CL educate

Annual Report

2014-2015

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Overview

CL Educate Ltd is India's leading diversified provider of educational products, services, content and infrastructure. Since the inception in 1995, we have evolved from a one-man MBA test-preparation ("test prep & training") company into one of the most diversified educational service providers in India. The diversity of our business portfolio enables us to touch students across multiple age groups across their educational lifecycles.

At CL Educate we 'enable individuals to realize their potential & achieve their dreams'. In the past 20 years, the CL brand has diversified and effectively established itself as a household name in India. We operate across a broad spectrum of segments in the education industry, including test preparation & Training, publishing & content development, K-12 education, and vocational training.

We have state of the art infrastructure across more than 200 learning centers spread over 22 states in India. We are over 2,000 people strong; with teachers, trainers & academicians making up more than 50% of this workforce, and are committed to delivering path breaking education across the various segments mentioned above to all our students.

Core Ideology

We belive that the only unchanging part of any business entity is the core ideology. Our clarity about our core ideology equips us to effectively keep reinventing ourselves over time and makes us capable of converting every change in the environment into an opportunity for growth and success.

Our core purpose is to "Enable people realize their potential and make their dreams come true" and our core values are summed up in the internal acronym ***'ROOHI'***

Risk Taking Acting decisively based on sound judgment and intuition.

Ownership Accepting responsibility for action 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.

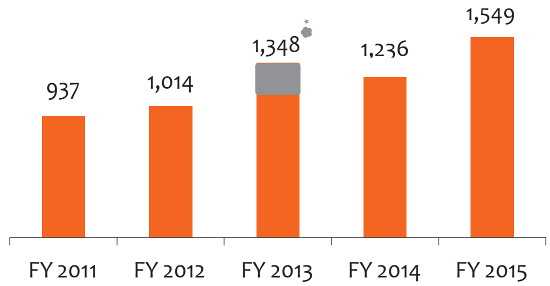
Innovation Creating products, systems and processes with enhanced effectiveness to meet customer needs.

We follow our core values in all aspects of our operating practices and at all our locations. We believe that our adherence to these core values has enabled us to grow our business and our brand and we will continue to adhere to these principles.

Further, our core values have taken the shape of a core value test that has been designed in consultation with external experts in the realm of psychology and psychometrics. Any new recruit to our Company is required to take this test prior to their meeting for the recruitment process.

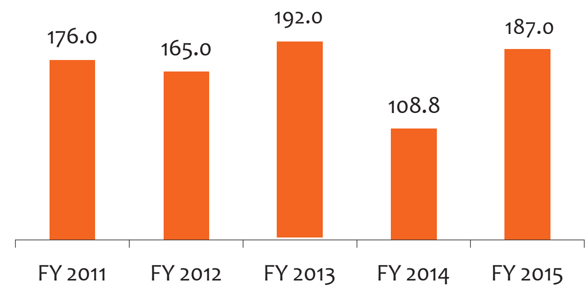
Historical Data for CL Educate (FY 2011 – FY 2015)

Total Income *(in Mn)*

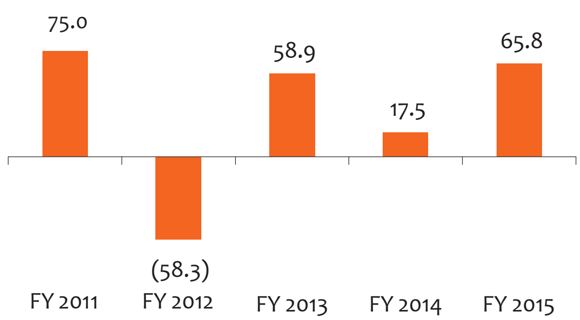


** Includes a Provision write-back to the tune of ₹ 112.8 mn*

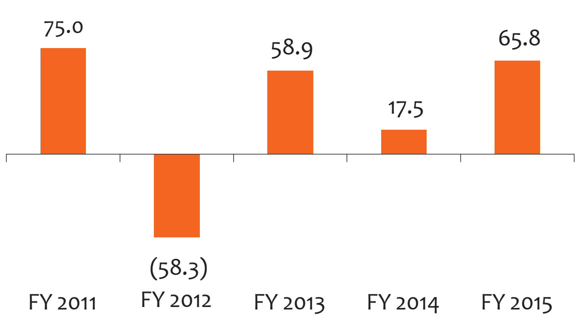
Operating Profit - EBITDA *(in Mn)*



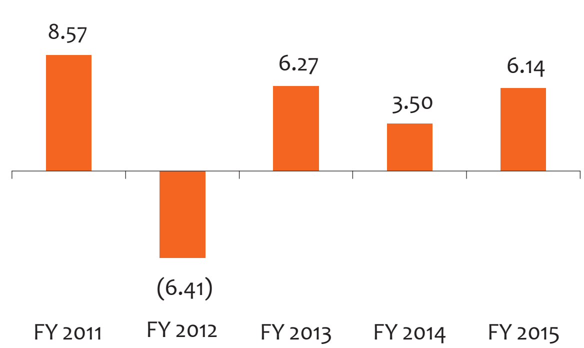
Profit after Tax - PAT *(in Mn)*



Return on Capital Employed - RoCE

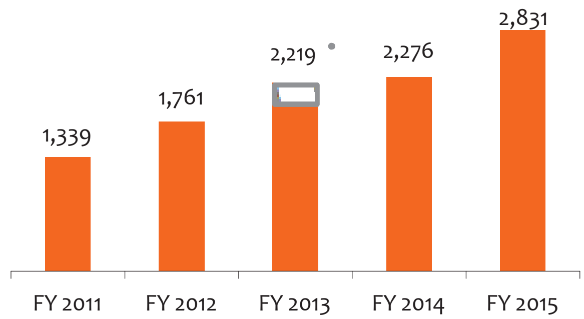


Earnings per Share – EPS



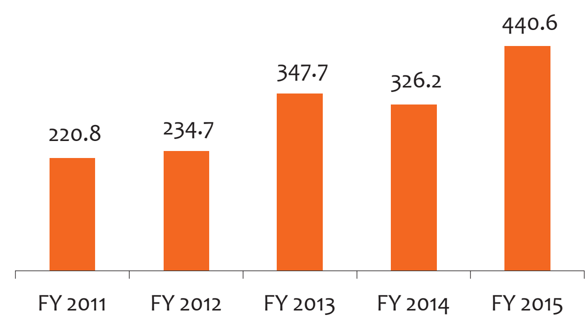
Historical Data for Consolidated CL Group including K-12 (FY 2011 – FY 2015)

Total Income *(in Mn)*

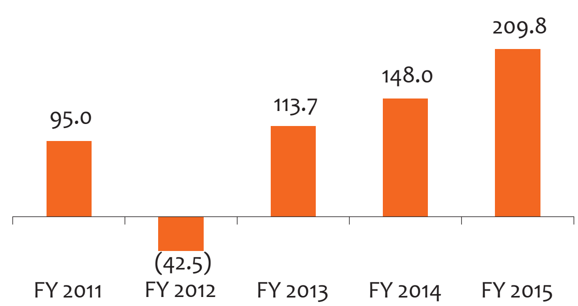


** Includes a Provision write-back to the tune of ₹ 112.8 mn*

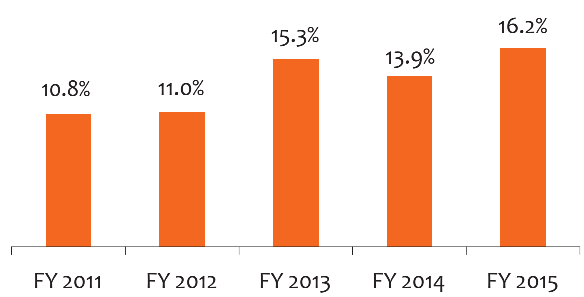
Operating Profit - EBITDA *(in Mn)*



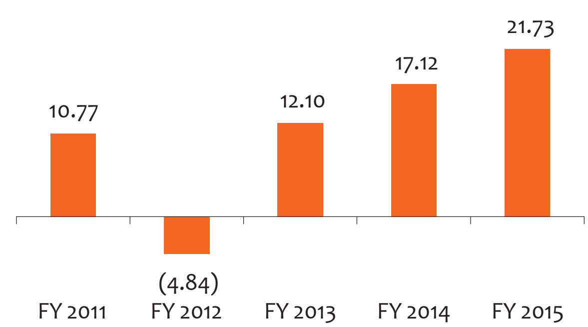
Profit after Tax - PAT *(in Mn)*



Return on Capital Employed - RoCE



Earnings per Share - EPS



The Board of Directors

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

Mr. Gautam Puri
Vice-Chairman & Managing Director

Mr. Nikhil Mahajan
Whole Time Director and Chief Financial Officer

Mr. Sridar Iyengar
Non-Executive Independent Director

Mr. Safir Anand
Non-Executive Independent Director

Mr. Gopal Jain
Non-Executive (Nominee) Director

Mr. Viraj Tyagi
Non-Executive Independent Director

Mr. Kamil Hasan
Non-Executive Independent Director

Ms. Sangeeta Modi
Non-Executive Independent Director

Board Committees

Audit Committee

Mr. Sridar Iyengar, *Chairman*

Mr. Gopal Jain, Member

Mr. Kamil Hasan, Member

Mr. Viraj Tyagi, Member

Mr. Nikhil Mahajan, Permanent Invitee

Nomination, Remuneration and Compensation Committee

Mr. Viraj Tyagi , *Chairman*

Mr. Safir Anand, Member

Mr. Gopal Jain, Member

Mr. Kamil Hasan, Member

Mr. Gautam Puri, Permanent Invitee

CSR Committee

Mr. Safir Anand, *Chairman*

Mr. Satya Narayanan .R, Member

Mr. Gautam Puri , Member

IPO Committee

Mr. Satya Narayanan .R, *Chairman*

Mr. Sridar Iyengar, Member

Mr. Nikhil Mahajan, Member

Mr. Gopal Jain, Member

Mr. V. Srinivasa Rangan, Permanent Invitee

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

Company Secretary

Ms. Rachna Sharma

Auditors (2014-15)

Haribhakti & Company,

Chartered Accountant, LLP

Bankers

HDFC Bank Ltd.

ABN AMRO Bank

ICICI Bank

Standard Chartered Bank

Kotak Mahindra Bank

Corporation Bank

Axis Bank

Citibank

State Bank of India

IDBI

Registered & Corporate Office

A-41, Espire Building,

Lower Ground Floor,

Mohan Co-operative Industrial Area,

Main Mathura Road,

New Delhi – 110 044, India

Tel: +91 011 4128 1100, Fax: 4128 1101

Email: rachna@careerlauncher.com

Website: www.cleducate.com

To the Members,

We have the pleasure of presenting the 19th Annual Report of our Company together with the Audited Accounts for the year ended March 31st, 2015.

1. Results of our Operations

1a. CL Educate Standalone

(Figures in ₹ Mn)

	FY 2015	FY 2014
Total Income	1,549.59	1,236.14
Total Expenditure	1,460.60	1,192.93
Profit before tax	88.99	43.21
Exceptional Expenses	-	15.49
Prior Period Expenses/ (Income)	-	0.48
Tax Expenses	23.23	9.75
Profit after tax	65.76	17.49
Profits brought forward from previous year	298.42	280.93
Cumulative Surplus carried to Balance sheet	354.73	298.42

1b. CL Group Consolidated including K12

(Figures in ₹ Mn)

	FY 2015	FY 2014
Total Income	2,831.45	2,276.54
Total Expenditure	2,538.76	2,079.56
Profit before tax	292.69	196.98
Exceptional items	22.84	13.26
Prior Period expen		1.9
Tax Expense/ (Benefit)	60.22	24.49
Profit after tax	209.85	148.00
Profits brought forward from previous year	453.87	385.58
Cumulative Surplus carried to Balance sheet	70.95	453.87

2. Financial Highlights

2a. CL Educate Standalone

Our Operating Income increased to ₹ 1496.37 Mn from ₹ 1,183.11 Mn in the previous year, at a growth rate of 26.48%. While our Test Preparation revenues increased to ₹ 1,183.24 Mn reflecting a growth rate of about 15.98% over the previous year 2014, the vocational business revenue grew by over 92.25% to reach ₹ 313.13 Mn.

Our Total Income was at ₹ 1549.59 Mn as against ₹ 1236.14 Mn in the previous year. The Other Income is quite similar this year at ₹ 53.22 Mn vis-à-vis ₹ 53.04 Mn last year.

While the total expenses increased by ₹ 267.67 Mn over the previous year, the overall PBT for FY15 increased from ₹ 27.13 Mn to ₹ 88.99 Mn. Similarly, Earning per share (Basic) rose to ₹ 6.14 this year from an EPS ₹ 3.50 the previous year.

In the Test Prep stream, while the MBA market started improving marginally, the overall Test Prep revenue increased due to our Company's continued efforts to promote non MBA products like LAW and market acceptance of the products like Civil Services Aptitude Test (CSAT) and Banking Services/ SSC that were introduced the over the last 24 months.

In Kestone Integrated Marketing Services Pvt. Ltd., both Integrated Management Services (IMS) and Manpower Management Services (MMS) streams of business continued to do very well during the year.

In CL Media Pvt. Ltd., there were several new marketing alliances with both institutes as well as corporates. The publishing arm of CL Media also continued to function well with increased demand from both CL Educate and GK Publications in FY15.

GK Publications introduced several new titles in FY15 while continuing to launch titles in Hindi as well.

3. Industry Overview and Developments

In India, Education is the key to the task of nation-building. It is also a well-accepted fact that providing the right knowledge and skills to the youth can ensure the overall national progress and economic growth. The Indian education system recognizes the role of education in instilling the values of secularism, egalitarianism, respect for democratic traditions and civil liberties and quest for justice.

There is a huge demand for upgradation of education as India is expected to have a surplus of 47 million people in the working age group by 2020. As a result, both the formal education sector (including K-12 and higher education) as well as informal sector (including coaching institutions, pre-schools and vocational institutions) are witnessing rapid growth.*

The market size of Indian education sector is expected to increase to ₹ 602,410 crs (US$ 95.80 billion) by FY 2015 on back of strong demand for quality education, according to a report by India Ratings. Indian education sector's market size in FY 2012 was estimated to be ₹ 341,180 crs (US$ 54.20 billion). The sector grew at a compounded annual growth rate (CAGR) of 16.5 per cent during FY 2005 – FY 2012. Similarly, India's online education market size is expected to grow to US$ 40 billion by FY 2017 from the present US$ 20 billion.*

The private education sector was estimated to reach US$ 70 billion in 2013 and to US$ 115 billion by 2018, according the Education sector report by Technopak. Realising the fast growth of education sector in India, many private companies are looking for relevant acquisitions and alliances in this space. Major investments are being seen in the areas of pre-schools, private coaching and tutoring, teacher training, the development and provision of multimedia content, educational software development, skill enhancement, IT training and e-learning.*

3a. Overview of key market segments

The Indian test preparation industry has been through a transitional phase during the past few decades; from a single teacher coaching a handful of students in a small room to the current environment of numerous organised players with strong brand equity providing supplementary teaching to a large pool of students via the latest technology. The Indian test preparation industry was estimated at approximately ₹ 245 billion (as of 2013-14); of which the graduate segment accounts for 68 per cent share while the post-graduate, job based and language proficiency segment account for the balance 32 per of the share in the total market size.

The Test Preparatory industry, which grew at a CAGR of 14 per cent during the last eight years, is estimated to grow at a CAGR of 16 per cent during the period 2014-2019. While there are no key initiatives or regulations announced by the government, the segment is likely to be driven by the shift of the examination structure from Knowledge based testing to Aptitude based testing leading to higher market concentration and increased ability to rapidly scale up the operations.

The Vocational Training segment is expected to grow at a CAGR of 24% and reach a market size of at least $ 4 bn. Almost ~8 Mn people were estimated to be trained in FY14 alone under various vocational training schemes. This number is estimated to grow to ~21 Mn in FY19. The key growth drivers for this segment being increase in working population and labour force, high dropout rates, lack of job readiness among graduates, high demand for courses in IT, retail, BFSI, aviation, English and lack of supply capacity to train. The govt. both at the central and state has launched many initiatives and programmes. The Central Govt. has established the National Skill Development Centre (NSDC) with a mandate to skill 150 mn people as a part of the Government's overall plan to train 500 mn people by 2022.

The Indian book publishing industry is estimated to be of a market size of ~$ 3 bn. in FY14. It is large and fragmented with around 19,000 publishers publishing more than 100,000 titles a year. However, only around 12,500 publishers have ISBNs (International Standard Book Numbers), and the rest publish books without ISBNs. English and Hindi books account for almost 50 per cent of the books published in India while regional languages account for the rest. Infact, India is the third largest English language publisher in the world (after USA and UK). This industry is estimated to 10-11 per cent over the next 5 years to reach $ 4.8 bn. by 2018-19. Increase in literacy rates and education levels, rising incomes, development of leisure reading habit are the factors that are most likely to drive this growth.

India has the world's largest and growing K-12 education population. The K-12 education segment is estimated to grow at a CAGR of 14% to reach the market size of $ 34 bn. The Indian K-12 education segment is marred with an inefficient public school system resulting in a parental preference of the more expensive private education. The Govt. has, over the years, introduced many policies and regulations like Right to Education Act (RTE Act) to remove the inequalities in the K-12 segment and provide opportunities to all students. The govt. has already announced the establishment of 6,000 high quality model schools, about 2,500 of these would be through PPP model.

4. Overview of Our Company

We were incorporated in 1996 primarily to provide educational and training services. We are India's leading education provider serving 80,000 plus students annually and operate in four business segments namely: (i) test preparation services; (ii) vocational training; (iii) education content and publishing; and (iv) operating kindergarten to grade 12 ("K-12") schools.

The training and education services are conducted through a network of Company operated and franchisee centers across 200 plus locations spread over 100 plus cities and 22 states in India.

Our Company's key strengths being:

- A diversified education services company with pan-India presence
- Highly attractive industry with long-term growth drivers
- Leading courses in aptitude based test preparation in India

- Strong brand equity built through consistent innovation, superior student outcomes and brand experience
- Track record of successful inorganic growth
- Professionally qualified, experienced and entrepreneurial management team, quality human capital and Robust Governance Structure

5. Subsidiaries

Our Company has several subsidiaries to carry out activities for various streams of education and other educational training areas. A brief profile of our subsidiaries is given hereunder:

5a. Kestone Integrated Marketing Services Private Limited (Kestone)

Our Company had acquired Kestone on 1st Day of April, 2008 and it has since been a wholly owned subsidiary. Our Company had acquired Kestone to establish a relationship with leading corporates and have been using Kestone's corporate client list as a platform to provide vocational training services. Kestone focuses largely on the IT/ITES and Telecom sectors to provide a variety of manpower and CRM solutions. Kestone offers two types of corporate services:

- Integrated Marketing Services ("IMS"): Various marketing services through organizing various marketing events/ product launches throughout the country to help deliver the desired messages to customers, partners (dealers and vendors).

- Managed Manpower Services ("MMS"): Kestone recruits manpower and trains them as per the requirements of the corporate clients across a variety of client processes including CRM initiatives. These people are offered jobs from corporates at the start of the training, subject to these people clearing the training. Post training, this manpower is then outsourced to corporate clients.

The business has shown extremely robust growth not only in top line but also in its bottom line. The top line has increased from about ₹ 337.9 Mn in FY11 to about ₹ 1,013.0 Mn in FY15, thus reflecting an almost 200% increase in last five years.

5a.1. Kestone Asia Hub PTE. Ltd., Singapore (previously known as 'Career Launcher Asia Educational Hub PTE. Ltd.', Singapore) - an indirect subsidiary of CL Educate Limited

Kestone Asia Hub Pte. Ltd., a subsidiary company of Kestone, and hence an indirect subsidiary of CL was incorporated in the year 2008. The Company is involved in the same businesses as Kestone ("Holding Company") viz Integrated Marketing Services (IMS) and Managed Manpower Services (MMS) catering to both inland and overseas clients and customers.

5b. CL Media Limited (CLM)

CL Media, as a subsidiary of CL, was incorporated in February 2008. CL holds 100% equity in this company. The company has been incorporated with an object to maximizing monetization of CL IP Assets, developing new products and education pedagogies and experiment to impart education through various digital and electronic media.

The company also has a publishing arm that provides all the study material to be circulated among the test prep students of CL Educate as well as publishes all the titles that are sold in the retail market through our other distribution subsidiary GK Publications.

The total income of CL Media was ₹ 301.08 Mn in FY 2015 as against ₹ 288.97 Mn in FY 2014 thereby increasing by almost 4.2% over the previous year.

5c. Career Launcher Education Infrastructure and Services Limited (CLEIS)

CLEIS is a subsidiary of CL incorporated in the year 2005. CL currently holds about 98% in this company. The company is in the business of promoting educational activities by providing Trade Mark License, and Education soft skills for K-12 schools run under the purview of Nalanda Foundation Trust. This company owns the brand names "Indus World School" and "Ananda".

As on March 2015, CLEIS operates 10 K-12 schools across India under the IWS brand of which two K-12 schools are owned, six schools are operated through an infrastructure partnership model and another two schools are operated using an educational partnership model.

5c.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. The company is in the business of promoting educational activities by providing Infrastructure facilities for K-12 schools.

5d. GK Publications Private Limited (GKP)

GK Publications Private Limited became a subsidiary of CL Educate Limited on 12th November, 2011. As on date, CL holds 100% stake in the Company.

5e. CL Higher Educational Services Private Limited (CLHES)

CL Higher Educational Services Private Limited became a 65.76% subsidiary of CL Educate Limited on 10th August, 2011. There being no operations in this company as on 31st March 2015, or before or after this date, the Board of CL Educate Ltd. has, at its meeting held on May 13, 2015, approved of the voluntary winding up of this Company. The Company has taken up the Fast Track Exit Mode (FTE), prescribed by the Ministry of Corporate Affairs under the provisions of Section 560 of the Companies Act, 1956 and necessary follow up actions are being taken.

[

Changes in the status of subsidiaries:

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

6. Equity Investment in Subsidiaries

As on 31st March, 2015 the Company's holding in its various subsidiaries was as follows:

a) 9248053 Equity Shares of ₹ 10 each comprising of 97.94% Equity Capital in Career Launcher Education Infrastructure and Services Limited;

b) 10,000 Equity Shares of ₹ 10 each comprising of 100% Equity Capital in CL Media Private Limited;

c) 1,000,000 Equity Shares of ₹ 10 each comprising of 100% Equity Capital in Kestone Integrated Marketing Services Private Limited;

d) 190,000 Equity Shares of ₹ 10 each comprising of 100% Equity Capital in GK Publications Private Limited;

e) 6,576 Equity Shares of ₹ 10 each comprising of 65.76% Equity Capital in CL Higher Educational Services Private Limited.

7. Management's discussion and analysis

Overview

We are a diversified provider of educational products, services, content and infrastructure in India, with a presence across the education value chain. We commenced operations in 1996 as a provider of MBA test preparation courses and since commencement of operations, we have diversified our operations across four segments across the education value chain: test preparation and training, generally referred to as test prep, conducted under the widely-recognized brand, 'Career Launcher'; publishing and content development, conducted under the brand, 'GK Publications'; K-12 schools operated under the brand, 'Indus World Schools', with 10 schools across India; and vocational training programs implemented by us under Government schemes in various States across India, as well as recruitment, training and event management services for corporates.

Under the umbrella of our Career Launcher test prep courses, we offer leading test prep courses for MBA, Civil Services and Law. For fiscal 2015, we had 78,093 enrolments in our test prep segment across a network of 165 test prep centers in 94 cities throughout India, with 53 owned centers, and 112 centers operated under a partnership model. Our students have established a strong success record for us, across our test prep business. For instance, 67 of our students secured ranks in the top 100 successful candidates in the CLAT examination held in May 2014.

With our acquisition of the GK Publications business in November 2011, we believe that we have an established brand in the publishing and content development business, in particular, a brand that has built a reputation for publishing niche test prep books, guides, and question banks for popular professional and entrance examinations in India. During the year ended March 31, 2015, we had released 1,306 titles and had sold over 1.1 million copies under the brand GK Publications.

We also provide infrastructure, educational services and license our 'Indus World Schools' brand to 10 K-12 schools across India. As on March 31, 2015, almost 3,000 students were enrolled in the Indus World Schools across the States of Punjab, Delhi NCR, Madhya Pradesh, Chhattisgarh, Maharashtra and Haryana.

