as the difference between the net disposal proceeds and the carrying amount of asset and recognised as income or expense in the Statement of Profit and Loss.

h. Depreciation and amortisation

Depreciation has been calculated on Straight Line Method at the useful lives specified in schedule II to the Act. Amortisation has been calculated on straight line method at the useful lives, based on management estimates and in accordance with Accounting Standard-26 "Intangible Assets".

Depreciation and amortisation on addition to fixed assets is provided on pro-rata basis from the date the assets are ready for intended use. Depreciation and amortisation on sale/discard from fixed assets is provided for up to the date of sale, deduction or discard of fixed assets as the case may be.

The useful lives of the assets are as under:

Particulars	Useful life (years)
Tangible Assets:	
Building	60
Leasehold land	90 (period of lease)
Plant and machinery	10-15
Furniture and fixtures	8-10
Office equipment	5
Vehicle	8-10
Computer equipment	3-6
Leasehold improvements and building improvements	Lesser of 3 years and period of lease
Intangible assets:	
Trademark	5
Software	1-10
CAT online module	4

Intellectual property rights	Amortised over a period of 10 years using straight line method based on the management's assessment of useful life.
Goodwill [^]	5 years from the date of acquisition of business.
Non-compete fee	5
Website	5
License fees	Over the period of license

[^]Goodwill reflects the excess of cost of acquisition over the book value of net assets acquired on the date of the acquisition. Goodwill is tested for impairment on an annual basis.

i. Impairment of assets

The carrying amounts of assets are reviewed at each Balance Sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognised wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

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

j. Borrowing costs

Borrowing costs relating to acquisition or construction or production of assets which take substantial period of time to get ready for its intended use are included as cost of such assets to the extent they relate to the period till such assets are ready to be put to use. Other borrowing costs are recognised as an expense in the year in which they are incurred.

k. Leases

Where the Group is lessee

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

A leased asset is depreciated on a straight-line basis over the useful life of the asset or the useful life envisaged in Schedule II to the Act, whichever is lower. However, if

there is no reasonable certainty that the Group will obtain the ownership by the end of the lease term, the capitalised asset is depreciated on a straight-line basis over the shorter of the estimated useful life of the asset, the lease term and the useful life envisaged in Schedule II to the Act.

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognised as an expense in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term.

Where the Group is lessor

Leases in which the Group transfers substantially all the risks and benefits of ownership of the asset are classified as finance leases. Assets given under finance lease are recognised as a receivable at an amount equal to the net investment in the lease. After initial recognition, the Group apportions lease rentals between the principal repayment and interest income so as to achieve a constant periodic rate of return on the net investment outstanding in respect of the finance lease. The interest income is recognised in the Consolidated Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. are recognised immediately in the Consolidated Statement of Profit and Loss.

Leases in which the Group does not transfer substantially all the risks and benefits of ownership of the asset are classified as operating leases. Assets subject to operating leases are included in fixed assets. Lease income on an operating lease is recognised in the Consolidated Statement of Profit and Loss on a straight-line basis over the lease term. Costs, including depreciation, are recognised as an expense in the Consolidated Statement of Profit and Loss. Initial direct costs such as legal costs, brokerage costs, etc. related to lease are recognised immediately in the Consolidated Statement of Profit and Loss.

l. Investment property

An investment in land or buildings, which is not intended to be occupied substantially for use by, or in the operations of, the Group, is classified as investment property. Investment properties are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any.

The cost comprises purchase price and directly attributable cost of bringing the investment property to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.

Depreciation on building component of investment property is calculated on a straight-line basis using the rate arrived at based on the useful life estimated by the management, or that prescribed under the Schedule II to

the Act.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Consolidated Statement of Profit and Loss.

m. Investments other than investments property

Accounting treatment

Investments, which are readily realisable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long-term investments.

On initial recognition, all investments are measured at cost. The cost comprises purchase price and directly attributable acquisition charges such as brokerage, fees and duties. If an investment is acquired, or partly acquired, by the issue of shares or other securities, the acquisition cost is the fair value of the securities issued. If an investment is acquired in exchange for another asset, the acquisition is determined by reference to the fair value of the asset given up or by reference to the fair value of the investment acquired, whichever is more clearly evident.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of long term investments on individual investment basis.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Consolidated Statement of Profit and Loss.

Classification in the financial statements as per requirements of Schedule III

Investments that are realisable within the period of twelve months from the Balance Sheet date are classified as current investments. All other investments are classified as non-current investments.

n. Inventories

i. Raw materials are valued at lower of cost and net realisable value. The comparison of cost and net realisable value is made on an item by item basis. Cost includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. In determining the cost, first in first out method is used.

ii. Work in progress, manufactured finished goods and traded goods are valued at the lower of cost and net



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

- iii. Net realisable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale. The comparison of cost and net realisable value is made on individual item basis.
- iv. Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

o. Employee Benefits

- i) Short term employee benefits:

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

- ii) *Long term employee benefits:*

- a) Defined contribution plan: Provident Fund

Employees of the Company and certain subsidiaries are entitled to receive benefits under the Provident Fund, which is a defined contribution plan. Both the employee and the employer make monthly contributions to the plan at a predetermined rate as per the provisions of The Employees Provident Fund and Miscellaneous Provisions Act, 1952). These contributions are made to the fund administered and managed by the Government of India.

The Group's contributions to the scheme are expensed off in the Consolidated Statement of Profit and Loss. The Group has no further obligations under these plans beyond its monthly contributions.

- b) Defined Benefit Plan: Gratuity

The Company and certain subsidiaries provide for retirement benefits in the form of Gratuity. Benefits payable to eligible employees of the company with respect to gratuity, a defined benefit plan are accounted for on the basis of an actuarial valuation as at the Balance Sheet date. In accordance with the Payment of Gratuity Act, 1972, the plan provides for lump sum payments to vested employees on retirement, death

while in service or on termination of employment in an amount equivalent to 15 days basic salary for each completed year of service. Vesting occurs upon completion of five years of service. The present value of such obligation is determined by the projected unit credit method and adjusted for past service cost and fair value of plan assets as at the Balance Sheet date through which the obligations are to be settled. The resultant actuarial gain or loss on change in present value of the defined benefit obligation or change in return of the plan assets is recognised as an income or expense in the Consolidated Statement of Profit and Loss. The expected return on plan assets is based on the assumed rate of return of such assets.

The Company and its subsidiaries contribute to a trust set up by them, which further contribute to a policy taken from the Life Insurance Corporation of India except in case of G.K. Publications Private Limited.

- c) Other long-term benefits: Leave encashment

Benefits under the company's and certain subsidiaries' leave encashment scheme constitute other employee benefits. The liability in respect of leave encashment is provided on the basis of an actuarial valuation done by an independent actuary as at the balance sheet date. Actuarial gains and losses are recognised immediately in the Consolidated Statement of Profit and Loss.

- iii) Employee stock option scheme

The Employee Stock Option Scheme ('the Scheme') provides for the grant of equity shares of the Group to its employees. The Scheme provides that employees are granted an option to acquire equity shares of the Group that vests in a graded manner. The options may be exercised within a specified period. The Group follows the fair value method to account for its stock-based employee compensation plans. Compensation cost is measured using Independent valuation by a firm of Chartered Accountants using Black-Scholes model and in accordance with the guidance note issued by the Institute of Chartered Accountants of India. Compensation cost, if any, is amortised over the vesting period.

p. Foreign currency transactions

The reporting currency of the Group is the Indian Rupee. However, the local currencies of non-integral overseas subsidiaries are different from the reporting currency of the Group.

Transactions in foreign currency are recorded at the exchange rate prevailing at the date of the transaction. Exchange differences arising on foreign currency transactions settled during the year are recognised in the Consolidated Statement of Profit and Loss.

Monetary assets and liabilities denominated in foreign currencies as at the Balance Sheet date, not covered by forward exchange contracts, are translated at year end rates. The resultant exchange differences are recognised in the Consolidated Statement of Profit and Loss. Non-monetary assets are recorded at the rates prevailing on the date of the transaction. Profit and Loss items at representative offices located outside India are translated at the respective monthly average rates. Monetary Balance Sheet items at representative offices at the Balance Sheet date are translated using the year-end rates. Non-monetary Balance Sheet items are recorded at the rates prevailing on the date of the transaction.

Statement of Profit and Loss items at branch offices located outside India are translated at daily average rates. Monetary Balance Sheet items at branch offices at the Balance Sheet date are translated using the year-end rates. Non monetary Balance Sheet items are recorded at the rates prevailing on the date of the transaction.

q. Integral and non-integral foreign operations

The Consolidated Financial Statements of the foreign integral subsidiaries and representative offices (collectively referred to as the 'Foreign Integral Operations') are translated into Indian Rupees as follows:-

- ◆ Non-monetary Balance Sheet items, other than inventories, are translated using the exchange rate at the date of transaction i.e., the date when they were acquired.
- ◆ Monetary Balance Sheet items and inventory are translated using year-end rates.
- ◆ Profit and Loss items, except opening and closing inventories and depreciation, are translated at the respective monthly average rates. Opening and closing inventories are translated at the rates prevalent at the commencement and close respectively of the accounting period. Depreciation is translated at the rates used for the translation of the values of the assets on which depreciation is calculated.
- ◆ Contingent liabilities are translated at the closing rate.
- ◆ The net exchange difference resulting from the translation of items in the financial statements of foreign integral operations is recognised as income or expense for the year.

The financial statements of the foreign non integral subsidiaries and joint venture (collectively referred to as the 'foreign non integral operations') are translated into Indian Rupees as follows:-

- ◆ Share capital and opening reserves and surplus are carried at historical cost.
- ◆ All assets and liabilities, both monetary and non-

monetary, (excluding share capital, opening reserves and surplus) are translated using the year-end rates.

- ◆ Profit and Loss items are translated at the respective monthly average rates.
- ◆ Contingent liabilities are translated at the closing rate.
- ◆ The resulting net exchange difference is credited or debited to the foreign currency translation reserve.

A reclassification from foreign integral operations to foreign non-integral operations or vice versa is made consequent to change in the way operations of entities are financed and operates. The translated amounts for non-monetary items of reclassified entities on the date of such reclassification are treated as the historical cost for those items in the period of change and subsequent periods. Exchange differences which have been deferred in foreign currency translation reserve are not recognised as income or expenses until the disposal of that entity.

r. Taxation

Tax expense for the year comprising current tax, deferred tax charge or benefit and MAT credit entitlement is included in determining the net profit for the year.

Current tax

Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act, 1961.

Deferred tax

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the year. The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carry forward of losses, deferred tax assets are recognised only if there is a virtual certainty backed by convincing evidence of realisation of such assets. Deferred tax assets are reviewed at each Balance Sheet date and are written-down or written-up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realised.

The break-up of the major components of the deferred tax assets and liabilities as at Balance Sheet date has been arrived at after setting off deferred tax assets and liabilities where the entity has a legally enforceable right to set-off assets against liabilities and where such assets and liabilities relate to taxes on income levied by the same



governing taxation laws.

Minimum alternate tax

Minimum alternate tax (MAT) under the Income Tax Act, 1961, payable for the year is charged to the Statement of Profit and Loss as current tax. The company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the period in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the "Income-tax Act, 1961", the said asset is created by way of credit to the Statement of Profit and Loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

s. Provisions, contingent liabilities and contingent assets

Provisions

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

Contingent liabilities

A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

Contingent assets

Contingent assets are neither recorded nor disclosed in the financial statements.

t. Cash and cash equivalents

Cash and cash equivalents include cash in hand, demand deposits with banks, other short term highly liquid investments with original maturities of three months or less.

u. Exceptional items

Items of income or expense from ordinary activities which are of such size, nature or incidence that, their disclosure is relevant to explain the performance of the enterprise for the period, are disclosed separately in the Consolidated Statement of Profit and Loss.

v. Earnings per share

Basic earnings per share are calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, share split or consolidation of shares.

For calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares. The dilutive potential equity shares are deemed converted as of the beginning of the year, unless they have been issued at a later date.

w. Segment reporting

The Group 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 by the executive Management in deciding how to allocate resources and in assessing performance.

The accounting policies adopted for segment reporting are in line with the accounting policies of the Group. Segment revenue, segment expenses, segment assets and segment liabilities have been identified to segments on the basis of their relationship to the operating activities of the segment.

Inter-segment revenue is accounted on the basis of transactions which are primarily determined based on market /fair value factors.

Revenue, expenses, assets and liabilities which relate to the Group as a whole and are not allocable to segments on reasonable basis have been included under "unallocated revenue / expenses / assets / liabilities".

x. Share issue expenses

Share issue expenses are adjusted against the securities premium account as permissible under Section 52 of the Act, to the extent balance is available for utilization in the securities premium account. The balance of share issue expenses in excess of securities premium account, if any, are charged to Statement of Profit and Loss.

y. Material events

Material events occurring after the Balance Sheet date are taken into cognizance.

3. Share capital

a) The Company has one class of shares i.e. Equity Shares having a par value of Rs. 10 per share.

Particulars	March 31, 2017		March 31, 2016	
	Numbers	Amount in ₹	Numbers	Amount in ₹
Authorised				
Equity shares of ₹ 10 each (previous year ₹ 10) with equal voting rights	16,000,000	160,000,000	16,000,000	160,000,000
	16,000,000	160,000,000	16,000,000	160,000,000
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each (previous year ₹ 10) with equal voting rights	14,163,278	141,632,780	11,939,588	119,395,880
	14,163,278	141,632,780	11,939,588	119,395,880

b) Reconciliation of shares outstanding as at the beginning and at the end of the reporting year

1) Class-I shares-Equity shares

Particulars	March 31, 2017		March 31, 2016	
	Numbers	Amount in ₹	Numbers	Amount in ₹
At the beginning of year	11,939,588	119,395,880	11,645,155	116,451,550
Add: Share issued during the year by way of:				
- Employee stock option plan	43,571	435,710	28,829	288,290
-Allotment of share for a consideration in cash (Refer footnote i and 47)	2,180,119	21,801,190	-	-
-Allotment of share for a consideration other than in cash (Refer footnote ii)	-	-	265,604	2,656,040
Outstanding at the end of the year	14,163,278	141,632,780	11,939,588	119,395,880

Footnote i.

For the year ended March 31, 2017

Pursuant to initial public offering (IPO), 2,180,119 equity shares of the Company of ₹ 10 each were allotted at ₹ 502 per equity share:

Date of allotment	No. of shares	Share capital	Total
March 29, 2017	2,180,119	21,801,190	1,094,419,738

The equity shares of the Company were listed on BSE and NSE with effect from March 31, 2017

Footnote ii

For the year ended March 31, 2016

The Company on September 7, 2015 entered into an agreement with the promoters of Accendere Knowledge Management Services Private Limited (hereinafter referred as "AKMS") to acquire 51% of share capital of AKMS held by them for a consideration of ₹ 134,639,700. The Company has issued 185,830 equity shares of ₹ 10 each at a price of ₹ 590 per share and balance consideration amounting ₹ 25,000,000 to be paid in cash in three tranches as per the share purchase agreement dated September 7, 2015.

The Board of Directors of the Company at its meeting held on May 03, 2015 and August 3, 2015 approved further investment in equity shares of Career Launcher Education and Infrastructure Services ("CLEIS"), by making an offer to purchase 199,553 equity shares of CLEIS held by Bilakes Consulting Private Limited (hereinafter referred as "Bilakes") at a consideration of ₹ 56,066,660. The Company has issued 79,774 equity shares of ₹ 10 each at a price of ₹ 590 per share to Bilakes and balance consideration amounting ₹ 9,000,000 is to be paid in cash. Consequent to such investment, the Company now holds 100% share in CLEIS.

c) Terms/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. The Company has not distributed any dividend in the current year and previous year.



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.

d) Shares held by the shareholders holding more than 5% shares in the Company

1) Class-I shares-Equity shares

Name of share holders	March 31, 2017		March 31, 2016	
	Numbers	% held	Numbers	% held
Mr. Gautum Puri	2,262,579	15.97%	2,562,579	21.46%
Mr. Satya Narayanan R	2,262,579	15.97%	2,562,579	21.46%
GPE (India) Limited	946,473	6.68%	1,426,473	11.95%
Bilakes Consulting Private Limited	1,253,090	8.85%	1,253,090	10.50%
	6,724,721	47.47%	7,804,721	65.37%

As per records of the Company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownerships of shares.

e) No class of shares have been issued as bonus shares and shares issued for consideration other than cash during the period of five years immediately preceding the reporting date except for one class of share for which aggregate value as on date has been mentioned below:

1) Class-I shares-Equity shares

	March 31, 2017	March 31, 2016
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash	1,511,627	2,092,555
	1,511,627	2,092,555

In addition to aforesaid, the Company has issued equity shares aggregating 75,300 (previous year 36,504) of ₹ 10 each fully paid up during the period of five years immediately preceding the reporting date, on exercise of options granted under the employee stock option plans wherein part consideration was received in form of employee services.

f) No class of shares have been bought back by the Company during the period of five years immediately preceding the reporting date.

Shares reserved for issue under options

g) Employees stock option schemes (ESOP) (refer note 40)

The Company has one stock option plan. Employee stock options are convertible into equity shares in accordance with the employees' stock option plan.

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. As at March 31, 2017 and March 31, 2016 the Company had 13,168 and 48,518 number of shares reserved for issue under the scheme respectively.

Pursuant to the resolution passed by the Board of Directors at its meeting held on January 28, 2014 and special resolution passed by the members in the Extraordinary general meeting held on May 29, 2014, the Company renewed "Career Launcher Employee Stock Options Plan 2008" for a further period of one year i.e. from April 01, 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"

4. Reserves and Surplus

	March 31, 2017	March 31, 2017
	Amount in ₹	Amount in ₹
4.1. Securities premium		
Opening balance	2,008,509,672	1,845,642,909
-on issue of equity shares		
-for consideration other than cash	-	154,050,720
-for consideration in cash [Refer footnote i of 3 (b)]	1,072,618,548	-
-of ESOP	12,714,140	8,981,860
(-) Share issue expenses (Refer note 47b)	(108,287,478)	(165,817)
Closing balance (A)	2,985,554,882	2,008,509,672
4.2. Capital reserves (Others) (B)	19,939	19,939
4.3. General reserves		
Opening balance	6,469,578	5,784,256
Add: Transferred from ESOP reserves	-	685,322
Closing balance (C)	6,469,578	6,469,578
4.4. Employee stock option outstanding		
Gross employee stock compensation for options granted in earlier years	28,374,997	39,185,183
(+) Gross compensation for options for the year	(6,207,342)	(6,026,151)
(+) Gross compensation for options granted to employees of subsidiary (Refer footnote i of note 40)	(7,741,466)	(4,098,713)
(-) Less: Transferred to general reserve	-	(685,322)
Closing balance (D)	14,426,189	28,374,997
4.5. Surplus in the Consolidated Statement of Profit and Loss		
Opening balance	243,035,530	70,949,446
(+) Net profit for the year	189,566,490	214,613,916
(-) Adjustment on account of change in minority interest	-	(42,527,832)
Closing balance (E)	432,602,020	243,035,530
Total reserves and surplus (A+B+C+D+E)	3,439,072,608	2,286,409,716

5. Long-term borrowings

	Non-current portion		Current maturities	
	March 31, 2017		March 31, 2016	
	Amount in ₹		Amount in ₹	Amount in ₹
Term loans (secured)				
-From banks				
a) Vehicle loans (Refer footnote i)	1,888,935		1,769,080	2,133,835
b) Other term loans (Refer footnote ii)	12,566,178		11,947,843	19,612,033
-From financial institutions				
a) Term loan (Refer footnote iii)	-		-	21,452,746
b) Vehicle loans (Refer footnote iv)	415,927		569,963	899,829
Unsecured loans				
a) Term Loan from financial institutions (Refer footnote v)	18,155,063		25,901,696	8,717,169
b) Working Capital Loan from bank (Refer footnote vi)	12,815,303		20,424,660	1,504,128
c) Working Capital Loan from Financial Institutions (Refer footnote vii)	32,755,366		14,352,386	11,687,385
d) From others (Refer footnote viii)	1,005,000		-	-
	79,601,772		74,965,628	66,007,125
The above amount includes				
Amount disclosed under the head "Other current liabilities" (Refer note 11)	-		(74,965,628)	(66,007,125)
Net amount	79,601,772		-	-

**Footnotes**

i. Vehicle loans from banks are secured against hypothecation of concerned vehicles.