In the vocational training segment, we had an aggregate of 6,800 enrolments in our training programs under project tenders issued by the Central and various State Governments, during fiscal 2015, across the States of Gujarat, Rajasthan, Jharkhand, Chhattisgarh, Madhya Pradesh and Uttar Pradesh. With the Government of India and other State Governments promoting private participation in their drive for skill development in India, including through the Prime Minister's National Policy of Skill Development seeking to train 500 million people in India by 2022, we believe that there is a significant growth opportunity in the vocational training segment. In addition, we undertake certain recruitment, training and event management services for corporates from time to time, through our Subsidiary, Kestone, which, we believe, enables us to build relationships with corporates and drives our placement programs for enrolments in our vocational training programs.

7a. Industry Overview and Developments

In India, Education is the key to the task of nation-building. It is also a well-accepted fact that providing the right knowledge and skills to the youth can ensure the overall national progress and economic growth. The Indian education system recognizes the role of education in instilling the values of secularism, egalitarianism, respect for democratic traditions and civil liberties and quest for justice.

There is a huge demand for upgradation of education as India is expected to have a surplus of 47 million people in the working age group by 2020. As a result, both the formal education sector (including K-12 and higher education) as well as informal sector (including coaching institutions, pre-schools and vocational institutions) are witnessing rapid growth.*

The market size of Indian education sector is expected to increase to ₹ 602,410 crs (US$ 95.80 billion) by FY 2015 on back of strong demand for quality education, according to a report by India Ratings. Indian education sector's market size in FY 2012 was estimated to be ₹ 341,180 crs (US$ 54.20 billion). The sector grew at a compounded annual growth rate (CAGR) of 16.5 per cent during FY 2005 – FY 2012. Similarly, India's online education market size is expected to grow to US$ 40 billion by FY 2017 from the present US$ 20 billion.*

The private education sector was estimated to reach US$ 70 billion in 2013 and to US$ 115 billion by 2018, according the Education sector report by Technopak. Realising the fast growth of education sector in India, many private companies are looking for relevant acquisitions and alliances in this space. Major investments are being seen in the areas of pre-schools, private coaching and tutoring, teacher training, the development and provision of multimedia content, educational software development, skill enhancement, IT training and e-learning.*

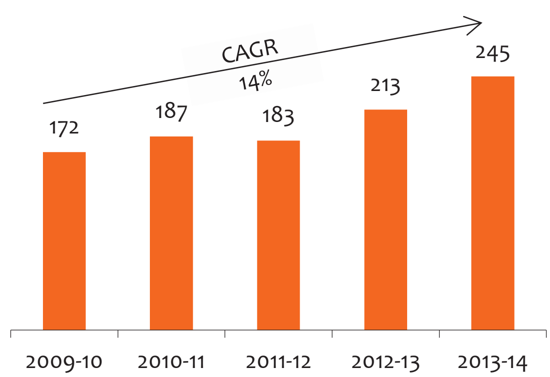
Overview of key market segments

7a.1. Test Preparation

The Indian test preparation industry has been through a transitional phase during the past few decades; from a single teacher coaching a handful of students in a small room to the current environment of numerous organized players with strong brand equity providing supplementary teaching to a large pool of students via the latest technology. The Indian test preparation industry was estimated at approximately ₹ 245 billion (as of 2013-14); of which the graduate segment accounts for 68 per cent share while the post-graduate, job based and language proficiency segment account for the balance 32 per of the share in the total market size.

Indian test preparatory market to grow at a CAGR of 16 per cent till 2018-19

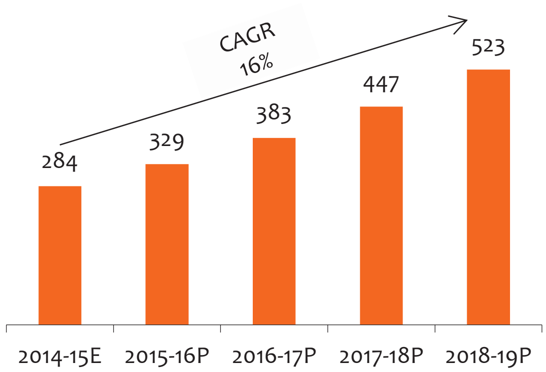
The Test Preparatory industry, which grew at a CAGR of 14%during the last eight years, is estimated to grow at a CAGR of 16% during the period 2014-2019. While there are no key initiatives or regulations announced by the government, the segment is likely to be driven by the shift of the examination structure from Knowledge based testing to Aptitude based testing leading to higher market concentration and increased ability to rapidly scale up the operations.



Note: E: Estimated; P: Projected
Source: Industry sources and CRISIL Research

Structural changes in Indian economy such as increase in disposable income, increase in number of nuclear families, increase in spend on education along with other factors such as improvement in the Gross Enrolment Ratios (GERs) across schools and peer pressure for high grades in the Indian education system are the major demand drivers of the Indian test preparation industry.

In conjunction to these factors driving growth, the test preparatory industry is a low capital intensive industry and has attracted huge entrepreneurial interest. Several alumni of reputed institutes like IITs and IIMs themselves have ventured into this business segment.



Note: E: Estimated; P: Projected
Source: Industry sources and CRISIL Research

Demand drivers of the test preparation market

The major demand drivers for the test preparation industry can be classified under the following parameters:

- Demographic drivers
- Infrastructure Bottlenecks
- Social parameters

Demographic drivers

– Over the years, the transition of households from lower income to higher income bracket has also resulted in an increase in per capital spend on education, especially in the urban areas.

– Growing number of nuclear families and the cultural change of both parents being employed has increased the dependence of parents and students on coaching classes for educational guidance and supervision.

– Improving GER (Gross Enrollment Ratio) across schools in the country has expanded the addressable market competing for limited seats in top institutes and universities in the country

Infrastructure bottlenecks

– Limited numbers of good quality educational institutes in the Indian education system have played a key role in the growth of the test preparation industry. While the number of students passing out of the education system has increased exponentially y-o-y, there are still limited institutes offering quality education. This has resulted in increasing number of students chasing limited seats for their undergraduate and post graduate courses.

– A bigger issue is the sizeable skill gap between an educated candidate and an employable candidate. Since the Indian formal education system continues to lay stress on theoretical knowledge rather than practical knowledge, more and more students are opting for higher education courses to improve their chances of gainful employment. This has resulted in a growing competition among students to get into premier schools/ colleges leading to an increased dependence on the test preparatory classes.

Social parameters

– An important growth driver is the peer pressure faced by the students when selecting their under-graduate or post-graduate streams. Lack of proper guidance often results in students pursuing similar courses chosen by their fellow classmates and friends. Also, students start taking help in their studies at an early age which results in a continued dependence even in their graduation and post-graduation courses.

Competitive Market Assessment

Indian test preparatory industry is dominated by private players, both large and small. Typically, the bigger players in this segment enjoy a better brand equity thanks to their vintage and promoter background. Such players are also able to scale up their operations, mostly via the franchising route. Consequently, the number of students coached annually is far higher for the larger players as they have a much stronger penetration across states and cities as compared to the regional or local players.

Player	Students Trained	No of Centers	Geographical Reach	Sectors Covered
Career Launcher	80,000	165	Pan India	Entrance Test, K-12, Vocational
IMS	50,000	75	Pan India	Entrance Test, Vocational, Higher Education
T.I.M.E.	175,000	150	Pan India	Entrance Test
FIITJEE	55,000	61	Pan India	Entrance Test
Aakash	80,000	100	Pan India	Entrance Test

7a.2. Vocational Training and Education

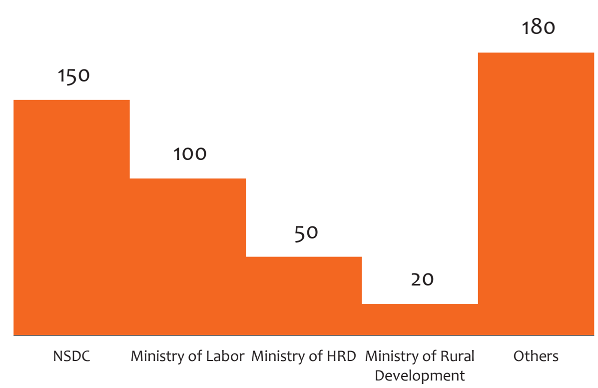
The Vocational Training segment is expected to grow at a CAGR of 24% and reach a market size of at least $ 4 bn. Almost ~8 Mn people were estimated to be trained in FY14 alone under various vocational training schemes. This number is estimated to grow to ~21 Mn in FY19. The key growth drivers for this segment being increase in working population and labor force, high dropout rates, lack of job readiness among graduates, high demand for courses in IT, retail, BFSI, aviation, English and lack of supply capacity to train. The govt. both at the central and state has launched many initiatives and programs.

Government targets to skill 500 million people by 2022

The increase in the workforce indicates a rich demographic dividend for India. But in order to reap the benefits of the rich demographic dividend, people need to be equipped with skills that are required by the industry.

Realizing the importance of developing skills, the government adopted the national skill development policy in 2009, aimed at providing skills to 500 million people by 2022.

Break up of Government's 500 million targets by 2022



The Ministry of Rural Development restructured the Swarnjayanti Gram Swarozgar Yojana (SGSY) into the National Rural Livelihoods Mission (NRLM) in June 2011 for the reduction of poverty and to achieve the Millennium Development goals by 2015. The SGSY was the Ministry of Rural Development's flagship program, launched in 1999, with the aim to provide sustainable income to below poverty line rural households.

The NRLM aims to create platforms for the rural poor in order to help them increase their household incomes via improved access to financial services and vocational training. It has a target of reach out to and support 70 million poor households across 600 districts of the country. The central objective of the Mission is to "establish efficient and effective institutional platforms of the rural poor that enable them to increase household incomes through livelihood enhancements and improved access to financial and public services" (Aajeevika-National Rural Livelihoods Mission Annual report 2012-13).

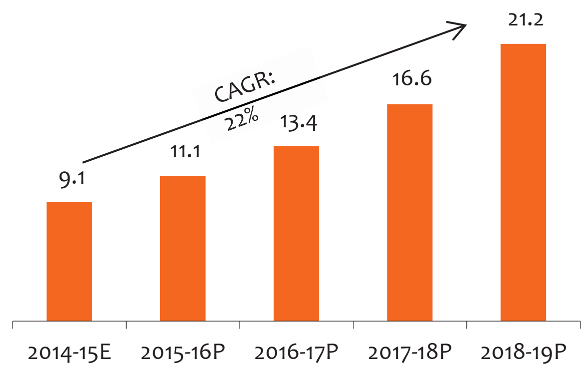
The NRLM works by mobilizing poor rural households into self help groups (SHG). These SHGs are then federated into village level, sub district level and finally district level federations. The NRLM also supports grants to SHGs and their federations to help the rural households to start new livelihoods/skills or improve existing ones- particularly in the agriculture and allied sectors like crops, livestock/dairying and inland fisheries (NRLM trained around 04 million people in 2011).

Market Assessment of Vocational Education

Vocational training programs (volumes) to grow by 22% annually between 2013-14 and 2018-19

Around 7-8 million people are estimated to have been trained under various vocational training schemes in 2013-14. According to CRISIL report, the vocational training market will grow at 22 per cent between 2013-14 and 2018-19 in volume terms from 9.1 million people expected to be trained in 2014-15 to 21.2 million people expected to be trained in 2018-19.

Growth in skilled manpower (2013-14 to 2018-19)



Source: CRISIL Research

Growth Drivers for Vocational Education in India

1. Increase in the working age population and the labor force

According to the census the total population in the country has grown from 1 billion in 2001 to 1.2 billion in 2011, while the share of the workforce in the total population has increased from 59 per cent in 2001 to 62 per cent during the same period.

According to CRISIL report around 11-12 million people will be added to the workforce annually over the next 5 years. After taking into account the proportion of the workforce that will opt for higher education and those who choose not to work, 6-7 million people will join the labor force annually over the next five years, of which, a majority will be unskilled. This presents a huge opportunity for vocational training

2. High drop-out rates in secondary school

More than 25% of students dropped out of school in India in 2010-11. In the same year, nearly 40% of students dropped out of school by the time they reached class IX and nearly 50 per cent of the students had dropped out by the time they reach class XI. These school drop outs add to the unskilled labor force and have to settle for low paying jobs or no jobs, while the industry faces a shortage of skilled workers. Vocational training can play a major role in bridging the gap between the supply and demand of skilled labor

3. Government focus on the vocational training space

The government has taken several initiatives to promote skill development or vocational training in the country. The ITI/ITCs being run by the Ministry of Labor and Welfare, the polytechnics, NIOS and the Vocationalisation of Secondary Education scheme being run by the Ministry of Human Resource Development are points in the case.

2009 – Government adopted National Skill Development Policy which targets to skill 500million people by 2022

2014 – Government has created a new Ministry of Skill Development and Entrepreneurship to facilitate skilling of 500 million people

2015 – Government launcher National Skill Development mission

4. Formal education systems restricted to theoretical knowledge

A large proportion of schools and colleges focus mainly only on theoretical knowledge. Due to lack of practical training, there is sometimes a mismatch in demand supply for vocationally skilled manpower. Vocational Training will help to bridge this gap to a large extent.

Competitive Landscape of Vocational Education

Although there are many private players in the vocational training space, in terms of capacities the public sector or the government sector is dominant. Currently, vocational training is mostly imparted via various programs under the Ministry of Labor and Employment and the Ministry of Human Resource Development.

Very few players like NIIT and Aptech have been in the business since a long time. The participation of private players has been increasing since the setting up of NSDC, which provides soft loans and tax holidays to private players for setting up vocational training institutes.

Player	Students Trained	No of Centers	Geographical Reach	Sectors Covered
Aptech	2,00,000 – 2,50,000	264	25 States	IT-ITeS, Finance & Accounting
Aspire Human Capital	2,000 – 2,500	10	8 States, Nepal & Bhutan	English, Soft Skills, Robotics
Career Launcher	5,000 – 6,000	12-14	5 States	IT-ITeS, BFSI, FMCG, ITI
Centum Learning	2,00,000	469	23 States	Corporate Training, Vocational
Pratham Institute	20,000 – 25,000	41	16 States	Hospitality, Construction, Automotive, Tailoring, Driving

Source: CRISIL Research

7a.3. Publishing Industry

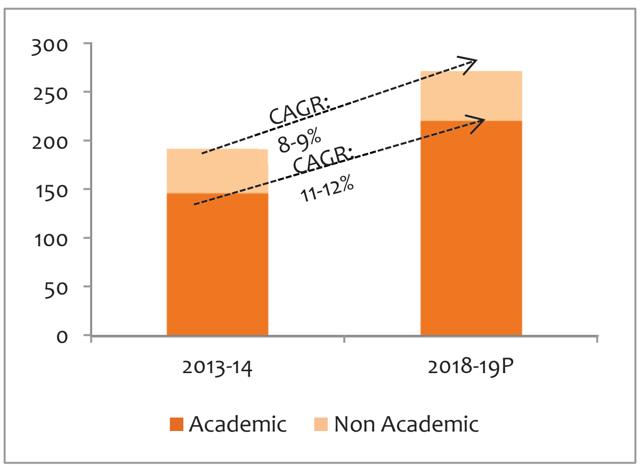
The Indian book publishing industry is large and fragmented with around 19,000 publishers publishing more than 100,000 titles a year. However, only around 12,500 publishers have ISBNs (International Standard Book Numbers), and the rest publish books without ISBNs. English and Hindi books account for almost 50% of the books published in India while regional languages account for the rest.

Market Sizing of Publishing Industry

According to CRISIL report, revenues from the publishing industry stood at Rs 174 billion in 2013-14. While the Academic segment is the largest at Rs 135 billion and a share of 78% cent , the Non Academic segment accounts for the remaining at Rs 39 billion.

This industry is estimated to 10-11% over the next 5 years to reach ₹ 287 bn. by 2018-19. Increase in literacy rates and education levels, rising incomes, development of leisure reading habit are the factors that are most likely to drive this growth.

Growth in the book publishing industry (2013-14 to 2018-19)

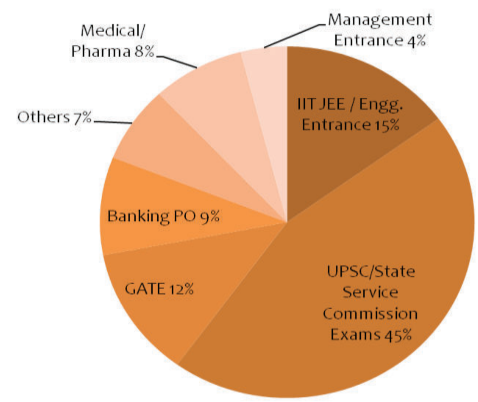


Source: CRISIL Research

Test prep segment to grow strongest at 15%

Driven by the increase in the number of students opting for technical and professional courses on account of better employment prospects, Test Prep segment is expected increase and almost double from Rs 7.7 billion in 2013-14 to Rs 15.6 billion in 2018-19. For instance, after 4 new IITs are expected to commence admissions in AY 2016-17, the demand for JEE coaching has increased substantially. The attraction towards government jobs will continue to pull students to appear for civil service exams (both UPSC and State) and this category will continue to experience strong growth.

Share of segments in test prep book publishing



Source: CRISIL Research

Competitive Landscape of Publishing Industry

Fragmented industry- Intense competition

The publishing industry in India is extremely fragmented with 19,000 publishers. A majority of these publishers are family run businesses with revenues of less than Rs 1 billion. Even key international and national publishers have less than 5% market share. Consequently, competition in this industry is very high.

Presence of Multinational Companies (MNCs)

With 100% FDI being permitted in non- news publishing, most of the top international publishing houses have subsidiaries in India.

Segment-wise competition

School segment: The largest publishers in the school segment are government based text book publishers like NCERT and SCERT. Among private players, this segment is dominated by a few national publishers like S Chand, Ratna Sagar, Orient Blackswan, Navneet etc and a large number of regional publishers. MNCs mainly present books for the CBSE, ICSE, IB and IGSCE board. Key MNCs in the school segment are MacMillan, Wiley, McGraw Hill, Pearson , Cengage Learning etc.

Higher Education segment: The Science and Technology segment is dominated by Indian players like Himalaya, Techmax, CBS and MNCs like McGraw Hill, Wiley, Pearson, Prentice Hall etc. For medical books the key Indian player is Jaypee Brothers, while key MNCs are Elsiever, Wolters Kluwer, Springer etc. The books for general streams (Arts, Science, Commerce) are dominated by regional players.

Test Prep segment: In this segment too, there is a mix of both MNCs like Cengage, Wiley, Pearson, McGraw Hill and Indian national and regional players like Himalaya, GK Publications etc

Threat from digitization of books

While for the academic segment (which accounts for 78% of the industry), the threat of users switching to digital formats like e-books is low. This is on account of the costs associated with procuring hardware (e-book readers) is high as well as the low internet penetration in our country. However, academic publishers are supplementing their book content with multimedia, videos, e-books for elite schools. On the other hand, Non- academic segment faces the threat of slower revenue growth as e-book adoption increases as they are priced cheaper than paper-backs.

Competition from second-hand books

The market for academic books is marked by a significant presence of second hand books in India. Students who get promoted sell their books to small retail book shops, who in turn sell these books at a steep discount to new books. However, when the syllabus gets revised for a particular course, the second hand books market for that segment gets dormant for a few initial years leading to increased demand for new books during that period.

7a.4. K-12 Industry

The K-12 education structure in India can be classified on the basis of

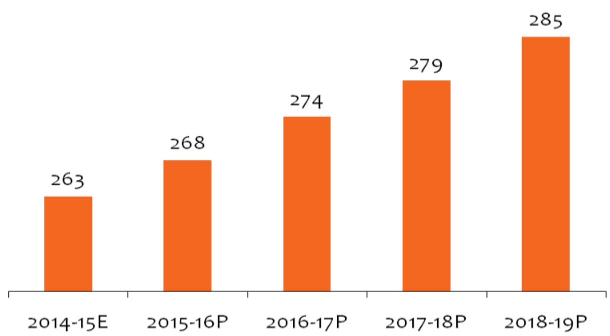
- On the basis of management
- On the basis of level of education
- On the basis of board of affiliation

Market Sizing of K-12 Industry

Student's enrolment likely to reach 285 million students in 2018-19

India has the world's largest and growing K-12 education population. The K-12 education segment is estimated to grow at a CAGR of 14% to reach the market size of ₹ 2,108 bn. Students enrollments were estimated at 263 million for FY15 which are expected to rise to 285 million by FY19.

Students Enrollments (Mn)



Source: CRISIL Research

The gross enrolment ratio (GER) of K 12 in India stood at 75.5% in 11-12. It is expected to reach 90% in 2018-19 driven by factors like government initiatives through various policies (Sarva Shiksha Abhiyan, Mid-Day meal scheme, Rashtriya Madhyamik Shiksha Abhiyan and RTE act), rising demand for education and the entry of new private players in the segment. The govt. has already announced the establishment of 6,000 high quality model schools, about 2,500 of these would be through PPP model.

Over half of K-12 students to be enrolled in private institutions by 2018-19

It is expected that the number of institutions imparting K-12 education to grow to nearly 1.8 million schools in 2018-19 from 1.6 million schools in 2011-12 driven by continued government focus and entry/expansions by private players. Private players are looking at expanding /entering in the K-12 education space to cater to the increase in demand with the rising urbanization, disposable incomes etc

It is expected that the share of private K-12 institutions to gradually rise to 31% in 2018-19 from 25% in 2008-09. This can also be attributed to the higher estimated enrolments per institution in private schools (255 in 2012-13) as against enrolments in public schools (115 in 2012-13).

Growth Drivers of K-12 Industry

The K-12 segment offers great potential for private players looking to enter the education sector given the rising need for quality education, increasing government spend on elementary education and the adoption of a public-private partnership model to facilitate access to school education across the country

1. Rising Urbanization
2. Rising disposable incomes
3. Increase in demand for quality education, better infrastructure facilities, contemporary teaching methodologies
4. Government initiatives

Industry Regulations of K-12 Industry

Institutional and Regulatory Framework

K-12 education in the country is regulated entirely at the state level and hence regulation differs at every state. Schools established by or funded by state governments are regulated through state level boards for secondary (and higher secondary) education and the education departments of the respective states. Currently, schools that are fully self-financed (privately owned and fully unaided by central or state government agencies) are relatively less regulated as compared to government schools which are funded by the central or state government.

The state government regulates education through the Board of Secondary and Higher Secondary Education for schools owned by the state or affiliated to the state board. Central government schools affiliated to Central Board of Secondary Education (CBSE) will be regulated by CBSE and schools affiliated to Indian Certificate of Secondary Education (ICSE) by that board.

Affiliation with a board is a voluntary decision for schools, except when the school is fully or partly aided by the state government; in that case, the school has no choice but to affiliate with the respective state board.

The regulatory body functions are:

- Granting affiliations to new schools
- Administering grade 10 and grade 12 examinations on a state-wide basis
- Framing rules for school administration and ensuring compliance
- Preparation of the curricula and syllabi
- Teacher training and staff development
- Providing grants for educational research

Government policy on education and key initiatives

Sarva Shiksha Abhiyan (SSA) was launched since 2000-01 to promote and provide universal access to elementary education, remove gender and social gaps with regards to imparting school education and improve the quality of learning. The scheme also seeks to facilitate opening of new schools; provide inclusive education to children with special needs; create alternative schooling facilities for out-of- school children, among others. The scheme is also key to promoting education of the girl child and computer-aided learning.

Mid-day Meal Schemes - It seeks to incentivize and enhance school attendance and also improve nutritional levels among children (especially in grades I-V) from the economically weaker sections

For secondary schooling, the government launched a separate scheme known as the **Rashtriya Madhyamik Shiksha Abhiyan (RMSA)** in 2009 to enhance access to secondary education and also to improve the quality of education imparted. The scheme also compulsorily ensures that all secondary schools follow the prescribed norms on eliminating gender, socio-economic and disability barriers.

Right to Education (RTE) Act: The RTE Act was launched in 2009 to provide free and compulsory education to children aged 6-14 and the right is applicable until the completion of elementary education. The Act also notifies all private - aided and unaided - schools to reserve 25% of the available seats for children from economically weaker sections (EWS) of the society

Competitive Landscape of K-12 Industry

Players	No of Schools	Segments			Board
		Pre-School	Primary	Secondary	
Bhartiya Vidya Bhavan	112	✓	✓	✓	CBSE
Billabong High	57	×	✓	✓	ICSE
Gadson Elementary	85	×	✓	✓	CBSE
Indus World School	10	✓	✓	✓	CBSE
Ryan International	65	×	✓	✓	CBSE
The Millennium School	17	✓	✓	✓	CBSE

7b. Financial Condition

7b.1. Sources of Funds

1. Share Capital

We have only one class of shares – equity shares of par value of ₹ 10/- each with equal voting rights as against three classes of shares i.e. Equity shares (Class-I), Compulsorily convertible 0.01% non-cumulative preference shares (CCPS) (Class -II) and Optionally convertible 0.01% non-cumulative preference shares (OCPS) (Class- III)], having a par value of ₹ 10 per share the previous year.

Our authorized share capital has increased to ₹ 160 Mn from ₹ 130 Mn in the previous year, divided into 16 Mn equity shares of ₹ 10/- each. The issued, subscribed and fully paid-up capital stood at ₹ 116.45 Mn as at March 31, 2015 compared to ₹ 99.18 Mn as at March 31, 2014.

During the year, pursuant to a Share Subscription and Amendment Agreement dated August 12, 2014 between the Company, individual promoters and a shareholder GPE (India) Limited, Mauritius the Company has issued 467,293 equity shares of ₹ 10 each at a price of ₹ 590 per share to GPE (India) Limited, Mauritius in two tranches of 230,000 equity shares and 237,293 equity shares on September 05, 2014 and September 16, 2014 respectively.

During the year, pursuant to the Share Subscription Agreement dated September 05, 2014 between the Company, individual promoters and a shareholder Housing Development Finance Corporation Limited (HDFC Limited), the Company has issued 594,233 equity shares of ₹ 10 each at a price of ₹ 590 per share to HDFC Limited on September 05, 2014.

The Board of Directors of the Company at its meeting held on August 11, 2014 proposed a scheme wherein eligible domestic shareholders of a subsidiary company Career Launcher Education and Infrastructure Services ("CLEIS Investor") holding equity shares of CLEIS were given a "share swap option" to swap shares of CLEIS with shares of CL Educate Limited at an agreed share swap ratio. This share swap option was proposed with an objective to consolidate company's shareholding in CLEIS.

Pursuant to such share option swap, the Board of Directors of the Company at its meeting held on September 05, 2014 approved to allot 1 equity share of the Company of ₹ 10 each, for 2.10 equity shares of CLEIS held by the eligible CLEIS investors subject to adjustment and rounding up. Such swap ratio has been determined in accordance with the Relative Valuation Report obtained by the Company from a Category-1 Merchant Banker.

Pursuant to the resolutions passed by the Board of directors at its meetings held on August 11 and September 05, 2014 and pursuant to the shareholders' approval to the scheme at the Annual General Meeting of the Company held on September 05, 2014, the Company issued 904,139 equity shares of ₹ 10 each at an effective price of ₹ 590 to CLEIS investors in lieu of 1,898,684 shares of CLEIS. Consequent to share swap, the Company now holds 97.99% shares in CLEIS as against 57.55% shares prior to the share swap.

The Company has acquired third and last tranche of shares in GKP by payment of cash consideration and balance consideration amounting ₹ 13,856,863 is settled by issue of 23,486 equity shares at the price of ₹ 590 per share.

2. Reserves and Surplus

Securities Premium Account

On account of the scheme of share swap between CLEIS and our company as well because of the CCPS and OCPS conversion during the year, the amount of share premium on standalone basis increased from ₹ 693.7 million in fiscal 2014 to 1,845.5 million in fiscal 2015 and the amount of share premium on consolidated basis increased from ₹ 913.4 million in fiscal 2014 to 1,845.6 million in fiscal 2015.

Class-II shares-CCPS conversion reserve

On a standalone basis and a consolidated basis, the balance as at March 31, 2015 reduced to Nil given the amount was transferred to share premium on account of CCPS conversion.

Class-III shares-OCPS conversion reserve

On a standalone basis and a consolidated basis, the balance as at March 31, 2015 reduced to Nil given the amount was transferred to share premium on account of OCPS conversion.

Capital Reserve

On a standalone basis and a consolidated basis, the balance as at March 31, 2015 amounted to ₹ 0.02 million, which is the same as the previous year.

General Reserve

On a standalone basis and a consolidated basis, the balance as at March 31, 2015 amounted to ₹ 5.8 million, which is the same as the previous year.

Surplus

On a standalone basis, the balance retained in the Surplus as at March 31, 2015 is ₹ 354.4 million after providing for the adjusted depreciation of ₹ 7.1 million.

On a consolidated basis, the balance retained in the Surplus as at March 31, 2015 is ₹ 70.95 million after providing for adjustment on account of change in minority interest.

Shareholders' Funds - Standalone

The total shareholders' funds increased to ₹ 2,338.5 million as at March 31, 2015 from ₹ 1,112.31 as at March 31, 2014.

Shareholders' Funds - Consolidated

The total shareholders' funds increased to ₹ 2,078 million as at March 31, 2015 from ₹ 1,487.5 as at March 31, 2014.

3. Liabilities

Long term Borrowings

On a standalone basis, the borrowings have increased from ₹ 18.88 million as at March 31, 2014 to ₹ 44. 96 million as March 31, 2015 primarily due to the increase in the financial credit limits with Kotak Mahindra bank under various term loans and overdrafts have been availed at different times during the current and previous year.

On a consolidated basis, the borrowings have increased from ₹ 235.02 million as at March 31, 2014 to ₹ 249.0 million as March 31, 2015 primarily due to the increase in the financial credit limits with Kotak Mahindra bank under various term loans and overdrafts have been availed at different times during the current and previous year.

Short term Borrowings

On a standalone basis, the borrowings have decreased from ₹ 240.7 million as at March 31, 2014 to ₹ 236.5 million as March 31, 2015 primarily due to the lower usage of the cash credit limit extended by Kotak Mahindra bank.

On a consolidated basis, the borrowings have decreased from ₹ 340.8 million as at March 31, 2014 to ₹ 309.4 million as March 31, 2015 primarily due to the lower usage of the cash credit limit extended by Kotak Mahindra bank.

Trade Payables

On a standalone basis, the trade payables have increased from ₹ 146.5 million as at March 31, 2014 to ₹ 228.2 million as March 31, 2015.

On a consolidated basis, the trade payables have increased from ₹ 169.9 million as at March 31, 2014 to ₹ 200.2 million as March 31, 2015.

Other Current Liabilities

Other Current liabilities include current maturity of long term borrowings, interest accrued but not due, unearned revenue, advances from customers, payables for expenses, employee related payables, etc.

On a standalone basis, the other current liabilities have increased from ₹ 253.9 million as at March 31, 2014 to ₹ 311.0 million as March 31, 2015.

On a consolidated basis, the other current liabilities have increased from ₹ 405.1 million as at March 31, 2014 to ₹ 478.1 million as March 31, 2015.

Deferred tax assets/ liabilities

(Figures in ₹ Mn)

	Standalone		Consolidated	
	FY 2015	FY 2014	FY 2015	FY 2014
Deferred Tax assets, net	-	-	3.3	1.6
Deferred Tax liabilities, net	18.1	13.2	18.5	23.3

The deferred tax assets primarily comprise deferred taxes on gratuity, leave benefits, bonus, doubtful supplier advances and unrealised foreign exchange loss. We assess the likelihood that our deferred tax assets will be recovered from the future taxable income.

The deferred tax liabilities primarily comprise deferred taxes on account of depreciation. We assess the likelihood that our deferred tax liabilities will be adjusted from the future taxable income.

Deferred tax assets and deferred tax liabilities have been offset wherever the Company have a legally enforceable right to set off current income tax assets against current income tax liabilities relate to the income taxes levied by the same taxation authority.

Provisions

Provisions include provisions for gratuity and provisions for leave encashment. Such provisions are towards our liability to pay our employees for the unavailed leave.*(Figures in ₹ Mn)*

	Standalone		Consolidated	
	FY 2015	FY 2014	FY 2015	FY 2014
LT Provisions	19.4	13.6	29.1	20.4
ST Provisions	0.5	0.5	25.0	25.7

7b.2. Application of Funds

1. Fixed Assets

Additions to gross block - standalone

During the year, we capitalized ₹ 76.49 million to our gross block comprising ₹ 36.56 million for investment in computers, ₹ 22.90 million for content development and the balance ₹ 17.04 million for investment in Plant & machinery, Furniture & fixtures and office equipment among others.

During the previous year, we capitalized ₹ 13.03 million to our gross block comprising mainly investment in computers, content development Plant & machinery, Furniture & fixtures and office equipment, among others.

Additions to gross block - consolidated

During the year, we capitalized ₹ 137.02 million to our gross block comprising ₹ 56.86 million for investment in computers, ₹ 20.5 million to content development, ₹ 16.21 million for investment in furniture and fixtures, ₹ 15 million to computer software, ₹ 12.31 million in office equipment and the balance for investment in Plant & machinery, leasehold improvement and vehicles.

During the previous year, we capitalized ₹ 20.88 million to our gross block comprising mainly investment in computers, Plant & machinery, Furniture & fixtures and office equipment.

Deductions to gross block - standalone

During the year, we deducted ₹ 23.42 million from the gross block on disposal of various assets mainly from computers. During the previous year, we deducted ₹ 7.0 million from the gross block on disposal of various assets mainly from leasehold improvements.

Deductions to gross block - consolidated

During the year, we deducted ₹ 29.49 million from the gross block on disposal of various assets mainly from computers. During the previous year, we deducted ₹ 7.41 million from the gross block on disposal of various assets.

Capital expenditure commitments

On a consolidated basis, we continue to commit a capital expenditure of ₹ 6.31 million as at March 31, 2015 same as the amount of commitment as at March 31, 2014.

2. Investments in subsidiaries/ associates

Our investment in our subsidiary Career Launcher Education and Infrastructure Services ("CLEIS") was increased from ₹ 223.99 million as at March 31, 2014 to ₹ 1,296.77 million as at March 31, 2015 bringing up our shareholding in the subsidiary CLEIS from 57.55% as at March 31, 2014 to 97.94% at March 31, 2015.

3. Loans and Advances and other non-current assets

The following tables provide details of our long-term and short-term loans, advances and other non-current assets.

Long-term loans & advances and other non-current assets

(Figures in ₹ Mn)

	Standalone		Consolidated	
	FY 2015	FY 2014	FY 2015	FY 2014
Capital advances	1.1	1.3	13.4	13.6
Security deposits	11.6	8.1	16.1	12.3
Service tax paid under protest	21.3	21.3	-	-

Loans and advances to employees	0.1	2.1	0.1	2.1
Advance income-tax	31.2	46.4	110.5	117.8
MAT Credit Entitlement	5.1	5.5	52.4	39.8
Balances recoverable from government authorities	-	-	21.3	21.3
Others	0.02	0.02	0.4	0.4
Interest accrued on non-current deposits	-	0.1	-	0.1
Non-current bank balances	112.3	132.3	112.3	132.3
Other receivables	-	-	2.5	0
Total	**182.7**	**217.1**	**328.9**	**339.7**

Capital advances represent the amount paid in advance on capital expenditure.

Security deposits represent electricity deposits, telephone deposits, insurance deposits and deposits of similar nature.

Service tax paid under protest is against a demand for service tax aggregating ₹ 160.8 million (previous year ₹ 160.8 million) for the period July 1, 2003 to September 30, 2010 that has been disputed by the Company. We have preferred an appeal with CESTAT against these orders of the Commissioner of Service tax. The Company has paid ₹ 21.3 million (previous year ₹ 21.3 million) against the said demand under protest.

Advance Income Tax (net of provision) represents the domestic corporate tax. Non-current bank balances are balances held under margin money deposits and under lien deposits.

Short-term loans & advances

(Figures in ₹ Mn)

	Standalone		Consolidated	
	FY 2015	FY 2014	FY 2015	FY 2014
Security Deposits	16.0	13.1	25.9	23.9
Loans and advances to related parties	129.0	80.0	456.0	419.3
Loans and advances to others	3.4	2.2	-	-
Loans and advances to employees	3.8	0.3	7.3	1.9
Balance with government authorities	1.3	0.4	2.4	0.4
Prepaid expenses	94.5	105.9	97.3	109.0
Loan and advances to franchisees	0.1	0.1	0.1	0.1
Advance to suppliers	3.0	0.1	9.9	4.3
Receivable from others	32.0	2.8	30.9	2.7
Intercorporate Deposits	-	-	-	0.1
Gratuity Assets	-	-	0.0	0.2
Total	**283.0**	**204.9**	**630.6**	**561.9**

On a standalone basis, Loans and advances to related parties as at March 31, 2015 comprise ₹ 52.9 million loan to Career Launcher Education Foundation, ₹ 8 million loan to Kestone Asia Educational Hub Pte. Ltd., ₹ 24.8 million loan to Nalanda Foundation, ₹ 30.5 million loan to CL Media and ₹ 14.3 million loan to GK Publications Pvt. Limited.

On consolidated basis, Loans and advances to group entities as at March 31, 2015 comprise ₹ 132.7 million loan to Career Launcher Education Foundation, ₹ 308.1 million loan to Nalanda Foundation and ₹ 16.1 million loan to CLEF - AP.

4. Trade Receivables

On a standalone basis, the trade receivables amounted to ₹ 535.2 million (net of provision for doubtful trade receivable amounting to ₹ 1.2 million) as at March 31, 2015, compared to ₹ 358.9 million (net of provision for doubtful trade receivable amounting to ₹ 1.0 million) as at March 31, 2014. These receivables are considered good and realisable. Debtors are at 35.8% of revenue from operations for the year ended March 31, 2015, compared to 30.3% as at March 31, 2014 representing a Trade receivables period of 131 days this year compared to 111 days the previous year.

On a consolidated basis, the trade receivables amounted to ₹ 866.0 million (net of provision for doubtful trade receivable amounting to ₹ 1.2 million) as at March 31, 2015, compared to ₹ 647.6 million (net of provision for doubtful trade receivable amounting to ₹ 1.4 million) as at March 31, 2014. These receivables are considered good and realisable. Debtors are at 31.6% of revenue from operations for the year ended March 31, 2015, compared to 29.6% as at March 31, 2014 representing a Trade receivables period of 116 days this year compared to 108 days the previous year.

5. Cash and Bank Balances

The bank balances include both the rupee accounts and the foreign currency accounts. The bank balances in the overseas account are maintained to meet the expenditures of the overseas operations.

Deposits with original maturity more than 3 months but less than 12 months represent the surplus money deployed.

Money market deposits and under lien deposits represent the deposits with institutions for issuance of guarantees, in favour of purchase of paper and against bank overdraft facility.

6. Other Current Assets

(Figures in ₹ Mn)

	Standalone		Consolidated	
	FY 2015	FY 2014	FY 2015	FY 2014
Unbilled revenue	-	-	48.9	44.1
Interest accrued but not due on deposits	2.1	1.5	2.1	1.5
Interest accrued on deposits	-	-	1.3	1.4
Interest accrued but not due on loans and advances	-	-	18.1	10.7
Fixed assets held for sale	52.7	51.9	95.2	94.4
Others	-	-	0.1	0.0
Other receivable from related party	22.8	-	-	-
Total	**77.6**	**53.3**	**166.0**	**152.1**

Unbilled revenue represents amounts recognised based on services performed in advance of billing in accordance with service terms.

Other receivable from related party include an expense towards ESOP in accordance with guidance note issued by ICAI in respect of shares of our company to be issued to a director of CLEIS (our subsidiary). All amounts related to issue of such shares on exercise of ESOP shall be reimbursed by CLEIS to us. Accordingly, no expense has been recorded by us and ESOP reserves have been created with a corresponding receivables from CLEIS.

7c. Results of our Operations

The function-wise classification of the Standalone Statement of Profit and Loss as follows:

(Figures in ₹ Mn)

	FY 2015	%	FY 2014	%
Revenue from Operations	1,496.37	96.6 %	1,183.11	95.7%
Other Income	53.22	3.4%	53.04	4.3%
Total Revenue	**1,549.59**	**100.0 %**	**1,236.14**	100.0 %
Operating Expenses	1,362.59	87.9%	1,111.32	89.9 %
EBITDA	**187.00**	**12.1%**	**124.82**	**10.1%**
Depreciation	50.84	3.3%	37.48	3.0%
EBIT	136.16	8.8%	87.23	7.1%
Finance Cost	47.17	3.0%	44.13	3.6%
PBT before Exceptional & Prior period items	88.99	5.7%	43.21	3.5%
Exceptional & Prior period items	-	0.0%	15.97	1.3%
Profit Before Tax	**88.99**	**5.7%**	**27.24**	**2.2%**
Tax Expense	23.23	1.5%	9.75	0.8%
Profit after Tax and Exceptional items	**65.76**	**4.2%**	**17.49**	**1.4%**

The function-wise classification of the Consolidated Statement of Profit and Loss as follows:

(Figures in ₹ Mn)

	FY 2015	%	FY 2014	%
Revenue from Operations	2,736.22	96.6 %	2,186.85	96.1 %
Other Income	95.23	3.4%	89.69	3.9%
Total Revenue	**2,831.45**	**100.0 %**	**2,276.54**	100.0%
Operating Expenses	2,367.80	83.6%	1,935.15	85.0 %
EBITDA	**463.65**	**16.4%**	**341.39**	15.0 %
Depreciation	77.39	2.7%	54.70	2.4%
EBIT	386.26	13.6%	286.69	12.6 %
Finance Cost	93.57	3.3%	89.71	3.9%
PBT before Exceptional & Prior period items	292.69	10.3%	196.98	8.7%
Exceptional & Prior period items	22.84	0.8%	15.16	0.7%
Profit Before Tax	**269.85**	9.5%	**181.83**	8.0%
Tax Expense	60.22	2.1%	24.49	1.1%
Profit after Tax before Minority Interest	**209.62**	7.4%	**157.34**	6.9%
Share of minority	(0.22)	0.0%	9.34	0.4%
Profit after Tax	209.85	7.4%	148.00	6.5%

1. Income

Of the total revenues for the year ended March 31, 2015, on a standalone basis, approx. 96.6% came from Operations while just 3.4% 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 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).

Out of the Revenues from operations, approx. 78.6% came from the Test Preparation and training segment (including sale of study material), 20.9% came from the Vocational Training segment and a marginal 0.5% came from other operations.

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

(Figures in ₹ Mn)

	FY 2015	%	FY 2014	%
Education and training programme (including sale of study material)	1,175.92	78.6%	1,016.46	85.9%
Vocational Training	313.13	20.9%	162.87	13.8%
Others	7.32	0.5%	3.78	0.3%
Total Revenue from Operations	**1,496.37**	**100%**	**1,183.11**	**100%**

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 ₹ Mn)

Particulars	FY 2015	%	FY 2014	%
Within India	1,480.29	98.9 %	1,183.11	100%
Overseas	16.08	1.1%	-	-
Total Revenue from Operations	**1,496.37**	**100%**	**1,183.11**	**100%**

Of the total revenues for the year ended March 31, 2015, on a consolidated basis, approx. 96.6% came from Operations while just 3.4% 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, Managed manpower services, Event management 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. Managed manpower 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. Event management 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 focused, exclusive audiences, to unique experiential activities. K - 12: The group provided soft skills, infrastructure facilities and other support services to schools involved in kindergarten to senior secondary studies. Vocational training includes specific projects undertaken (including government projects).

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

(Figures in ₹ Mn)

	FY 2015	%	FY 2014	%
Education and training programme (including sale of study material)	1,175.92	43.0%	1,016.46	46.5%
Vocational Training	313.13	11.4%	162.87	7.4%
K-12	72.59	2.7%	60.85	2.8%
Sale of educational books	168.31	6.2%	2.85	0.1%
Managed Manpower services	450.04	16.4%	429.95	19.7%
Event management services	510.96	18.7%	303.65	13.9%
Others	45.28	1.7%	210.21	9.6%
Total Revenue from Operations	**2,736.22**	**100.0%**	**2,186.85**	**100.0%**

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 ₹ Mn)

	FY 2015	%	FY 2014	%
Within India	2,720.14	99.4%	2,186.85	100%
Overseas	16.08	0.6%	-	-
Total Revenue from Operations	**2,736.22**	**100%**	**2,186.85**	**100%**

Fiscal 2015 Compared To Fiscal 2014 – On Standalone basis

Revenue from Operations

Our total revenue from operations on standalone basis increased by 26.48% from ₹ 1,183.11 million in fiscal 2014 to ₹ 1,496.37 million in fiscal 2015, primarily on account of an increase in both sale of products and sale of services.

Income from Sale of Products

Income from sale of products increased by 35.01% from ₹ 186.52 million in fiscal 2014 to ₹ 251.83 million in fiscal 2015, primarily on account of increase in sale of study material given the increase in the number of enrollments across our Test Preparation and Training course offerings over the previous year.

Income from Sale of Services

Income from sale of services increased by 21.28% from ₹ 910.61 million in fiscal 2014 to ₹ 1,104.37 million in fiscal 2015, primarily on account of a 10.34% increase in education and training programs income from ₹ 812.62 million in fiscal 2014 to ₹ 896.63 million in fiscal 2015 – the growth in our education and training programs income during this period was primarily due to increase in enrolments in, and income from, our civil services and other test prep courses, as enrolments in, and income from, our MBA test prep courses saw a decline during this period due to challenging macroeconomic conditions and the lingering effects of the global financial crisis in the Indian economy. In addition, there was a 112.0% increase in our vocational training services income, from ₹ 97.99 million in fiscal 2014 to ₹ 207.75 million in fiscal 2015.

Other Operating Revenue

Our other operating revenue increased from ₹ 85.97 million in fiscal 2014 to ₹ 140.16 million in fiscal 2015 showing a 63.03% increase over the previous year, primarily on account of high grant income from the government vocational training segment.

Other Income

Our other income remained almost constant with a marginal increase of 0.35% over the previous year. It rose from ₹ 53.04 million in fiscal 2014 to ₹ 53.22 million in fiscal 2015.

Fiscal 2015 Compared To Fiscal 2014 – On Consolidated basis

Revenue from Operations

Our total revenue from operations increased by 25.12% from ₹ 2,186.85 million in fiscal 2014 to ₹ 2,736.22 million in fiscal 2015, primarily on account of an increase in both sale of products and sale of services.

Income from Sale of Products

Income from sale of products increased by 14.01% from ₹ 367.46 million in fiscal 2014 to ₹ 418.95 million in fiscal 2015, primarily on account of a 35.01% increase in sale of study material, from ₹ 186.52 million in fiscal 2014 to ₹ 251.83 million in fiscal 2015.

Income from Sale of Services

Income from sale of services increased by 26.27% from ₹ 1,671.07 million in fiscal 2014 to ₹ 2,110.07 million in fiscal 2015, primarily on account of a 10.34% increase in education and training programs income from ₹ 812.62 million in fiscal 2014 to ₹ 896.63 million in fiscal 2015 – the growth in our education and training programs income during this period was primarily due to increase in enrolments in, and income from, our civil services and other test prep courses, as enrolments in, and income from, our MBA test prep courses saw a decline during this period due to challenging macroeconomic conditions and the lingering effects of the global financial crisis in the Indian economy. In addition, there was a 112.0% increase in our vocational training services income, from ₹ 97.99 million in fiscal 2014 to ₹ 207.75 million in fiscal 2015, as well as a 68.27% increase in our event management services income, from ₹ 303.65 million in fiscal 2014 to ₹ 510.96 million in fiscal 2015, due to an increase in average revenue earned per event. There was also a 4.67% increase in manpower services income from ₹ 429.95 million in fiscal 2014 to ₹ 450.04 million in fiscal 2015. Additionally, there was a significant increase in the School Tuition fee collected at our K12 schools which increased from ₹ 5.44 million in fiscal 2014 to ₹ 19.12 million in fiscal 2015.

Other Operating Revenue

Our other operating revenue increased by over 39.70% from ₹ 148.32 million in fiscal 2014 to ₹ 207.21 million in fiscal 2015 mainly due to significant increases in the bus fee collected at our K12 schools and in the miscellaneous operating income.

Other Income

Our other income increased by 6.17% from ₹ 89.69 million in fiscal 2014 to ₹ 95.23 million in fiscal 2015, primarily due to higher liability no longer required written back, increased rent income from investment property as well as higher interest income on income tax and loans and advances.