The terms of the vehicle loans are as follows:

For amount outstanding as at March 31, 2017

Loan	Outstanding Amount	Equal monthly installment (EMI)	Rate of Interest	Date of Last EMI
	Amount in ₹	Amount in ₹		
Loan 1	558,383	27,821	14.00%	February 5, 2019
Loan 2	256,550	12,782	14.00%	February 5, 2019
Loan 3	758,999	37,816	14.00%	February 5, 2019
Loan 4	1,577,038	78,203	13.50%	February 5, 2019
Loan 5	507,045	26,146	13.50%	February 5, 2019
	3,658,015			

For amount outstanding as at March 31, 2016

Loan	Outstanding Amount	Equal monthly installment (EMI)	Rate of Interest	Date of Last EMI
	Amount in ₹	Amount in ₹		
Loan 1	65,009	33,030	11.99%	May 7, 2016
Loan 2	43,614	22,140	12.24%	May 7, 2016
Loan 3	142,564	24,618	12.27%	September 7, 2016
Loan 4	310,360	32,700	11.53%	January 5, 2017
Loan 5	735,308	26,146	13.50%	January 5, 2019
Loan 6	795,676	27,821	14.00%	February 5, 2019
Loan 7	365,581	12,782	14.00%	February 5, 2019
Loan 8	1,081,554	37,816	14.00%	February 5, 2019
Loan 9	1,447,723	78,203	13.50%	February 5, 2019
	4,987,389			

ii. Secured term loans from Bank-other term loans

The Company had entered into a finance facility agreement with limit amounting ₹ 510,000,000 (previous year ₹ 510,000,000) with Kotak Mahindra Bank, under which various term loans and overdrafts have been availed at different times during the current year and previous year.

The term loans so availed comprise two loans of ₹ 50,000,000 and ₹ 44,000,000. Year end balances of these loans are ₹ Nil and ₹ 24,514,021 (previous year ₹ 9,140,254 and ₹ 35,008,625) respectively.

Interest rate:

These loans carry interest at bank's base rate + 3.75% (previous year bank's base rate + 3.75%) per annum ranging from 13.25% to 14.25% (previous year 13.25% to 14.25%).

Repayment schedule:

The loan of ₹ 50,000,000 was repayable in 24 equal monthly installments of ₹ 2,406,554 (inclusive of interest) for which July 25, 2016 was the last installment date.

The loan of ₹ 44,000,000 is repayable in 48 equal monthly installments of ₹ 1,207,890 (inclusive of interest) for which March 01, 2019 is the last installment date.

Primary security

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

Collateral security

Lien over fixed deposits of ₹ 110,000,000

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

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

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

These loans are part of overall limit sanctioned by the bank to the Company, which comprise term loans as detailed above, overdraft facility upto ₹ 440,000,000 (Previous year ₹ 440,000,000) (disclosed in short term borrowings in the financial statements), cash management facility of ₹ 2,500,000 (Previous Year ₹ 2,500,000) and overdraft against credit card receivables of ₹ 15,000,000 (availed) (Previous Year ₹ 15,000,000). Securities mentioned above are securities provided by the Company for such overall limit.

iii. Secured term loans- from others

During the year on March 31, 2017, the Company has repaid the long term loan amounting to ₹20.33 Crores and requested the HDFC Bank to issue the Non objection Certificate. Subsequent to the Balance sheet date the company has received the NOC from HDFC Bank and filed Form No.CHG4 to MCA for removal of charges from various assets.

For the year ended March 31, 2016

Secured term loan from others represents loan taken by Career Launcher Infrastructure Private Limited, a wholly owned subsidiary of Career Launcher Education Infrastructure and Services Limited, the subsidiary of CL Educate Limited.

The secured loans are secured by way of:

- a) First equitable mortgage of land and building of projects
 1. Indus World School (IWS), off. Bypass Road, Near County Walk Township, Jhalaria, Indore.\
 2. IWS - PlanetCity, Vill. Mujgahan, Old Dhamtari Road, Raipur.
 3. IWS - Village Yeolawadi, Taluka Haveli, District Pune and construction thereon, present and future.
- b) First charge on all receivables, present and future, arising from the above mentioned projects, from Indus world school, located at 9, Sanyogitaganj, Near Mission Hospital, Chhawani, Indore and all other schools that are being run by Nalanda Foundation.
- c) First charge on all bank accounts of CLIP, including without limitation to the project account/trust and retention account/escrow accounts, debt service reserve account and any other accounts wherever mentioned.
- d) First charge on all receivables of CLIP via an escrow mechanism.
- e) First charge on all bank accounts of Career Launcher Education Infrastructure and Services Limited (CLEIS), the holding company of CLIP, including without limitation to Project account/Trust and retention account/Escrow account Debt service reserve account and any other accounts wherever mentioned.
- f) First charge on all receivables of CLEIS, the holding company of CLIP, via an escrow mechanism.
- g) First charge on bank accounts of Nalanda Foundation related to all schools under Nalanda Foundation.
- h) First charge on all receivables of Nalanda Foundation, via an escrow mechanism.
- i) Pledge of 51% shares of CLIP held by CLEIS, the holding company of CLIP.
- j) Corporate guarantee from CL Educate Limited (CL), the ultimate holding company, and CLEIS, the holding company of CLIP.
- k) Personal guarantees of Mr. Satya Narayanan R., Mr. Gautam Puri, Mr. Sujit Bhattacharyya, Mr. Sreenivasan R., Mr. Shiv Kumar Ramachandran and Mr. Nikhil Mahajan.
- l) Undertaking from CLEIS, the holding company of CLIP to the effect that: 1.) they will continue to hold at least 51% of equity share capital of CLIP throughout the tenor of the loan 2.) to provide funds by way of additional equity/unsecured loans to CLIP for project completion and meeting cost overruns of the project if any including interest and principal repayments.
- m) Undertaking from CL, the ultimate holding company of CLIP, to the effect that: 1.) they will continue to hold at least 51% of equity share capital of CLEIS, the holding company, throughout the tenor of the loan 2.) to provide funds by way of additional equity/unsecured loans to CLIP for project completion and meeting cost overruns of the project if any including interest and principal repayments.
- n) Undertaking from Nalanda Foundation that payment to CLIP towards payment of loans will be made prior to any other payments after day to day expenses are met.
- o) Any other security of equivalent or higher amount that may be acceptable to the lender, HDFC Limited. There is no other security demanded by the lenders as at March 31, 2016 & March 31, 2017.

Rate of interest

Rate of interest shall be variable and linked to HDFC's Corporate Prime Lending Rate (CPLR) and shall be lower than the same by 325 basis points. The applicable interest rate will be reviewed/reset on monthly basis i.e. on first day of every calendar month.

Terms of repayment

The loan shall be repaid by way of 32 unequal quarterly instalments with the first instalment falling due on February 28, 2015. The said loan completely repaid and there is no outstanding in the said loan account on March 31, 2017.

Aggregate amount of loans guaranteed by directors of the Company ₹ 472,783,597 (previous year ₹ 633,295,177) [Includes



amount of ₹ 26,637,895 (previous year ₹ 49,781,948) disclosed under other current liabilities as current maturities of long term borrowing (Refer note 11)] and short term borrowings amounting ₹ 415,424,461 (previous year ₹ 357,372,597) (Refer note 9).

iv. Vehicle loans from financial institutions are secured against hypothecation of concerned vehicles.

The terms of the vehicle loans are as follows:

For amount outstanding as at March 31, 2017

Loan	Outstanding Amount	Equal monthly installment (EMI)	Rate of Interest	Date of Last EMI
	Amount in ₹	Amount in ₹		
Loan 1	145,084	49,218	10.59%	June 10, 2017
Loan 2	840,806	45,050	17.74%	January 1, 2019
	985,890			

For amount outstanding as at March 31, 2016

Loan	Outstanding Amount	Equal monthly installment (EMI)	Rate of Interest	Date of Last EMI
	Amount in ₹	Amount in ₹		
Loan 1	688,641	49,218	10.59%	June 10, 2017
Loan 2	1,197,078	45,050	17.74%	January 1, 2019
	1,885,719			

v. Term Loan from financial institutions

This unsecured loan represents term loan taken from Shri Ram City Union Finance Limited.

Interest rate:

These loans carry interest at 16.00% per annum.

Repayment schedule:

During the year, the Company has taken an additional loan of ₹ 15,000,000 which is repayable in 36 equal monthly installments of ₹ 527,356 (inclusive of interest) for which September 5, 2019 is the last installment date.

During the previous year, the Company had taken loan of ₹ 30,000,000 which is repayable in 36 equal monthly installments of ₹ 1,054,711 (inclusive of interest) for which January 5, 2019 is the last installment date."

Collateral security:

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

Registered mortgage of agricultural land in Amritsar capitalised in the books of subsidiary named Career Launcher Infrastructure Private Limited.

125,000 shares of the Company held by Bilakes Consulting Private Limited.

vi. Unsecured working capital loans- from banks

During the year, Career Launcher Education Infrastructure and Services Limited has taken working loan from banks, details of the loans are as follows:

For amount outstanding as at March 31, 2017

Name of Bank	Loan taken(₹)	Rate of Interest	Tenure	Date of first EMI	EMI (₹)
IndusInd Bank	2,500,000	18.50%	36 Months	4-Oct-15	91,009
Deutsche Bank	2,500,000	19.00%	36 Months	5-Oct-15	91,640
Kotak Mahindra Bank	2,500,000	18.70%	36 Months	1-Nov-16	91,010
Ratnakar Bank Limited (Refer footnote i)	50,000,000	16.00%	36 Months	28-Feb-17	4,166,667

Footnote:

(i) Company has given security, Corporate & personal guarantee while borrowing from RBL Bank:

1. Negative lien on agricultural properties situated at:

- Hyderabad(Agriculture Land) which is in the name of its subsidiary company CLI
 - Faridabad(Agriculture Land) which is in the name of its subsidiary company CLIP
2. Personal Guarantee of Satya Narayan, Gautam Puri and Nikhil Mahajan remain valid throughout the currency of facilities.
 3. Corporate Guarantee of -CL Educate Limited to remain valid throughout the currency of facilities.

For amount outstanding as at March 31, 2016

Name of Bank	Loan taken(₹)	Rate of Interest	Tenure	Date of first EMI	EMI (₹)
IndusInd Bank	2,500,000	18.50%	36 Months	4-Oct-15	91,009
Deutsche Bank	2,500,000	19.00%	36 Months	5-Oct-15	91,640

Guarantees :

The loan from Indusind Bank is secured by guarantee of CL Educate Limited.

vii. Unsecured working loans- from financial institutions

During the year, Career Launcher Education Infrastructure and Services Limited has taken working loan from financial institution, details of the loans are as follows:

For amount outstanding as at March 31, 2017

Name of Bank	Loan taken(₹)	Rate of Interest	Tenure	Date of first EMI/EDI	EMI (₹)
Magma Fincorp Limited	9,000,000	19.00%	36 Months	7-Oct-15	329,904
Tata Capital Financial Services Limited	5,000,000	18.65%	36 Months	9-Oct-15	183,280
Dewan Housing Finance Corporation Ltd.	3,500,000	13.50%	36 Months	10-Oct-15	118,790
Capital First Limited	7,500,000	18.75%	36 Months	5-Nov-15	273,974
Neo Growth credit private Limited	3,000,000	16.22%	450 Days	3-Sep-16	8,000 (Daily)
Aditya Birla Finance Limited	4,500,000	18.50%	24 Months	5-Nov-16	225,748
Magma Fincorp Limited (Refer footnote ii)	3,000,000	19.00%	24 Months	7-Feb-17	151,226

(ii) Guarantees:

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

For amount outstanding as at March 31, 2016

Name of Bank	Loan taken(₹)	Rate of Interest	Tenure	Date of first EMI	EMI (₹)
Magma Fincorp Limited	9,000,000	19.00%	36 Months	7-Oct-15	329,904
Tata Capital Financial Services Limited	5,000,000	18.65%	36 Months	9-Oct-15	183,280
Dewan Housing Finance Corporation Ltd.	3,500,000	13.50%	36 Months	10-Oct-15	118,790
Capital First Limited	7,500,000	18.75%	36 Months	5-Nov-15	273,974
Neo Growth credit private Limited	3,000,000	16.22%	450 Days	3-Sep-16	8,000 (Daily)
Aditya Birla Finance Limited	4,500,000	18.50%	24 Months	5-Nov-16	225,748
Magma Fincorp Limited (Refer footnote ii)	3,000,000	19.00%	24 Months	7-Feb-17	151,226

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

For amount outstanding as at March 31, 2017

Name of Bank	Loan taken(₹)	Rate of Interest	Tenure	Date of first EMI	EMI (₹)
Ratnakar Bank Limited	3,500,000	19.00%	36 Months	5-Jan-16	128,296
Name of financial institutions	Loan taken	Rate of Interest	Tenure	Date of first EMI	EMI
Fullerton India Credit Company Limited	5,000,000	18.50%	24 Months	4-Feb-16	250,831
Edelweiss Retail Finance Limited	3,000,000	18.50%	36 Months	31-Mar-16	109,212
Tata Capital Financial Services Limited	2,227,000	18.79%	18 Months	3-Oct-16	142,627
Capital First Limited	4,000,000	18.50%	36 Months	5-Oct-16	145,615
IIFL	3,500,000	19.50%	24 Months	3-Nov-16	177,282



Capital Float	2,500,000	19.00%	360 Days	5-Nov-16	230,391
LendingKart	2,500,000	19.20%	12 months	29-Jan-17	230,630

For amount outstanding as at March 31, 2016

Name of financial institutions	Loan taken	Rate of Interest	Tenure	Date of first EMI	EMI
Fullerton India Credit Company Limited	5,000,000	18.50%	24 Months	4-Feb-16	250,831
Edelweiss Retail Finance Limited	3,000,000	18.50%	36 Months	31-Mar-16	109,212

viii. Unsecured working loans- from others

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

6. Deferred tax (liabilities)/ assets

In accordance with Accounting Standard 22 on 'Accounting for Taxes on Income' net increase in Deferred Tax liability of ₹ 4,504,876 for the current year has been recognised as charge in the Consolidated Statement of Profit and Loss. The tax effect of significant timing differences as at March 31, 2017 that reverse in one or more subsequent years gave rise to the following net Deferred Tax Liability as at March 31, 2017.

	March 31, 2017	(Charge)/benefit	March 31, 2016
	Amount in ₹	Amount in ₹	Amount in ₹
Deferred tax assets			
On account of			
Unabsorbed losses	3,972,377	(36,554,234)	40,526,611
Provision for gratuity	7,045,467	374,967	6,670,500
Provision for bonus	1,579,061	(401,660)	1,980,721
Provision for leave encashment	5,426,041	372,342	5,053,699
Provision for loans and advances	14,411,470	280,329	14,131,141
Provision for incentive	2,909,806	(3,061,077)	5,970,883
Provision for slow moving inventory	712,516	115,767	596,749
Provision for obsolete inventory	508,559	370,631	137,928
Provision for doubtful debts & advance	1,684,902	1,240,822	444,080
Provision for sales incentive	301,585	(68,359)	369,944
Provision for sales return	217,243	(76,068)	293,311
Lease equalisation reserve	181,767	181,767	-
Total deferred tax assets	38,950,794	(37,224,773)	76,175,567
Deferred tax liabilities			
On account of depreciation	49,726,689	32,719,897	82,446,586
Total deferred tax liabilities	49,726,689	32,719,897	82,446,586
Net deferred tax (liabilities)	(10,775,895)	(4,504,876)	(6,271,019)

Presentation in the financial statements as per tax jurisdictions:

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Total deferred tax assets of net deferred tax assets jurisdiction entities	10,731,153	8,276,153
Total deferred tax liabilities of net deferred tax liabilities jurisdiction entities	(21,507,048)	(14,547,172)
Net deferred tax liability shown in the balance sheet	(10,775,895)	(6,271,019)

Net deferred tax assets and net deferred tax liabilities as shown in different entities have not been set off considering the provisions of AS-22.

7. Other long-term liabilities

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Security deposit received	3,771,218	3,023,500
	3,771,218	3,023,500

8. Provisions

		Long-term		Short-term	
		March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
		Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
Provision for taxes					
-for Income tax [net of advance tax and tax deducted at source of ₹ 43,039,143 (previous year ₹ 18,092,382)]		-	-	20,676,968	20,743,538
Total	A	-	-	20,676,968	20,743,538
Provision for sales return (Refer footnote i)	B	-	-	703,053	949,228
Provision for employees benefit					
Gratuity (Refer note 42)		21,572,150	19,904,705	264,954	323,381
Leave encashment (Refer note 42)		15,975,218	14,998,210	449,824	448,562
Total	C	37,547,368	34,902,915	714,778	771,943
Total (A+B+C)		37,547,368	34,902,915	22,094,799	22,464,709

Footnote

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

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Opening balance	949,228	1,788,747
(+) Additions during the year	703,053	949,228
(-) Utilised/reversed during the year	(949,228)	(1,788,747)
Closing balance	703,053	949,228

9. Short-term borrowings

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Secured, from bank, repayable on demand		
-Cash credit (Refer footnote i)	434,245,616	376,204,632
Net amount	434,245,616	376,204,632

Footnotes:

- i. Details of these loans are as follows:
Cash credit represents two loans from Kotak Mahindra Bank taken by CL Educate Limited and G.K. Publications Private Limited and two loans from IndusInd Bank taken by Kestone Integrated Marketing Services Private Limited and G.K. Publications Private Limited which are repayable on demand.

Cash credit from Kotak Mahindra Bank- loan 1

- It carries interest rate of bank's base rate plus 3.75 % ranging from 13.75% to 14.25% calculated on monthly basis on the actual amount utilised.
- Security details: Refer footnote ii of note 5.

Cash credit from Kotak Mahindra Bank- loan 2

- This loan represents the limit availed out of the total fund limit of ₹ 15,000,000 (Previous year ₹ 15,000,000). The loan is secured by the following:
- Security details:
Primary security
First and exclusive charge on all present and future current and movable assets including movable fixed assets of the G.K. Publication Private Limited.
Collateral Security
Lien over the fixed deposit of ₹ 15,000,000.
The loan is further secured by personal guarantees of Mr. Satya Narayanan R., Mr. Gautam Puri and Mr. Nikhil Mahajan.
The facility carries an interest rate of 14.25% (bank's base rate i.e.10% + 4.25%) per annum payable on monthly basis.
This loan is repayable on demand.

**Cash credit from IndusInd Bank- loan 1**

1. It carried interest rate as follows:
 - a. 13.55% p.a (Base rate of 10.55% + Margin of 3%) from January 17, 2017
 - b. 13.60% p.a (Base rate of 10.60% + Margin of 3%) from October 19, 2015 to to January 16, 2017
 - c. 13.85% p.a (Base rate of 10.85% + Margin of 3%) from June 15, 2015 to October 18, 2015
 - d. 14.00% p.a (Base rate of 11.00% + Margin of 3%) Till June 14, 2015
2. Security details:
Primary Security
First and exclusive charge on entire current assets of Kestone Integrated Marketing Services Private Limited both present and future.

Collateral Security

- a. First and exclusive charge on movable fixed assets of Kestone both present and future.
- b. Corporate guarantee of CL Educate Limited (Holding Company) amounting ₹ 115,000,000 (March 31, 2016 ₹ 95,000,000).
- c. Lien on fixed deposits amounting to ₹ 23,000,000 (Previous year ₹ 19,000,000).
- d. Personal guarantee of directors, Mr Nikhil Mahajan and Mr Gautam Puri.

Cash credit from IndusInd Bank- loan 2

1. This loan represents over draft facility from IndusInd Bank. The above amount represents the limit availed out of the total fund limit of ₹ 19,000,000 (previous year ₹ 19,000,000).
2. Kestone Integrated Marketing Services Private Limited has pledged its fixed deposits amounting ₹ 20,000,000 (previous year ₹ 20,000,000) as security for the above over draft facility from IndusInd Bank Limited.
3. The facility carries an interest rate of 9.75% (Bank fixed deposits rate i.e., 8.00% + 1.75%) per annum payable on monthly basis.
4. The above loan is repayable by February 20, 2017 or maturity date of underlying fixed deposits, whichever is earlier.

10. Trade payables

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Trade payable (refer footnote i and note 41)		
- Related party	892,027	892,027
- Others	266,193,339	245,951,357
	267,085,366	246,843,384

Footnote i

Includes amount due to related party (Refer note 38).

11. Other current liabilities

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Current maturities of long term borrowing (Refer note 5)	74,965,628	66,007,125
Interest accrued but not due on borrowings	1,278,082	1,243,680
Unearned revenue	162,259,242	189,583,876
Employees related payables	70,645,212	81,442,664
Advance from customers	9,899,075	24,014,276
Advance received against sale of fixed assets	30,043,397	-
Payables for purchase of investments		
-To related party (Refer note 38)	1,507,733	1,507,733
- To selling shareholders	1,177,431,228	-
-To others	10,000,000	25,000,000
Payables for expenses (Refer note 41)		
-To related party (Refer note 38)	15,882,370	5,750
-To others	153,261,324	91,804,636
Payable for fixed assets (Refer note 41)	2,543,283	6,476,072
Statutory dues payable	35,687,957	20,177,163
	1,745,404,531	507,262,975



12 Fixed assets- Tangible assets*

Current year

Particulars	Gross block (at cost)			As at March 31, 2017	As at April 1, 2016	Accumulated depreciation			As at March 31, 2017	Net block As at March 31, 2017
	As at April 1, 2016	Additions during the year	Disposals/ Adjustments			Depreciation for the year	Disposals	As at March 31, 2017		
Land - freehold (Refer footnote iii)	105,323,520	42,582,191	-	147,905,711	-	-	-	-	-	147,905,711
Land - Leasehold (Refer footnote ii & iii)	20,043,350	51,864,647	-	71,907,997	2,592,125	210,096	-	-	2,802,221	69,105,776
Buildings (Refer footnote i)	585,607,047	-	-	585,607,047	52,656,666	9,250,436	-	-	61,907,102	523,699,945
Building Improvements	9,072,717	-	1,514,613	7,558,104	8,929,648	-	1,438,882	-	7,490,766	67,338
Plant and machineries	14,347,245	327,156	71,966	14,602,435	7,725,036	773,688	11,558	-	8,487,166	6,115,269
Leasehold Improvement	32,585,438	8,503,195	249,268	40,839,365	25,929,671	5,555,442	221,049	-	31,264,064	9,575,301
Furniture and fixtures	46,903,562	2,242,252	4,043,622	45,102,192	19,818,082	4,071,251	2,730,676	-	21,158,657	23,943,535
Office equipments	52,298,886	2,788,819	3,062,518	52,025,187	30,496,751	6,115,210	2,689,250	-	33,922,711	18,102,476
Computers	102,185,550	4,510,840	17,814,343	88,882,047	65,490,528	16,330,048	16,960,209	-	64,860,367	24,021,680
Vehicles	24,019,230	12,756	924,448	23,107,538	14,613,970	2,643,923	840,520	-	16,417,373	6,690,165
Total	992,386,545	112,831,856	27,680,778	1,077,537,623	228,252,477	44,950,094	24,892,144	24,892,144	248,310,427	829,227,196

*Certain tangible assets, are subject to charge against secured borrowings of group companies referred in notes as secured term loans from others and secured term loans from banks and bank overdrafts. (Refer note 5 and 9)

Footnote:

- Building includes 5 shares of ₹ 50 each being the cost of shares in Tardeo Air conditioned Market Building Cooperative Society Limited, Mumbai.
- Land measuring 20,007 square metres has been acquired by the Company under a lease agreement with Greater Noida Industrial Development Authority for a lease period of 90 years commencing from July 20, 2004. The premium paid on the land and other expenses incidental to the acquisition are amortised over the period of the lease.
- Pursuant to the board resolution dated October 31, 2012, the Group had classified freehold land of ₹ 51,864,647 located at Faridabad, as fixed assets held for sale under other current assets. During the year, due to non availability of buyers the same has been re-classified in fixed assets.
- Depreciation for the current year includes ₹ 9,160,782 related to assets identified for slump sale (discontinued operations) (Refer note 49)

Previous year**#

Particulars	Gross block (at cost)			As at March 31, 2016	As at April 1, 2015	Accumulated depreciation			As at March 31, 2016	Net block As at March 31, 2016
	As at April 1, 2015	Additions during the year	Disposals/ Adjustments			Depreciation for the year	Disposals	As at March 31, 2016		
Land - freehold	105,323,520	-	-	105,323,520	-	-	-	-	-	105,323,520
Land - Leasehold (Refer footnote ii)	20,043,350	-	-	20,043,350	2,381,454	210,671	-	-	2,592,125	17,451,225
Buildings (Refer footnote i)	585,607,047	-	-	585,607,047	43,394,168	9,262,498	-	-	52,656,666	532,950,381
Building Improvements	9,072,717	-	-	9,072,717	8,915,848	13,800	-	-	8,929,648	143,069



Plant and machineries	14,294,158	53,087	-	14,347,245	6,946,386	778,650	-	7,725,036	6,622,209
Leasehold Improvement	29,626,033	2,959,405	-	32,585,438	21,442,448	4,487,223	-	25,929,671	6,655,767
Furniture and fixtures	41,298,633	5,604,929	-	46,903,562	15,799,640	4,018,442	-	19,818,082	27,085,480
Office equipments	44,908,472	7,472,209	81,795	52,298,886	24,293,772	6,216,480	13,501	30,496,751	21,802,135
Computers	95,374,734	34,029,909	27,219,093	102,185,550	50,917,651	32,124,586	17,551,709	65,490,528	36,695,022
Vehicles	22,131,147	2,300,000	411,917	24,019,230	12,061,681	2,759,834	207,545	14,613,970	9,405,260
Total	967,679,811	52,419,539	27,712,805	992,386,545	186,153,048	59,872,184	17,772,755	228,252,477	764,134,068

*Certain tangible assets, are subject to charge against secured borrowings of group companies referred in notes as secured term loans from others and secured term loans from banks and bank overdrafts (Refer note 5 and 9)

#Pursuant to the transitional provisions of Schedule II in respect of fixed assets where the remaining useful life is "Nil" as on April 1, 2014, their carrying amount aggregating 10,291,918 and deferred tax thereon has been adjusted against the reserves as on April 1, 2014.

Footnote:

- Building includes 5 shares of ₹ 50 each being the cost of shares in Tardeo Air conditioned Market Building Cooperative Society Limited, Mumbai.
- Land measuring 20,007 square metres has been acquired by the Company under a lease agreement with Greater Noida Industrial Development Authority for a lease period of 90 years commencing from July 20, 2004. The premium paid on the land and other expenses incidental to the acquisition are amortised over the period of the lease.
- Pursuant to the board resolution dated October 31, 2012, the Company had classified freehold land of 51,864,647 located at Faridabad, as fixed assets held for sale under other current assets. During the FY 2012-13, CLIP, a subsidiary company has entered into agreements with various parties to sale lands of ₹ 42,582,190 located at Faridabad and Amritsar. The same have been shown as "Assets held for sale" under the head "Other Current Assets". Further, during the year 2014-15, assets aggregating ₹ 800,000 have been classified as held for sale which have been sold in Financial Year 2015-16. (Refer note 20).
- Depreciation for the current year includes ₹ 10,391,489 related to assets identified for slump sale (discontinued operations) (Refer note 49)

13 Fixed assets- Intangible assets*

Current year

Particulars	Gross block (at cost)			Accumulated amortisation			Net block		
	As at April 1, 2016	Additions	Disposals/ Adjustments	As at March 31, 2017	As at April 1, 2016	Amortisation for the year	Disposals	As at March 31, 2017	Net block
Intellectual property rights and trademarks	166,14,7995	2,643,444	-	168,791,439	94,883,282	13,819,408	-	108,702,690	60,088,749
Computer softwares	18,847,648	1,619,173	795,043	19,671,778	14,242,264	1,634,464	795,043	15,081,685	4,590,093
License fees	29,435,258	-	-	29,435,258	20,706,577	2,642,177	-	23,348,754	6,086,504
Content development	27,725,782	40,286,178	-	68,011,960	7,879,199	8,995,093	-	16,874,292	51,137,668
CAT Online Module	8,693,070	571,926	-	9,264,996	8,305,336	864,831	-	9,170,167	94,829
Web Site	3,584,770	2,200,000	-	5,784,770	3,580,753	5,438	-	3,586,191	2,198,579
Education Manual	2,750,000	-	-	2,750,000	2,750,000	-	-	2,750,000	-
Non-compete fees	5,000,000	-	-	5,000,000	4,500,000	500,000	-	5,000,000	-
Total	262,184,523	47,320,721	795,043	308,710,201	156,847,411	28,461,411	795,043	184,513,779	124,196,422



*Certain intangible assets, are subject to charge against secured borrowings of group companies referred in notes as secured term loans from others and secured term loans from banks and bank overdrafts. (Refer note 5 and 9)

- i. Depreciation for the current year includes ₹ 67,983 related to assets identified for slump sale (discontinued operations) (Refer note 49)

Footnote (i):

Content Development includes internally generated intangible assets:

Particulars	Gross block (at cost)			Accumulated amortisation			Net block As at March 31, 2017	
	As at April 1, 2016	Additions	Disposals/ Adjustments	As at March 31, 2017	As at April 1, 2016	Amortisation for the year		As at March 31, 2017
Content Development	2,475,442	19,132,059	-	21,607,501	83,861	2,372,412	4,56,273	19,151,228

Previous year#**

Particulars	Gross block (at cost)			Accumulated amortisation			Net block	
	As at April 1, 2015	Additions	Disposals/ Adjustments	As at March 31, 2016	As at April 1, 2015	Amortisation for the year		Disposals March 31, 2016
Intellectual property rights and trademarks	166,147,995	-	-	166,147,995	81,219,434	13,663,848	-	94,883,282
Computer softwares	16,177,885	2,669,763	-	18,847,648	12,992,740	1,249,524	-	14,242,264
License fees	29,435,258	-	-	29,435,258	16,016,207	4,690,370	-	20,706,577
Content development	22,222,707	5,503,075	-	27,725,782	3,138,194	4,741,005	-	7,879,199
CAT Online Module	7,641,070	1,052,000	-	8,693,070	3,522,077	4,783,259	-	8,305,336
Web Site	3,584,770	-	-	3,584,770	3,574,743	6,010	-	3,580,753
Education Manual	2,750,000	-	-	2,750,000	2,750,000	-	-	2,750,000
Non-compete fees	5,000,000	-	-	5,000,000	3,500,000	1,000,000	-	4,500,000
Total	252,959,685	9,224,838	-	262,184,523	126,713,395	30,134,016	-	156,847,411

*Certain intangible assets, are subject to charge to secured borrowings of group Companies referred in notes as secured term loans from others and secured term loans from banks and bank overdrafts. (Refer note 5 and 9).

Particulars	Gross block (at cost)			Accumulated amortisation			Net block As at March 31, 2016	
	As at April 1, 2015	Additions	Disposals/ Adjustments	As at March 31, 2016	As at April 1, 2015	Amortisation for the year		Disposals/ Adjustments
Content Development	-	2,475,442	-	2,475,442	-	83,861	-	83,861
								2,391,581



14. Non-current investments

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Investment property (Non-trade, valued at cost less accumulated depreciation)		
Cost of building	13,113,500	13,113,500
Less: Accumulated depreciation	2,028,891	1,822,013
	11,084,609	11,291,487
Equity shares in companies		
(Non-trade, un-quoted, at cost)		
909 (Previous year 909) fully paid up equity shares of ₹ 10 each of Three sixty one Degree Minds Consulting Private Limited	5,000,000	5,000,000
50,000 (Previous year 50,000) shares of ₹ 10 each fully paid up in Investment in Energy Plantation Project Private Limited	500,000	500,000
	5,500,000	5,500,000
	16,584,609	16,791,487

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Aggregate book value of unquoted non current investment	5,500,000	5,500,000

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

15. Loans and advances

		Long-term		Short-term	
		Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
Unsecured, considered good, unless otherwise stated					
Capital advances	(A)	1,649,482	12,414,740	-	-
Advance to suppliers	(B)	-	-	16,093,761	7,777,894
Loans and advances to related parties (Refer note 38)	(C)	-	-	558,044,457	516,616,762
Security deposits					
-Considered good		28,860,317	23,282,290	39,277,648	21,219,163
-Considered doubtful		-	-	2,804,998	1,386,266
Less: Provision for doubtful balances		-	-	(2,804,998)	(1,386,266)
Sub Total	(D)	28,860,317	23,282,290	39,277,648	21,219,163
Balances recoverable from government authorities					
-Considered good	(E)	21,302,000	21,302,000	12,868,171	149,746
Advance income-tax [(net of provision for tax of ₹ 403,786,872) (Previous year ₹ 340,123,991)]	(F)	85,944,404	101,985,029	-	-
MAT credit entitlement	(G)	56,019,428	60,659,505	-	-
Prepaid expenses	(H)	-	-	74,447,698	113,394,979
Loans and advances to employees	(I)	-	61,000	4,494,687	10,566,255
Others					
-Gratuity Assets (Including balances of Trust)		-	-	13,452	12,427
- Other dues from related party (good)		-	-	10,630,023	10,630,023
- Receivable from others (good)		-	-	4,639,953	59,040,682
- Receivable from others (doubtful)		-	-	39,983,772	39,949,409
		-	-	55,267,200	109,632,541
Less: Provision for doubtful balances		-	-	(39,983,772)	(39,949,409)
Sub Total	(J)	-	-	15,283,428	69,683,132

Total (A+B+C+D+E+F+G+H+I+J)	193,775,631	219,704,564	720,509,850	739,407,931
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During the year, the Group has given unsecured loan to their various entities for meeting their working capital requirement. Details of the same are as below:

Company/Party name	Amount given	Rate of interest	March 31, 2017	March 31, 2016
Career Launcher Education Foundation	110,240	Nil	132,783,492	132,673,251
Nalanda Foundation	37,608,582	14.50% to 15.05%	404,309,079	365,564,664
CLEF – AP	1,290,044	14.00%	20,951,886	18,378,847
Total	39,008,866		558,044,457	516,616,762

16. Other non-current assets

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Non-current bank balances (Deposits with maturity for more than 12 months from reporting date) (Refer note 19)	127,722,110	112,030,033
	127,722,110	112,030,033

17. Inventories (Refer footnote a)

	March 31, 2017	March 31, 2016
(Valued at lower of costs and net realisable value)	Amount in ₹	Amount in ₹
Raw materials (Refer footnote b)	4,165,074	7,081,705
Work-in-progress (Refer footnote c)	7,312,976	2,722,881
Finished goods produced	72,526,945	57,885,505
Less: Provision for slow moving/obsolete inventory	2,305,878	2,348,393
	81,699,117	65,341,698

Footnote a: All inventories categories represent text books.

Footnote b: Includes raw materials lying with third parties ₹ 4,165,074 (Previous year ₹ 7,081,705)

Footnote c: Includes work-in-progress lying with third parties ₹ 7,312,976 (Previous year ₹ 2,722,881)

18. Trade receivables

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Unsecured, considered good unless stated otherwise		
Outstanding for a period exceeding six months from the date they are due for payment		
- Considered good (refer footnote i and ii)	455,298,819	586,793,444
- Considered doubtful	4,244,306	935,332
	459,543,125	587,728,776
Less: Provision for doubtful trade receivables	4,244,306	935,332
	455,298,819	586,793,444
Others (refer footnote ii)	935,679,910	593,167,102
	1,390,978,729	1,179,960,546

Footnote:

i. Refer note 46 amounting ₹ 14,634,645 (Previous year ₹ 13,930,740) considered good.

ii. Includes receivables from related party (refer note 38)

19. Cash and bank balances

	Non-current		Current	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
Cash and cash equivalents				
Balances with banks:				
- on current accounts	-	-	2,156,906,548	84,271,547
Cheques/ drafts on hand	-	-	3,242,683	4,095,211



Cash on hand	-	-	6,351,275	3,581,207
Subtotal (A)	-	-	2,166,500,506	91,947,965
Other bank balances			2,166,500,506	91,947,965
- on unpaid dividend account	-	-	19,402	26,355
- Deposits with original maturity for more than 3 months but less than 12 months from the reporting date	-	-	57,109,389	65,377,897
- Deposits with maturity for more than 12 months from the reporting date	6,557,420	-	-	-
- Margin money deposits (Refer footnote ii)	121,164,690	112,030,033	1,549,636	1,333,620
Subtotal (B)	127,722,110	112,030,033	58,678,427	66,737,872
Amount disclosed under other non-current assets (Refer note 16)	(127,722,110)	(112,030,033)		-
Subtotal (A+B)	-	-	2,225,178,933	158,685,837

Footnote: i

Includes ₹ 1,290,597,927 (Previous year ₹ Nil) lying in Public Issue account CL Educate IPO and which is considered as restricted cash.

Footnotes ii**Current deposits include:**

- ◆ Deposits of ₹ 1,549,636 (Previous year ₹ 1,333,620) for issue of guarantees in favor of Northern Eastern Council Secretariat, Shilong,

Fixed deposits amounting ₹ 43,000,000 (Previous year ₹ 39,000,000) are under lien, out of which fixed deposits amounting ₹ 23,000,000 (Previous year ₹ 19,000,000) are under lien towards cash credit facility from IndusInd Bank and fixed deposits amounting ₹ 20,000,000 (Previous year ₹ 20,000,000) are under lien towards overdraft facility from Indusind Bank to GK Publication Private Limited (A fellow subsidiary with common Directors)

Non current deposits include:

- ◆ Deposits of ₹ 101,094 (Previous year ₹ 75,000) for issue of guarantees in favor of value added tax authorities,
- ◆ Deposits of ₹ 1,975,935 (Previous year ₹ 1,684,764) for issue of guarantees in favor of Development Support Agency of Gujarat- TDD Project,
- ◆ Deposits of ₹ 255,696 (Previous year ₹ 200,000) for issue of guarantees in favor of The Directorate of Employment Training, Gandhi Nagar-TDD,
- ◆ Deposits aggregating to ₹ 110,000,000 (Previous year ₹ 110,000,000) pledged with banks for overall loan facility (Refer footnote ii of note 6).
- ◆ Deposits of ₹ 81,965 (Previous year ₹ 70,269) submitted in bank against consumer court case appeal
- ◆ Deposits of ₹ 8,750,000 (Previous year ₹ Nil) pledged with Shri Ram City Union Finance Limited for loan taken (Refer footnote iii of note 5).

20. Other current assets

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Unbilled revenue	108,751,140	38,412,718
Amount recoverable from Non Banking Financial Company	35,978	23,610
Interest accrued but not due on fixed deposits	618,657	1,332,576
Interest accrued and due on fixed deposits	681,191	1,050,823
Interest accrued but not due on loans and advances		
- From related parties (Refer note 38)	10,495,463	23,613,320
Receivables on account of transfer of fixed assets	13,371,021	-
Fixed assets held for sale (Refer footnote (iii) of note 12)	-	94,446,837
	133,953,450	158,879,884

21. Revenue from operations

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Revenue from operations		
Sale of products (Refer footnote i)	478,891,067	425,231,482
Sale of services (Refer footnote ii)	2,110,596,190	2,187,793,962
Other operating revenue		
Start up fees from franchisees	25,769,839	18,365,484
Advertising Income	82,993,249	52,720,698
Infrastructure fees (Refer footnote iii)	372,492	-
Sale of scrap	34,000	591,874
Grant income	-	54,147,330
Other miscellaneous operating Income	22,648	16,701
	2,698,679,485	2,738,867,531

Footnote i

Detail of products sold

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
-Sale of text books	478,891,067	425,231,482
	478,891,067	425,231,482

The Group is engaged in publishing of educational content and books which are subject to nil rate of excise duty.

Footnote ii

Detail of services provided

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
-Education and training programmes income	1,052,044,481	932,010,145
-Online education services	239,363,645	184,621,862
-Vocational training services income	23,792,774	306,809,367
-Manpower services income	134,811,187	268,611,094
-Event management services income	660,584,103	495,741,494
	2,110,596,190	2,187,793,962

iii. Includes sales to related party (Refer Note 38).

22. Other Income

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Interest income on		
-Fixed deposits	13,573,824	18,765,738
-Income tax	3,893,791	2,478,325
-Loans and advances (Refer footnote i)	10,189,267	13,255,009
-others	363,836	-
Liability no longer required written back	24,623,252	17,725,254
Rent income on investment property [net of depreciation on investment property of ₹ 207,445 (previous year ₹ 206,878)]	1,913,022	917,555
Provision written back	9,529,865	21,860
Sale of scrap	296,827	745,010
Insurance Claim Received	42,381	804,720
Amount forfeited against sale of land	2,450,000	5,350,000
Income on employee stock option (ESOP) scheme	13,948,548	10,124,864
Notice period recovery	1,047,779	998,631



Net gain on foreign currency transactions and translations	-	195,070
Bad debts recovered	4,695,663	2,528,428
Miscellaneous income	5,306,421	10,120,821
	91,874,476	84,031,285

Footnote i: Includes income from related party (Refer note 38).