2. Expenditure

The summary of our expenses on a standalone basis is as follows:

(Figures in ₹ Mn)

Particulars	FY 2015	%	FY 2014	%
Total Revenue	**1,549.59**	**100%**	**1,236.03**	**100%**
Purchases of traded goods	145.72	9.4%	117.41	9.5%
(Increase) in inventory of traded goods	-11.68	-0.8%	-9.36	-0.8%
Cost of services	587.38	37.9%	477.07	38.6%
Employee benefits expense	245.75	15.9%	220.58	17.8%
Finance costs	47.17	3.0%	44.13	3.6%
Depreciation and amortisation expenses	50.84	3.3%	37.48	3.0%
Other expenses	395.42	25.5%	305.62	24.7%
Total Expenses	**1,460.60**	**94.3%**	**1,192.93**	**96.5%**

The summary of our expenses on a consolidated basis is as follows:

(Figures in ₹ Mn)

	FY 2015	%	FY 2014	%
Total Revenue	2,831.45	100.0%	2,276.54	100.0%
Cost of raw material and components consumed	62.16	2.2%	93.66	4.1%
Cost of services	634.47	22.4%	519.44	22.8%
Purchases of traded goods	19.81	0.7%	16.31	0.7%
Decrease/(increase) in inventories of finished goods, work-in-progress and traded goods	23.43	0.8%	-39.91	-1.8%
Employee benefit expenses	749.69	26.5%	686.57	30.2%
Finance costs	93.57	3.3%	89.71	3.9%
Depreciation and amortisation expense	77.39	2.7%	54.70	2.4%
Other expenses	878.23	31.0%	659.08	29.0%
Total Expenses	2,538.76	89.7%	2,079.56	91.3%

Fiscal 2015 Compared To Fiscal 2014 – On Standalone basis

Our total expenditure including interest and finance charges and depreciation/amortization increased by 22.3% from ₹ 1,192.93 million in fiscal 2014 to ₹ 1,460.60 million in fiscal 2015.

Purchases of traded goods

Our purchases of traded goods increased by 24.1% from ₹ 117.41 million in fiscal 2014 to ₹ 145.72 million in fiscal 2015, primarily due to increase in purchases of text books from our Subsidiary, CL Media, for circulation as study material to the students enrolled under the Test Preparation and Training courses as well as the Government Vocational Training schemes.

Increase in Inventories of Finished Goods, Work-In-Progress and Traded Goods

Our closing inventory increased by 34.7% from ₹ 33.65 million as on March 31, 2014 to ₹ 45.33 million as on March 31, 2015.

Cost of Services

Our cost of services increased by 23.1% from ₹ 477.07 million in fiscal 2014 to ₹ 587.38 million in fiscal 2015, primarily on account of 21.43% increase in payments made to the test prep franchise partners and as well as over 250% increase in the hostel expenses of the students enrolled under Government vocational training schemes.

Employee Benefit Expenses

Our employee benefit expenses increased by 11.4% from ₹ 220.58 million in fiscal 2014 to ₹ 245.75 million in fiscal 2015, primarily due to a 6.2% increase in the salary, wages, bonus and other benefits component, 63.1% increase in the contribution to PF and a significant increase in the expenses on ESOP schemes.

Finance Costs

Our finance costs increased by 6.9% from ₹ 44.13 million in fiscal 2014 to ₹ 47.17 million in fiscal 2015, primarily due to a 58.7% increase in loan processing charges, from ₹ 1.5 million in fiscal 2014 to ₹ 2.45 million in fiscal 2015 and interest on overdraft increased by 9.1% from ₹ 30.18 million in fiscal 2014 to ₹ 32.92 million in fiscal 2015 given that we increased the credit limit utilization to meet the growing working capital funding needs from the increased scale of operations.

Depreciation/Amortization Expense

Our depreciation/amortization expense increased by 35.6% from ₹ 37.48 million in fiscal 2014 to ₹ 50.84 million in fiscal 2015, primarily due to increase in the gross block of tangible assets by ₹ 46.87 million during fiscal 2015 as well as due to increase in gross block of intangible assets by ₹ 29.63 million during fiscal 2015.

Other Expenses

Our other expenses increased by 29.9% from ₹ 305.62 million in fiscal 2014 to ₹ 395.42 million in fiscal 2015, primarily on account of a 566% increase in material development and printing expenses from ₹ 3.62 million in fiscal 2014 to ₹ 24.16 million in fiscal 2015, and a 108% increase in sales incentive and a 20.1% in the rent expenses. This was offset by a 14.3% decrease in office expenses.

Fiscal 2015 Compared To Fiscal 2014 – On Consolidated basis

Our total expenditure including interest and finance charges and depreciation/amortization increased by 22.08% from ₹ 2,079.64 million in fiscal 2014 to ₹ 2,538.76 million in fiscal 2015, due to the reasons described below.

Cost of Raw Material and Components Consumed

Our cost of raw material and components consumed decreased by 33.62% from ₹ 93.65 million in fiscal 2014 to ₹ 62.16 million in fiscal 2015, primarily due to decreased purchases of raw material for increased printing of study material and text books by our Subsidiary, CL Media, in connection with our publishing and content development business, as well as an decrease in the average cost of paper during this period.

Cost of Services

Our cost of services increased by 22.15% from ₹ 519.44 million in fiscal 2014 to ₹ 634.47 million in fiscal 2015, primarily on account of a 21.43% increase in business partner expenses from ₹ 327.60 million in fiscal 2014 to ₹ 397.81 million in fiscal 2015. During fiscal 2015, the business done by centers operated by our business partners increased to ₹ 635.55 million, from ₹ 515.76 million in fiscal 2014, as 32 new centers were opened by our business partners & 2 of our own centers were taken over by our business partner during fiscal 2014, The cost of printing decreased substantially by 38.13% from ₹ 49.19 million to ₹ 30.44 million during the fiscal 2015. The cost of content development also increased substantially by 220% given that huge amount of content was purchased from outside as well as developed in-house to meet the growing demands of the business given that many Test Prep course offerings were introduced and many new book titles were also introduced in the market via our subsidiary GK Publications.

Purchases of Stock-In-Trade

Our expenses on account of purchases of stock in trade increased by 21.45% from ₹ 16.31 million in fiscal 2014 to ₹ 19.81 million in fiscal 2015, primarily due to increase in purchase of study material given to students enrolled in our test prep courses, on account of increased enrolments in our test prep courses during fiscal 2014.

Decrease in Inventories of Finished Goods, Work-In-Progress and Traded Goods

Our closing inventory decreased by 22.87% from ₹ 102.48 million as on March 31, 2014 to ₹ 79.05 million as on March 31, 2015, primarily due a 83.49% decrease in inventory of work in progress, from ₹ 16.33 million in fiscal 2014 to ₹ 2.70 million in fiscal 2015 as we have been consciously trying the reduce the inventory levels.

Employee Benefit Expenses

Our employee benefit expenses increased by 9.19% from ₹ 686.57 million in fiscal 2014 to ₹ 749.69 million in fiscal 2015, primarily due to a 6.97% increase in the salary, wages, bonus and other benefits component, from ₹ 637.02 million in fiscal 2014 to ₹ 681.40 million in fiscal 2015.

Finance Costs

Our finance costs increased by 4.31% from ₹ 89.70 million in fiscal 2014 to ₹ 93.57 million in fiscal 2015, primarily due to a 23.19% increase in loan processing charges, from ₹ 2.67 million in fiscal 2014 to ₹ 3.29 million in fiscal 2015 and interest on short term borrowings increased by 6.98% from ₹ 68.62 million in fiscal 2014 to ₹ 73.41 million in fiscal 2015.

Depreciation/Amortization Expense

Our depreciation/amortization expense increased by 41.52% from ₹ 54.69 million in fiscal 2014 to ₹ 77.39 million in fiscal 2015, primarily due to net increase in the gross block of tangible assets by ₹ 65.24 million during the fiscal 2015 and net additions to the gross block of intangible assets by ₹ 42.29 million in fiscal 2015.

Other Expenses

Our other expenses increased by 33.23% from ₹ 659.19 million in fiscal 2014 to ₹ 878.23 million in fiscal 2015, primarily on account of a 303.91% increase in office expenses from ₹ 36.73 million in fiscal 2014 to ₹ 148.35 million in fiscal 2015, and a 58.81%

increase in legal and professional expenses, from ₹ 60.78 million in fiscal 2014 to ₹ 96.52 million in fiscal 2015. This was offset by a 50.43% decrease in banquet and event material expenses, from ₹ 117.16 million in fiscal 2014 to ₹ 58.07 million in fiscal 2015.

Exceptional items

On a consolidated basis, our company recorded an exceptional expense to the tune of ₹ 22.84 million in fiscal 2015 on account of recording an expense on ESOP scheme.

Pursuant to the Career Launcher Employee Stock Options Plan 2008, in the financial year 2008-09 CL Educate Limited, had granted 142,857 options of CL Educate Limited to Mr. Shantanu Prakash, director in our subsidiary, CLEIS. These options were to be settled in equity in four tranches commencing from financial year 2013-14.

Mr. Shantanu Prakash in earlier years had communicated his unwillingness to exercise the options to the Board of CL Educate Limited. However, at the board meeting of CL Educate Limited held on September 22, 2014, Mr. Shantanu Prakash expressed his willingness to exercise the options granted to him and requested the Board to extend the exercise period.

Accordingly, during the year ending on March 31, 2015 CLEIS has made a provision of ₹ 22,841,122 against the said options using the fair value method to account for the said stock-based employee compensation costs. Compensation cost is measured using independent valuation by a firm of Chartered Accountants using Black-Scholes model in accordance with the guidance note issued by the Institute of Chartered Accountants of India.

Net Profit after tax and exceptional items

On standalone basis, our net profit increased by over 275% from ₹ 17.49 million in fiscal 2014 to ₹ 65.76 million in fiscal 2015 reflecting a net profit margin of 4.2% of total revenue as against a net profit margin of 1.4% of total revenue in the previous fiscal 2014.

On consolidated basis, our net profit increased by 41.8% from ₹ 148 million in fiscal 2014 to ₹ 209.85 million in fiscal 2015 reflecting a net profit margin of 7.4% of total revenue as against a net profit margin of 6.5% of total revenue in the previous fiscal 2014.

Earnings Per share (EPS)

On standalone basis, our basic EPS before exceptional item increased by 75.9% during the year to ₹ 6.14 per share from ₹ 3.40 per share in the previous year. The outstanding shares used in computing the basic EPS were 10,708,949 and 9,417,810 for the year ending March 31, 2015 and March 31, 2014 respectively.

On consolidated basis, our basic EPS before exceptional item increased by 26.9% during the year to ₹ 21.73 per share from ₹ 17.12 per share in the previous year. The outstanding shares used in computing the basic EPS were 10,708,949 and 9,417,810 for the year ending March 31, 2015 and March 31, 2014 respectively.

8. Company's Future Outlook

It is our continued endeavor to strengthen our role as a diversified provider of educational services. We plan to expand our geographical reach, increase our product offerings across our business segments and also grow our business through appropriate acquisitions in the test preparation and in the vocational training business.

8a. Test Preparation and Training Services

Expand our presence and geographical footprint across India.

We seek to continue extending our Test Prep Centre network and revenue generating opportunities across India especially in the southern and western regions of India primarily through the scalable and less capital-intensive franchisee and partnership driven model. In this relation, we may also continue to explore other strategic organic and inorganic growth opportunities that may arise for us in the future.

Leadership in Aptitude-based Testing:

We believe that a shift from knowledge-based to aptitude-based testing is leading to market consolidation, providing us with a unique growth opportunity to capitalize on favorable demographics throughout the growing education services industry in India. We believe that aptitude-based test preparation is a scalable business, compared to knowledge-based test preparation, which is generally more individual-driven, which offers us a unique growth opportunity in this segment, across a wide array of course offerings.

We believe we can leverage the large content-base and the delivery expertise that we have built over the years for aptitude-based testing to capture a significant market share in new exams as they move from knowledge-based to aptitude-based testing. This has been demonstrated in our Company's rapidly growing presence in LAW, Civil Services and Banking exam. We are likely to expand our product offerings as new exams opt for aptitude-based testing methodology.

Market-Ready with New Media Solutions:

We are one of the few players using online product suite for test prep in anticipation of exams going online. Our company currently delivers more than 30% of its test prep content in MBA and Law through online platform. We have also actively implemented distance learning solutions (through VOIP and Webex) for students that are not reachable via our center network. It also enables us to deliver content to students in colleges directly and to bring "star" professors to students across the country.

We also seek to extend our customer base and revenue-generation capabilities through exploring a variety of innovative and technology-enhanced platforms, to target the growing and increasingly mobile Indian middle class with rising household incomes and accordingly, to cross-leverage our online and offline delivery modes. For instance, we are continuing to develop our online testing modules as well as mobile and tablet applications in relation to our 'test prep' courses, which we believe provides us with a cost-effective and flexible means of extending our visibility and market reach beyond our physical 'test prep' network, and facilitates our students in interacting with, and receiving instruction from, our 'test prep' instructors through the Internet and mobile platforms.

Leverage the existing distribution network:

Our Company has a pioneering experience in using a franchisee-driven strategy to build presence across the country. We aim to have a total of more than 300 centers in the coming years; out of which most of which are expected to be franchisees. We also hope to drive utilization of existing centers by increasing number of test-prep product offerings as we are currently offering only 2-3 products per center. Furthermore, introduction of more non-MBA products at existing centers is expected to drive improved capacity utilization and profitability.

8b. Vocational Training

Partnership with private players and the Central & State Government.

With respect to our vocational training and skills education business, our strategy is to partner with both private enterprises and with the Central and State governments.

The annual graduate output from the Indian educational system is expected to exceed 5 million graduates annually by 2015. The Government of India has set a goal of providing skills training to 500 million persons by 2022. We have partnered with the state governments of Rajasthan, UP, MP, Jharkhand, Chattisgarh and Gujarat in the past for providing vocational training. Our Company has also recently signed more projects under the Ajeevika Scheme. We plan to continue to partner with the central and state governments to provide vocational training services. We also plan to pursue acquisition opportunities to augment our capabilities, broaden our service offerings and increase our geographical presence.

We have partnered with private players in the banking financial services and insurance (“**BFSI**”) sector including ICICI Bank, ICICI Prudential and Kotak Mahindra Bank in the past. Also we are currently providing recruitment, training and event management services to corporates like Nokia through our Subsidiary, Kestone, which we believe has been instrumental in our developing strong relationships with corporate clients across India. Towards this objective, we seek to continue to explore and develop relationships with new corporate clients, as well as launching new training projects with corporate clients.

8c. Education Content and Publishing:

Acquiring New Lifecycle Customers:

We plan to use expanding range of titles as a means to expose new customers to CL’s offerings. We are exploring opportunities for the introduction of bilingual and multilingual titles within our content library with the objective of foraying into and deepening our presence in regional markets. Hence, enabling us to acquire large captive audience at negligible cost. It also creates opportunity to potentially sell other services in CL’s platform.

Tap Cross-selling Opportunities

As part of our ongoing larger strategy of diversification, we seek to continue to develop and derive synergies from our publishing and content development business, including in terms of extending our point-of-sale network and expanding our content library, through our in-house content development team as well as otherwise.

Our Company hopes to use the wide distribution network of the Publishing business for the Test Prep purposes, , allowing us to, among other things, reach out to what we believe to be a significant student population currently relying on self-study instead of classroom training and tutorials. For instance: all publications to include references and discount coupons to CL's online test prep content, to help drive new students to CL's online and offline test-prep offerings. We also plan to introduce new test-prep titles using the "CL" brand, thereby leveraging both on the brand name as well as content developed by CL over the past 18+ years.

8d. K-12 Schools

Continue to consolidate and grow our K-12 schools business.

We are seeking to explore opportunities for better capacity utilization at our existing IWS schools, particularly our owned schools, including through increasing the intake capacity for each grade as well as the total number of grades offered at such schools, accompanied by expansion of the infrastructure offered at such schools, including libraries, laboratories and other facilities and amenities required in relation to the increased number of students enrolled. In the future, we may also explore other opportunities for organic and inorganic growth in the K-12 schools segment.

Expansion using the Asset Light K-12 Strategy

Our Own K-12 Schools have served their purpose of helping establish the "Indus World School" brand over the past few years. Currently, out of 10 operational K-12 schools, two are owned by us, two schools are run on educational partnerships with other entities (where we license the brand to such entities) and six schools are run through infrastructure partnership model. In the coming years, we expect the major growth to come from the Education Partner and the Infrastructure Partner franchisee models that are relatively capital light. These models also ensure higher returns than Own model and are faster to scale across India. Our Company receives number of requests from individuals / schools to franchise the "Indus World School" brand on a monthly basis.

9. Dividend

Your Directors do not recommend any dividend for the year 2014-15.

10. Capital and Finance

1. During the financial year 2014-15, the Company converted the 411,045 numbers of 0.01% Non-Cumulative Compulsorily Convertible Preference Shares (CCPS) and 88,955 numbers of 0.01% Non-Cumulative Optionally Convertible Preference Shares (OCPS) into equity shares in accordance with the pre-determined terms and conditions contained in the respective shareholders agreement and has in pursuance of the same, allotted 235,294 equity Shares on July 22, 2014 at a conversion price of Rs. 425/- per equity share.

2. On September 5, 2014, the Company issued and allotted 23,486 nos. of equity shares to the promoter shareholders of G K Publications Private Limited as part consideration against acquisitionof the3rd and final tranche of the shares of GK Publications Private Limited.

3. During the year under review, the Company carried out a share swap transaction with the shareholders of CLEIS, whereby each existing domestic eligible* shareholder of CLEIS was entitled to receive 1 equity share of the Company in exchange for 2.10 equity shares held by such shareholder in CLEIS ("**Share Swap**"). This ratio was arrived at based on a valuation report prepared by a SEBI registered Category I Merchant Banker. Pursuant to such share swap exercise, the Company issued and

allotted 904,139 nos. of equity shares of face value Rs. 10 each of the Company (for consideration other than cash, consideration being CLEIS shares of equivalent value)

* The offering of shares in the Company pursuant to the swap was conducted through a private placement, as required under the Companies Act, 2013 ("Companies Act, 2013"), and rules thereunder, as amended. Specifically, Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014, provides, *inter alia*, that in case of a private placement, the value of the offer or invitation per person shall be with an investment size of not less than ₹ 20,000 of face value of the securities. Thus, this offer could only be made to persons holding at least 4,200 shares of CLEIS, which would entitle such persons to receive at least 2,000 shares of the Company as part of the swap.

4. On 05.09.2014, the Company issued and allotted 230,000 nos. of equity shares on a preferential basis, to GPE (India) Ltd. and 594,233 nos. of equity shares to HDFC Limited at Fair Market Value (of Rs. 590/- per share) derived from the Share Valuation Report obtained from an Independent Category I Merchant Banker.

5. On 16.09.2014, the Company issued and allotted 237,293 nos. of equity shares on a preferential basis, to GPE (India) Ltd. at a Fair Market Value (of Rs. 590/- per share) derived from the Share Valuation Report obtained from an Independent Category I Merchant Banker.

6. On 05.09.2014, the Company issued and allotted 2,900 nos. of equity shares pursuant to exercise of options by certain option-holders under the CL ESOP Plan 2008.

11. Disclosure of Particulars

Information as per the Rule 8 of the Companies (Accounts) Rules, 2014, relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo, Internal financial control systems etc.

Information to be included in Board's Report are provided hereunder:

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

b) Technology absorption – Since your Company does not carry out any manufacturing activity, the particulars regarding technology absorption and other particulars as required by the Companies Act, 2013 and rules made thereunder are not applicable.

c) The foreign exchange earnings and outflows are detailed below:-

Earnings in Foreign Exchange (on accrual basis)

(Figures in ₹ Mn)

	FY 2015	FY 2014
Test Preparation Training Services	10.26	-
Sale of Study Material	5.82	-
Total	**16.08**	-

Expenditure in Foreign Currency (on accrual basis):

(Figures in ₹ Mn)

	FY 2015	FY 2014

Travelling & Conveyance	1.13	-
Bank Charges	0.08	0.05
Faculty expenses	10.60	-
Rent	1.43	0.41
Salary and Wages	1.56	2.20
Others	3.53	0.07
Total	**18.34**	**2.72**

12. Internal Financial Control Systems

The Company has a set of robust Internal Financial Control Systems in place, some of which are as under:

1. All accounting entries are passed through a fully integrated and robust ERP system, through which real time reports can be generated anytime;
2. There is an appropriate maker-checker system in place, whereby there is complete manpower segregation while making the accounting entries, and while posting the same into the ERP system.
3. All the bank accounts are maintained and operated under joint signatories.
4. Internal Audit is performed regularly. Apart from the Internal Audit Firm that has been appointed for the purpose of Internal Audit, there is an internal audit team from the Company which conducts regular audit on the Company Centres.
5. A whistle blower mechanism is also in place and all such matters are received by internal auditors and escalated to Chairman of the Audit Committee.

13. 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 organisational vision.

14. Particulars of Employees and Related disclosures

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) Rules, 2014, a statement showing the names and other particulars of the Employees/whole time directors drawing remuneration in excess of the limits set out in the said Rules are provided in the **Annexure-II** forming part of the Annual Report.

Having regard to the provisions of Section 136(1) read with its relevant proviso (of the Companies Act, 2013), the Annual Report excluding the aforesaid information is being sent to the members of the Company. The said information is available for inspection at the Registered Office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished free of cost.

15. Directors and Key Managerial Personnel

15a. Appointments & Resignations:

During the year under review, Ms. Sangeeta Modi was appointed as an Independent Director by the Board of Directors at its meeting held on 11.08.2014. Her appointment was regularized by the members of the Company at the Annual General Meeting held on 05.09.2014.

On 16.09.2014, Ms. Madhumita Ganguli, was appointed as a Nominee Director (nominee of Housing Development Finance Corporation Limited (HDFC)) by the Board of Directors of the Company. She resigned from the Board on and with effect from 07.04.2015.

The Board wishes to place on record its deep sense of appreciation for the valuable contribution made by Ms. Madhumita Ganguli to the Board and to the Company during her tenure as Director.

The Independent Directors of the Company have declared that they meet the criteria of Independence in terms of Section 149(6) of the Companies Act, 2013 and that there is no change in their status of Independence.

At the Board Meeting held on 13.05.2015, Mr. Satya Narayanan .R, Chairman and Executive Director, and Mr. Gautam Puri, Vice Chairman & Executive Director were designated as "Key Managerial Personnel" of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

At the Board Meeting held on May 13, 2015, Mr. Satya Narayanan .R, Chairman and Executive Director, Mr. Gautam Puri, Vice Chairman & Managing Director, Mr. Nikhil Mahajan, Executive Director and CFO, and Ms. Rachna Sharma, Company Secretary and Compliance Officer, were designated as "Key Managerial Personnel" of the Company pursuant to Sections 2(51) and 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

15b. Retirement by Rotation:

Mr. Gautam Puri retires by rotation at the ensuing Annual General Meeting, and being eligible, offers himself for re-appointment. The notice convening the Annual General Meeting includes the proposal for re-appointment of Mr. Gautam Puri.

16. Auditors

At their respective meetings held on July 22, 2014, the Audit Committee as well as the Board of Directors of the Company had approved of the appointment of M/s. Haribhakti & Co., LLP, Chartered Accountants., for an initial term of 5 years. At the Annual General Meeting of the Company held on September 5, 2014, the members of the Company confirmed the Board's recommendation by appointing M/s. Haribhakti & Co., LLP, Chartered Accountants., for an initial term of 5 years.

In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors has to be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. Haribhakti & Co., LLP, Chartered Accountants, as the statutory auditors of the Company, is placed for ratification by the shareholders.

The Company has received confirmation from the firm regarding its consent for such appointment, and eligibility under Sections 139 and 141 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 for appointment as the Auditor of the Company.

The Auditors 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 no. 3 of the Notice convening the Annual General Meeting.