23A. Cost of raw material and components consumed

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Inventory at the beginning of the year	7,081,705	9,686,141
Add: Purchases during the year	84,013,913	62,355,253
	91,095,618	72,041,394
Less: Inventory at the end of the year	4,165,074	7,081,705
Cost of raw material and components consumed	86,930,544	64,959,689
Details of raw material and components consumed		
Paper	86,647,082	63,866,730
Lamination material	283,462	570,845
Binding and packaging material	-	522,114
	86,930,544	64,959,689
Details of closing stock of raw materials and components		
Paper	4,165,074	7,081,705
	4,165,074	7,081,705

23B. Cost of Services

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Printing cost	63,353,729	47,819,646
Binding and cover pasting charges	2,900,469	1,643,644
Packing material consumed	521,498	785,339
Content development cost	323,929	854,732
Material printing cost	693,733	4,106,462
Other test prep related consumables	130,724	821,564
Labour cost	8,400	256,581
Placement support expenses	745,671	11,441,615
Faculty expenses	82,643,108	103,307,852
Franchisee expenses	514,159,284	429,015,491
Hostel expenses	996,250	57,996,361
Mobilization expenses	294,240	7,083,097
Equipment hire expenses	63,401,879	70,443,373
Royalty charges	467,881	450,664
Giveways	194,318,871	142,412,928
Event consultancy	123,366,185	92,863,766
Banquet and hotel charges	93,049,475	70,822,323
Travelling and conveyance	47,963,917	39,675,995
Temporary manpower resources	48,441,033	31,958,975
Business promotion	41,952,761	8,107,670
Sponsorship fee	19,753,876	29,507,235
Communication	17,967,009	20,527,963
Subscription	162,057	223,591
Photography charges	5,739,846	2,302,768
Recruitment expenses	-	8,458
Insurance	741,403	1,008,377

Rent (Refer note 34)	600,000	3,536,450
Miscellaneous expense	1,833,009	887,526
	1,326,530,237	1,179,870,446

24. Purchase of traded goods

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Text books	15,830,957	34,371,451
	15,830,957	34,371,451

25. (Increase)/ Decrease in inventories of finished goods, work-in progress and traded goods

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Inventories at the beginning of the year (A)		
-Finished goods produced	57,885,505	76,349,481
-Work-in-progress	2,722,881	2,696,299
	60,608,386	79,045,780
Less: Inventories at the end of the year (B)		
-Finished goods produced	74,065,095	57,885,505
-Work-in-progress	7,312,976	2,722,881
	81,378,071	60,608,386
Net (increase)/decrease (A-B)	(20,769,685)	18,437,394
Details of Inventory of finished goods produced		
Text books	74,065,095	57,885,505
	74,065,095	57,885,505
Details of work in progress		
Text books	7,312,976	2,722,881
	7,312,976	2,722,881

26. Employee benefit expenses

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Salary, wages, bonus and other benefits	459,599,938	558,108,153
Contribution to provident and other funds (net of EDLI charges recovered from employees) (Refer note 42)	19,349,973	24,968,862
Gratuity expense (Refer note 42 and footnote i)	5,703,072	6,086,478
Leave encashment expense (Refer note 42 and footnote ii)	2,667,572	5,493,127
Staff welfare expenses	18,620,872	16,297,274
	505,941,427	610,953,894

Footnote i

During the year ended March 31, 2016, gratuity liability for project employees 2,456,525 was recorded with a corresponding recoverable under other non current assets. The same has been expensed off during the period.

Footnote ii

Subsidiary namely CLIP has recorded an expense of leave encashment of Nil (Previous Year ₹ 19,741) and of gratuity of ₹ Nil (previous year ₹ 57,281) which is not based on actuarial valuation.

27. Finance costs

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Interest on vehicle loans	310,924	150,884
Interest on short term borrowings	52,364,732	51,428,603



Interest on other term loans	17,289,540	10,405,685
Loan processing charges	4,345,882	4,322,085
Interest on delayed payment of statutory dues	4,497,341	4,820,821
	78,808,419	71,128,078

28. Depreciation and amortisation expenses

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Depreciation of tangible assets (Refer note 12)	35,789,310	49,480,695
Amortisation of intangible assets (Refer note 13)	28,393,430	30,134,016
	64,182,740	79,614,711

29. Other expenses

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Banquet and event material expenses	1,965,131	1,675,461
Advertisement, publicity and sales promotion expenses	99,537,557	102,968,549
Travelling, conveyance and vehicle maintenance expenses	40,327,473	38,235,808
Rent expense (Refer note 34)	98,070,111	109,745,159
Communication expenses	26,352,504	22,563,279
Equipment hire charges	192,504	113,998
Office expenses	26,143,853	36,401,315
Legal and professional (Refer note 33)	24,799,624	25,927,852
Retainership fees and temporary manpower resources expenses	18,387,943	6,621,605
Printing and stationery expenses	4,977,006	4,994,547
Power and fuel	17,234,553	16,265,060
Commission to non executive directors	1,270,723	372,500
Repairs to building	7,976,207	15,939,831
Repairs to machinery	3,746,070	92,038
Repairs to other	3,809,580	10,796,793
Freight outward and forwarding	11,179,456	13,524,604
Bank charges (other than loan processing charges)	5,988,798	4,624,425
Rates, taxes and fees	4,388,319	2,894,899
Insurance	2,866,138	3,474,054
Rebates and discounts	5,718,272	5,566,771
Recruitment, training and development expenses	700,240	1,719,743
Newspaper, books and periodicals and subscriptions expenses	2,050,316	2,010,173
Fixed assets written off	906,979	-
Net loss on foreign currency transactions and translations	2,195,082	-
Loss on sale of fixed assets (net)	685,213	5,274,525
Consumption of packing materials	2,059,207	1,969,890
Provision for sales return	-	949,228
Miscellaneous balances written-off	-	291,948
Bad debts written off	54,453,548	70,306,583
Provision for doubtful debts and advances	5,373,706	1,685,332
Advances written off	10,072,608	3,506,800
Provision for slow moving inventory	1,832,424	1,931,225
Miscellaneous expenses	1,996,224	3,815,768
	487,257,369	516,259,763

30. Basic and diluted earnings per equity share

The calculation of earnings per Share (EPS) has been made in accordance with Accounting Standard (AS) -20. A statement on calculation of Basic and Diluted EPS is as under.

	Reference	Units	March 31, 2017	March 31, 2016
Profit for the year from continuing operations	A	₹	166,165,535	190,102,708
Profit for the Year from discontinuing operations	B	₹	23,400,955	24,511,208
Profit for the year	C=A+B	₹	189,566,490	214,613,916
Weighted average numbers of equity shares	D	Numbers	11,964,183	11,802,697
Add: Dilutive potential equity shares (Refer footnote i)	E	Numbers	18,187	70,372
Number of equity shares for dilutive EPS	F=D+E	Numbers	11,982,370	11,873,069
Basic earnings per share from continuing operations	A/D	₹	13.89	16.11
Diluted earnings per share from continuing operations	A/F	₹	13.87	16.01
Basic earnings per share	C/D	₹	15.84	18.18
Diluted earnings per share	C/F	₹	15.82	18.08
Footnotes				

i. Following are the potential equity shares considered to be dilutive in nature, hence these have been adjusted to arrive at the dilutive earnings per share:

	March 31, 2017	March 31, 2016
Weighted average number of shares	In numbers	In numbers
Employee stock option outstanding (Refer footnote a)	18,187	70,372
	18,187	70,372

a. The Company has Employee Stock Option Plan outstanding as on balance sheet date and shares which are outstanding and will be issued at a price lower consideration than its fair value. Such equity shares generate lesser proceeds and have no effect on the net profit attributable to equity shares outstanding. Therefore, value of such differential (fair value per share less exercise price per share) in respect of ESOP outstanding are considered dilutive and equalised number of ESOP outstanding derived by dividing such differential value with fair value per share is added to the number of equity shares outstanding in the computation of diluted earnings per share.

31. Contingent liabilities (to the extent not provided for)

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Claims against the Company not acknowledged as debt [Refer footnote (i)]	80,561,650	311,137,187
Corporate guarantees [Refer footnote (ii)]	15,000,000	15,000,000
	95,561,650	326,137,187

Footnote i: Details of claims against the Company not acknowledged as debt

Particulars	Year Pertaining	March 31, 2017	March 31, 2016
		Amount in ₹	Amount in ₹
Service Tax (a)	July 2003 to September 2008	-	142,013,412
Service Tax (a)	October 2008 to March 2009	-	7,372,308
Service Tax (a)	April 2009 to September 2009	-	10,664,476
Service Tax (a)	October 2009 to September 2010	-	71,756,945
Service Tax (b)	October 2010 to September 2011	16,635,768	16,635,768
Service Tax (b)	October 2011 to June 2012	12,553,238	12,553,238
Cenvat credit reversal (c)	September 2004 to March 2007	4,648,826	4,648,826
Cenvat credit reversal (c)	October 2007 to March 2008	1,569,481	1,569,481
Cenvat credit reversal (d)	April 2008 to March 2012	40,097,178	40,097,178
Other cases (e)	Various years	5,057,159	3,825,555
	Total	80,561,650	311,137,187

Amount above includes:

a. Demand for service tax aggregating ₹ 160,784,835 (previous year ₹ 160,784,835) for the period July 1, 2003 to September 30, 2010 is disputed by the Company. Penalty of ₹ 71,022,306 (previous year ₹ 71,022,306) has also been imposed under Section 78 of the Finance Act, 1994. The Company has preferred an appeal with CESTAT against these orders of the Commissioner of Service tax. The Company has paid ₹ 21,302,000 (previous year ₹ 21,302,000) against the said demand. During the year, CESTAT has allowed the appeal filed by the Company and set aside the earlier demand issued by the Commissioner of Service Tax.



- b. Demand for service tax aggregating ₹ 29,189,006 (previous year ₹ 29,189,006) for the period October 2010 to June 2012 is disputed by the Company and against which the Company has filed an appeal before Commissioner (Appeals) of Service tax.
- c. Demand for service tax aggregating ₹ 3,118,307 (previous year ₹ 3,118,307) for the period 2004-05 to 2007-08 due to incorrect availment of service tax credit is disputed by the Company. Penalty, aggregating ₹ 3,100,000 (previous year ₹ 3,100,000) has also been levied under Section 15 read with Rule 15 of Cenvat Credit Rules, 2004. During the previous year, the Company had received an order passed by Commissioner (Appeals) of Service tax. The Company had preferred an appeal with CESTAT against the order of the Commissioner (Appeals) of Service tax.
- d. The Company had received a demand for service tax in earlier years aggregating ₹ 40,097,178 (previous year ₹ 40,097,178) for the period 2008-09 to 2011-12 due to incorrect availment of service tax credit. The Company has disputed the demand and has filed a reply with Commissioner (Appeals) of Service tax and preferred an appeal before CESTAT against the order of Commissioner (Appeals) of Service tax.

e. Other cases

Triangle Education, a franchisee of the Company in Jaipur, had arbitrarily terminated the agreement and started a competing business using the brand of CL Educate. The Company has filed a statement of claim before the sole Arbitrator amounting ₹ 19,000,000 (previous year ₹ 19,000,000) against triangle education. Triangle Education also filed a counter claim against the Company amounting ₹ 3,205,961 (previous year ₹ 3,205,961).

A student, has filled a case against the Company for refund of fees amounting ₹ 619,594 (previous year ₹ 619,954) 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 Director of Industries and Commerce cum Chairman MSE- Chandigarh has sent a notice amounting ₹ 1,231,604 (including interest of ₹ 330,039) on behalf of Reivera Fabricators regarding non payment of dues on account of uniforms supplied to Indus World Schools. The Company has preferred an appeal against the same and the matter is pending for final argument.

Based on the interpretations of the provisions of the relevant statutes involved, the Company is of the view that the demands referred above are likely to be deleted or substantially reduced and penalty waived off by appellate authorities at higher levels and accordingly no further provision is required.

Footnote ii: Corporate guarantees	Name of the guar- anter	Name of the bor- rower	March 31, 2017	March 31, 2016
			Amount in ₹	Amount in ₹
Bank Name				
HDFC Bank Limited	CLEIS	Nalanda Foundation	15,000,000	15,000,000
Total			15,000,000	15,000,000

33 Payment to auditors (excluding service tax)

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Statutory audit	5,979,837	5,900,000
Other matters [including fee for Initial Public Offerings ('IPO')]*	7,425,000	9,200,000
Reimbursement of expenses	407,764	105,000
Total	13,812,601	15,205,000

* Till Financial Year 2015-16, the expenses related to IPO were recorded under loans and advances considering the IPO proceeding were not completed.

34. Leases

As lessee

The Group is a lessee under various operating leases. The lease terms of these premises range from 1 to 5 years and accordingly are short term leases. Rental expense for operating lease for the year ended March 31, 2017 and March 31, 2016 was ₹ 98,670,111 and ₹ 113,281,609 respectively. Expected future minimum commitments for non-cancellable leases are as follows:

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Not later than one year	4,721,383	11,881,086
Later than one year but not later than 5 years	7,158,430	37,429
Later than 5 years	-	-
Total	11,879,813	11,918,515

As lessor

The Group has given a portion of its premises on cancellable operating lease to various franchisees.

Lease receipts are recognized in the Statement of Profit and Loss during the year amounting ₹ 2,119,900 (Previous year ₹ 1,125,000). There are no non cancellable leases and hence disclosure relating to minimum lease receipts has not been provided.

35. Expenditure in foreign currency

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Banquet and event material expenses	7,636,995	3,751,640
Bank charges (other than loan processing charges)	574,256	122,318
Equipment hire charges	7,010,333	3,355,159
Travelling & conveyance Expenses	2,670,825	1,655,757
Rent	6,721,900	4,047,809
Salary, wages, bonus and other benefits	13,593,017	2,597,486
Giveways	9,210,121	4,907,782
Faculty expense	17,510,174	952,119
Legal and professional	4,781,451	8,349,628
Office Expenses	-	27,747
Director's Fee	239,032	414,313
Telephone Expenses	287,074	26,327
Miscellaneous	57,721,343	31,992,674
Total	127,956,521	62,200,759

36. Earnings in foreign currency

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Education and training programmes income	27,584,327	18,035,098
Sale of study material	22,165,337	20,319,944
Manpower management services	290,529	4,843,867
Marketing and sales services	17,982,294	2,729,110
Total	68,022,487	45,928,019

37. Un-hedged foreign currency exposure

The year-end foreign currency exposures that have not been hedged by a derivative instrument or otherwise as follows:

Receivables in foreign currency

Particulars	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹	Original Currency (FC)	Original Currency (FC)
Receivables in foreign currency				
- Trade receivable	50,132,764	40,718,669	AED 3,308,134 SGD 104,106 USD 13,556	AED 2,185,256 USD 20,930
- Short term loans and advances	41,514,417	53,501,538	USD 769,085 AED 9,764 SGD 29,307	USD 769,001 AED 609,778
- Cash and bank balances	4,250,267	2,902,424	AED 175,446 SGD 24,969	AED 69,719 SGD 33,519
- Security deposits	39,607	80,865	SGD 853	SGD 1645
Payables in foreign currency				
- Trade Payable	12,222,852	11,923,559	USD 83,800 AED 357,898	USD 142,555 AED 187,740



			SGD 10,390	
- Payable for expenses	4,068,807	4,934,773	AED 250,541	AED 138,330
			SGD 7185	SGD 28,801

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

38. Related party disclosure

The disclosure as required by the Accounting Standard -18 (Related Party Disclosure) are given below:

(a) List of related parties with whom transactions have taken place:

Nature of relationship	Name of related party
Enterprises in which key management personnel and their relatives are able to exercise significant influence	i. Career Launcher Education Foundation, India
	ii. CLEF – AP, India
	iii. Nalanda Foundation, India
	iv. Bilakes Consulting Private Limited, India
	v. Career Launcher Employee Welfare Society
	vi. Career Launcher Employee Group Gratuity Trust
	vii. CL Media Employee Gratuity Trust
	viii. Career Launcher Infrastructure Private Limited Employee Group Gratuity Trust
	ix. Career Launcher Education Infrastructure & Services Limited Employee Group Gratuity Trust
Key management personnel	i. Mr. Satya Narayanan R, Director
	ii. Mr. Gautam Puri, Director
	iii. Mr. Nikhil Mahajan, Director

Transactions during the year:

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
1.Revenue from operations		
a. Soft skill fees		
- Nalanda Foundation	24,690,889	28,389,966
	24,690,889	28,389,966
b. License fees		
- Nalanda Foundation	2,250,000	2,750,000
	2,250,000	2,750,000
c. Infrastructure Fees		
- Nalanda Foundation	21,996,327	22,029,670
	21,996,327	22,029,670
2. Other income		
a. Interest on loans and advances		
- Career launcher education foundation	651,200	651,200
- CLEF AP Trust	2,573,039	2,262,475
- Nalanda Foundation	56,025,974	47,386,202
	59,250,213	50,299,877
b. Interest income on gratuity fund		
- CL Media Employee Gratuity Trust	95,952	94,345
	95,952	94,345
3. Managerial remuneration		
Mr. Gautam Puri	6,983,268	6,814,356
Mr. Satya Narayana R	6,983,268	6,814,356
Mr. Nikhil Mahajan	6,927,528	6,786,120
	20,894,064	20,414,832
4. Transfer of security deposit from		
- Nalanda Foundation	-	20,000

	-	20,000
5. Loans given to related party		
-Career Launcher Education Foundation	110,240	10,000
-Nalanda foundation	77,612,803	37,514,252
	77,723,043	37,524,252
6. Advance given for services		
- Bilakes Consulting Private Limited	-	9,550,000
7. Conversion of account receivable into unsecured loan		
- Nalanda Foundation	1,555,795	46,230,963
8. Conversion of interest into unsecured loan		
- Nalanda Foundation	49,196,964	37,761,845
-Career Launcher Education Foundation	-	2,262,475
- CLEF – AP	2,573,039	-
	51,770,003	40,024,320
9. Repayment of loan given		
-Nalanda Foundation	89,621,145	64,079,150
	89,621,145	64,079,150
10. Amount received on behalf of		
- Nalanda Foundation	8,453,611	-
11. Transfer of other current liability from		
- Nalanda Foundation	-	13,500
12. Shares issued during the year		
-Bilakes Consulting Pvt. Ltd.	-	47,066,660
13. Transfer of Advances		
-Bilakes Consulting Pvt. Ltd.	-	1,600,000
14. Liability transferred from		
- Nalanda Foundation	-	382,382
15. Purchase of additional shares in subsidiary company from		
- Bilakes Consulting Private Limited	-	56,074,393
16. Liability taken over (on account of Aurangabad Fees)		
- Nalanda Foundation	2,552,911	
c) Balance outstanding with or from related parties as at the year end:		
1. Short-term loans and advances		
- Career Launcher Education Foundation	132,783,492	132,673,251
- Nalanda Foundation	404,309,079	365,564,664
- CLEF – AP	20,951,886	18,378,847
	558,044,457	516,616,762
2. Long Term loans and advances		
-Bilakes Consulting Private Limited	1,600,000	1,600,000
	1,600,000	1,600,000
3. Other current assets		
a. Interest accrued on loans and advances		
- Nalanda Foundation	7,982,361	21,686,302
- Career Launcher Education Foundation	2,513,098	1,927,018
	10,495,459	23,613,320
b. Other dues from Related parties		
- Bilakes Consulting Private Limited	9,550,000	9,550,000
- Nalanda Foundation	1,080,023	1,080,023
	10,630,023	10,630,023
4. Trade Receivable		
- Career Launcher Education Foundation	7,527,875	7,527,875
- Nalanda Foundation	82,910,826	27,678,146
	90,438,701	35,206,021



5. Trade payable		
- Career Launcher Education Foundation	892,027	892,027
	892,027	892,027
6. Other current liabilities		
a. Payable for expenses		
- Career Launcher Education Infrastructure and Services Limited Employee Group Gratuity Trust	-	5,750
	-	5,750
b. Salary payable to KMPs		
- Mr.Gautam Puri	2,929,294	3,099,116
- Mr. Satya Narayanan R	3,334,768	3,209,481
- Mr. Nikhil Mahajan	3,334,768	3,245,109
	9,598,830	9,553,706
c. Payable for purchase of Investments		
- Bilakes Consulting Pvt Ltd	1,507,733	1,507,733
	1,507,733	1,507,733
7. Guarantees given on behalf of		
- Nalanda Foundation	15,000,000	15,000,000
	15,000,000	15,000,000
8. Guarantees given to Company:		
- Bilakes Consulting Private Limited (Guarantee against loans given to Career Launcher Education Foundation)	45,758,320	45,758,320
	45,758,320	45,758,320

39. Section 135 of the Companies Act, 2013, which came into effect on April 1, 2014, requires some entities of the Group of constitute Corporate Social Responsibility (CSR) Committee of Directors, adopt a CSR Policy and spend at least 2% of its average net profits made during the immediately preceding three Financial Year towards CSR activities as set out in Schedule VII of the Companies Act, 2013.

Accordingly, the board of directors of these companies approved CSR Policy of the Company at its meeting held on February 16, 2015. In accordance with the provisions of Section 135 of the Companies Act, 2013, the Group was required to spend ₹ 10,542,022 (March 31, 2016 ₹ 5,710,047) on prescribed CSR activities. The Group is yet to undertake CSR activities and in accordance with the guidance provided by the institute of Chartered Accountants of India, no provision has been recorded in the books of account towards such unspent expenditure.

40. Employees share based payment plan

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 subsidiaries 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. All exercised options shall be settled by physical 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 (previous year 272,468) stock options have been granted under this scheme.

*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.

The term and conditions related to grant of the share Options are as follows:

Employees entitled	No. of options	Vesting conditions	Contractual life of options (in years)
Directors of the Company	2,400	3 years' service from the grant date	0.08
Employees	154,357	3 years' service from the grant date	2.20

Share based payment expenses	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
CL ESOP -2014 (Refer footnote)	(6,207,342)	(6,026,151)

The information concerning stock options granted, exercised, forfeited and outstanding at the year end is as follows:

ESOP to directors of the Company

Particulars	March 31, 2017		March 31, 2016	
	Number of Stock Options	Weighted average exercise Price (₹)	Number of Stock Options	Weighted average exercise Price (₹)
Employees Stock Option Plan 2014				
Outstanding at the beginning of the year	4,800	300	7,200	300
Granted during the year	-	-	-	-
Exercised during the year	-	-	2,400	300
Forfeited during the year	2,400	300	-	-
Expired during the year	-	-	-	-
Outstanding at the end of year	2,400	300	4,800	300
Exercisable at year end	2,400	300	4,800	300
Vested during the year	-	-	-	-
Weighted average grant date fair value per option for option granted during the year at less than fair value	-	-	-	-

ESOP to person other than directors of the Company

Particulars	March 31, 2017		March 31, 2016	
	Number of Stock Options	Weighted average exercise Price (₹)	Number of Stock Options	Weighted average exercise Price (₹)
Employees Stock Option Plan 2008				
Outstanding at the beginning of the year	160,178	339.48	200,357	336.92
Granted during the year	40,000	430.00	-	-
Exercised during the year	43,571	301.80	26,429	323.51
Forfeited during the year	-	-	-	-
Expired during the year	2,250	210.00	13,750	332.91
Outstanding at the end of year	154,357	375.46	160,178	339.48
Exercisable at year end	105,857	350.47	147,428	331.65
Vested during the year	4,250	430.00	18,750	259.87
Weighted average grant date fair value per option for option granted during the year at less than fair value	-	-	-	-

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Dividend yield (%)	-	-
Expected volatility	0.00%	0.00%
Risk-free interest rate	7.69%	8.00%
Weighted average share price (in ₹)	496.29	495.00
Exercise price (in ₹)	210-430	210-430

*Expected volatility has been determined using historical fluctuation in share issue prices of the Company. Since, the Company got listed on March 31, 2017 no fluctuations in price of share of the Company is available on March 31, 2017 and March 31, 2016. Apart from CL Educate Limited, one of its subsidiary namely Career Launcher Education Infrastructures and services Limited has also issued ESOPs.

Further, CLEIS, subsidiary company has "CLEIS Employees Stock Option Plan 2008" which was terminated during the previous year and the options which were lying unvested/unexercised under the plan stood cancelled and extinguished.

41. In terms of the clause 22 of chapter V micro, small and Medium enterprises development Act 2006 (MSMED act 2006), the disclosure of payments due to any supplier as at March 31, 2017 are as follows:

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹



The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting period included in		
Principal amount due to micro and small enterprises	7,763,968	-
Interest due on above	-	-
	7,763,968	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting period	-	-
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointment day during the period) but without adding the interest specified under the MSMED Act, 2006.	-	-
The amount of interest accrued and remaining unpaid at the end of each accounting period	-	-
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible under section 23 of the MSMED Act 2006.	-	-

42. The Group has in accordance with the Accounting Standard- 15 'Employee Benefits' calculated various benefits provided to employees as under:

A. Defined contribution Plan

During the year, the Group has recognized the following amounts in the Consolidated Statement of Profit and Loss:

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Employers contribution to provident fund	19,394,153	20,995,820
Employers contribution to EDLI	125,854	424,339
Total	19,520,007	21,420,159

B. Defined employee benefits and other long term benefit schemes:

I. Actuarial assumptions

Particulars	Earned Leave (unfunded)		Gratuity (funded)	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
Discount rate (per annum)	7.50%-7.69%	8%-8.13%	7.50%-7.69%	8%-8.13%
Expected rate of increase in compensation levels	8%-8.25%	8%-8.25%	8%-8.25%	8%-8.25%
Expected rate of return on plan assets	NA	NA	8.00-8.25%	8.35%
Expected average remaining working lives of employees (years)	20.80- 25.81	22.13-26.42	23.95 - 26.90	24.53-26.99
Retirement age (Years)	58	58	58	58
Mortality table	IALM (2006-08)		IALM (2006-08)	
Ages	Withdrawal Rate (%)		Withdrawal Rate (%)	
Up to 30 Years	1.52-3.00	1.28-3.00	2.62-3.13	2.08-3.00
From 31 to 44 years	1.67- 2.00	2.00- 2.09	1.06-3.76	1.77-2.00
Above 44 years	0.00-1.00	0.00-1.00	0.00-1.00	0.00-1.00

Note:

The discount rate has been assumed at 7.50% -7.69% (previous year 8.00%- 8.13%) which is determined by reference to market yield at the balance sheet date on government securities. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

II. Present value of obligation

Particulars	Earned Leave (unfunded)		Gratuity (funded)	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
Present value of obligation at the beginning of the year	15,446,772	11,322,633	23,007,446	21,939,127
Acquisition adjustment	-	440,550	-	639,000
Current service cost	3,959,583	4,420,129	6,709,570	6,035,398

Interest cost	1,235,914	905,601	1,841,659	1,737,755
Benefit paid	(1,713,735)	(1,765,275)	(4,333,027)	(3,405,652)
Actuarial (gain)/loss on obligation	(2,503,492)	123,134	(2,533,238)	(3,938,182)
Present value of obligation at the end of the year	16,425,042	15,446,772	24,692,410	23,007,446

III. Fair value of plan assets

Particulars	Employees Gratuity Fund	
	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Fair value of plan assets at the beginning of the year	2,779,360	3,852,499
Expected return on plan assets	235,664	323,018
Administrative expenses	(24,718)	(98,779)
Fund management charges	(69,199)	-
Contributions	2,686,717	2,905,659
Received from LIC against payment made through provision	(82,933)	(1,013,431)
Benefits paid	(2,714,079)	(3,168,367)
Actuarial gain/(loss) on plan assets	1,526	(21,239)
Adjustment on account of difference in opening balance	42,968	-
Fair value of plan assets at the end of the year	2,855,306	2,779,360

IV. Expenses Recognised in the Consolidated Statement of Profit and Loss for the period

Particulars	Earned Leave (unfunded)		Gratuity (funded)	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
Current service cost	3,959,583	4,420,129	6,709,570	6,035,398
Interest cost	1,235,914	905,601	1,841,659	1,737,755
Past service cost	-	-	-	-
Expected return on plan assets	-	-	(235,664)	(323,018)
Net actuarial (gain)/ loss to be recognized	(2,503,492)	123,134	(2,534,764)	(3,916,943)
Expense recognised in Consolidated statement of Profit and Loss	2,692,005	5,448,864	5,780,801	3,533,192

V. Reconciliation of present value of defined benefit obligation and fair value of assets

Particulars	Earned Leave (unfunded)		Gratuity (funded)	
	March 31, 2017	March 31, 2016	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹	Amount in ₹	Amount in ₹
Present value of obligation as at the end of the year	16,425,042	15,446,772	24,692,410	23,007,446
Above amount comprises of:	-	-	-	-
Short term present value of obligation	449,824	448,562	264,954	323,381
Long term provision	15,975,218	14,998,210	24,427,456	22,684,065
Total (A)	16,425,042	15,446,772	24,692,410	23,007,446
Fair Value of plan assets as at the end of the year	-	-	2,855,306	2,779,360
Above amount comprises of:	-	-	-	-
Fair value of plan assets	-	-	2,855,306	2,779,360
Total (B)	-	-	2,855,306	2,779,360
Net (Asset)/ liability recognized in Balance Sheet as at year end	16,425,042	15,446,772	21,837,104	20,228,086
Amount classified as:	-	-	-	-
Short term provision	449,824	448,562	264,954	323,381
Long term provision	15,975,218	14,998,210	21,572,150	19,904,705

VI. Net assets/liability and actuarial experience gain/(loss) for present benefit obligation ('PBO') and plan assets and employers best estimate for next year

Particulars	March 31, 2017	March 31, 2016	March 31, 2015
	Amount in ₹	Amount in ₹	Amount in ₹
PBO	24,692,410	23,007,446	21,939,127
Plan assets	2,855,306	2,779,360	3,852,499



Net assets/(liability)		(21,837,104)	(20,228,086)	(18,086,628)
Experience gain/(loss) on PBO		3,668,332	7,218,090	(266,646)
Experience gain/(loss) on plan assets		1,526	(21,239)	37,683

			March 31, 2014	March 31, 2013
			Amount in ₹	Amount in ₹
PBO			14,671,668	13,713,690
Plan assets			3,095,311	4,536,534
Net assets/(liability)			(11,576,357)	(9,177,156)
Experience gain/(loss) on PBO			1,562,687	912,031
Experience gain/(loss) on plan assets			(113,343)	(22,809)

(b) Earned Leave (unfunded)]

Particulars		March 31, 2017	March 31, 2016	March 31, 2015
		Amount in ₹	Amount in ₹	Amount in ₹
PBO		16,425,042	15,446,772	11,322,633
Plan assets		-	-	-
Net assets/(liability)		(16,425,042)	(15,446,772)	(11,322,633)
Experience gain/(loss) on PBO		1,240,669	(51,505)	500,349
Experience gain/(loss) on plan assets		-	-	-

		March 31, 2014	March 31, 2013
		Amount in ₹	Amount in ₹
PBO		8,804,567	7,316,555
Plan assets		-	-
Net assets/(liability)		(8,804,567)	(7,316,555)
Experience gain/(loss) on PBO		(22,781)	(459,295)
Experience gain/(loss) on plan assets		-	-

The plan assets of the Group are managed by Life Insurance Corporation of India in terms of an insurance policy taken to fund obligations of the Group with respect to its gratuity plan. The categories of plan assets as a percentage of total plan assets is based on information provided by Life Insurance Corporation of India with respect to its investment pattern for group gratuity fund for investments managed in total for several other companies. Information on categories of plan assets as at March 31, 2017 has not been provided by Life Insurance Corporation of India.

Particulars	Amount in ₹
Employees Gratuity Fund	11,514,425
Earned leave	3,036,577

43. Goodwill on consolidation

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Kestone Integrated Management Services Private Limited	37,438,602	37,438,602
G.K. Publications Private Limited	140,292,256	140,292,256
Career Launcher Education Infrastructure Services Private Limited	6,848,234	6,848,234
Kestone Asia Hub Pte Ltd	11,380,761	11,380,761
Accendere Knowledge Management Services Private Limited	135,133,265	135,133,265
	331,093,118	331,093,118

44. Capital work in progress:

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Opening balance	6,312,785	6,312,785
Less: Capitalisation during the year	-	-
Balance at year end	6,312,785	6,312,785

45. In the Financial Year 2009-10, the Company had given a franchisee to Ms Monica Oli in the name of Comprehensive Education



and IT Training Institute to provide test preparation services in Dubai (UAE). In the Financial Year 2012-13, the Company had terminated the franchise agreement on account of non-recovery of fees collected by the franchisee from students. At the time of the cancellation of agreement the total amount of receivables from and payable to Ms Monica Oli in the name of Comprehensive Education and IT Training Institute were AED 1,019,842 (₹ 15,088,052) and AED 261,318 (₹ 3,866,069) respectively. The details of the amount recoverable are as follows:

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

In the Financial Year 2012-13, the Company had adjusted/squared off traded receivables of AED 261,318 (₹ 3,866,069) against the amounts payable to AED 261,318 (₹ 3,866,069) on account of its share in the books of account.

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

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

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

During the Financial Year 2014-15, on March 16, 2015 the Hon'ble Arbitrator has passed an award amounting AED 2,063,267 (equivalent to ₹ 35,137,437) in favour of the Company.

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

Subsequent to Financial Year 2016-17, the Company has obtained necessary documents from Delhi High Court and were submitted to Ministry of Law on April 13, 2017. The Company understand that these documents have been sent to UAE through Indian Embassy for depositing in Dubai Courts for execution. On receipt of submission detail the Company will follow up the case in Dubai court.

46. The Group has filed legal cases against its debtors for recovery of outstanding receivables amounting ₹ 34,482,602 (previous year ₹ 38,899,653). The Group 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 amounting ₹ 74,093,424 (previous year ₹ 51,460,794) arising from fraudulent use of Company's brand name, violation of terms and conditions of employment etc. The Company is hopeful of favorable outcome of such cases. However, the amount likely to be realized on settlement of such cases is currently not ascertainable realistically. The Company does not expect any adverse impact on the financial position as a consequence of these legal cases. The Company has recorded all expenses pertaining to legal & professional charges in respect of all such cases.

47 a During the previous year, the management became aware of inappropriate actions of the finance manager of the Company involving unauthorized payment of personal utility bills like electricity, water, telephone etc. Consequently, the management appointed a consultant to investigate the matter and since the finance manager was one of the joint signatories for payment from banks, the scope of investigation was extended to include review of transactions and bank payments for last 4 years.

During the investigation it was found that finance manager had been paying his personal utility bills from the Company's bank account for the last 3 years by including his personal bills during the batch processing of payments of Company's genuine utility bills. During the investigation, it was also found that large amounts of cash were transferred to various bank accounts which were in the name of the finance manager and his family members. The matter was discussed with the finance manager and he failed to provide any proper justification. From a detailed scrutiny of the bank statements and RTGS/NEFT details it was found that a total of ₹ 4,700,000 was transferred in various bank accounts operated by the finance manager and/ or his family members and the total misappropriation was to the tune of ₹ 4,764,402. The modus operandi was to affect these payments during batch processing of payments through RTGS/NEFT and adjusting



these against the following:

- ◆ Unclaimed credits lying in the Company's vendor accounts;
- ◆ Putting fake invoices in the vendors, customers, employees, franchisees accounts;
- ◆ Showing as funds transfer to other Bank accounts and later reversed and put it in other ledgers;

Out of the total amount misappropriated by the finance manager either through fraudulent transfer to personal bank accounts or through payment of his personal bills aggregate ₹ 4,764,402 a sum of ₹ 4,700,000 is recovered by the Company, from the finance manager and his services have been terminated with immediate effect.

47 b During the previous year, while following up for outstanding fees payable by the students at one of the centre operated by the Company, the Company had become aware that the center manager in collusion with 3 other employees had been misappropriating funds by either issuing temporary receipts to the students, entering lesser or no amount in the ERP against the fees collected from students. Upon a detailed investigation, it was found that such employees had misappropriated funds aggregating ₹ 1,487,651. All such employees were issued show cause notices and were terminated after due processes. The Company had been able to recover ₹ 900,000 from such employees.

The management of the Company had initiated the process of further strengthening the controls and put such checks in place as necessary to prevent such instances of fraud in the future.

48 a During the year ended March 31, 2017 pursuant to initial public offering (IPO), 2,180,119 equity shares of ₹ 10 each were allotted to public at a premium of ₹ 492 per share along with offer for sale of 2,579,881 equity shares by the selling shareholders. The proceeds of the IPO was in Escrow account as at March 31, 2017. The details of which are as under:

Particulars	No. of Shares	Price per share	Amount (Rs.)
Gross proceeds from IPO - Fresh issue	2,180,119	502	1,094,419,738
Gross proceeds from IPO - Selling shareholders	2,579,881	502	1,295,100,262
Total share issue expenses			172,731,681
Net Proceeds from IPO			2,216,788,319

The designated utilisation of net proceeds of the IPO are as below:

Objects	Amount (Rs.)	Utilised Till March 31, 2017	Remarks
Repayment of loan taken by Career Launcher Infrastructure Private Limited from HDFC Bank Limited	186,040,723	186,040,723	
Meeting the working capital requirements of CL Educate and its subsidiaries namely Kestone Integrated Marketing Services Private Limited and GK Publications Private Limited	525,000,000	-	The Company expects to utilize bulk of the remaining funds in Financial Year 2017-18. Pending utilization the amounts have been parked into the current account of the Company and would be deployed in Bank FDs till full amounts are utilized.
Funding Acquisitions and other strategic Initiatives	200,000,000	-	
General Corporate purposes	99,072,747	-	

48 b The Board and shareholders of the Company had passed the resolution for IPO on August 11, 2014. Pursuant to such resolution, the Company appointed Lawyers and Bankers and submitted a Draft Red Herring Prospectus (DRHP) with Securities & Exchange Board of India (SEBI) on September 29, 2014. However, due to various strategic reasons, the Company had to withdraw the DRHP in April 2015. The Company thereafter resubmitted DRHP with SEBI, after certain restructuring, on March 16, 2016 and completed the IPO with listing on the stock exchanges by March 31, 2017.

In the course of submitting the DRHP and going for IPO, the Company incurred expenses aggregating ₹ 33,480,134 (net of service tax) towards audit and financial restatement engagement, legal counsel fees, merchant banker fees and other incidental expenses in relation to submission of DRHP on September 29, 2014. The Company also paid filing fee to SEBI and the stock exchanges.

In course of resubmission of DRHP on March 16, 2016, the Company incurred further expenses, aggregating ₹ 172,731,681 (net of service tax) towards merchant banker fees, legal counsel fees, brokerage and selling commission, auditors fees, registrar to the issue, printing and stationary expenses, advertising and marketing expenses, fees to SEBI and stock exchanges and other incidental expenses related to IPO, and accordingly summed up the total cost of entire process to ₹ 206,211,815. However, the Bankers decided to include only ₹ 172,731,681 towards cost of the IPO and same was included in the prospectus filed by the Company with the ROC. Amount of ₹ 97,924,337 have been recovered from the selling shareholders and is held in Escrow Account as at March 31, 2017 and the balance ₹ 108,287,478 (₹ 74,807,344 agreed by the banker (₹ 33,480,134 incurred initially) and have been adjusted against the Securities Premium in accordance with Section 52 of the Act.

49. On March 16, 2017, the Company entered into a Business Transfer Agreement (BTA) with B&S Strategy Services Private Limited and I-Take Care Private Limited to sale its businesses of running & operating pre-schools, providing school management services and Infrastructure Services business respectively on a slump sale basis. The proposed sale of business is consistent with the Group's long term strategy to discontinue its K-12 business and to focus in the areas of Test Prep business.

As at March 31, 2017, the carrying value of the fixed assets and other assets are listed below. The process of selling the said listed assets are likely to be completed by June 30, 2017.

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

Particulars	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Revenue	115,111,295	124,717,595
Expenses	35,528,848	41,469,119
Profit from discontinued operations	79,582,447	83,248,476
Finance cost	30,986,801	30,437,524
Depreciation & amortisation	9,228,765	10,391,489
Profit before tax	39,366,881	42,419,463
Income tax expenses	15,965,926	17,908,255
Profit after tax	23,400,955	24,511,208

The carrying value of the assets & liabilities subject to slump sale are as follows:

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Total Assets	770,586,194	630,389,111
Total Liabilities	5,663,175	6,608,203

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

	March 31, 2017	March 31, 2016
	Amount in ₹	Amount in ₹
Operating activities	48,456,660	48,912,054
Investing activities	-	-
Financing activities	-	-

50. Pursuant to the term sheet dated December 23, 2016 with IndiaCan Education Private Limited, all the assets and liabilities of ETEN, a business division of IndiaCan, engaged in the test preparation business for chartered accountancy courses and civil services entrance examination supported by VSAT (very small aperture terminal) network in India, were acquired by the Company via Business Transfer Agreement signed on April 19, 2017 and is effective from April 01, 2017. No adjustment has been made in the current financial statement for the same.

51. Disclosure of transactions in Specified Bank Notes (SBNs) are as below:

Particulars	Other denomination notes	Total
Closing cash in hand as on November 8, 2016	2,148,061	12,150,461
Permitted receipts	17,519,051	17,519,051
Permitted payments	-	-
Deposit in banks	10,154,623	20,157,023
Closing cash in hand as on December 30, 2016	9,512,489	9,512,489



52. Segment Reporting

Primary Segment

The group has identified six reportable business segments as primary segments: Education & training programme (including sale of study material), Sale of educational books, Manpower management services, Marketing and sales services, K - 12 and vocational trainings. The segments have been identified and reported taking into account the nature of products, the differing risks and returns, the organisation structure and the internal financial reporting system.

Education & training programme (including sale of study material): This mainly includes coaching for higher education entrance exams.

Sale of educational books: This mainly includes publishing and sale of educational books to related and third parties.

Manpower management services: The group provides extended skilled manpower services to clients across locations, markets and roles, ranging from managing enterprise customers, to channel relationships, to retail. On the basis of client requirements, group not only provide manpower but also equip, support and manage these skilled teams to meet the business objectives.

Marketing and sales services: The group helps its clients to conduct very large conferences combined with exhibitions and trade shows attended by thousands of persons, too much targeted seminars for focussed, exclusive audiences, to unique experiential activities.

K - 12: The group provided soft skills, infrastructure facilities and other support services to schools involved in Kinder garden to senior secondary studies.

Vocational training : includes specific projects undertaken (including government projects).