Auditors' Report

Your Directors' reply to the reservations and views of the auditors expressed in the Statutory Auditor's report are as under:

1. **Clause No. (iii) (a) contained in the Annexure to the Auditors' Report**

Auditor's Observation: The Company has granted unsecured loans to two companies and one other party covered in the register maintained under Section 189 of the Act. In our opinion and according to the information and explanations given to us, the rate of interest, wherever charged, and the other terms and conditions of loans granted to three companies and one other party are not, *prima facie,* prejudicial to the interest of the Company. *Terms and conditions related to loans granted to two companies and one other party are, prima facie, prejudicial to the interest of the Company.*

Directors' Reply:

(a) Kestone Asia Hub Pte. Ltd., is the wholly owned subsidiary Company of Kestone (wholly owned subsidiary Company of CL), hence not charging of interest amount will not impact the overall viability of CL Group.

And as the Kestone Asia just started its business in Singapore, CL hopes that Foreign Subsidiary will be able to repay the outstanding amount in near future.

(b) The CLHES has discontinued its business operation due to adverse business conditions in the Financial Year 2012 and the Loan given to CLHES is irrecoverable, hence, has been written off.

(c) In view of the Business operations of CLEF (other 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.

2. **Clause No. (vii) (a) contained in the Annexure to the Auditors' Report**

Auditor's Observation: The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it.

According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income tax, sales tax, wealth 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 yearend 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 (Rs) *In Mn*	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Advance Tax	6.46	Apr'14 to Sep'14	Sep 15, 2014	Not Yet Paid

Directors' Reply: Due to slight 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 March when its liability estimates is much better to deposit advance tax with appropriate interest.

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

17. Internal Auditor

Pursuant to section 138 of the Companies Act, 2013 read with The Companies (Accounts) Rules, 2014, on 27.10.2014, the Company has appointed Axis Risk Consulting Services Private Limited as the Internal Auditor for the period December 2014 to November 2015 and has set out the scope and timing of services and the fee arrangement of its work.

18. 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 31st December, 2014, the Companies in Education Sector are required to get their cost records audited, on and from the financial year commencing 1st day of April, 2014. On February 16, 2015, the Company appointed M/s Sunny Chhabra & Co., Cost Accountants as the Cost Auditor of the Company for the Financial Year 2014-15.

19. Public Deposits

During the year under review, your Company has not accepted any public deposits under any relevant applicable provisions contained in the Companies Act, 2013, and/or rules thereunder.

20. Corporate Social Responsibility

Pursuant to Section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014, your Company at the Board Meeting held on February 16, 2015 approved of a Policy on CSR and the Policy was hosted on the website of the Company.

As part of CSR initiatives, your Company during the financial year 2014-15 has, amongst other activities, earmarked the funds to be invested in the CSR activities/ projects. It intends to spend the said amount in one of the below mentioned projects/activities:(a) technology incubators located within academic institutions which are approved by the Central Government, and/or (b) training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic Sports; and/or (c) 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.

CSR activities in General

The Company, being in education sector, has been undertaking CSR activities in various forms since its inception. The Company, through its subsidiaries, and trusts implements the Right to Education strictly in our schools to provide the basic right of education to the children of economically weaker section of the society.

CSR activities as per the Companies Act 2013

Even after earmarking the funds for a specific CSR activity, as well as determining the target activity/ project to be undertaken, the Company could not spend the funds on the said activity during the FY 14-15. The applicability of CSR provisions upon your Company was known only after the determination of the Net Profits of the Company. The Company did not find enough time to undertake the proposed activity/ programme/ project from the financial year end till the date of this report. The Company will spend on the CSR project in the FY2015-16.

The CSR Policy of the Company is attached as **Annexure-III** to this Report.

21. Extract of the 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-IV.**

22. Annual Evaluation by the Board

Pursuant to the provisions of the Companies Act, 2013 Independent Directors at their meeting without the participation of the Non-independent Directors and Management, considered the methodology to be adopted for evaluating Boards' performance, Performance of the Chairman and other Non-independent Directors.

The Board subsequently has adopted the said methodology for evaluating its own performance, the working of its Committees and Independent Directors (without participation of the relevant Director), which will be undertaken in the Financial Year 2015-16.

23. Particulars of Loans, Guarantees or 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 were in the Ordinary Course of Business and at Arm's Length pricing basis. 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 2014-15 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.

The particulars of contracts or arrangements with related parties in prescribed form AOC-II is annexed as **Annexure-V**.

25. Amount proposed to be carried to any reserves

Pursuant to section 134(3)(j), there is no amount which Company proposes to carry to any reserve in the Balance Sheet.

26. Material changes and commitments affecting the financial position of the Company which have occurred between March 31, 2015 & August 3 , 2015 (date of the Report)

There have been no material changes and commitments affecting the financial position of the Company between the end of financial year (March 31, 2015) and the date of the Report (August 3, 2015), except as a part of the overall restructuring programme, the Board of the Company has granted its in-principle approval to certain business acquisitions (routine and non-material in nature), and the winding up of one of its subsidiary companies.

27. 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 the mitigation plans and risk reporting.

The policy forms part of the Board Report is given in **Annexure-VI**.

28. Vigil Mechanism/Whistle Blower Policy

Your 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 will 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 Whistle Blower Policy has been disclosed on the Company's website under the web link http://www.cleducate.com/policies.html.

29. Disclosure under Sexual Harassment of Women & Workplace (Prevention, Prohibition & Redressal) Act, 2013

Your Company has during the year under review, formally constituted a committee to look into complaints related to sexual harassment at the workplace.

During the year, there has been no case of sexual harassment filed by or against any employee of the Company.

The policy against Sexual Harassment is made available to employees on the Company's intranet (CL Zone).

30. Corporate Governance

A) Detail of all the elements of remuneration package including commission, perquisites and other variable component paid to Executive Directors pertaining to the Financial Year 2014-15

(Figures in ₹ lacs)

Components of Salary	Satya Narayanan .R	Gautam Puri	Nikhil Mahajan
Total Fixed Salary	59.50	59.50	57.79*
Provident Fund	0.22	0.22	0.22
Incentive	24.24	24.24	23.52
Total	83.95	83.95	81.53

* Mr. Nikhil Mahajan is entitled to a remuneration of 10,000 AED per month, from the Company's Dubai Operations, by virtue of his involvement in Dubai business operation and the same is included in above remuneration.

Commission paid to Non-Executive Directors for the year 2014-15

(Figures in ₹ lacs)

Commission Paid	Amount
Mr. Sridar Iyengar	1.71
Mr. Safir Anand	1.03
Mr. Viraj Tyagi	1.03
Mr. Kamil Hasan	1.03

B) Stock options details

Three of the Independent Directors of the Company, namely Mr. Sridar Iyengar, Mr. Viraj Tyagi, and Mr. Safir Anand have been granted 4,000 ESOPs each, under the CL Employee Stock Option Plan 2008, vesting at 5 different dates. Mr. Safir Anand, Mr. Viraj Tyagi and Mr. Sridar Iyengar have exercised the 2nd and 3rd vested options, and have accordingly been issued and allotted 800 shares each on 05.09.2014 and 13.05.2015 respectively.

C) Details of Board Meetings held during FY 2014-15

During the Financial Year ended 31st March, 2015, Ten (10) physical meetings of the Board were held, and One (1) meeting was held by way of circulation. Details of the Board as well as Committee meetings held during the year are as follows:

S No.	Date of Board Meeting	Board Strength	No. of Directors Present
1	29.04.2014 (Physical Meeting)	8	8
2	02.07.2014 (Physical Meeting)	8	6
3	22.07.2014 (Physical Meeting)	8	8
4	11.08.2014 (Physical Meeting)	8	3
5	05.09.2014 (Physical Meeting)	9	4
6	16.09.2014 (Physical Meeting)	9	5
7	22.09.2014 (Physical Meeting)	10	5
8	27.10.2014 (Physical Meeting)	10	9
9	16.02.2015 (Physical Meeting)	10	7
10	09.03.2015 (Physical Meeting)	10	7
11	25.11.2014 (by way of circulation)	10	10#

(all the directors participated)

D) Member's attendance in meetings of Board Committees

Board Committees	Audit Committee	Nomination, Remuneration & Compensation Committee	CSR Committee	Stakeholder Committee	Risk Mgt. Committee	IPO Committee
Meeting held	5	4	4	3	2	3
Directors' Attendance						
Satya Narayanan .R	N.A.	N.A.	4	N.A.	2	3
Gautam Puri#	N.A.	4	4	3	2	N.A.
Nikhil Mahajan# Kamil	5	N.A.	N.A.	3	2	3
Hasan	3*	2	N.A.	N.A.	N.A.	N.A.
Safir Anand	N.A.	3	3	3	N.A.	N.A.
Sridar Iyengar	5*	N.A.	N.A.	N.A.	N.A.	1
Viraj Tyagi	3	3	N.A.	N.A.	N.A.	N.A.
Gopal Jain	3	4	N.A.	N.A.	N.A.	-

Mr. Gautam Puri is Permanent Invitee in Nomination, Remuneration & Compensation Committee meetings and Mr. Nikhil Mahajan is Permanent Invitee in Audit Committee meetings.

* Present by way of Con call in the Audit Committee meeting held on 9 March, 2015.

E) Details of Committee Meetings held during FY 2014-15

S No.	Name of Committee	Quarter	Date of Meeting
1	Audit Committee	Q1	29.04.2014
		Q2	22.07.2014
		Q3	27.10.2014
		Q4	16.02.2015 09.03.2015
2	Nomination, Remuneration & Compensation Committee	Q1	29.04.2014
		Q2	22.07.2014
		Q3	27.10.2014
		Q4	16.02.2015
3	CSR Committee	Q1	29.04.2014
		Q2	22.07.2014
		Q3	27.10.2014
		Q4	16.02.2015
4	Stakeholder Committee	Q3	27.10.2014
		Q4	16.02.2015 09.03.2015
5	Risk Mgt. Committee	Q3	27.10.2014
		Q4	16.02.2015
6	IPO Committee	Q2	05.09.2014 26.09.2014
		Q4	03.03.2015

F) Declaration of Independence from Independent Directors

Pursuant to sub-section (7) of section 149 of the Companies Act, 2013, the Company has received the declaration of Independence from all the Independent Directors of the Company at its Board Meeting held on 13th May, 2015.

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

G) Directors' Nomination and Remuneration Policy

The initiation of the process of determining the Remuneration of the Directors is done by the general body of shareholders by approving the overall maximum managerial remuneration that may be made payable to the Directors. 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).

The document evidencing the process of determination of remuneration of Directors, i.e the latest Recommendation Report issued by the NRC Committee is attached as **Annexure-VII** to this Report.

Recommended Salary for WTD for FY 2014-15

(Figures in ₹ lacs)

Whole Time Directors	Fixed	Variable	Total
	Compensation		
Satya Narayanan R	64.40	30.30	94.70
Gautam Puri	64.40	30.30	94.70
Nikhil Mahajan	62.68	29.33	92.00

Recommendation for commission payable for the Non-Executive directors FY 2014-15

Non-Executive Directors Name	Commission Payable for FY 2014-15
Mr. Sridar Iyengar	0.25% of the net profits
Mr. Safir Anand	0.15% of the net profits
Mr. Viraj Tyagi	0.15% of the net profits
Mr. Kamil Hasan	0.15% of the net profits

H) Details of CL ESOP 2008 Scheme

Continued on next page

Name of the Grantee	Category of the Grantee	No. of Options Granted	No. of Options Vested	No. of Options Exercised	Total no. of shares after exercising of option	No. of Option lapsed	Exercise price (in ₹ Per option)	Variation of terms of options	Money realized by exercise of options (amount in ₹)	Total no. of options in force
Mr. Sridar Iyengar	Independent Non-Executive Director	4,000	1,600	2400	2400	0	300	Exercise Period was increased from 36 months to 60 months in Jan, 2013	720,000	1,600
Mr Shantanu Prakash	Non- Executive Director of SubsidiaryCompany	142,857	142,857	0	0	0	350	Exercise Period was increased from 36 months to 60 months in Sep, 2014	0	142,857
Mr. Safir Anand	Independent Non-Executive Director	4,000	1,600	2400	2400	0	300	Exercise Period was increased from 36 months to 60 months in Jan, 2013	720,000	1,600
Mr. Viraj Tyagi	Independent Non-executive Director	4,000	1,600	2400	2400	0	300	Exercise Period was increased from 36 months to 60 months in Jan, 2013	720,000	1,600
AjitKumar	Employee	6,500	0	1,000	1,000	3,000	175/430	None	0	2500
Johnson KV	Employee	1,000	0	0	0	1,000	175	None	0	0
Akash Goel	Employee	1,000	0	250	250	750	175	None	0	0
Rachna Sharma	Employee	3,000	0	250	250	750	175/430	None	0	2000
Vinod Bhan	Employee	1,000	0	0	0	1,000	175	None	0	0
Pawan Sharma	Employee	1,500	0	0	0	1,500	175	None	0	0
Piyush Gupta	Employee of SubsidiaryCo.	11,500	6,750	0	0	0	210/430	None	0	11,500

Name of the Grantee	Category of the Grantee	No. of Options Granted	No. of Options Vested	No. of Options Exercised	Total no. of shares after exercising of option	No. of Option lapsed	Exercise price (in ₹ Per option)	Variation of terms of options	Money realized by exercise of options (amount in ₹)	Total no. of options in force
Sanjeev Srivastava	Employee	25,000	15,000	0	0	0	210/430	None	0	25,000
Vivek Garg	Employee	7,000	2,500	0	0	0	262/430	None	0	7,500
Himanshu Jain	Employee	2,500	……..	0	0	0	430	None	0	2,500
Niharika Mittal	Employee	2,500	……..	0	0	0	430	None	0	2,500
Ruchika Govila	Employee	2,500	……..	0	0	0	430	None	0	2,500

The Corporate Governance report is attached as **Annexure-VIII** to this Report.

31. 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:

a) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed and no material departures have been made from the same;

b) appropriate Accounting Policies have been selected and applied consistently and they have 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 on 31st March, 2015 and of the Profit and Loss of the Company for the year ended on that date;

c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Annual Accounts have been prepared on a going concern basis.

e) that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively.

f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

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 the Board of Directors

New Delhi

August 03, 2015

Sd/-
Gautam Puri

Vice Chairman & MD
DIN: 00033548

Sd/-
Nikhil Mahajan

Whole Time Director & CFO
DIN: 00033404

Annexure-I

Form AOC- 1

(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

(Amount in ₹ Mn)

S. No.	Name of the Subsidiary	Financial Period Ended	Reporting Currency and Exchange Rate	Share Capital (Nos. of Equity shares)	Reserves & Surplus	Total Assets	Total Liabilities	Invest ments	Turnover	Profit / (Loss) Before Taxation (PBT)	Provisions for Taxation	Profit / (Loss) After Taxation (PAT)	% of share holding
1	Career Launcher Education Infrastructure and Services Limited	31.03.2015	N/A	9248053	680.31	827.47	827.47	337.26	87.70	8.77	8.49	0.31	97.94
2	Career Launcher Infrastructure Private Limited*	31.03.2015	N/A	248468	220.64	538.97	538.97	-	27.35	-21.02	-	-11.07	100%
3	CL Media Private Limited	31.03.2015	N/A	10000	245.96	383.57	383.57	-	301.69	107.03	22.04	99.89	100%
4	CL Higher Educational Services Private Limited	31.03.2015	N/A	6576	-0.10	-	-	-	0.35	0.22	-	0.22	65.76
5	G K Publications Private Limited	31.03.2015	N/A	190000	16.50	239.14	239.14	-	169.40	-2.71	-	-1.90	100%
6	Kestone Integrated Marketing Services Private Limited	31.03.2015	N/A	1000000	179.61	443.88	443.88	0.67	1,013.01	98.98	32.34	66.83	100%
7	Kestone Asia Hub Pte Ltd., Singapore#	31.03.2015	SGD	14001	-0.22	0.02	0.02	-	0.00	-0.01	0.00	-0.01	100%
			INR	14001	-8.66	0.19	0.19	-	0.55	0.22	0.00	0.22	100%

*Wholly owned Subsidiary of Career Launcher Education Infrastructure & Services Limited

99.99% Subsidiary of Kestone Integrated Marketing Services Private Limited

Notes:

1. Names of subsidiaries which are yet to commence operations : None
2. 2. 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

(Amount in ₹ Mn)

Name of the Associates/Joint Ventures	
1. Latest audited Balance Sheet Date	N.A.
2. Shares of Associate / Joint Ventures held by the Company on the year end	
No.	N.A.
Amount of Investment in Associate/Joint Venture	
Extend of Holding %	
3. Description of how there is significant influence	N.A.
4. Reason why the associate/joint Venture is not consolidated	N.A.
5. Net worth attributable to Shareholding as per latest audited Balance Sheet	N.A.
6. Profit / Loss for the year	N.A.
i. Considered in Consolidation	
ii. Not Considered in Consolidation	

Notes:

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

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No.:103523W

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

Sd/-
Raj Kumar Agarwal
Partner

ICAI Membership No.:074715

Sd/-
Gautam Puri
Vice Chiarman & Managing Director

DIN: 00033548

Sd/-
Nikhil Mahajan
Director & CFO

DIN: 00033404

Sd/-
Rachna Sharma
Company Secretary
ICSI Membership No.: A17780

Place: New Delhi
Date : 23 June, 2015

Place: New Delhi
Date : 23 June, 2015

Annexure-II

Particulars of Employees and Related disclosure

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

S. No.	Name of the Employee	Designation	Gross Remuneration paid (Rs in Lacs)	Nature of employment	Educational Qualification	Experience (in years)	Date of Joining	Age	Previous employment the	Equity holding in Company
1	Satya Narayanan .R	Chairman and Whole-Time Director	83.95	Whole Time Employee	PGDM, IIM (Banglore), B.Sc (C.S.)	19	25.04.1996 (Since Incorporation)	45	Marketing Executive, Ranbaxy Laboratories Ltd (1993-95)	22.00%
2	Gautam Puri	Vice Chairman and Managing Director	83.95	Whole Time Employee	PGDB, IIM (Banglore), B.E. (Chem.)	19	25.04.1996 (Since Incorporation)	50	Vam Organics Chemicals Limited	22.00%
3	Nikhil Mahajan	Chief Financial Officer and Whole-Time Director	81.53	Whole Time Employee	PGDM, IIM (Banglore), B.Tech (Elect.)	18	28.12.1998	44	Executive Assistant, Modipon Fibers Company (1996-98)	0.60%

Annexure-III

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:

1. Mr. Safir Anand, Chairman
2. Mr. Satya Narayanan .R, Member, and
3. Mr. Gautam Puri, Member

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 centres 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 recognised sports, paralympic 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.

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Annexure IV

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31.03.2015

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:

S. No.	Particulars	Details
1.	CIN	U74899DL1996PLC078481
2.	Registration Date	25.04.1996
3.	Name of the Company	CL Educate Limited
4.	Category/Sub-category of the Company	Unlisted 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 1101
6.	Whether listed company	No
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 33211500 Email Id: support@karvy.com

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*	% (approx.) to total turnover of the Company
1	Education	855 - Educational Support Services	77.00
2	Education	8522- Technical and vocational secondary education	20.00

*As per National Industrial Classification 2008

III. PARTICULARS OF HOLDING /SUBSIDIARY AND ASSOCIATE COMPANIES (As on 31st March, 2015)

S.No.	Name and Address of the Company	CIN/GLN	Holding /Subsidiary/ Associate	% of shares held	Applicable Section
1	Career Launcher Education Infrastructure and Services Limited (CLEIS)	U70101DL2005PLC137699	Subsidiary	97.94	2(87)(ii)
2	Career Launcher Infrastructure Private Limited	U45200DL2008PTC174240	Indirect Subsidiary	100.00 by CLEIS	2(87)(ii)
3	CL Media Private Limited	U74300DL2008PTC173449	Subsidiary	100.00	2(87)(ii)
4	CL Higher Educational Services Private Limited	U80302DL2011PTC222963	Subsidiary	65.76	2(87)(ii)
5	Kestone Integrated Marketing Services Private Limited	U73100DL1997PTC186183	Subsidiary	100.00	2(87)(ii)
6	G K Publications Private Limited	U22110DL2001PTC111015	Subsidiary	100.00	2(87)(ii)
7	Kestone Asia Hub Pte. Ltd. (Singapore)	U51102DL1996PTC081329	Indirect Subsidiary	99.99 by Kestone	2(87)(ii)

IV. SHARE HOLDING PATTERN (Equity & Preference Share Capital Breakup as percentage of Total Equity & Preference)

(i) Category –wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) **Indian**									
a) Individual/ HUF		6459181	6459181	68.58	6478653	7134	6485967	55.70	-12.88
b) Central Govt	-	-	-		-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) State Govt(s)	-	-	-		-	-	-	-	-
d) Bodies Corp.	-	786859	786859	8.36	1152453	92740	1245193	10.69	2.33
e) Banks / FI	-	-	-		-	-	-	-	-
f) Any other Society (Careeer Launcher Employee Welfare Society (CLEWS)	-	7760	7760	0.08	-	9760	9760	0.08	
Sub- Total (A) (1)	-	7253800	7258300	77.02	7631106	109814	7740920	66.47	-10.55
(2) **Foreign**									
a) NRIs – Individuals	-	-	-	-	-	-	-	-	-
b) Other- Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year[As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other……….	-	-	-	-	-	-	-	-	-
Sub-Total (A) (2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter (A) = (A) (1) + (A) (2)	-	7253800	7258300	77.02	7631106	109814	7740920	66.47	-10.55
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	594233		594233	5.10	5.10
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	225758	225758	2.40	108790	267619	376409	3.23	0.83
f) Insurance Companies	-	-	-	-	-	-	-	-	-

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	59952	59952	0.63	-	59952	59952	0.51	-0.12
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):-	-	285710	285710	3.03	703023	327571	1030594	8.84	5.81
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	-	211272	211272	2.24	83868	179678	263546	2.30	0.06
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	-	129295	129295	1.38	29893	133605	163498	1.38	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	-	746828	746828	7.93	210386	220867	431253	3.70	-4.23

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]				No. of Shares held at the end of the year [As on 31-March-2015]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
c) Others (specify)	-	-	-	-	-	-	-	-	-
Non Resident Indians	-	20433	20433	0.22	-	21233	21233	0.18	-0.04
Overseas Corporate Bodies	-	765747	765747	8.13	467293	959180	1426473	12.25	4.12
Foreign Nationals	-	-	-	-	-	-	-	-	
Clearing Members	-	-	-	-	-	-	-	-	
Trusts/HUF	-	4725	4725	0.05	-	567638	567638	4.88	4.83
Foreign Bodies - D R	-	-	-	-	-	-	-	-	-
Sub-total (B)(2):-	-	1878300	1878300	19.95	791440	2082201	2873641	24.69	4.74
Total Public Shareholding (B)=(B)(1)+ (B)(2)	-	2164010	2164010	22.98	1494463	2409772	3904235	33.53	10.55
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	-	9417810	9417810	100.00	9125569	2519586	11645155	100.00	0.00

(i)(b). Details of **Preference Share Holding** as on March 31, 2014 and March 31, 2015 is mentioned below:

Category of Shareholders	No. of Shares held at the beginning of the year[As on 31-March-2014]	% of Total Shares	No. of Shares held at the end of the year[As on 31-March-2015]	% of Total Shares
Venture Capital Funds (Institutions-Public Shareholding)	88955	17.79	Nil	Nil
Overseas Body Corporate (Non-Institutions-Public Shareholding)	411045	82.21	Nil	Nil
Total	500000	100.00	-	-

Note: On July 22, 2014, the 88955 and 411045 nos. of pref. shares were converted into 41861 and 193433 eq. shares respectively.