Others : Others segment includes revenue from integrated solutions to educational institutions.

For the year ended March 31, 2017

Particulars	Education & training programme (including sale of study material)	Vocational Training	K - 12	Sale of educational books	Manpower management services	Marketing and sales services	Others	Eliminations	Total
Revenue									
External revenue - Continuing Operations	1,472,409,913	23,792,774	-	197,072,390	134,811,187	805,045,402	65,547,820	-	2,698,679,485
External revenue - Discontinued Operations	-	-	66,414,184	-	-	-	-	-	66,414,184
Intersegment revenue	-	-	-	262,489,397	-	4,430,651	42,537,300	(309,457,348)	-
Total revenue	1,472,409,913	23,792,774	66,414,184	459,561,787	134,811,187	809,476,053	108,085,120	309,457,348	2,765,093,669
Allocable Expenses									
Allocable Expenses - Continuing Operations	1,202,454,407	89,147,621	6,832,716	368,637,654	117,837,429	623,384,981	59,678,246	331,394,399	2,136,578,655
Allocable Expenses - Discontinued Operations	-	-	44,757,613	-	-	-	-	-	44,757,613
Results									
Segment results - Continuing Operations	269,955,506	(65,354,847)	(6,832,716)	90,924,133	16,973,758	186,091,071	48,406,874	(21,937,051)	562,100,830
Segment results - Discontinued Operations	-	-	21,656,571	-	-	-	-	-	21,656,571



For the year ended March 31, 2016

Particulars	Education & training programme (including sale of study material)	Vocational Training	K - 12	Sale of educational books	Manpower management services	Marketing and sales services	Others	Eliminations	Total
Revenue									
External revenue - Continuing Operations	1,287,672,639	360,956,697	-	159,876,819	268,611,094	609,012,884	52,737,398	-	2,738,867,531
External revenue - Discontinued Operations	-	-	87,545,605	-	-	-	-	-	87,545,605
Intersegment revenue	-	-	-	219,602,844	235,260	13,602,236	78,551,611	(311,991,951)	-
Total revenue	1,287,672,639	360,956,697	87,545,605	379,479,663	268,846,354	622,615,120	131,289,009	311,991,951	2,826,413,136
Allocable Expenses									
Allocable Expenses - Continuing Operations	1,109,946,918	407,786,708	4,996,005	284,042,017	246,332,017	472,053,189	63,198,325	333,534,501	2,254,820,679
Allocable Expenses - Discontinued Operations	-	-	51,860,608	-	-	-	-	-	51,860,608
Results									
Segment results - Continuing Operations	177,725,721	(46,830,011)	(4,996,005)	95,437,646	22,514,337	150,561,931	68,090,685	(21,542,550)	484,046,854
Segment results - Discontinued Operations			35,684,997						35,684,997
Unallocated expenses									249,646,671
Operating profit									270,085,180
Finance costs - Continuing Operations									71,128,078
Finance costs - Discontinued Operations									30,437,524
Other income including finance income - Continuing Operations	25,780,838	7,170,018	-	-	-	-	51,080,429	-	84,031,285
Other income including finance income - Discontinued Operations							37,171,990		37,171,990
Profit before tax									289,722,853
Income taxes									75,108,937
Net profit									214,613,916



As at March 31, 2016										
Segment assets (excluding goodwill on consolidation)										
Segment assets	628,843,364	658,836,163	969,536,647	638,499,072	45,088,354	125,174,937	203,111,518	616,425,731	2,652,664,324	
Unallocable assets									873,921,621	
Total assets									3,526,585,945	
Segment liabilities (excluding minority interest)										
Segment liabilities	389,904,177	309,599,334	275,399,034	302,933,939	22,458,892	159,561,341	60,868,519	576,810,675	943,914,561	
Unallocable liabilities									501,687,887	
Total liabilities									1,445,602,448	
Other information										
Capital expenditure - allocable	14,347,960	26,875,000	2,129,569	143,735	-	-	8,276,313	4,030,000	47,742,577	
Capital expenditure - unallocable									13,901,800	
Depreciation and amortisation - allocable	33,721,911	21,081,827	13,270,121	2,949,460	-	13,261	5,066,317	4,168,902	71,933,995	
Depreciation and amortisation - unallocable									18,072,205	
Other significant non-cash expenses (net) - allocable	52,282,678	10,043,783	199,694	3,518,939	-	53,320	3,371,593	-	69,470,007	
Other significant non-cash expenses (net) - unallocable									560,148	



Secondary Segment

The group has identified geographical segment as secondary segment.

Financial information about the geographic segment is given below:

For the year ended March 31, 2017

Particulars	Within India	Overseas	Total
Segment revenue	2,698,941,852	66,151,817	2,765,093,669
Segment assets	5,836,973,091	23,896,897	5,860,869,988
Segment liabilities	2,578,771,468	32,486,250	2,611,257,718
Capital expenditures	65,705,739	-	65,705,739

For the year ended March 31, 2016

Particulars	Within India	Overseas	Total
Segment revenue	2,788,058,094	38,355,042	2,826,413,136
Segment assets	3,499,086,919	27,499,026	3,526,585,945
Segment liabilities	1,439,733,190	5,869,258	1,445,602,448
Capital expenditures	61,644,377	-	61,644,377

53. The Group has reclassified/regrouped previous year figures where necessary to conform to the current period's classification.

Summary of significant accounting policies

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date.

For **Haribhakti & Co. LLP**

Chartered Accountants

ICAI Firm Registration No.:103523W/W100048

sd/-

Raj Kumar Agarwal

Partner

Membership No.:074715

Place: New Delhi

Date : May 29, 2017

For and on behalf of the Board of Directors of

CL Educate Limited

sd/-

Gautam Puri

Vice Chairman & MD

DIN: 00033548

sd/-

Nikhil Mahajan

Director & CFO

DIN: 00033404

sd/-

Rachna Sharma

Company Secretary

ICSI M. No.: A17780

Place: New Delhi

Date : May 29, 2017



CL EDUCATE LIMITED
CIN: U74899DL1996PLC078481

Registered & Corporate Office: A-41, Espire Building, Lower Ground Floor, Mohan Co-operative Industrial Area Main Mathura Road, New Delhi – 110 044 Tel.: 011-4128 1100, Fax: 011-4128 1110
Website: www.cleducate.com, E-mail: compliance@cleducate.com

Notice

NOTICE is hereby given that the **21st (TWENTY FIRST) ANNUAL GENERAL MEETING** of the members of CL Educate Limited [formerly known as Career Launcher (India) Limited] will be held on Thursday, 24th day of August, 2017 at 11:00 A.M. at PHD Chamber of Commerce and Industry, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi, Delhi 110016 to transact the following businesses:

ORDINARY BUSINESS:

1. Adoption of Annual Financial Statements for the Financial Year ended March 31, 2017.

To receive, consider and adopt the Audited Standalone and Consolidated Financial Statements of the Company for the year ended March 31, 2017, along with the reports of the Board of Directors and Auditors' thereon.

2. Retirement by Rotation.

To appoint a Director in place of Mr. Satya Narayanan .R (DIN: 00307326), Chairman and Whole-Time Director of the Company, who retires by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment and in this regard to consider and if thought fit, to pass the following resolution, as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under (including any statutory modification(s) & re-enactment thereof), the approval of the members of the Company be and is hereby accorded to the re-appointment of Mr. Satya Narayanan .R (DIN: 00307326), Chairman and Whole-Time Director of the Company, who retires by rotation and being eligible, offers himself for re-appointment."

3. Ratification of Appointment of the Statutory Auditors for the Financial Year 2017-18 and to fix their remuneration in this regard.

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to Section 139, 142 and other applicable provisions of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 including any statutory amendment(s) thereof, and pursuant to the recommendation of the Audit Committee as well as of the Board of Directors, and pursuant to the confirmation of the appointment of the Auditors for a period of 5 years by the members of the Company at the Annual General Meeting held on September 05, 2014, the members hereby ratify the appointment of M/s Haribhakti & Co. LLP, Chartered Accountants, (Firm Registration No. – 103523W), as the Statutory Auditors of the Company for the Financial Year 2017-18 at such remuneration and reimbursement of out of pocket expenses as may be recommended by the Audit Committee and approved by the Board of Directors of the Company."

SPECIAL BUSINESS

4. Appointment of Ms. Madhumita Ganguli (DIN: 00676830) as an Independent Director on the Board of the Company.

To consider and if thought fit, to pass the following resolution as an **Ordinary Resolution**:



"RESOLVED THAT pursuant to the provisions of Section 149, 152 161 and other applicable provisions, if any, of the Companies Act, 2013("the Act") and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule IV to the Act and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Ms. Madhumita Ganguli (DIN: 00676830), who was appointed as an Additional Director of the Company by the Board of Directors on and with effect from July 02, 2017, pursuant to Section 161(1) of the Act, and in respect of whom, along with cheque of the required deposit, the Company has received a notice in writing from a member of the Company under Section 160 of the Act, proposing her candidature for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company for an initial term of 5 years i.e. from July 02, 2017 up to July 01, 2022, with the period of office not liable to determination of retirement by rotation."

5. Appointment of Mr. Paresh Surendra Thakker (DIN: 00120892) as an Independent Director on the Board of the Company.

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 161 and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force) read with schedule IV to the Act and other applicable Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, Mr. Paresh Surendra Thakker (DIN: 00120892), who was appointed as an Additional Director of the Company by the Board of Directors on and with effect from July 02, 2017, pursuant to Section 161(1) of the Act, and in respect of whom, along with cheque of the required deposit, the Company has received a notice in writing from a member of the Company under Section 160 of the Act, proposing his candidature for appointment as an Independent Director, be and is hereby appointed as an Independent Director of the Company for an initial term of 5 years i.e. from July 02, 2017 up to July 01, 2022, with the period of office not liable to determination of retirement by rotation."

6. Adoption of new set of Articles of Association of the Company.

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 5, 14 and all other applicable provisions, if any, of the Companies Act, 2013 (the 'Act') read with the rules framed thereunder and schedules thereto (including any statutory modification(s) amendment(s) or re-enactment thereof, for the time being in force), the consent of the Members of the Company be and is hereby accorded to the Board of Directors of the Company for the deletion of all the Articles of the existing Articles of Association of the Company and substitute the same with the new set of Articles of Association and the said new set of Articles of Association be and are hereby adopted as the Articles of Association of the Company in substitution for, and to exclusion of, the existing Articles of Association of the Company, in order to bring the existing Articles in line with the general framework of listing regulations.

RESOLVED FURTHER THAT the Board of Directors (hereinafter referred to as the "Board" which term shall be deemed to include any Committee thereof for the time being exercising the powers conferred on the Board by this Resolution), be and is hereby authorized to do or cause to do all such acts, deeds, matters and things and to execute all such deeds, documents, instruments and writings as it may deem necessary in relation to the above resolutions, and to file all the necessary documents with Registrar of Companies NCT of Delhi and Haryana, for the purpose of giving effect to this resolution."

7. Ratification of remuneration of Cost Auditors for Financial Year(s) 2015-16, 2016-17 and 2017-18.

To consider and if thought fit, to pass, the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 148 and other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force) and pursuant to the recommendation of the Audit Committee, the members hereby approve and ratify, the remuneration payable to M/s Sunny Chhabra and Company, Cost Accountants (Firm Registration No. 101544) as the Cost



Auditors of the Company for the Financial Year(s) 2015-16, 2016-17 and 2017-18 as fixed by the Board."

8. To ratify the 'Amended and Restated Career Launcher Employee Stock Options Plan 2014' (hereinafter "ESOP Scheme"), and grant approval to the renewal of the ESOP Scheme for a period of 1 (one) year commencing from September 5, 2017.

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 62(1)(b) and all other applicable provisions, if any, of the Companies Act 2013, the Memorandum and Articles of Association of the Company, Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (the "SBEB Regulations") (including any statutory modification(s) or re-enactment of the Act or the SBEB Regulations, for the time being in force) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions which may be agreed to by the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall be deemed to include any Committee thereof, including Nomination, Remuneration and Compensation Committee, which may exercise its powers, including the powers conferred by this resolution), the "Amended and Restated Career Launcher Employee Stock Options Plan 2014 ("CL ESOP Plan 2014" or "ESOP Scheme") as approved by the Company prior to Initial Public Offering (IPO) in its Extra-Ordinary General Meeting held on March 22, 2016 be and is hereby ratified within the meaning of Regulation 12 of SBEB Regulations.

RESOLVED FURTHER THAT the consent and approval of the Members of the Company be and is hereby accorded for the renewal of the above mentioned CL ESOP Plan 2014 of the Company from September 05, 2017 to September 04, 2018, by amending the relevant Article of the CL ESOP Plan 2014.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to grant options remaining to be granted under the ESOP Scheme, and/or to issue and allot Equity shares or any other securities, upon

exercise of such options, from time to time in accordance with the "CL ESOP Plan 2014", without seeking any further approval from the shareholders of the Company, and such Equity shares shall rank pari-passu in all respects with the existing shares of the company.

RESOLVED FURTHER THAT in case the Equity shares or any other securities of the company, are sub-divided or consolidated, then the number of shares to be allotted and the price of acquisition of the shares by the aforesaid grantees exercising options under the "CL ESOP Plan 2014" shall automatically stands augmented or reduced, as the case may be, in the same proportion as the present face value of ₹ 10/- per Equity Share bears to the revised face value of the Equity Shares of the Company after such sub-division or consolidation, without affecting any other rights or obligations of the said allottees.

RESOLVED FURTHER THAT the Board be and is hereby authorized to make modifications, changes, variations, alterations or revisions in the said "CL ESOP Plan 2014" as it may deem fit, from time to time in its sole and absolute discretion in conformity with the provisions of the Companies Act, 2013, SEBI guidelines (as and when applicable), the Memorandum and Articles of Association of the Company and any other applicable laws for the time being in force and to do all such acts, deeds, matters and things as it may in its absolute discretion deem fit or necessary or desirable for such purpose."

9. Ratification of the Related Party Transactions under Section 188 of the Companies Act, 2013.

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory modifications (s) or re-enactment thereof, for the time being in force) and the applicable provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the approval/ratification of the shareholders be and is hereby accorded to the Board of Directors for continuing the existing related party transactions for a period of 5 (Five) years w.e.f. April 01, 2014, up to the maximum amount annually as given below:



Parties	Arrangement	Whether on an Arm's length basis	Justification of the transaction being on an arm's length basis	Quantum of Transaction (Annual)
CL Media Private Limited, Wholly Owned Subsidiary Company and Mr. Sreenivasan .R	Payment of Remuneration	Yes	Salary is equivalent to people with similar background and similar experience	Upto ₹ 48 Lakhs with annual increment not exceeding 20% per annum, if any.
CL Media Private Limited, Wholly Owned Subsidiary Company and Mr. R. Shiva Kumar	Payment of Remuneration	Yes	Salary is equivalent to people with similar background and similar experience.	Upto ₹ 55 Lakhs with annual increment not exceeding 20%, per annum if any.
Career Launcher Infrastructure Private Limited, Step down Wholly Owned Subsidiary and Nalanda Foundation, a Group Entity	1. Leasing out of infrastructure facilities for Indus World Schools. 2. Interest Payable on outstanding loan	Yes	CLIP has given infrastructure to Nalanda Foundation for running the schools. In return NF pays a certain % of revenue to CLIP and this % Is almost similar or in range to what NF pays to outside infrastructure providers. Additionally NF pays CLIP interest at 5 BP higher than the rate CLIP has borrowed money from lenders for amounts outstanding.	₹ 25 Lakhs

RESOLVED FURTHER THAT the Board of Directors of the Company or any Committee thereof be and are hereby authorized to settle any question, difficulty or doubt that may arise and to do all such acts, deeds, matters and things as may be considered necessary, proper or expedient, to finalize any documents and writings related thereto, to give effect to the above mentioned related party transactions."

10. Change in Designation of Mr. Gopal Jain (DIN: 00032308) as a Non-Executive Non-Independent Director of the Company.

To consider and if thought fit, to pass, the following resolution as a **Special Resolution**:

"RESOLVED THAT pursuant to the provisions of Section 152, and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any

statutory modification(s) or re-enactment thereof, for the time being in force), Mr. Gopal Jain (DIN: 00032308), who is holding the office as a Nominee Director, not liable to retire by rotation, be and is hereby re-designated as a Non-Executive Non-Independent Director of the Company liable to retire by rotation."

By Order of the Board
For CL Educate Limited

sd/-

Nikhil Mahajan

Executive Director & Group CEO Enterprise Business

DIN No. : 00033404

Address: H. No. 457, Sector – 30,
Faridabad – 121003, Haryana

Place: New Delhi

Date: July 24, 2017

NOTES:

1. An explanatory statement pursuant to Section 102 of the Companies Act, 2013, which sets out details of material facts relating to the special business to be transacted at the Annual General Meeting, is annexed hereto.

2. Details under Regulation 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and in terms of Secretarial Standard - 2 in respect of the Director seeking re-appointment at the 21st Annual General Meeting are mentioned in note No. 28 below.

3. A member entitled to attend and vote at the meeting is entitled to appoint any other person as a proxy to attend and vote at the meeting on his behalf and such proxy need not be a member of the Company.

As per Section 105 of the Companies Act, 2013, a person can act as proxy on behalf of members not exceeding 50 and holding in aggregate not more than 10% of the total share capital of the Company casting voting rights. The instrument of Proxy in order to be effective, should be deposited at the registered office of the Company, duly completed and signed, not less than 48 (forty eight) hours before the commencement of the meeting. Proxies submitted on behalf of the companies, societies etc. must be supported by an appropriate resolution/authority, as applicable.

The attendance slip and a proxy form with clear instructions for filing, stamping, signing and/or depositing the proxy form are enclosed.

4. Corporate members intending to send their authorised representatives to attend the Annual General Meeting are requested to send to the Company/Karvy Computershare Private Limited, Company's Registrar and Share Transfer Agent ("Registrar"), in advance, a duly certified copy of the relevant board resolution/letter of authority/power of attorney, together with the respective specimen signatures of those representative(s) authorised under the said resolution to attend and vote on their behalf at the meeting.

5. Pursuant to Section 91 of the Companies Act, 2013 and Regulation 42 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the register of members and the share transfer books of the Company will remain closed from Friday, August 18, 2017 to Thursday, August 24, 2017 (both days inclusive) for the purpose of 21st Annual General Meeting of the Company.

6. Route map and details of prominent land mark of the

venue of meeting is annexed with this Notice.

7. Members may utilise the facility extended by the Registrar for redressal of their queries by visiting at <http://karisma.karvy.com> and clicking on 'Investors' section for query registration through free identity registration process. Members may also write at einward.ris@karvy.com and compliance@cleducate.com, clearly mentioning their folio number.

8. The Auditor's certificate certifying that the ESOP Scheme of the Company is being implemented in accordance with the Regulation 13 of SEBI (Share Based Employee Benefit) Regulations, 2014 will be available for inspection at the Annual General Meeting.

9. In respect of the physical shareholding, in order to prevent fraudulent transactions, members are advised to exercise due diligence and notify the Registrar of any change in their address, telephone number, e-mail id, nominees or joint holders, as the case may be.

10. The Securities and Exchange Board of India (SEBI) has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar.

11. Notice of the Annual General Meeting, Annual Report 2016-17 and attendance slip are being sent in electronic mode to members whose email address is registered with the Company/Registrar or the depository participants, unless the members have registered their request for the hard copy. Physical copy of the Notice, Annual Report and attendance slip are being sent to those members who have not registered their email address with the Company or depository participants. Members who have received the Notice, Annual Report and attendance slip in electronic mode are requested to print the attendance slip and submit a duly filled in attendance slip at the registration counter at the Annual General Meeting.

12. Members of the Company who have registered their email address are also entitled to receive such communication in physical form upon making a request for the same, by any permissible mode, free of cost. For any communication, the members may also send requests to the Company's investor email id: compliance@cleducate.com.

13. Members holding shares in physical form are requested to



consider converting their holdings to dematerialised form to eliminate risks associated with physical shares and for better management of the securities. Members can write to the Company's Registrar in this regard.

14. Members may also note that the notice of the 21st Annual General Meeting and the Annual Report for 2016-17 are also available on the Company's website www.cleducate.com.
15. The Annual Report along with the Notice of Annual General Meeting is being sent to the members, whose names appear in the register of members/depositories as at closing hours of business on Friday, July 21, 2017.

16. Inspection

The documents referred to in the Notice, explanatory statement and Annual Report for 2016-17 will be available for inspection by the members at the registered office of the Company on all working days (except Saturdays, Sundays and public holidays) from 09:00 a.m. to 05:00 p.m. up to the date of the Annual General Meeting.

A member can inspect the proxies lodged at any time during the business hours of the Company from the period beginning 24 hours before the time fixed for the commencement of the Annual General Meeting and ending with the conclusion of the said meeting, provided he has given to the Company a notice, in writing, of his intention to inspect not less than three days before the commencement of the said meeting.

17. Pursuant to the provisions of Section 72 of the Companies Act, 2013, the members holding shares in physical form may nominate, in the prescribed Form SH -13, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Members holding shares in demat form may contact their respective DP for availing this facility.
18. In case of joint holders attending the meeting the Members whose name appears as the first holders in the order of names as per the register of Members of the Company will be entitled to vote.
19. Guidelines for attending the ensuing Annual General Meeting:
 - a) Entry to the auditorium/hall will be strictly against entry coupon available at the counters at the venue and against the exchange of duly filled in, signed and valid attendance slip;
 - b) Members are requested to bring their copy of the

Annual Report to the meeting.

20. Cut-off Date

The Company has fixed August, 17, 2017 as the "Cut- Off Date" for remote e-voting. The remote e-voting /voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as at close of business hours on the Cut-Off Date i.e. August, 17, 2017 only. A person who is not a member as on the Cut-Off Date should treat this Notice for information purposes only.

21. Remote e-voting

Pursuant to Section 108 of the Companies Act 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide the facility of voting by electronic means viz. 'remote e-voting' (e-voting from a place other than venue of the AGM) through Karvy Computershare Pvt. Limited (Karvy), for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the Notice of the 21st Annual General Meeting of the Company.

The remote e-voting period begins on Monday, August 21, 2017 at 9:00 a.m. (IST) and ends on Wednesday, August 23, 2017 at 5:00 p.m (IST). During this period shareholders of the Company, holding shares either in physical form or in dematerialised form, as on the Cut-Off Date i.e., August, 17, 2017 may cast their votes electronically. The remote e-voting module shall be disabled by Karvy for voting after 5:00 p.m (IST) on August 23, 2017.

The facility for voting, either through electronic voting system or through poll shall also be made available at the venue of the 21st AGM. The members attending the AGM, who have not cast their vote through remote e-voting shall be able to exercise their voting rights at the AGM. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.

The members desirous of voting through remote e-voting are requested to refer to the detailed procedure given hereinafter. Once the vote on a resolution is cast by a member, the member shall not be allowed to change it subsequently.

Instructions and other information relating to remote e-voting are as under:

A. For members who receive Notice of Annual

General Meeting through email, i.e. for members whose email IDs are registered with the Company/ Depository Participant(s):

- (i) Launch an internet browser by typing the URL: <https://evoting.karvy.com>
- (ii) Enter the login credentials (i.e. user ID and password mentioned in the email). Your Folio No./DP ID-Client ID will be your user ID. However, if you are already registered with Karvy for e-voting, you can use your existing user ID and password for casting your vote.
- (iii) After entering these details appropriately, click on "LOGIN".
- (iv) You will now reach password change Menu wherein you are required to mandatorily change your password. The new password shall comprise minimum 8 characters with at least one upper case (A-Z), one lower case (a-z), one numeric (0-9) and a special character (@,#,\$,etc.). The system will prompt you to change your password and update your contact details like mobile number, email ID, etc. on first login. You may also enter a secret question and answer of your choice to retrieve your password in case you forget it. It is strongly recommended that you do not share your password with any other person and that you take utmost care to keep your password confidential.
- (v) You need to login again with the new password.
- (vi) In case you are already registered with M/s Karvy Computershare Private Limited for remote e-voting, then you can use your existing user ID and password for casting your vote. If you have forgotten your password, you can reset your password by using "Forgot Password" option available on <https://evoting.karvy.com> or contact Karvy Computershare Private Limited at toll free no. 1-800-2154-001 or email at evoting@karvy.com.
- (vii) On successful login, the system will prompt you to select the E-Voting Event Number for CL Educate Limited.
- (viii) On the voting page enter the number of shares (which represents the number of votes) as on the Cut-Off Date under "FOR/ AGAINST" or alternatively, you may partially enter any number in "FOR" and partially in "AGAINST" but the total number in "FOR/ AGAINST" taken together should not exceed your total shareholding as mentioned overleaf. You may also choose to "ABSTAIN" by not entering any number in "FOR/AGAINST" and the shares held will not be counted under either head.
- (ix) Members holding multiple folios / demat accounts shall choose the voting process separately for each of the folios / demat accounts.
- (x) Voting has to be done for each item of the Notice separately. In case you do not desire to cast your vote on any specific item it will be treated as abstained.
- (xi) You may then cast your vote by selecting the appropriate option and clicking on "Submit".
- (xii) A confirmation box will be displayed. Click "OK" to confirm else "CANCEL" to modify. Once you confirm, you will not be allowed to modify your vote. During the voting period, Members can login any number of times till they have voted on the Resolution(s).
- (xiii) Corporate / institutional members (i.e. other than individuals, HUF, NRI, etc.) are also required to send scanned certified true copy (PDF Format) of the board resolution / authority letter, etc., together with attested specimen signature(s) of the duly authorised representative(s), to the Scrutiniser at e-mail ID: gains108@yahoo.com They may also upload the same in the remote e-voting module in their login. The scanned image of the above mentioned documents should be in the naming CL Educate Limited, 21st Annual General Meeting.
- (xiv) The e-voting would commence on Monday, August 21, 2017 at 9:30 A.M. and end on Wednesday, August 23, 2017 at 05.00 P.M. During this period, the eligible members of the Company, may cast their vote by electronic means in the manner and process set out herein above. The e-voting module shall be disabled for voting thereafter. Further, members who cast their vote electronically shall not be entitled to vote at the Annual General Meeting.
- (xv) Facility for voting through ballot paper would also be made available at the AGM venue. Members who cast their votes electronically should not vote through ballot paper. However, in case a member votes electronically as well as through ballot paper, the vote cast through ballot paper will be ignored.
- (xvi) In case of any query pertaining to e-voting, please visit Help & FAQ's section of <https://evoting.karvy.com>.



B. In case a member receives physical copy of the Annual General Meeting Notice by post/courier {for members whose email IDs are not registered with the Company / depository participant(s)}:

- (i) User ID and initial password as provided overleaf.
- (ii) Please follow all steps from Sr. No.(i) to (xvi) as mentioned in (A) above, to cast your vote.

22. Any person who acquires shares of the Company and becomes member of the Company post-dispatch of Notice along with the Annual Report before the Cut-Off Date may obtain the login ID and password by sending a request at evoting@karvy.com or to the Company at compliance@cleducate.com.

23. The Company has designated Ms. Rachna Sharma, Company Secretary & Compliance Officer to address the grievances connected with the voting by electronic means, the investors can reach Company official at +91-11-41281100 or compliance@cleducate.com. Members are also advised to visit Help & FAQ section available at Karvy's website <https://evoting.karvy.com> for clarity on the e-voting process.

24. The voting rights of the members shall be in proportion to the paid-up value of their shares in the equity capital of the Company as on the Cut-Off Date, being August 17, 2017.

25. The Board of Directors has appointed Mr. Ved Prakash

(C.P. 16986), Designated Partner, M/s. S. Anantha & Ved LLP (Firm Reg. No. AAH 8228229), Company Secretaries, Mumbai, as Scrutiniser to scrutinise the remote e-voting process and voting through electronic voting system or through poll at the AGM in a fair and transparent manner.

26. The Scrutiniser shall after conclusion of voting at the AGM first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two (2) witnesses not in the employment of the Company and shall within 2 days of conclusion of the AGM, make a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorised who shall countersign the same and declare the result of voting forthwith.

27. The resolutions will be deemed to be passed on the Annual General Meeting date subject to receipt of the requisite number of votes in favour of the resolutions. The results will be declared by posting the same at the website of the Company (www.cleducate.com), website of the agency viz. Karvy's website (<https://evoting.karvy.com>) and by filing with the stock exchanges and shall also be displayed on the notice board at the registered office of the Company.

28. Information required under Regulation 36 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 (SS-2) with respect to the Director, seeking appointment/re-appointment is as under:

Particulars	Mr. Satya Narayanan .R (DIN: 00307326) (Re-Appointment)	Mr. Gopal Jain (DIN: 00032308) (Change in designation)	Ms. Madhumita Ganguli (DIN:00676830) (Appointment)	Mr. Paresh Surendra Thakker (DIN:00120892) (Appointment)
Date of Birth (Age)	July 13, 1970 (47 Years)	February 13, 1971 (46 years)	September 22, 1956 (60 years)	June 30, 1971 (46 years)
Date of Appointment/ re-appointment	April 01, 2017	July 24, 2017	July 02, 2017	July 02, 2017
Qualifications	Bachelor's degree in computer sciences , DU and IIM-B.	Bachelor's degree in Electrical Engineering from the Indian Institute of Technology, Delhi.	B.Sc., DU LL.B.	CFA (AIMR, USA), Chartered Accountant (India), Cost Accountant (India), Company Secretary (India) and Bachelor of Commerce from Mumbai University.
Expertise in specific functional areas	He has over 19 years of experience in the education sector.	He has over 22 years of experience in the private equity and financial services industry.	She has over 25 years of work experience and heads a large part of the core business of HDFC Ltd.	He is experienced private equity investor/advisor with more than 21 years of investing experience

Directorships Held In Other Public Companies (Excluding Foreign Companies And Section 8 companies)	<ul style="list-style-type: none"> • CL Educate Limited • Career Launcher Education Infrastructure and Services Limited • CL Media Private Limited • Career Launcher Infrastructure Private Limited • Bilakes Consulting Private Limited • Threesixtyone Degree Minds Consulting Private Limited • G K Publications Private Limited • Kestone Integrated Marketing Services Private Limited 	<ul style="list-style-type: none"> • Gaja Advisors Private Limited • Career Launcher Infrastructure Private Limited • Teamlease Services Limited • Shivani Mercantile Private Limited • IIJT Education Private Limited • Eurokids International Private Limited • Euroschool International Private Limited • EK Education and Research Foundation • Euroschool Foundation • Bakers Circle(India) Pvt. Ltd. • SV Edusports Pvt. Ltd. • TeamLease Education Foundation • Gaja Investments 	<ul style="list-style-type: none"> • Purearth Infrastructure Limited • HDFC Sales Private Limited • HDFC Credila Financial Services Private limited • Transunion Cibil Limited • HDFC Capital Advisors Limited 	<ul style="list-style-type: none"> • ValueQuest Capital LLP
Memberships / Chairmanships of committees of other public companies (includes only Audit Committee and Stakeholders' Relationship Committee.)	NIL	NIL	NIL	NIL
Number of shares held in the Company	2262579	NIL	NIL	NIL
Disclosure of relationships between directors inter-se	None	None	None	None



EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS TO BE TRANSACTED AT THE MEETING, PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

ITEM NO. 4

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 read with the Articles of Association of the Company, Ms. Madhumita Ganguli (DIN: 00676830) was appointed as an Additional Director (under the category of Non-Executive and Independent Director) of the Company by the Board of Directors at its meeting held on July 02, 2017.

In terms of the provisions of Section 161(1) of the Act, Ms. Madhumita Ganguli (DIN: 00676830) holds office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member of the Company, along with deposit of the requisite amount as prescribed under Section 160 of the Companies Act, 2013, proposing the candidature of Ms. Madhumita Ganguli (DIN: 00676830) to the office of Director of the Company.

The brief profile of Ms. Madhumita Ganguli (DIN: 00676830) as per the requirements of the Companies Act, 2013, and SEBI (LODR), Regulations, 2015 and the rules made thereunder and the Secretarial Standards (SS-2) are given in Note No. 28 which form part of the notes to the Notice.

Brief resume and other details of Ms. Madhumita Ganguli

Ms. Madhumita Ganguli, aged 60 years, a lawyer by qualification, has over 25 years of work experience and heads a large part of the core business of HDFC Ltd.

She is currently associated with HDFC Ltd. HDFC Limited holds 594233 no. of Equity Shares in CL Educate Limited, constituting 4.19 % of the paid up Capital of the Company. She is proposed to be appointed as a Non-Executive Independent Director on Board of Directors of the Company.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Ms. Madhumita Ganguli being eligible and offers herself for appointment, is proposed to be appointed as an Independent Director, not liable to retire by rotation, for a term of five (5) consecutive years upto July 01, 2022.

She has given her consent to act as a Director of the Company, along with a certificate stating that she is not disqualified from being appointed as a Director in the Company in terms of Section 164 of the Companies Act, 2013. Further, she has submitted the declaration as required pursuant to Section 149 (7) of the Act, stating that she meets the criteria of independence as provided under sub section (6) of Section 149.

The Board considers that her experience and expertise would be of immense benefit to the Company and it is desirable to avail services of Ms. Madhumita Ganguli as (DIN: 00676830) as an Independent Director of the Company.

Further details of Ms. Madhumita Ganguli (DIN: 00676830) have been given in the Notes to this Notice.

The Directors of your Company, therefore, recommend the Resolution to be passed as an Ordinary Resolution by the Members.

Except for Ms. Madhumita Ganguli (DIN:00676830), none of the Directors or Key Managerial Personnel (KMPs) of the Company and their relatives is/are concerned or interested in any manner, financially or otherwise, in passing the resolution set out at Item No.4.

A copy of appointment letter, declaration of eligibility under Section 149 (7) received from her and other documents are open for inspection at the Registered Office of the Company during normal business hours (09:00 a.m. to 05:00 p.m.) on all working days except Saturdays and Sundays, upto the date of the Annual General Meeting of the Company.

ITEM NO. 5

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 read with the Articles of Association of the Company, Mr. Paresh Surendra Thakker (DIN: 00120892) was appointed as an Additional Director (under the category of Non-Executive and Independent Director) of the Company by the Board of Directors at its meeting held on July 02, 2017.

In terms of the provisions of Section 161(1) of the Act, Mr. Paresh Surendra Thakker (DIN: 00120892) holds office up to the date of the ensuing Annual General Meeting.

The Company has received a notice in writing from a member of the Company, along with deposit of the requisite amount as prescribed under Section 160 of the Companies Act, 2013, proposing the candidature of Mr. Paresh Surendra Thakker (DIN:00120892) to the office of Director of the Company.

The brief profile of Mr. Paresh Surendra Thakker (DIN:00120892) as per the requirements of the Companies Act, 2013, SEBI (LODR), Regulations, 2015 and the rules made thereunder and the Secretarial Standards (SS-2) are given in Note No. 28 which form part of the Notice.

Brief resume and other details of Mr. Paresh Surendra Thakker

Mr. Paresh Surendra Thakker, aged 46 years, is a qualified CFA (AIMR, USA), Chartered Accountant (India), Cost Accountant (India), Company Secretary (India) and Bachelor of Commerce

from Mumbai University and an experienced private equity investor/advisor with more than 21 years of investing experience. He is the co-founder of ValueQuest Capital LLP and founding member of Religare Global Asset Management and was also co-founder of Evolvence India Platform, an India-Focused hybrid private equity firm.

In terms of Section 149 and other applicable provisions of the Companies Act, 2013, Mr. Paresh Surendra Thakker being eligible and offers himself for appointment, is proposed to be appointed as an Independent Director, not liable to retire by rotation, for a term of five (5) consecutive years upto July 01, 2022.

He has given his consent to act as a Director of the Company, along with a certificate stating that he is not disqualified from being appointed as a Director in the Company in terms of Section 164 of the Companies Act, 2013. Further, he has submitted the declaration as required pursuant to section 149 (7) of the Act stating that he meets the criteria of independence as provided in sub section (6) of Section 149.

The Board considers that his experience and expertise would be of immense benefit to the Company and it is desirable to avail services of Mr. Paresh Surendra Thakker (DIN: 00120892) as an Independent Director of the Company.

The Board of Directors of your Company, therefore, recommends the Resolution to be passed as an Ordinary Resolution by the Members.

Except for Mr. Paresh Surendra Thakker (DIN: 00120892), none of the Directors or Key Managerial Personnel (KMPs) of the Company and their relatives are, in any way, concerned or interested, whether financially or otherwise, in the passing the proposed Resolution set out at Item No.5 of the Notice.

A copy of appointment letter, declaration of eligibility under section 149 (7) received from him and other documents are open for inspection at the Registered Office of the Company during normal business hours (09:00 a.m. to 05:00 p.m.) on all working days except Saturdays and Sundays, up to the date of the Annual General Meeting of the Company.

ITEM NO. 6

The Company had approved the necessary modifications in the Articles of Association of the Company, at its 18th Annual General Meeting, held on 05th day of September, 2014 so as to bring the Articles in consonance with the provisions of the Companies Act, 2013, together with the Schedules thereto and the Rules framed thereunder. Now after the Equity Shares of the Company have got listed on the stock exchange(s) i.e. on National Stock Exchange of India Limited ("NSE") and BSE Limited on March 31, 2017, it seems necessary to modify

the Articles of Association of the Company, in order to bring the existing Articles of the Company in line with the general framework of listing regulations.

The Board of Directors of your Company, therefore, recommend the Resolution, approving the new set of Articles of Association of the Company, to be passed as a Special Resolution by the Members.

The proposed new draft of the Articles of Association of the Company would be available for inspection at the Registered Office of the Company during normal business hours (09:00 a.m. to 05:00 p.m.) on all working days except Saturdays and Sundays, up to and including the date of the Annual General Meeting of the Company.

None of the Directors or Key Managerial Personnel (KMPs) of the Company either directly or through their relatives are, in any way, concerned or interested, whether financially or otherwise, in the Special Resolution set out at item No. 6 of the Notice.

ITEM NO. 7

Pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Cost Audit and Records) Rules, 2014 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modifications thereof, for the time being in force), the Board at its meetings held on 26th October, 2015 and 29th April, 2016, on the recommendations of the Audit Committee, had appointed M/s Sunny Chhabra and Company, Cost Accountants (Firm registration no. 101544) as the Cost Auditors to conduct an audit of the Cost Records of the Company for the Financial Years 2015-16 and 2016-17 respectively, as well as fixed the remuneration to be paid to the Cost Auditors. The Remuneration paid/payable to the Cost Auditors for the Financial Years 2015-16, 2016-17 and 2017-18 is stated hereunder:

S. No	Name of the Cost Auditor	Financial year(s)	Remuneration paid/payable Amount (in ₹) (Excluding out of pocket expenses)
1	M/s Sunny Chhabra & Co.	2015-16	₹ 100,000/-
2	M/s Sunny Chhabra & Co.	2016-17	₹ 100,000/-
3	M/s Sunny Chhabra & Co.	2017-18	₹ 115,000/-

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with Rule 14 of the Companies



(Audit and Auditors) Rules, 2014, the Remuneration of the Cost Auditors is required to be approved and ratified by the shareholders of the Company.

The Board of Directors of your Company, therefore, recommends that the Resolution No. 7 to be passed as an Ordinary Resolution by the members.

None of the Directors or Key Managerial Personnel (KMPs) of the Company either directly or through their relatives are, in any way, concerned or interested, whether financially or otherwise, in the Ordinary Resolution set out at item No. 7 of the Notice.

Copy of all the documents mentioned herein above are open for inspection at the Registered Office of the Company during normal business hours (09:00 a.m. to 05:00 p.m.) on all working days except Saturdays and Sundays, up to the date of the Annual General Meeting of the Company.

ITEM NO. 8

The Company had adopted the "Amended Career Launcher Employee Stock Options Plan 2008" at its Annual General Meeting held on September 05, 2014 under which Stock Options have been granted by the Company to its employees. Subsequent to the said adoption, SEBI (Share Based Employee Benefits) Regulations, 2014 (the "SBEB Regulations") came into effect on 28th October, 2014 and the said CL ESOP Plan had to be amended in order to make it compliant with the SBEB Regulations. The Company amended its ESOP Plan accordingly, and adopted the Amended and Restated Career Launcher Employee Stock Options Plan 2014 (CL ESOP Plan 2014) at the Extra-ordinary General Meeting of the Company held on March 22, 2016, before the Company came out with its Initial Public Offer (IPO).

Post its IPO, the Company's ESOP scheme is governed by the SEBI SBEB Regulations. As per Regulation 12 of SBEB Regulations, no Company shall make any fresh grant which involves allotment or transfer of shares to its employees under any Schemes formulated prior to its IPO and prior to the listing of its Equity Shares (Pre-IPO Scheme) unless (i) such pre-IPO scheme is in conformity with SBEB Regulations; and (ii) such pre-IPO scheme is ratified by its shareholders subsequent to IPO.

In view of Regulation 12 of SBEB Regulations, as stated above, the CL ESOP Scheme is being placed before the shareholders for their ratification. It is hereby confirmed that the CL ESOP Plan is in conformity with SBEB Regulations and that the Company has not made any fresh grant of options under the Plan post the IPO.

It is further confirmed that the CL ESOP Plan 2014 shall be

implemented and administered directly by the Company and the Company shall conform to the accounting policies specified in Regulation 15 of the SBEB Regulations.

Further, CL ESOP Plan 2014 is valid till September 04, 2017 and after this date no fresh grants can be made pursuant to the Scheme. It is proposed to renew the CL ESOP Plan 2014 of the Company for a period of 1 year, i.e. from September 05, 2017 to September 04, 2018, by amending the relevant Article of the CL ESOP Plan 2014.