(ii) Shareholding of Promoter-

S.No	Shareholder's Name	Shareholding at the beginning of the year (01.04.2014)			Shareholding at the end of the year (31.03.2015)			% 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	2549186	27.07	0.00	2562579	22.00	0.00	-5.07
2	Mr. Gautam Puri	2549186	27.07	0.00	2562579	22.00	0.00	-5.07
3	Mr. Sreenivasan .R	449698	4.77	0.00	449698	3.86	0.00	-0.91
4	Mr. Shiva Kumar Ramachandran	449698	4.77	0.00	449698	3.86	0.00	-0.91
5	Mr. Sujit Bhattacharyya	303062	3.22	0.00	303062	2.60	0.00	-0.62
6	Mr. Nikhil Mahajan	69817	0.74	0.00	69817	0.60	0.00	-0.14
7	Bilakes Consulting	786859	8.36	0.00	1245193	10.69	0.00	2.33

Private Limited

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

S. No.	Particulars	Shareholding at the beginning of the year (01.04.2014)		Cumulative Shareholding during the year (31.03.2015)	
		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 01.04.2014	7157506	76.00		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment /transfer / bonus/ sweat equity etc.):	#		#	
2	At the end of the year 31.03.2015	7642626	65.63		

Allotment pursuant to share swap / Transfers among Promoters

S. No.	Name of the Promoter	Shareholding		Date	Increase/ Decrease In share Holding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-2015)	
		No. of shares at the beginning 01.04.14/ End of the year 31.03.15	% of total shares of the Company				No. of Shares	% of total shares
1	Mr. Satya Narayanan .R	2549186/ 2562579	27.07/22.00	05.09.2014	13393	Allotment pursuant to Share Swap	2562579	22.01
2	Mr. Gautam Puri	2549186/ 2562579	27.07/22.00	05.09.2014	13393	Allotment pursuant to Share Swap	2562579	22.01
3	Mr. Sreenivasan .R	449698/ 449698	4.77/3.86	N.A.	N.A.	Change in % due to Increase in PUC*	449698	3.86
4	Mr. Shiva Kumar Ramachandran	449698/ 449698	4.77/3.86	N.A.	N.A.	Change in % due to Increase in PUC	449698	3.86
5	Mr. Sujit Bhattacharyya	303062/ 303062	3.22/2.60	N.A.	N.A.	Change in % due to Increase in	303062	2.60

						PUC		
6	Mr. Nikhil Mahajan	69817/ 69817	0.74/0.60	N.A.	N.A.	Change in % due to Increase in PUC	69817	0.60
7	Bilakes Consulting Private Limited	786859/ 1245193	8.36/10.69	05.09.2014	458334	Allotment pursuant to Share Swap	1245193	10.69

(iv) Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDRs and ADRs):

S. N	Name of the Shareholder	Shareholding		Date	Increase/ Decrease in share holding	Reason	Cumulative Shareholding during the year (01-04-14 to 31-03-2015)	
		No. of shares at the beginning 01.04.14/End of the year 31.03.15	% of total shares of the Company				No. of Shares	% of total Shares
1	GPE (India) Ltd.	765747/ 1426473	8.13/ 12.25	22.07.2014	193433	Conversion of CCPS	959180	9.93
				05.09.2014	230000	Preferential Allotment	1189180	10.42
				16.09.2014	237293	Preferential Allotment	1426473	12.25
2	Housing Development Finance Corporation Limited	Nil (at the beginning)/ 594233	Nil/ 5.10	-	Nil	Preferential Allotment of Shares	594233	5.10
3	SP Family Trust (Shares transferred by Mr. Shantanu Prakash)	334903/ 562913	3.55/ 4.83	05.09.2014	228010	Allotment pursuant to Share Swap	562913	4.83
4	Gaja Trustee Company Private Limited	225758/ 376409	2.40/ 3.23	22.07.2014	41861	Conversion of CCPS	267619	2.77
				05.09.2014	108790	Allotment pursuant to Share Swap	376409	3.23
5	Edelweiss Finance & Investments Limited	119904/ 119904	1.27/ 1.03	-	Nil	Change in % due to Increase in	119904	1.03

						PUC		
6	M/s GHIOF Mauritius	59952/ 59952	0.64/ 0.51	-	Nil	Change in % due to Increase in PUC	59952	0.51
7	Dhandaai Investments Private Limited	NIL (at the beginning)/ 59524	NIL/ 0.51	-	Nil	Allotment pursuant to Share Swap	59524	0.51
8	Mr. Rakesh Mittal	45707/ 58624	0.49/ 0.50	05.09.2014	12917	Preferential Allotment	58624	0.50
9	Mr. N. Lakshmi Narayanan	47961/ 47961	0.51/ 0.41	-	Nil	Change in % due to Increase in PUC	47961	0.41
10	Cipher Capital Advisors Private Limited	47284/ 47284	0.50/ 0.41	-	Nil	Change in % due to Increase in PUC	47284	0.41

(iv) 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 (01-04-14 to 31-03-2015)	
		No. of shares at the beginning 01.04.14/End of the year 31.03.15	% of total shares of the Company				No. of Shares	% of total Shares
1	Mr. Satya Narayanan .R	2549186/ 2562579	27.07/ 22.00	05.09.2014	13393	Allotment pursuant to Share Swap	2562579	22.01
2	Mr. Gautam Puri	2549186/ 2562579	27.07/ 22.00	05.09.2014	13393	Allotment pursuant to Share Swap	2562579	22.01
3	Mr Nikhil Mahajan	69817/ 69817	0.74/ 0.60	N.A.	N.A.	Change in % due to Increase in PUC	69817	0.60

4	Mr. Sridar Iyengar	800/ 1600	0.01/ 0.01	05.09.2014	800	Allotment under ESOP	1600	0.01
5	Mr. Kamil Hasan	0	0.00	-	0	NIL	0	0.00
6	Mr. Viraj Tyagi	800/ 1600	0.01/ 0.01	05.09.2014	800	Allotment under ESOP	1600	0.01
7	Mr. Safir Anand	800/ 1600	0.01/ 0.01	05.09.2014	800	Allotment under ESOP	1600	0.01
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. Madhumita Ganguli	0	0.00	-	0	NIL	0	0.00
11	Ms. Rachna Sharma, Company Secretary, KMP	Nil/ 250	0.00/ 0.00	05.09.2014	250	Allotment under ESOP	250	0.00

V. **INDEBTEDNESS** -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

(Figutres in ₹ Mn)

S. No.	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
1	**Indebtedness at the beginning of the financial year (01.04.2014)**				
	i) Principal Amount	67.45	-	-	67.45
	ii) Interest due but not paid	Nil	-	-	Nil
	iii) Interest accrued but not due	0.29	-	-	0.29
	Total (i+ii+iii)	67.45	- -	-	67.45
2	**Change in Indebtedness during the financial year**				
	*** Addition**	94.00	-	-	94.00
	*** Reduction**	63.79	-	-	63.79
	Net Change	30.21	-	-	30.21
3	**Indebtedness at the end of the financial year (31.03.2015)**				
	i) Principal Amount	97.66	-	-	97.66
	ii) Interest due but not paid	Nil	-	-	Nil
	iii) Interest accrued but not due	6.61	-	-	6.61
	Total (i+ii+iii)	98.32	-	-	98.32

Note: The above details does not include the OD limit of Rs. 34.10 Crores

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. In Lacs)

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	67.31	67.31	57.24	191.86
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.39	0.39	0.39	1.17
	(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 #**	-	-	-	-
	Total (A)	67.70	67.70	57.63	193.03
	Ceiling as per the Act	Rs. 263.48 Lakhs in case of inadequacy of profits, and Rs. 68.38 Lakhs in case of adequacy of profits (As re-commended by the Nomination, Remuneration and Compensation Committee and subsequently approved.			

* Also includes the Provident Fund

w.e.f. 01.11.2014, the total compensation payable to Mr. Nikhil Mahajan is split into 2 parts, whereby an amount equivalent to 10,000 AED per month (Exchange rate @ 16.50/-) is paid to him as 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. The foreign income is not included in the above salary.

B. Remuneration/Commission to other directors (Independent Directors)

(Rs, in Lacs)

S.No.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Sridar Iyengar	Mr. Viraj Tyagi	Mr. Safir Anand	Mr. Kamil Hasan	
1	Independent Directors					
	Fee for attending board committee meetings	-	-	-	-	-
	Commission	1.70	1.03	1.03	1.03	4.79
	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)	1.70	1.03	1.03	1.03	4.79
	Total Managerial Remuneration (A+B)					197.82
	Overall Ceiling as per the Act	6.83 lakhs (being 1% of the net profits of the Company calculated as per sec 198 of the Companies Act, 2013)				

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

(Rs. In Lacs)

S. No.	Particulars of Remuneration	Key Managerial Personnel		
		CEO	CS (Ms. Rachna Sharma)	Total
1	Gross salary	Not Applicable		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		14.51	14.51
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		.02	.02
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961		-	-
2	Stock Option		0.44	0.44
3	Sweat Equity		-	-
4	Commission			
	- as % of profit		-	-
	others, specify…		-	-
5	Others*		-	-
	Total		14.97	14.97

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

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			NIL		
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Annexure-V

Particulars of Contracts / arrangements made with related parties

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

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 transactions under third proviso thereto.

1. **Details of contract or arrangements of 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, 2015, which were not at arm's length basis.

2. **Details of Material contracts or arrangement or transactions at arm's length basis.**

S No.	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:
			From	To			
	A	b	C		d	e	f
1	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 2014-15.		CL licenses its entire content and allows CLM to monetize it. CL pays Rs 4 Lakh per month for the content management/ up gradation and charges 40% of the revenue as revenue share so earned from monetization.	22.07.2014	NIL
2	CL Media Pvt. Ltd. (CLM), Wholly owned Subsidiary Co. of CL	Material Purchase and Sale. Sale of books by CL Media 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 2014-15.		CLM publishes all the course books for CL and sells to CL 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.	22.07.2014	NIL
3	Ms. Sapna Puri, Spouse of Mr. Gautam Puri (Vice Chairman/MD of CL)	Office or place of Profit	Contract not expiring in 2014-15		Salary is equivalent to people in the industry with similar educational background and similar experience	22.07.2014	NIL
4	G K Publications Pvt. Ltd. (GKP), Wholly Owned Subsidiary Co. of CL	Material Purchase and 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 2014-15.		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 on the same terms at which GKP sells to outside distributors or dealers.	22.07.2014	NIL

The details of material contracts or arrangements or transactions at arm's length basis for the year ended March 31, 2015 are as follows:

S No.	Name(s) of the related party and nature of relationship	Nature of Contracts/arrangement /transactions	Duration of the contracts / arrangements/ transactions From To	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:
	a	b	c	d	e	f
5	Mr. Satya Narayanan .R, Chairman & Whole Time Director, CL	Managerial Remuneration	01.04.2014 to 31.03.2017	Salary is equivalent to people with similar background and similar experience. And is determined and recommended by the Compensation Committee, consisting of majority of Independent Directors	28.01.2014	NIL
6	Mr. Gautam Puri, Vice Chairman & Managing Director, CL	Managerial Remuneration	01.04.2014 to 31.03.2017	Salary is equivalent to people with similar background and similar experience. And is determined and recommended by the Compensation Committee, consisting of majority of Independent Directors	28.01.2014	NIL
7	Mr. Nikhil Mahajan, CFO & Whole Time Director, CL	Managerial Remuneration	01.04.2014 to 31.03.2017	Salary is equivalent to people with similar background and similar experience. And is determined and recommended by the Compensation Committee, consisting of majority of Independent Directors	28.01.2014	NIL
8	CL Media Pvt. Ltd. & G K Publications Pvt. 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 2014-15.	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	22.07.2014	NIL
9	Career Launcher Education Infrastructure and Services Limited (CLEIS), Subsidiary Co. of CL and R Shiva Kumar (Brother in Law of Satya Narayanan .R)	Payment of Salary	01.04.2015 to 31.03.2015	Mr. Shiva Kumar is a Whole Time Director in CLEIS, and draws salary from CLEIS. The salary paid to him is equivalent to people in industry with similar background and similar experience.	28.01.2014	NIL
10	CL Media Pvt. Ltd. & Mr. Sreenivasan .R (Brother of Mr. Satya Narayanan .R)	Payment of Salary	Employment Contract (Appointment Letter dated 01.04.2014)	Mr. Sreenivasan .R is a Whole Time Employee in CLM, and draws salary from CLM. The salary paid to him is equivalent to people in industry with similar background and similar experience.	22.07.2014	NIL
11	Kestone Integrated Marketing Services Pvt. Ltd., Subsidiary Co. of the CL	Infrastructure servicing/ Leasing by Kestone for some of CL centres	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 2014-15.	For All Government projects in which purchase of fixed assets is prohibited by the Government, CL leases the same from Kestone.	22.07.2014	NIL
12	Kestone Integrated Marketing Services Pvt. Ltd., a Wholly Owned Subsidiary Co. of CL	Payrolling	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 2014-15.	Since CL group was outsourcing the payrolling to an outside consultant and Kestone was willing to do it, it was decided to outsource the same to Kestone at 65% of the earlier cost	22.07.2014	NIL

S No.	Name(s) of the related party and nature of relationship	Nature of Contracts/arrangement /transactions	Duration of the contracts / arrangements/ transactions From To	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:	Amo paid adva , if a
	A	b	c	d	e	f	
13	Career Launcher Education Infrastructure and Services Limited, Subsidiary Co. of the CL	Cost Sharing for shared infrastructure and various common administrative expenses by CLEIS	Earlier contract wrt Greater Noida premises has been mutually terminated by the parties and both the parties entered into a new agreement wrt Mohan Estate premises on 01.04.2015.	The infrastructure at Greater Noida is co shared with CLEIS and since the same is owned by CL it was agreed that CLEIS will pay an amount proportionate to the usage by it. CLEIS agree to pay the administrative expenses for the shared infrastructure.	22.07.2014	NIL	
14	Career Launcher Education Infrastructure and Services Limited, Subsidiary Co. of CL	Other Cost sharing arrangements. A vehicle leased out by CL to CLEIS against a monthly rental of Rs. 15,000/-.	Original Car Lease Agreement dated 01.04.2012 is extended for further period of 2 years by executing an addendum dated 01.04.2014	CL shall grant the vehicle on lease at a monthly rental of Rs. 15,000/- to its Subsidiary Company i.e. CLEIS. CLEIS shall make the payment to the CL towards the abovesaid Car lease.	22.07.2014	NIL	
15	Kestone Integrated Marketing Services Pvt. Ltd. and G K Publications Pvt. Ltd, both Wholly Owned Subsidiary Companies of CL	Corporate guarantee	These are routine and Regular Intra-Group Transactions, which are carried out on a continuing Basis. The contracts are also renewed accordingly.	Kestone has provided Corporate guarantee in favor of IndusInd Bank to provide various credit facilities to GK Publications Private Limited	28.01.2014	NIL	
16	Career Launcher Education Infrastructure and Services Limited, Subsidiary Co. of CL & Nalanda Foundation (NF)	1. Leasing of Brand Name & Educational Soft Skills 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 2014-15.	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. Additionally NF pays to CLEIS interest at 5 BP higher than rate at which CLIP/ CLEIS have borrowed money on outstanding loan	22.07.2014	NIL	
17	Career Launcher Infrastructure Private Limited, Subsidiary Co. of CL & Nalanda Foundation (NF)	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 in force throughout 2014-15.	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 amount outstanding	22.07.2014	NIL	
18	361 Degreeminds Consulting Pvt. Ltd., related party as per section 2(76)(iv)	Availing of services	This is a Regular Inter-Group Transactions, which is carried out on a continuing Basis. The contracts are also renewed accordingly. This particular contract was in force throughout 2014-15.	CL holds more than 10% equity in 361 DM directly and through its Chairman and Vice Chairman. CL has jointly developed products with 361 DM, the IP of which belongs to each contributory 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.	22.07.2014	NIL	
19	M/s Anand & Anand, Law Firm	Most of the Intellectual Property related legal matters of CL are handled by Anand & Anand	Being our Trade Mark Agent, Anand & Anand is given job work, as and when required.	Not a Related party transaction since the transactions between CL and Anand & Anand do not exceed 2% or 50 Lakh whichever is higher limit.	22.07.2014	NIL	

Annexure-VI

RISK MANAGEMENT POLICY

BACKGROUND

This document lays down the framework of Risk Management at CL Educate Limited (hereinafter referred to as the **'Company' or 'CL'**) and defines the policy for the same. This document shall be under the authority of the Board of Directors of the Company. It seeks to identify risks inherent in any business operations of the Company and provides guidelines to define, measure, report, control and mitigate the identified risks.

OBJECTIVES

The objective of Risk Management at CL Educate Limited is to minimize the adverse impact of these risks on our key business objectives and to enable the company leverage market opportunities effectively

REGULATORY FRAMEWORK

Risk Management Policy is framed as per the following regulatory requirements:

A. COMPANIES ACT, 2013

1. Provisions of the Section 134(3)

There shall be attached to financial statements laid before a company in general meeting, a report by its Board of Directors, which shall include

(n) a statement indicating development and implementation of a risk management policy for the company including identification therein of elements of risk, if any, which in the opinion of the Board may threaten the existence of the company.

2. Section 177(4) stipulates:

Every Audit Committee shall act in accordance with the terms of reference specified in writing by the Board which shall, inter alia, include,—

(vii) evaluation of internal financial controls and risk management systems.

3. SCHEDULE IV [Section 149(8)]

CODE FOR INDEPENDENT DIRECTORS

II. Role and functions:

The independent directors shall:

(1) help in bringing an independent judgment to bear on the Board's deliberations especially on issues of strategy, performance, **risk management,** resources, key appointments and standards of conduct;

*(4) satisfy themselves on the integrity of financial information and that financial control and **the systems of risk management** are robust and defensible;*

B. CLAUSE 49

- Key functions of the Board

The board should fulfil certain key functions, including:

a. Reviewing and guiding corporate strategy, major plans of action, **risk policy,** annual budgets and business plans; setting performance objectives; monitoring implementation and corporate performance; and overseeing major capital expenditures, acquisitions and divestments.

g. Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, **systems for risk management,** financial and operational control, and compliance with the law and relevant standards.

The company shall constitute a Risk Management Committee. The Board shall define the roles and responsibilities of the Risk Management Committee and may delegate monitoring and reviewing of the risk management plan to the committee and such other functions as it may deem fit.

D. Role of Audit Committee

The role of the Audit Committee shall include the following:

11. Evaluation of internal financial controls and risk management systems;

VI. Risk Management

A. The company shall lay down procedures to inform Board members about the risk assessment and minimization procedures.

B. The Board shall be responsible for framing, implementing and monitoring the risk Management plan for the company.

Information to be placed before Board of Directors

14. Quarterly details of foreign exchange exposures and the steps taken by management to limit the risks of adverse exchange rate movement, if material.

CL Educate Limited being an Un listed company is required to adhere to the regulations made by the Companies Act, 2013 but in order to achieve highest level of Corporate governance CL also follows the provisions of Clause 49 of the Listing Agreement governed by the Securities and Exchange Board of India (SEBI) up to the possible extent.

APPLICABILITY

This Policy shall come into force with effect from 16th February, 2015.

DEFINITIONS

"Risk Management Committee or Committee" means Committee of Board of Directors of the Company constituted under the provisions of Companies Act, 2013 and Listing agreement.

"Board of Directors" or "Board" in relation to a Company, means the collective body of Directors of the Company. (Section 2(10) of the Companies Act, 2013)

"Policy" means Risk Management Policy.

ROLE OF BOARD AND COMMITTEES

Before proceeding to the policy, attention is drawn to the roles that the Board, Audit Committee and the Risk Management Committee are required to play under the above regulations governing Risk Management:

The Risk Management Committee's role is to review annually and recommend to the Board the Corporate Risk Management Policy

The Board's role under both the regulations is to ensure framing, implementing and monitoring risk management plan, having in place systems for risk management as part of internal controls with duty being cast upon Independent Directors to bring unbiased angle to the Board's deliberations on making risk management systems more robust.

Audit Committee's role is evaluation of the risk management systems.

Broad Principles

The Board has to review the business plan at regular intervals and develop the Risk Management Strategy which shall encompass laying down guiding principles on proactive planning for identifying, monitoring and mitigating all the material risks, in all the key Risk categories viz. Strategy, Industry, Operations, Competition & Market, Resources and Regulatory Environment at various levels of management for effective implementation of business plans.

CL RISK MANAGEMENT STRUCTURE

RISKS FACED BY CL UNDER KEY RISK CATEGORIES

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 our 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
- Creation of significant over capacity in K-12 segment in cities where IWS is present

Resources

- Loss of or competition from any key member of our management team
- Ability 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 our 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 our 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

RISK MANAGEMENT PRACTICES FOLLOWED BY CL

Risk Identification & Impact Assessment

✓ Includes risk surveys, business risk environment scanning & focused discussion in RMC

✓ Annual risk survey of executives across units, functions & subsidiaries to seek inputs on key risks

✓ Periodic scenario based risk assessment to identify risks to achieving business objectives & prioritizing risk of action

✓ Operational risks to be assessed on 3 levels:

✓ Strength of underlying control

✓ Compliance to policies & procedures

✓ Business process effectiveness

Risk Monitoring & Mitigation

✓ Dash boards to be created that track relevant internal & external risk indicators

✓ Trend line assessment of top risk, analysis of exposure & potential impact to be carried out

✓ Mitigation plans to be finalized, owners to be identified & progress to be monitored & reviewed regularly

✓ Periodic reviews to be conducted for risk adverse business objectives to deploy action

RISK REPORTING

✓ Risks to achievement of objectives, trend line of risk level, impact & mitigation to be discussed in RMC on periodic basis.

✓ Key external and internal incidents with impact to b reported & reviewed at appropriate forums

✓ Risks related to client project execution to be reported & discussed at appropriate levels within company.

✓ Periodic updates to be given to Board highlighting risks, impact & mitigation actions

INTEGRATION

Identified risks in short, medium & long term are to be used as one of the key inputs for development of strategy and annual business plan.

PENALTIES

The penalties are prescribed under the Companies Act, 2013 (**the Act**) under various sections which stipulate having a Risk Management Framework in place and its disclosure.

Section 134 (8) (dealing with disclosure by way of attachment to the Board Report): If a company contravenes the provisions of this section, the company shall be punishable with fine which shall not be less than fifty thousand rupees but which may extend to twenty-five lakh rupees and every officer of the company who is in default shall be punishable with imprisonment for a term which may extend to three years or with fine which shall not be less than fifty thousand rupees but which may extend to five lakh rupees, or with both.

There are other provisions of the Act as well as SEBI Act which stipulate stiff penalties. Therefore, this Policy prescribes that violation of the provisions applicable to Risk Management Framework is something the Company cannot afford to **risk.**

REVIEW

This policy shall be reviewed by the Risk Management Committee, Audit Committee and the Board from time to time as may be necessary.

This Policy will be communicated to all vertical/functional heads and other concerned persons of the Company.

Annexure- VII

THE PROCESS OF DETERMINATION OF DIRECTORS' REMUNERATION

Note on the Salaries of Directors at CL Educate Ltd

Background & Objectives

During the board meeting of CL Educate on Oct 27th 2014, there was a discussion on the compensation of the directors of the company. The compensation committee has been asked to submit a recommendation for the total compensation of the Directors.

The compensation committee has been asked to do the following:

1. Key Considerations for setting the compensation
2. Recommend the split between fixed and variable salaries
3. Make specific recommendation for the fiscal 2014-15

The purpose of this note is to cover the above four areas and recommend the compensation for 2014-15.

Key Considerations for setting the whole time director (WTD) compensation

The committee in its recommendation in Oct 2011 had laid down the following three considerations for setting the whole time directors' compensation:

i) The compensation needs to be in line with the provisions of companies act

ii) The compensation need to take into account market factors both for the directors and their direct reports. Given that the directors have significant shareholding the company we believe that director's salaries do not need to be at the market level. However, as professionals, directors need to be paid a fair compensation for the executive and operational responsibilities they carry out for CL Educate. Therefore their compensation still needs to be pegged to the market salary; this will ensure that directors receive a fair compensation and more importantly there is "headroom" to pay competitive salaries to the directors' direct reports and for attracting new talent in the company.

iii) Compensation trends for the last three years for the WTD.

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

Table 1 Salary trends for the ETD 2011-12 to 2013-14 (all figures in Rs. Lacs)

Financial Year	Compensa-tion	Satya Narayanan .R	Gautam Puri	Nikhil Mahajan
2011-12	Fixed	50.86	50.86	50.86
	Variable	0	0	0
	Fixed	50.86	50.86	50.86
2012-13	Variable	0	0	0
	Fixed	50.86	50.86	50.86
	Variable	0	0	0
2013-14	Fixed	56	56	56
	Variable	0	0	0
	Total	56	56	56

Note: The recommended variable compensation for Mr Satya Narayanan and Mr. Gautam Puri was Rs. 13 L for the years 11-12 and 12-13. It was Rs. 11 L for Mr. Mahajan

The recommended variable compensation for Mr Satya Narayanan and Mr. Gautam Puri was Rs. 26.35 L for the year 13-14. It was Rs. 25.5 L for Mr. Mahajan

Specific Recommendation for Fiscal 2014-15

Increase fixed as well as variable compensation by 15% (over the last year compensation) to partially compensate for inflation and create framework for achieving significantly higher variable compensation

Considering the inflation (CPI) in the years 2012 (average CPI 9.3%) and 2013 (average CPI 10.8%), a 20% increase in fixed salary would have nullified its impact. We recommend that the fixed Salary as well as the variable component is to be increased by 15% over the last year compensation.

Keeping in mind above mentioned factors, the committee recommends the following Total compensation for the directors:

Table 2 Recommended Salary for WTD for 2014-15 (all figures in Rs. Lacs)

Whole Time Directors	Fixed	Variable Compensation	Total
Satya Narayanan R.	64.40	30.30	94.70
Gautam Puri	64.40	30.30	94.70
Nikhil Mahajan	62.68	29.33	92.00

In view of the committee the variable part of the compensation needs to be based on the following performance parameters:

a. Meeting the budgeted income growth and margin targets
b. Overall Business Growth of Company as measured by market factors like market share
c. Over HR Satisfaction index in the Organization

Recommendation for commission payable for the non-executive directors

The committee has already laid down its recommendation for the commission payable to the non-executive directors at its meeting held on July 22, 2014 as under.

Table 2 commission for non-executive directors 2014-15

Non-Executive Director Name	Commission Payable for FY 2014-15
Mr. Sridar Iyengar	0.25% of the net profits
Mr. Safir Anand	0.15% of the net profits
Mr. Viraj Tyagi	0.15% of the net profits
Mr. Kamil Hasan	0.15% of the net profits

Appendix - I

Current Roles and Responsibilities of Executive Directors:

Mr. Satya Narayanan .R, Chairman CL Group:

- Handles the entire K-12 business;
- Handles the Business and Sales responsibilities of GKP and CL Media;
- Manages the Corporate affairs, as well as Marketing functions across the entire group;
- Drives structured goal setting, strategy formulation, organizational structuring and management & corporate affairs including fund raising and ensures steps to drive overall profitability of the organization.

Mr. Gautam Puri, Vice-Chairman, MD:

- Handles the Business and delivery responsibility of entire test prep Business;
- Ensures that profitability, market share and revenue objectives of the Test prep division are achieved;
- Heads the entire group's HR, which involves recruitment, training & development, evaluation of reward system, and core values orientation among others;
- Involved in setting organizational goals for the CL group and ensuring that the vision for the designated future stays on course;

Mr. Nikhil Mahajan, Executive Director:

- Handles the Business responsibility including sales and profitability for GVET and Kestone businesses;
- Handles the Production and Commercial operations of GKP;
- Engaged in Backend content production and operations support for Test Prep businesses;
- Manages Finance and Corporate affairs across all Group Companies;
- Engaged in investors related activities including fund raising activities.

Appendix- II

Available data on Salaries of Key Managerial Personnel in same/similar industry, as contained in public documents filed with ROC:

Name of KMP	Remuneration (₹ in Lacs)	Source of Information
Mr. Anuj Kacker	310.45	Aptech AR – 2015
Mr. Sanjay Jain(CEO)*	77.95	Educomp AR - 2014
Mr. Shantanu Prakash	150.00	Educomp AR - 2014
Mr. Pramod Kr. Bansal	129.00	Bansal Classes Pvt Ltd. AR - 2014
Mr. Mahesh Shetty	129.00	MT Educare AR – 2014
Mr. Pramod Maheshwari	21.78	Career Point AR – 2014
Mr. N Karpe	218.37	Aptech AR – 2015

* Resined during the FY 2013-14.

June 2, 2015

Recommendation for the Variable Compensation of WTD for FY2014-15

Background & Objectives

As per the recommendation of the Compensation Committee dated Nov 14, 2014, the variable compensation of the WTD needs to determined based on business performance for the FY 14-15.

The purpose of this note is to make a specific recommendation on the methodology for calculating the variable compensation for WTD.

Key Considerations for setting the whole time director (WTD) compensation

The committee considered the following factors in determining the methodology for arriving at the variable compensation:

I) Use metrics which are clearly measurable and auditable
ii) The metrics used should have clear performance benchmark as part of the 2014-15 budget
iii) The metrics should reflect the strategic priorities of the company

The committee has reviewed (on a limited basis) methodologies used by some listed companies and also taken inputs from HR fraternity on an informal basis. Most listed companies use audited results as the baseline for the variable compensation calculation; most commonly used metric is achievement vs target (budget) on measures like Revenue, EBIDTA, PAT, RoE etc.. In most cases combination of these measures is used, relative weights are assigned based on strategic objectives.

Specific Recommendation for Fiscal 2013-14
Total compensation

Our recommendation is to use the % achievement vs. budget for 2014-15 on following two metrics:

- Total Revenue
- Total EBIDTA

We propose equal weightage (50% each) to the two metrics.

In addition the committee proposes the following calculation grid for arriving at the variable compensation amount

Table 1.1 Variable Compensation Calculation Grid for WTD 2014-15

% Achievement vs Budget	Revenue Based Var Comp	EBIDTA Based Var Comp
	% of target bonus	% of target bonus
<80%	70%	70%
80-90%	80%	80%
90-95%	90%	90%
95-100%	100%	100%
100-105%	110%	110%
105-110%	120%	120%
110%+	125%	125%

As an illustration if the company performance vs. budget is 93% achievement on revenue and 98% achievement on EBIDTA then the variable compensation will be calculated as below:

*Revenue Component (90% * 50%) + EBIDTA Component (100%*50%) = 95% of Var Comp*

Audited results should be used for all actual performance metrics. If audited results are not available than latest interim results should be used.

Annexure-VIII
CORPORATE GOVERNANCE REPORT

Board of Directors

As on March 31, 2015, our Board consisted of 10 directors out of which 5 directors were Non-Executive independent Directors, 2 were Non-Executive Nominee Directors and 3 were Executive Directors. Of these 2 were women directors (one of them being a nominee director, who has since resigned). The chairman of the Board of Directors of the Company, Mr. Satya Narayanan .R is an Executive Director. The list of directors on the Board as on March 31, 2015 is given below:

S. No	Name of Director	Designation
1.	Mr. Satya Narayanan .R	Chairman & Whole Time Director
2.	Mr. Gautam Puri	Vice Chairman & Managing Director
3.	Mr. Nikhil Mahajan	Chief Financial Officer & Whole Time Director
4.	Mr. Sridar Iyengar	Non-Executive & Independent Director
5.	Mr. Gopal Jain	Non-Executive & Nominee Director
6.	Mr. Viraj Tiyagi	Non-Executive & Independent Director
7.	Mr. Safir Anand	Non-Executive & Independent Director
8.	Mr. Kamil Hasan	Non-Executive & Independent Director
9.	Ms. Sangeeta Modi	Non-Executive & Independent Director
10.	Ms. Madhumita Ganguli*	Non-Executive & Nominee Director

* Ms. Madhumita Ganguli has resigned from the Board on and with effect from April 7, 2015. Her Resignation Letter has been annexed as a part of this Report.

All the fees/compensation paid to the non-executive directors for the FY 14-15, including independent directors, has been approved by the shareholders in general meeting dated February 24, 2014.

Board Procedures & Disclosures:

(a) The Board met 10 (Ten) times during the financial year 2014-15 and there has not been a time gap of more than 120 days between any two meetings of the Board.

(b) Not less than one-half of the board of directors of the Company comprise of non-executive directors;

(c) None of the independent directors of the Company serve as independent directors in more than seven companies listed in India;

(d) 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;

(e) None of the directors of the Company, is a member of more than ten committees, across all public limited companies in which he/she is a director; and

(f) None of the directors of the Company is 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 (e) and (f), chairmanship/ membership of only the audit committee and/or the stakeholders' relationship committee has been considered.

Independent Directors

The Company has 5 independent directors on its Board. In relation to such independent directors, it is hereby confirmed that:

(a) All of the independent directors of the Company hold office for a term of up to 5 consecutive years, and are eligible for reappointment for another term of up to 5 consecutive years on passing of a special resolution by the Company.

(b) The Company has issued a formal letter of appointment to all independent directors in a manner provided under the Companies Act, 2013.

(c) The Nomination, Remuneration and Compensation Committee of the Board has laid down the evaluation criteria for performance evaluation of the independent directors.

(d) During the year, the independent directors of the Company held meeting without the attendance of non-independent directors of the Company or members of its management on August 11, 2014 as well as on February 16, 2015.

Audit Committee of the Board

The Company has re-constituted the Audit Committee at its meeting, held on September 05, 2014 of the Board ("Audit Committee") and it consists of the following directors:

S.No.	Name of Director	Designation
1.	Mr. Sridar Iyengar, Chairman	Non-Executive & Independent Director
2.	Mr. Gopal Jain, Member	Non-Executive & Nominee Director
3.	Mr. Viraj Tyagi, Member	Non-Executive & Independent Director
4.	Mr. Kamil Hasan, Member	Non-Executive & Independent Director

All the members of Audit Committee are professionally qualified. Mr. Sridar Iyengar is a fellow member of the Institute of Chartered Accountants in England and Wales.

The terms of powers, role and terms of reference of the Audit Committee are in accordance with the provisions contained in the Companies Act 2013.

Company secretary of the Company Ms. Rachna Sharma acts as the secretary to the Audit Committee.

The Audit Committee has met 5 (five) times during the financial year 2014-15 and there has not been a time gap of more than 4 months between any two meetings of the Audit Committee.

Stakeholders Relationship Committee

The Company has constituted the Stakeholders' Relationship Committee of the Board ("Stakeholders' Relationship Committee") and its constitution is as under:

S.No	Name of Director	Designation
1.	Mr. Safir Anand, Chairman	Independent Director
2.	Mr. Gautam Puri, Member	Managing Director
3.	Mr. Nikhil Mahajan, Member	Whole time director

The Board of Directors has, at its meeting, held on July 22, 2014 approved the powers of the Stakeholders Relationship Committee as per Section 178 of the Companies Act, 2013.

The chairman of the Stakeholders Relationship Committee is a non-executive & independent director of the Company.

Nomination, Remuneration and Compensation Committee of the Board

The Company has constituted the Nomination, Remuneration and Compensation Committee of the Board ("Nomination, Remuneration & Compensation Committee") and its constitution is as under:

S.No.	Name of Director	Designation
1.	Mr. Viraj Tiyagi, Chairman	Non-Executive & Independent Director
2.	Mr. Gopal Jain, Member	Non-Executive & Nominee Director
3.	Mr. Safir Anand, Member	Non-Executive & Independent Director
4.	Mr. Kamil Hasan, Member	Non-Executive & Independent Director

The Board of Directors has, at its meeting, held on August 11, 2014 approved the powers of the Nomination, Remuneration and Compensation Committee as per clause 49 of the Listing Agreement and Section 178 of the Companies Act, 2013.

The chairman of the Nomination, Remuneration and Compensation Committee is a non-executive & independent director of the Company.

Risk Management Committee of the Board

The Company has constituted the Risk Management Committee of the Board ("Risk Management Committee") and its constitution is as under:

S.No.	Name of Director	Designation
1.	Mr. Satya Narayanan .R Chairman	Chairman and Whole time director
2.	Mr. Gautam Puri, Member	Vice Chairman & Managing Director
3.	Mr. Nikhil Mahajan, Member	Chief Financial Officer & Whole time director

The Board of Directors has, at its meeting, held on August 11, 2014 approved the powers of the Risk Management Committee as per clause 49 of the Listing Agreement.

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

Material Subsidiaries

Career Launcher Education Infrastructure and Services Limited and Kestone Integrated Marketing Services Private Limited are 'material subsidiaries' of the Company, (considering the criteria laid down in the Clause 49 of the Listing Agreement). As a good Corporate Governance measure, Mr. Safir Anand, independent director on the Board of the Company has been inducted as a director on the Boards of these material subsidiaries, Career Launcher Education Infrastructure and Services Limited and Kestone Integrated Marketing Services Private Limited.

Corporate Social Responsibility (CSR) Committee of the Board

The Company has constituted the Corporate Social Responsibility Committee of the Board ("CSR Committee") and its constitution is as under:

S.No.	Name of Director	Designation
1.	Mr. Safir Anand, Chairman	Non-Executive & ndependent Director
2.	Mr.Satya Narayanan, Member	Chairman & Whole time director
3.	Mr. Gautam Puri, Member	Vice Chairman & Managing Director

The Board of Directors has, at its meeting, held on April 29, 2014 approved the powers of the CSR Committee as per Section 135 of the Companies Act, 2013.

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

IPO Committee

The Company had constituted the Exit Committee of the Board in its Board meeting held on April 29, 2014 and in its Board meeting held on September 05, 2014, the Board has renamed the name of the Committee to IPO Committee ("IPO Committee") and its constitution is as under:

S.No.	Name of Director	Designation
1.	Mr. Satya Narayanan .R Chairman	Chairman & Whole time Director
2.	Mr. Sridar Iyengar, Member	Non-Executive & Independent Director
3.	Mr. Gopal Jain, Member	Non- Executive & Nominee Director
4.	Mr. Nikhil Mahajan, Member	Chief Financial Officer & Whole time Director

The Board of Directors has, at its meeting, held on September 05, 2014 approved the powers of the IPO Committee.

The chairman of the IPO Committee is an Executive Director of the Company.

Independent Auditors' 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, 2015, 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, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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, 2015, 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, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure, 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, 2015, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;

f. 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 standalone financial statements disclose the impact of pending litigations on the standalone financial position of the Company – Refer Note 34 to the standalone financial statements in respect of contingent liabilities and Note 50 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.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W

Sd/-
Raj Kumar Agarwal
Partner
Membership No. 074715

Date: June 23, 2015
Place: New Delhi

Annexure to Independent Auditors' 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, 2015]

(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.

(ii) (a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.

(b) The procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

(c) The Company is maintaining proper records of inventory. As informed no material discrepancies were noticed on physical verification carried out at the end of the year.

(iii) (a) The Company has granted unsecured interest free loans to two companies and one other party and unsecured loan to three companies and one other party covered in the register maintained under Section 189 of the Act. In our opinion and according to the information and explanations given to us, the rate of interest, wherever charged, and the other terms and conditions of loans granted to three companies and one other party are not, prima facie, prejudicial to the interest of the Company. Terms and conditions related to loans granted to two companies and one other party are, prima facie, prejudicial to the interest of the Company.

(b) There is no overdue amount in excess of ₹ 100,000 in respect of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanations given to us, there exists an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the Company.

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

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

According to the information and explanations given to us, undisputed dues in respect of provident fund, employees' state insurance, income tax, sales tax, wealth 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 yearend 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	6,460,720	April 2014 to September 2014	September 15, 2014	Not yet paid

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

Name of the statute	Nature of the dues	Amount including penalty (in ₹)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	120,711,412	July 2003 to September 2008	Central Excise and Service Tax Appellate Tribunal, New Delhi
Finance Act, 1994	Service Tax	7,372,308	October 2008 to March 2009	Central Excise and Service Tax Appellate Tribunal, New Delhi
Finance Act, 1994	Service Tax	10,664,476	April 2009 to September 2009	Central Excise and Service Tax Appellate Tribunal, New Delhi
Finance Act, 1994	Service Tax	71,756,945	October 2009 to September 2010	Central Excise and Service Tax Appellate Tribunal, New Delhi
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	Commissioner of Service Tax (Appeals), New Delhi
Finance Act, 1994	Cenvat credit reversal	40,097,178	April 2008 to March 2012	Commissioner of Service Tax (Appeals), 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	Tax deducted	27,330,519	FY 2006-07 to 2008-09	Income Tax Appellate Tribunal,

Act, 1961	at Source			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

(c) According to the information and explanations given to us, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

(viii) The Company does not have accumulated losses at the end of the financial year nor has incurred cash losses in the current and immediately preceding financial year.

(ix) According to the information and explanations given to us, the Company has not defaulted in repayment of dues to any bank. The Company has no outstanding dues in respect of financial institutions or debenture holders.

(x) According to the information and explanations given to us, the terms and conditions of the guarantees given by the Company, for loans taken by others from banks or financial institutions during the year are not, prima facie, prejudicial to the interest of the Company.

(xi) According to the information and explanations given to us, the term loans have been applied for the purpose for which the loans were obtained.

(xii) 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 on or by the Company, noticed or reported during the year, nor have we been informed of any such instance by the management.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W

Sd/-
Raj Kumar Agarwal
Partner
Membership No. 074715

Date: June 23, 2015
Place: New Delhi

Balance Sheet as at March 31, 2015

Particulars	Notes	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	11,64,51,550	9,91,78,100
Reserves and surplus	4	2,24,52,08,297	1,01,31,30,121
		2,36,16,59,847	**1,11,23,08,221**
Share application money pending allotment	5	-	**1,38,56,563**
Non-current liabilities			
Long-term borrowings	6	4,49,57,119	1,88,78,476
Deferred tax liabilities (net)	7	1,78,57,743	1,32,10,046
Long-term provisions	8	1,94,28,573	1,35,78,760
		8,22,43,435	**4,56,67,282**
Current liabilities			
Short-term borrowings	9	23,65,33,220	24,06,60,179
Trade payables	10	22,86,07,669	14,65,39,624
Other current liabilities	11	31,22,99,537	25,38,80,167
Short-term provisions	8	5,03,021	4,59,065
		77,79,43,447	64,15,39,035
Total		**3,22,18,46,729**	**1,81,33,71,101**
ASSETS			
Non-current assets			
Fixed assets			
- Tangible assets	12	34,14,68,910	33,67,77,797
- Intangible assets	13	11,77,97,046	11,07,46,883
- Capital work-in-progress	14	-	-
Non-current investments	15	1,52,58,56,286	45,32,85,771
Long-term loans and advances	16	7,03,93,960	8,46,66,259
Other non-current assets	17	11,23,41,980	13,24,30,427
		2,16,78,58,182	**1,11,79,07,137**
Current assets			
Inventories	18	4,47,46,228	3,36,47,181
Trade receivables	19	53,52,27,973	35,89,12,488
Cash and bank balances	20	11,34,04,920	4,46,62,834
Short-term loans and advances	21	28,30,09,192	20,49,07,471
Other current assets	22	7,76,00,234	5,33,33,990
Total		**1,05,39,88,547**	**69,54,63,964**
		3,22,18,46,729	**1,81,33,71,101**
Summary of significant accounting policies	2		

The accompanying notes form an integral part of the

Financial Statements.

As per our report of even date.

For **Haribhakti & Co. LLP** Chartered Accountants	For and on behalf of the Board of Directors of **CL Educate Limited**		
Sd/- **Raj Kumar Agarwal**	Sd/- **Gautam Puri**	Sd/- **Nikhil Mahajan**	Sd/- **Rachna Sharma**
Partner	**Managing Director**	**Director & CFO**	**Company Secretary**
ICAI Membership No.:074715	DIN: 00033548	DIN: 00033404	ICSI M. No.: A17780
Place: New Delhi	Place: New Delhi		
Date: June 23, 2015	Date: June 23, 2015		

CL Educate Limited

Statement of Profit and Loss for the year ended March 31, 2015

Particulars	Notes	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Income			
Revenue from operations	23	1,49,63,69,615	1,18,31,05,719
Other income	24	5,32,19,685	5,30,37,684
Total Revenue		**1,54,95,89,300**	**1,23,61,43,403**
Expenses			
Purchases of traded goods	25	14,57,20,221	11,74,13,799
(Increase) in inventory of traded goods	26	(1,16,83,139)	(93,62,209)
Cost of services	27	58,73,81,022	47,70,69,716
Employee benefits expense	28	24,57,56,187	22,05,82,824
Finance costs	29	4,71,65,885	4,41,33,349
Depreciation and amortisation expenses	30	5,08,41,828	3,74,75,486
Other expenses	31	39,54,18,378	30,56,20,239
Total expenses		**1,46,06,00,382**	**1,19,29,33,204**
Profit before exceptional items, prior period items and tax		**8,89,88,9**	**4,32,10,19**
Exceptional expenses	47	-	1,54,88,025
Profit before prior period items and tax		**8,89,88,918**	**2,77,22,174**
Prior period expenses (net)	32	-	4,78,904
Profit before tax		**8,89,88,918**	**2,72,43,270**
Income tax expense:			
- Current tax		2,09,33,000	55,19,000
- Minimum alternate tax ('MAT') credit		-	(55,19,000)
- Deferred tax charge	7	22,99,599	97,49,884
Total tax expenses		**2,32,32,599**	**97,49,884**
Profit after tax		**6,57,56,319**	**1,74,93,386**
Earnings per equity share	33		
Nominal value of ₹ 10 each (Previous year ₹ 10 each)			
- Basic before exceptional expenses		6.14	3.50
- Basic after exceptional expenses		6.14	1.86
- Diluted before exceptional expenses		6.05	3.39
- Diluted after exceptional expenses		6.05	1.80

Summary of significant accounting policies	2	

The accompanying notes form an integral part of the Financial Statements.

As per our report of even date.

For Haribhakti & Co. LLP Chartered Accountants	**For and on behalf of the Board of Directors of** **CL Educate Limited**		
Sd/- **Raj Kumar Agarwal**	Sd/- **Gautam Puri**	Sd/- **Nikhil Mahajan**	Sd/- **Rachna Sharma**
Partner	**Managing Director**	**Director & CFO**	**Company Secretary**
ICAI Membership No.:074715	DIN: 00033548	DIN: 00033404	ICSI M. No.: A17780
Place: New Delhi	Place: New Delhi		
Date: June 23, 2015	Date: June 23, 2015		

CL Educate Limited

Cash Flow Statement for the year ended March 31, 2015

		March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
A	**Cash flow from operating activities**		
	Net profit before tax and after exceptional prior period items and tax	8,89,88,918	2,72,43,270
	Adjustments for:		
	Depreciation and amortisation on fixed assets	5,08,41,828	3,74,75,486
	Depreciation and amortisation on investments property	2,06,878	2,13,750
	Finance costs	4,35,19,246	4,25,63,021
	Loan processing charges	24,46,639	15,41,939
	Interest on delay in payment of taxes	12,00,000	-
	Interest income	(1,91,08,259)	(1,82,64,511)
	Loss on sale of fixed assets	48,83,393	-
	Rent income on investments property	(15,25,588)	(2,93,750)
	Fixed assets written off	3,25,048	6,79,602
	Advances written off	12,38,946	5,05,688
	Bad debts written off	6,00,06,567	3,89,96,311
	Miscellaneous balances written off	12,71,188	16,22,780
	Provision for doubtful advances	2,00,000	3,40,333
	Provision for doubtful debts	11,78,286	-
	Provision for obsolescence of inventory	5,84,094	-
	Liability no longer required written back	(1,45,13,247)	(1,66,39,410)
	Transfer to stock options outstanding	70,16,855	8,53,950
	Exceptional non cash items:		
	- Advances written off (Refer note 47)	-	1,54,88,025
	Unrealised foreign exchange gain	(5,63,270)	(15,28,745)
	Realised foreign exchange gain on sale of investment	-	(2,37,462)
	Operating profit before working capital changes	**22,81,97,522**	**13,05,60,277**
	Adjustments for (increase)/decrease in operating assets		
	Trade receivables	(23,65,69,788)	(8,34,14,730)
	Other current assets	(8,00,000)	
	Non current assets	2,00,00,000	-
	Long term loans and advances	(14,81,052)	1,58,86,656
	Short term loans and advances	(3,21,63,929)	(4,04,30,600)
	Inventories	(1,16,83,141)	(93,62,209)
	Adjustments for increase/(decrease) in operating liabilities		
	Other current liabilities	6,23,64,373	3,72,40,922
	Long term provisions	58,49,813	52,39,684
	Short term provisions	43,956	(10,17,491)
	Trade payables	8,20,69,965	5,68,79,846
	Cash generated from operations	11,58,27,719	11,15,82,354

	Taxes paid (net of refund)	(65,75,845)	(67,78,834)
	Net cash generated from operating activities	10,92,51,874	10,48,03,520
B	**Cash flow from investing activities:**		
	Purchase of investment of in subsidiaries (net of payable for investments)	(1,07,27,77,393)	(4,79,13,314)
	Proceeds from sale of investment in subsidiaries	-	6,65,692
	Purchase of fixed assets (net)	(7,03,03,621)	(3,17,88,025)
	Disposal of fixed assets	16,00,002	-
	(Investments)/proceeds in deposits not considered as cash and cash equivalents (net)	(4,08,77,589)	5,21,25,080
	Loans given to subsidiaries (including conversion of interest and receivables)	(9,20,12,702)	(2,60,14,513)
	Interest income received	1,85,71,584	2,19,08,961
	Rent income on investments property	15,25,588	2,93,750
	Proceeds from realisation of loan given to subsidiaries (including adjustments)	4,30,43,288	3,26,46,904
	Net cash (used in)/ generated from investing activities	(1,21,12,30,843)	19,24,536
C	**Cash flow from financing activities:**		
	Proceeds from issue of equity shares	1,72,73,450	-
	Securities premium received on equity shares (net of share issue expenses)	1,14,59,14,510	-
	Share application money received pending allotment (Refer note 5)	(1,38,56,563)	1,38,56,563
	Proceeds from long-term borrowings	9,40,00,000	3,50,00,000
	Repayment of long-term borrowings	(6,37,93,627)	(10,18,29,660)
	Net increase in working capital borrowings	(41,26,959)	62,05,448
	Dividend paid during the year	-	(28,476)
	Loan processing fee paid	(24,46,639)	(15,41,939)
	Interest paid	(4,31,56,440)	(4,31,40,183)
	Net cash generated from /(used in) financing activities	1,12,98,07,733	(9,14,78,247)
	Net increase in cash and cash equivalents	2,78,28,764	1,52,49,808
	Unrealised foreign exchange gain on cash and cash equivalents	35,732	-
	Cash and cash equivalents at beginning of the year	3,49,32,620	1,96,82,812
	Cash and cash equivalents at end of the year	6,27,97,116	3,49,32,620
	Cash and cash equivalents comprise		
	Balances with banks:		
	– on current accounts	5,43,55,176	2,80,80,092

- Cheques/ drafts on hand	44,86,231	28,98,968
- Cash on hand	39,55,709	39,53,560
	6,27,97,116	3,49,32,620
Add:		
Fixed deposits shown under other Cash and bank balances	-	-
– Deposits with original maturity for more than 3 months but less than 12 months from the reporting date	25,92,505	59,99,700
- on unpaid dividend account	17,075	19,822
Current restricted cash (Margin money deposit and under lien deposits)	4,79,98,224	37,10,692
Total cash and bank balances at end of the year (Refer note 20)	11,34,04,920	4,46,62,834

Notes :

1. The above Cash Flow Statement has been prepared under the indirect method set out in AS-3 "Cash Flow Statements" as notified under section 211(3C) of the Companies Act, 1956.