Explanation as per Rule 12 of Companies (Share Capital and Debentures) Rules, 2014 and Regulation 6 of SBEB Regulations:

a) Total number stock options to be granted;

The CL ESOP Plan 2008 stated "the aggregate number of options to be granted shall not exceed 3.45% of the total capital of our Company (being 250,000 Equity Shares of ₹ 10 each)". Therefore, 250,000 options could be granted under the Plan to eligible employees, exercisable into 250,000 Equity Shares.

Following is the status of CL ESOP Plan 2014, as on July 24, 2017:

Particulars	No. of Options
Option granted	312468
Options exercised	80075
Options lapsed	75636
Options O/S	156757
Options vested as on date	118257
Options granted remaining unvested as on date	38500
Options to be granted	13168
Total Options (Options O/s + Options to be granted)	169925

b) Identification of class of employees entitled to participate in the plan;

As per the CL ESOP Plan 2014, 'Employee' means:

- i. a permanent Employee of the Company whether working in India or abroad;
- ii. a Director of the Company, whether a whole-time director or not, but excluding an Independent Director; or
- iii. an Employee as defined in sub-clause (a) or (b) above of a Subsidiary, in India or abroad, or of a "Holding Company" of the Company or of an "Associate Company" of the Company, in either case.

but does not include the following:

- i. an Employee who is a Promoter or a person belonging to the Promoter Group;
- ii. a Director who either himself or through his Relative or through any body corporate, directly or indirectly, holds more than 10% (ten per cent) of the outstanding Shares of the company.

c) The appraisal process for determining the eligibility of employees to the Employees Stock Option Scheme

The Nomination Remuneration and Compensation Committee based on the recommendations of the Management Committee (ESOP), decides on the Employees who are eligible for a grant under the Plan including the terms and conditions of the grants.

The Management Committee, based on various criteria for the selection of the employee (which criteria are decided by the Board from time to time or the 'Nomination and Remuneration Committee' for assessing the contribution of the employees) makes a recommendation to the 'Nomination and Remuneration Committee' for its consideration.

d) The requirements of vesting and period of vesting

Unless otherwise specified in the Grant, **all First/ initial grants** made to any grantee vest equally in four years, unless otherwise specifically authorized and approved by the Committee.

Further, unless otherwise specified in the Grant, **all subsequent grants** vest in the grantee in four equal installments at each anniversary of the grant date. Provided that no vesting of any options shall take place unless one year has elapsed from the date of its grant.

The Nomination and Remuneration Committee has absolute discretion to alter/ modify the vesting schedule.

e) The maximum period within which the options shall be vested

There is no maximum period prescribed in the Plan within which the options shall be vested.

However no vesting of any option takes place unless one year has elapsed from the date of its grant.

f) The exercise price or the formula for arriving at the same

The exercise price will be the fair market value. 'Fair Market Value' means the price of each Share worked out in accordance with applicable SEBI guidelines, where the shares of the Company are listed on any Recognized Stock

Exchange in India.

g) The exercise period and process of exercise

Exercise Period:

As per the plan, Vested options must be exercised prior to the earliest of the following dates:

- ◆ 36 (Thirty Six) months from the Vesting date or otherwise specified in the Grant Letter.
- ◆ 12 (Twelve) months following the death of a Grantee or termination due to disability or retirement.

Exercise Process (as specified in the plan):

- ◆ The Grantee may, at any time during the Exercise Period, and subject to fulfillment of conditions of the Grant, Exercise the Options by submitting an application to the Board of Directors, to allot and/ or transfer to him Shares pursuant to the Vested Options, accompanied by payment of an amount equivalent to the Exercise Price in respect of such Shares and acceptance to such other terms in writing, if any, as the Board, may specify to confirm the extinguishment of the rights comprising in the Options then Exercised.
- ◆ Except as otherwise provided, payment of the Exercise Price for the Shares to be acquired pursuant to any Options shall be made by:
 - (i) cheque, payable at the registered office of the Company.
 - (ii) the Grantee's authority to the Company to deduct such amount from his salary due and payable
 - (iii) such other consideration as may be approved by the Board from time to time to the extent permitted by applicable law, or
 - (iv) any combination of the above.
- ◆ The application shall be in such form as may be prescribed in this regard and the Compensation Committee may determine the procedure for Exercise from time to time.

h) The Lock-in period, if any

'Lock-in Period' for the Shares issued to a Grantee pursuant to Exercise of the Options shall be as specified by the Company.

i) The maximum number of options to be granted per employee and in aggregate

There is no maximum number prescribed for any



employee. However it is stated that the Company shall obtain approval of the Shareholders by way of separate resolutions in a General Meeting in the event that Options are proposed to be granted to Employees of: (i) a Subsidiary or holding company, or (ii) to identified Employees, during any one year, which are equal to or exceed 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of Grant.

j) The method which the Company shall use to value its options:

The Company shall derive the 'Fair Market Value' of each Share in accordance with applicable SEBI guidelines, when the shares of the Company get listed on any Recognized Stock Exchange in India.

k) The conditions under which option vested in employees may lapse e.g. in case of termination of employment for misconduct:

- ◆ the continued failure of the Grantee to substantially perform his/her duties to the Employer Company
- ◆ the engaging by the Grantee in willful, reckless or grossly negligent misconduct which is determined by the Compensation Committee to be detrimental to the interest of the Employer Company or any of its affiliates, monetarily or otherwise,
- ◆ fraud, misfeasance, breach of trust or wrongful disclosure by the Grantee of any secret or confidential information about the Employer Company
- ◆ the Grantee's pleading guilty to or conviction of a felony.
- ◆ Voluntary termination of employment by the employee

l) The specified time period within which the employee shall exercise the vested options in the event of a proposed termination of employment or resignation of employee; and

If a Grantee's employment (or service) with the Employer Company terminates either

- ◆ For cause, or
- ◆ Voluntarily, on the part of the Grantee

the Options, to the extent not previously exercised, will terminate on the date of such termination of employment (service).

Provided further that the Company shall have a lien on such Shares till the time they are transferred in accordance

with the above provisions without any recourse to any person whatsoever

m) a statement to the effect that the Company shall comply with the applicable accounting standards

The Company shall comply with the disclosures and applicable & adopted accounting policies or accounting standards as may be applicable from time to time.

n) Maximum percentage of secondary acquisition:

There is no contemplation of acquisition of secondary shares for the purpose of Plan.

The Board recommends this resolution for approval of the members of the Company by way of a Special Resolution.

None of the Directors or Key Managerial Personnel of the Company or any of their relatives are, in any way, concerned or interested in the Resolution, except for the fact that they, being employees of the Company are eligible to be granted options, and/or might have been granted options under the ESOP Plan 2014.

Copy of all the documents mentioned herein above are open for inspection at the Registered Office of the Company during normal business hours (09:00 a.m. to 05:00 p.m.) on all working days except Saturdays and Sundays, up to the date of the Annual General Meeting of the Company.

Item No.09

The Companies Act, 2013 aims to ensure transparency in the transactions while dealings with the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, requires that for entering into any contract or arrangement with the related party, the Company shall obtain prior approval of the Audit Committee and the Board of Directors and prior approval of the shareholders, if the said transactions are not, in the ordinary course of business and at arm's length price or exceeding the prescribed limits.

Your Company got listed on BSE Ltd and National Stock Exchange of India Limited ('Stock Exchanges) on March 31, 2017, and as a matter of abundant precaution and good corporate governance, the Board of Directors have proposed to obtain approval of shareholders in this regard although the transactions entered by the Company with the Related Parties are in the ordinary course of business and do not require the members' approval.

All the prescribed disclosures / particulars of contracts / arrangements / transactions as required to be given under the provisions of the Companies Act, 2013 and the SEBI (LODR) are given below for kind perusal of the members:

Name of the Related parties	CL Media Private Limited, Wholly Owned Subsidiary Company and Mr. Sreenivasan .R	CL Media Private Limited, Wholly Owned Subsidiary Company and Mr. R. Shiva Kumar	Career Launcher Infrastructure Private Limited, Step down Wholly Owned Subsidiary and Nalanda Foundation, Group Entity
Name of the Director or KMP who is related, if any	Mr. Satya Narayanan .R, Chairman & Whole Time Director and Mr. R. Shiva Kumar, KMP, of the Company	Mr. Satya Narayanan .R, Chairman & Whole Time Director and Mr. Sreenivasan .R, KMP, of the Company	Mr. Gautam Puri, Vice Chairman & MD, Mr. Gopal Jain, Non-Executive Non-Independent Director and Mr. Sujit Bhattacharyya, KMP, of the Company.
Nature of relationship	Mr. Sreenivasan is brother of Mr. Satya Narayanan .R	Mr. R. Shiva Kumar is brother in law of Mr. Satya Narayanan .R	Above said persons are Directors in Career Launcher Infrastructure Private Limited
Remuneration	As provided in the Resolution i.e. upto ₹ 48,00,000/- (Rupees Forty Eight Lakhs Only) per annum with annual increment not exceeding 20%, if any.	As provided in the Resolution i.e. upto ₹ 55,00,000/- (Rupees Fifty Five Lakhs Only) per annum with annual increment not exceeding 20%, if any.	Not Applicable
Payment Schedule	Not Applicable	Not Applicable	As per Contract
Nature, material terms and particulars of the Arrangement	Payment of remuneration, and the terms & condition of employment are defined in appointment letter.	Payment of remuneration, and the terms & condition of employment are defined in appointment letter	1. Leasing out of infrastructure facilities for Indus World Schools. 2. Interest Payable on outstanding loan
Duration of the contract	Mr. Sreenivasan .R has been appointed under a contract of employment, pursuant to which he may function according to Directions as may be given by the Subsidiary Company from time to time. Contract will continue as long as he remains an employee as per the contract of employment	Mr. R. Shiva Kumar is Whole Time Director in CL Media Private Limited with effect from April 01, 2015.	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was active throughout 2016-17.

The Board of Directors of your Company recommends the resolution set out at item no. 9 to be passed as a Special Resolution by the members.

Except, Mr. Satya Narayanan .R, Mr. Gautam Puri and Mr. Gopal Jain, Director(s), Mr. Sreenivasan, Mr. R. Shiva Kumar and Mr. Sujit Bhattacharyya, Key Managerial Person, and their relatives, none of the Directors, Key Managerial Personnel or their relatives are concerned or interested, financially or otherwise, in this resolution except to the extent of their shareholding.

Copies of all the documents mentioned herein above are open for inspection at the Registered Office of the Company during normal business hours (09:00 a.m. to 05:00 p.m.) on all working days except Saturdays and Sundays, up to the date of the Annual General Meeting of the Company.

Item No.10

Mr. Gopal Jain (DIN: 00032308), is holding the office as Nominee Director of the Company and holding the office as a Director not liable to retire by rotation.

Taking into consideration his contributions towards the growth of the Company, since 06th March, 2008, and his expertise and his business acumen, the Board of Directors, at its meeting held on 24th July, 2017, has approved, on the basis of the recommendation of the Nomination and Remuneration and Compensation Committee, to have him on the Board of Directors of the Company, as a Non-Executive, Non-Independent Director liable to retire by rotation, subject to approval of the members of the Company at the ensuing Annual General Meeting. .



The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 (the "Act") along with the amount of requisite deposit from a Member signifying his intention to propose that Mr. Gopal Jain be re-designated as a Non-Executive & Non-Independent Director of the Company.

The brief profile of Mr. Gopal Jain (DIN: 00032308) as per the requirements of the Companies Act, 2013, SEBI (LODR), Regulations, 2015 and the rules made thereunder and the Secretarial Standards (SS-2) are given in Note No. 28 which form part of the Notice.

Brief resume and other details of Mr. Gopal Jain

Mr. Gopal Jain, aged 46 years, holds a bachelor's degree in electrical engineering from the Indian Institute of Technology, Delhi. He is one of the co-founders of Gaja Capital. He has over 22 years of experience in the private equity and financial services industry in India. He joined our Board on March 6, 2008.

He has given his consent to act as a Director of the Company, along with a certificate stating that he is not disqualified from being appointed as a Director in the Company in terms of Section 164 of the Companies Act, 2013.

The Board considers that his experience and expertise would be of immense benefit to the Company and it is desirable to avail services of Mr. Gopal Jain (DIN: 00032308) as a Director of the Company.

The Board of Directors of your Company, therefore, recommends the Resolution to be passed as an Ordinary Resolution by the Members.

Except for Mr. Gopal Jain (DIN: 00032308), none of the Directors or Key Managerial Personnel (KMPs) of the Company and their relatives are, in any way, concerned or interested, whether financially or otherwise, in the passing the proposed Resolution set out at Item No.10 of the Notice.

The declaration of eligibility under section 164 received from him and other documents are open for inspection at the Registered Office of the Company during normal business hours (09:00 a.m. to 05:00 p.m.) on all working days except Saturdays and Sundays, up to the date of the Annual General Meeting of the Company.

By Order of the Board
For CL Educate Limited

sd/-

Nikhil Mahajan

Executive Director & Group CEO

Enterprise Business

DIN No. : 00033404

Address: H. No. 457, Sector – 30,
Faridabad – 121003, Haryana

Place: New Delhi

Date: July 24, 2017



CL EDUCATE LIMITED
ATTENDANCE SLIP

Registered Office: A-41, Espire Building, Lower Ground Floor, Mohan Co-operative Industrial Area,
Main Mathura Road, New Delhi – 110 044

Website: www.cleducate.com Email : compliance@cleducate.com

PLEASE FILL THIS ATTENDANCE SLIP AND HANDOVER THE SAME AT THE VENUE OF THE MEETING

DP ID*	
Client ID*	

Folio No.	
No. of Shares held	

Full name of the Shareholder/Proxy.....

I hereby record my presence at the 21st Annual General Meeting of the Company held on Thursday, 24th day of August, 2017 at 11:00 A.M. at PHD Chamber of Commerce and Industry, 4/2, Siri Institutional Area, August Kranti Marg, New Delhi, Delhi 110016, and at any adjournment(s) thereof.

.....

Signature of Shareholder/Proxy

Note. * Applicable for shareholders holding shares in electronic/demat form



Form No. MGT-11

Proxy Form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CL EDUCATE LIMITED

CIN: U74899DL1996PLC078481

Registered Office: A-41, Espire Building, Lower Ground Floor, Mohan Co-Operative Industrial Area, Main Mathura Road, New Delhi – 110 044

Website: www.cleducate.com **Email:** compliance@cleducate.com

Name of the Member(s):

Registered address:

E-mail Id: Folio No/ Client Id:

DP ID:

I/We, being the member (s) of shares of the above named Company, hereby appoint

1. Name:.....Address:.....

E-mail Id:..... Signature:.....or failing him;

2. Name:..... Address:.....

E-mail Id:.....Signature:.....or failing him;

3. Name:.....Address:.....

E-mail Id:.....Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held on Thursday, 24th day of August, 2017 at 11:00 A.M. at **PHD Chamber of Commerce and Industry 4/2**, Siri Institutional Area, August Kranti Marg, New Delhi, Delhi 110016 in respect of such resolutions as are indicated below:

Resolution			
Ordinary Business		For	Against
1.	Adoption of Annual Financial Statements for the Financial Year ended March 31, 2017		
2.	Appointment of Director in place of Mr. Satya Narayanan .R (DIN: 00307326), who retires by rotation and being eligible, offers himself for reappointment.		
3.	Ratification of Appointment of Statutory Auditors for Financial Year 2017-18 and to fix their remuneration in this regard.		
Special Business			
4	Appointment of Ms.Madhumita Ganguli (DIN: 00676830) as an Independent Director on the Board of the Company		
5	Appointment of Mr.Paresh Surendra Thakker (DIN: 00120892) as an Independent Director on the Board of the Company		
6.	Adoption of new set of Articles of Association of the Company		
7.	Ratification of remuneration of Cost Auditors for Financial Year(s) 2015-16, 2016-17 and 2017-18		
8	To ratify the 'Amended and Restated Career Launcher Employee Stock Options Plan 2014' (hereinafter "ESOP Scheme"), and grant approval to the renewal of the ESOP Scheme for a period of 1 (one) year commencing from September 5, 2017		
9.	Ratification of the Related Party Transactions under Section 188 of the Companies Act, 2013.		
10	Change in Designation of Mr. Gopal Jain (DIN: 00032308) as a Non-Executive Non-Independent Director of the Company.		

Signed this.....day of.....2017

Signature of Shareholder.....

Signature of Proxy holder(s).....

Affix Revenue Stamp
not less than Rs.
0.15

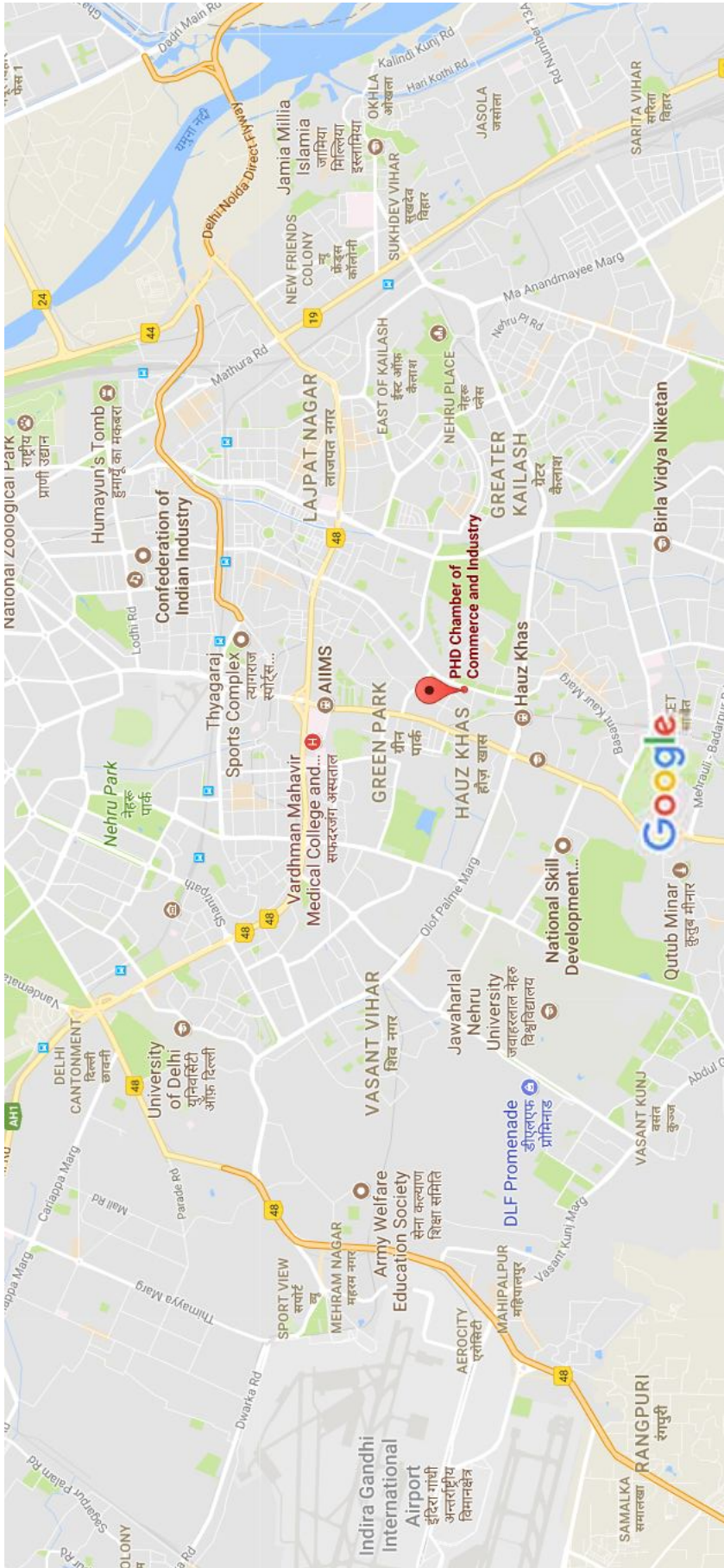
Note:

- This form of Proxy in order to be effective should be duly completed and deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
- Any alteration or correction made to this Proxy form must be initialed by the signatory/signatories.

If you wish to vote for a Resolution, place a tick in the corresponding box under column marked "For". If you wish to vote against a Resolution, place a tick in the corresponding box under the column marked "Against". If no direction is given, your Proxy may vote or abstain as he/she thinks fit.



PHD Chamber of Commerce and Industry, August Kranti Marg, New Delhi, Delhi 110016





CL Educate Limited

Espire Building,
A-41, Mohan Cooperative Industrial Area,
Near Mohan Cooperative Metro station,
New Delhi - 110044

T: +91 11 4128 1100
F: +91 11 4128 1110

E: compliance@cleducate.com

www.cleducate.com