2. Notes to the Financials Statements are integral part of the Cash Flow Statement.

As per our report of even date.

For Haribhakti & Co. LLP
Chartered Accountants

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

Sd/-
Raj Kumar Agarwal
Partner
ICAI Membership No.:074715

Sd/-
Gautam Puri
Managing Director
DIN: 00033548

Sd/-
Nikhil Mahajan
Director & CFO
DIN: 00033404

Sd/-
Rachna Sharma
Company Secretary
ICSI M. No.: A17780

Place: New Delhi
Date: June 23, 2015

Place: New Delhi
Date: June 23, 2015

1. Background

CL Educate Limited ('the Company') was incorporated in India on April 25, 1996 to conduct various educational and consulting programmes. 67.47% (previous year 68.58%) of the shares are being held by the promoters/directors of the Company and their relatives and the balance 32.53% (previous year 31.42%) of the shares are being held by other individuals and companies.

2. 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 businessr 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.

- Revenue from consultancy services and seminar and alliance income is recognised as and when services are actually rendered.

- 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.

- Revenue from royalty is recognised on an accrual basis in accordance with the terms of the relevant agreement.

- Revenue from campus placement is recognised upon provision of services as per the terms of agreement.

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 period 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 AS-26.

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.

Schedule II to the Companies Act 2013 has become applicable to the Company with effect from April 1, 2014. Accordingly, the Company has determined the useful life of its assets as per Schedule II. Revised useful lives and earlier useful lives are as under:

Particulars Tangible assets:	Revised Useful life (years)	Existing useful life (years)
Leasehold land	90 (period of lease)	90 (period of lease)
Building	60	60
Furniture and fixtures	8-10	10-15
Office equipment	5	10
Vehicle	8-10	10
Computer equipment	3	5
Computer servers and networks	6	5
Leasehold improvements	Lesser of 3 years or period of lease	Lesser of 3 years or period of lease

Intangible assets: (Life ascertained in accordance with AS- 26)		
Trademark	5	5
Software	5	5
Content development	5	5
License fees	10	10
Intellectual property rights	10	10
Goodwill	5	5

In accordance with the transitional provisions of Schedule II, in respect of assets where the remaining useful life is 'Nil', their carrying amount aggregating ₹ 7,102,533 and deferred tax thereon has been adjusted after retaining the residual value as on April 1, 2014 as determined by the management has been adjusted against the opening balance of retained earnings as on that date.

As a consequence, had the company not adopted Schedule II to the Companies Act, 2013, depreciation for the year would have been lower by ₹ 1,474,962, profit for the year would have been higher by ₹ 1,474,962 and the written down value of assets as at March 31, 2015 would have been ₹ 467,843,452 as against reported written down value of

(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 period in which they are incurred.

(ix) 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, 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 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 period 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.

Defined contribution plan: Employee state insurance

Employees whose wages/salary are within the prescribed limit in accordance with the Employee State Insurance Act, 1948, are covered under this scheme. These contributions are made to the fund administered and managed by the Government of India.

The Company's contributions to these schemes are expensed off in the Statement of Profit and Loss. The Company has no further obligations under these plans 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 at the end of the year. Actuarial gain and losses are recognised immediately in the Statement of Profit and Loss.

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 period. 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 year 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 year. The weighted average numbers of equity shares outstanding during the year 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 year 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 year, 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 [previous year three classes of shares i.e. Equity shares (Class-I), Compulsorily convertible 0.01% non cumulative preference shares (CCPS)(Class -II) and Optionally convertible 0.01% non cumulative preference shares (OCPS)(Class- III)], having a par value of ₹ 10 per share.

Particulars	March 31, 2015		March 31, 2014	
	Numbers	Amount in ₹	Numbers	Amount in ₹
Authorised				
Equity shares of ₹ 10 each (previous year ₹ 10) with equal voting rights	1,60,00,000	16,00,00,000	1,30,00,000	13,00,00,000
Preference shares of ₹ 10 each (previous year ₹ 10)	-	-	20,00,000	2,00,00,000
	1,60,00,000	16,00,00,000	1,50,00,000	15,00,00,000
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each (previous year ₹ 10) with equal voting rights (Class -I)	1,16,45,155	11,64,51,550	94,17,810	9,41,78,100
Compulsorily convertible 0.01% non cumulative preference shares (CCPS) of ₹ 10 each (previous year ₹ 10) (Class -II)	-	-	4,11,045	41,10,450
Optionally convertible 0.01% non cumulative preference shares (OCPS) of ₹ 10 each (Class -III)	-	-	88,955	8,89,550
	1,16,45,155	**11,64,51,550**	**99,17,810**	**9,91,78,100**

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, 2015		March 31, 2014	
	Numbers	Amount in ₹	Numbers	Amount in ₹
At the beginning of year	94,17,810	9,41,78,100	94,17,810	9,41,78,100
Add: Share issued during the year by way of:				
-Allotment of share for a consideration in cash (Refer footnote i)	10,64,426	1,06,44,260	-	-
-Allotment of share for a consideration other than in cash (Refer footnote ii, iii and iv)	11,62,919	1,16,29,190	-	-
Outstanding at the end of the year	**1,16,45,155**	**11,64,51,550**	**94,17,810**	**9,41,78,100**

Footnote i.

During the year, pursuant to a Share Subscription and Amendment Agreement dated August 12, 2014 between the Company, individual promoters and a shareholder GPE (India) Limited, Mauritius, the Company has issued 467,293 equity shares of ₹ 10 each at a price of ₹ 590 per share to GPE (India) Limited, Mauritius in two tranches of 230,000 equity shares and 237,293 equity shares on September 05, 2014 and September 16, 2014 respectively.

During the year, pursuant to the Share Subscription Agreement dated September 05, 2014 between the Company, individual promoters and a shareholder Housing Development Finance Corporation Limited (HDFC Limited), the Company has issued 594,233 equity shares of ₹ 10 each at a price of ₹ 590 per share to HDFC Limited on September 05, 2014.

Footnote ii.

The Board of Directors of the Company at its meeting held on August 11, 2014 proposed a scheme wherein eligible domestic shareholders of a subsidiary company Career Launcher Education and Infrastructure Services ("CLEIS Investor") holding equity shares of CLEIS were given a "share swap option" to swap shares of CLEIS with shares of CL Educate Limited at an agreed share swap ratio. This share swap option was proposed with an objective to consolidate company's shareholding in CLEIS.

Pursuant to such share option swap, the Board of Directors of the Company at its meeting held on September 05, 2014 approved to allot 1 equity share of the Company of ₹ 10 each for 2.10 equity shares of CLEIS held by the eligible CLEIS investors subject to adjustment and rounding up. Such swap ratio has been determined in accordance with the Relative Valuation Report obtained by the Company from a Category-1 Merchant Banker.

Pursuant to the resolutions passed by the Board of directors at its meetings held on August 11 and September 05, 2014 and pursuant to the shareholders' approval to the scheme at the Annual General Meeting of the Company held on September 05, 2014, the Company issued 904,139 equity shares of ₹ 10 each at an effective price of ₹ 590 to CLEIS investors in lieu of 1,898,684 shares of CLEIS. Consequent to share swap, the Company now holds 97.99% shares in CLEIS as against 57.55% shares prior to the share swap.

Footnote iii

The Company has acquired third and last tranche of shares in GKP by payment of cash consideration and balance consideration amounting ₹ 13,856,863 is settled by issue of 23,486 equity shares at the price of ₹ 590 per share . (Refer footnote i of note 15)

2) Class-II shares-CCPS

Particulars	March 31, 2015		March 31, 2014	
	Numbers	Amount in ₹	Numbers	Amount in ₹
At the beginning of the year	4,11,045	41,10,450	4,11,045	41,10,450
Add: Share issued during the year	-	-	-	-
Less: conversion into equity shares (refer footnote iv)	4,11,045	41,10,450	-	-
Outstanding at the end of the year	**-**	**-**	**4,11,045**	**41,10,450**

3) Class-III shares-OCPS

Particulars	March 31, 2015		March 31, 2014	
	Numbers	Amount in ₹	Numbers	Amount in ₹
At the beginning of the year	88,955	8,89,550	88,955	8,89,550
Add: Share issued during the year	-	-	-	-
Less: conversion into equity shares (refer footnote iv)	88,955	8,89,550	-	-
Outstanding at the end of the year	-	-	**88,955**	**8,89,550**

Footnote iv

During the financial year 2012-13, the Company had issued 411,045, 0.01% Non-Cumulative Compulsorily Convertible Preference Shares (CCPS) of ₹ 10 each at a price of ₹ 200 per share termed as Class II and 88,955, 0.01% Non-Cumulative Optionally Convertible Preference Shares (OCPS) of ₹ 10 each issued at a price of ₹ 200 per share termed as Class III to GPE (India) Limited and Gaja Trustee Company Private Limited respectively.

Each holder of CCPS had to get his shares converted in to equity shares as per the terms of conversion stipulated in the addendum number 3 to the Share Subscription and Shareholders Agreement dated November 02, 2012 within 5 years from the closing date i.e. November 09, 2012. (The price of conversion is detailed below. Refer footnote D)

Each holder of OCPS had either to get his shares converted in to equity shares or redeemed in cash as per the terms of conversion stipulated in the addendum number 3 to the Share Subscription and Shareholders Agreement dated November 02, 2012 at any time. (The price of conversion is detailed below. Refer footnote D).

The Board of Directors at its meeting dated July 22, 2014 approved of the conversion of such CCPS and OCPS into equity shares of ₹ 10 each at a price of ₹ 425 per share. The details of the equity shares issued are as given below:

Name of the Shareholder	Nature of Preference Shares held	No. of Preference Shares held	No. of Equity Share Issued
GPE (India) Limited	OCPS	4,11,045	1,93,433
Gaja Trustee Company Private Limited	CCPS	88,955	41,861

c) Terms/rights attached to equity shares

For the year ended March 31, 2015

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.

For the year ended March 31, 2014

A. Voting

1) Class-I shares-Equity shares: Each holder of this class of shares is entitled to one vote per share held.

2) Class-II shares-CCPS: This class of shares do not carry any voting rights.

3) Class-III shares-OCPS: This class of shares do not carry any voting rights.

B. Dividends

1) Class-I shares-Equity shares: 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.

2) Class-II shares-CCPS: The Company declares and pays dividends in Indian rupees. CCPS had preferential right of dividend over equity shares in event of declaration of dividend. These shares carry dividend rate of 0.01%. The dividend is payable only when the Company declares dividend during a particular financial year.

3) Class-III shares-OCPS: The Company declares and pays dividends in Indian rupees. OCPS had preferential right of dividend over equity shares in event of declaration of dividend. These shares carry dividend rate of 0.01%. The dividend is payable only when the Company declares dividend during a particular financial year.

C. Liquidation

1) Class-I shares-Equity shares: 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.

2) Class-II shares-CCPS: In the event of liquidation of the Company, the holders of CCPS shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any and before payment to equity shareholders. Such distribution amounts will be in proportion to the number of CCPS held by the shareholders upto the extent of agreed conversion amount of such shares.

3) Class-III shares-OCPS: In the event of liquidation of the Company, the holders of OCPS shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any and before payment to equity shareholders. Such distribution amounts will be in proportion to the number of OCPS held by the shareholders upto the extent of agreed redemption/conversion amount of such shares.

D. Other terms and conditions

1) Class-II shares-CCPS:

On December 14, 2012 the Company had issued 411,045 class- II, 0.01% CCPS of ₹ 10 each.

Each share holder of CCPS had to get his share converted into equity share as per price of conversion mentioned below within 5 years from closing date i.e. November 9, 2012.

Conversion price 1:

If Company raises additional funds of a minimum of ₹ 100,000,000 through the issue of new shares within a period of 90 days i.e. February 7, 2013 from the closing date i.e. November 9, 2012, the CCPS shall be converted into equity shares at a price per share equal to the price per share of the new shares so issued in a manner to yield an IRR of 15% per annum, calculated on daily basis for the period from the closing date till the date on which the new shares are so issued.

Conversion price 2:

If the Company does not raise additional funds within 90 days from the closing date or if the Company raises additional funds of less than ₹ 100,000,000 through the issue of new shares within a period of 90 business days from the closing date, the CCPS shall be converted into equity shares at a price per share based on aggregate equity valuation of such fund raised of less than ₹ 100,000,000 or 12.5 multiplied by the EBITDA as per audited consolidated financial statements of the Company and its subsidiaries for the twelve month period ended March 31, 2013, whichever is lower.
If the Consolidated audited EBITDA of the Company for the year ended March 31, 2013 is less than ₹ 360,000,000 or if audited consolidated financial statements are not made available to shareholder by September 30, 2013, shareholder shall have right, exercisable at its sole discretion at any time by written notice to the Company and the founders and the Company, to require the Company to convert all of their shareholding as Class-II shares-CCPS into such number of equity shares that ensures shareholder an internal rate of return of 15% on the investment amount calculated from the closing date upto the date of such conversion.
Founders and the Company, jointly and severally undertake and agree to shareholder, to procure third parties to acquire and purchase of all of the Class-II shares-CCPS held by shareholder at conversion price arrived in accordance with the shareholder agreement. In event such purchase by third party doesn't happen in 60 days of conversion, founders and the Company are jointly and severally liable to purchase the same at above mentioned conversion price.

Conversion price 3:

If for any reason whatsoever under applicable laws the Company is unable to undertake the conversion, shareholder shall have the right to seek the conversion of these shares at a price per equity share of ₹ 425.
If the Company subsequently raises additional fund through issue of new shares at a price per share lower than above conversion price, the the following conditions shall apply:

i. If shareholder has already exercised its options under above then the founders shall procure the Company to, and the Company shall take all reasonable steps to issue such number of additional equity shares to the shareholder as if the Class-II shares-CCPS had converted at a price per share equal to the price per share of such new shares. Such additional equity shares shall, subject to applicable laws be issued at no further cost to shareholder.

ii. If shareholder has not exercised its options under Conversion Price 1 and Conversion Price 2, then at shareholder's options, CCPS may be converted into equity shares of the Company at a price per share equal to the price of such new share.

2) Class-III shares-OCPS:

On December 14, 2012, the company had issued 88,955 class-II, 0.01% OCPS of ₹ 10 each.

Each share holder of OCPS had to get his share converted into equity share or redeemed in cash as per price of conversion mentioned below at any time.

Conversion price 1:
If Company raises additional funds of a minimum of ₹ 100,000,000 through the issue of new shares within a period of 90 days i.e. February 7, 2013 from the closing date i.e. November 9, 2012, the OCPS shall be converted into equity shares at a price per share equal to the price per share of the new shares so issued in a manner to yield an IRR of 15% per annum, calculated on daily basis for the period from the closing date till the date on which the New Shares are so issued.

Conversion price 2:
If the Company does not raise additional funds within 90 days from the closing date or if the Company raises additional funds of less than ₹ 100,000,000 through the issue of new shares within a period of 90 business days from the closing date, the OCPS shall be converted into equity shares at a price per share based on aggregate equity valuation of such fund raised of less than ₹ 100,000,000 or 12.5 multiplied by the EBITDA as per audited consolidated financial statements of the Company and its subsidiaries for the twelve month period ended March 31, 2013, whichever is lower.
If the Consolidated audited EBITDA of the Company for the year ended March 31, 2013 is less than ₹ 360,000,000 or if audited consolidated financial statements are not made available to shareholder by September 30, 2013, shareholder shall have right, exercisable at its sole discretion at any time by written notice to the Company and the founders and the Company, to require the Company, to redeem all of their shareholding as Class-III shares-OCPS at a price that ensures shareholder an internal rate of return of 15% on the investment amount calculated from the closing date upto the date of such redemption.
Founders and the Company, jointly and severally undertake and agree to shareholder, to procure third parties to acquire and purchase of all of the Class-III shares-OCPS held by shareholder at conversion price arrived in accordance with shareholder agreement. In event such purchase by third party doesn't happen in 60 days of conversion, founders and the Company are jointly and severally liable to purchase the same at above mentioned conversion price.

Conversion price 3:
If for any reason whatsoever under applicable laws the Company is unable to undertake the conversion/redemption, shareholder shall have the right to seek the conversion of these shares at a price per equity share of ₹ 425.
If the Company subsequently raises additional fund through issue of new shares at a price per share lower than above conversion price, the the following conditions shall apply:
i. If shareholder had already exercised its options under above then the founders shall procure the Company to, and the Company shall take all reasonable steps to issue such number of additional equity shares to shareholder as if the Class-III shares-OCPS had converted at a price per share equal to the price per share of such new shares. Such additional equity shares shall, subject to applicable laws be issued at no further cost to shareholder.

ii. If shareholder had not exercised its options under Conversion Price 1 and Conversion Price 2, then at shareholder's options, The Class-III shares-OCPS may be converted into equity shares of the Company at a price per share equal to the price of such new share.

d) Shares held by the holding company/ultimate holding company and/or their associates/ subsidiaries and shareholders holding more than 5% shares in the Company.

1) Class-I shares-Equity shares

Name of share holders	March 31, 2015		March 31, 2014	
	Numbers	% held	Numbers	% held
Mr. Gautum Puri	25,62,579	22.01%	25,49,186	27.07%
Mr. Satya Narayanan R	25,62,579	22.01%	25,49,186	27.07%
Bilakes Consulting Private Limited	12,45,193	10.69%	7,86,859	8.36%
GPE (India) Limited	14,26,473	12.25%	7,65,747	8.13%
HDFC Limited	5,94,233	5.10%	-	-
	83,91,057	**72.06%**	**66,50,978**	**70.62%**

As per records of the Company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownerships of shares.

2) Class-II shares-CCPS

Name of share holders	March 31, 2015		March 31, 2014	
	Numbers	% held	Numbers	% held
GPE (India) Limited	-	-	4,11,045	100.00%
	-	**-**	**4,11,045**	**100%**

As per records of the Company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownerships of shares.

3) Class-III shares-OCPS

Name of share holders	March 31, 2015		March 31, 2014	
	Numbers	% held	Numbers	% held
Gaja Trustee Company Private Limited	-	-	88,955	100.00%
	-	**-**	**88,955**	**100.00%**

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 year of five years immediately preceding the reporting date except for one class of share for which aggregate value has been mentioned below :

1) Class-I shares-Equity shares

	March 31, 2015 Numbers In aggregate	March 31, 2014 Numbers In aggregate
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash	18,26,951	6,70,032
	18,26,951	**6,70,032**

In addition, the Company has issued total equity shares 7,675 of ₹ 10 each fully paid up (as on March 31, 2014 4,775 of ₹ 10 each fully paid up) during the year 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 year of five years immediately preceding the reporting date.

Shares reserved for issue under options

g) Employees stock option schemes (ESOP) (refer note 37)

The Company has one stock option plan. Employee stock options are convertible into equity shares in accordance with the respective 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 5 years from the date of respective grants. As at March 31, 2015 and March 31, 2014 the Company had 29,743 and 56,143 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. Subsequently, the Company has approved and adopted the amended "Career Launcher Employee Stock Options Plan 2008" in its Annual General Meeting held on September 5, 2014 and the same is valid for a period of 3 years.

Further, pursuant to the resolution passed by the Board of Directors at its meeting held on August 11, 2014 and resolution passed by the members in the Annual General Meeting held on September 05, 2014, the Company renewed "Career Launcher Employee Stock Options Plan 2008" for a further period till May 29, 2015.

4. Reserves and Surplus

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
4.1.Securities premium account		
Opening balance	69,37,01,683	69,37,01,683
(+) Securities premium received		
-on issue of shares in cash	61,64,63,580	-
-on issue of equity shares consideration other than cash	54,06,69,510	-
(+) Transfer from Class-II shares-CCPS conversion reserve	48,31,186	-
(+) Transfer from Class-III shares-OCPS redemption/conversion reserve	10,45,526	-
(-) Share swap expenses	(1,12,18,580)	-
Closing balance	**1,84,54,92,905**	**69,37,01,683**

4.2.Class-II shares-CCPS conversion reserve		
Opening balance	48,31,186	48,31,186
(-) Transferred to share premium during the year	(48,31,186)	-
Closing balance	-	**48,31,186**
4.3.Class-III shares-OCPS redemption/conversion reserve		
Opening balance	10,45,526	10,45,526
(-) Transferred to share premium during the year	(10,45,526)	-
Closing balance	-	**10,45,526**
4.4.Capital reserves		
Opening balance	19,939	19,939
Closing balance	**19,939**	**19,939**
4.5.General reserves		
Opening balance	57,84,256	57,84,256
Closing balance	**57,84,256**	**57,84,256**
4.6.Employee stock option outstanding		
Gross employee stock compensation for options granted in earlier years	93,27,206	84,73,256
(+) Gross compensation for options for the year	70,16,855	8,53,950
(+) Gross compensation for options granted to employees of subsidiary (Refer footnote i of note 22)	2,28,41,122	-
Closing balance	**3,91,85,183**	**93,27,206**
4.7.Surplus in the Statement of Profit and Loss		
Opening balance	29,84,20,325	28,09,26,939
(+) Net profit for the year	6,57,56,319	1,74,93,386
(-) Adjusted depreciation	(71,02,533)	-
(-) Schedule II adjustment of deferred tax	(23,48,097)	-
Closing balance	**35,47,26,014**	**29,84,20,325**
Total reserves and surplus	**2,24,52,08,297**	**1,01,31,30,121**

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 ₹ 7,102,533 and deferred tax thereon has been adjusted against the opening reserves.

5. Share application money pending allotment

There is no share application money pending allotment as at March 31, 2015.

For the year ended March 31, 2014

Share application money in the previous year represent shares to be issued to former promoters of G.K. Publications Private Limited for acquiring the third and last tranche of shares in G.K. Publications Private Limited by payment of consideration as stipulated in the investment agreement entered on November 12, 2011 with the former promoters of G.K. Publications Private Limited, including consideration by way of issue of equity shares of the Company of value ₹ 13,856,863, which had been recorded as 'share application money pending allotment' by the Company.

During the year, on July 22, 2014, 23,486 equity shares of ₹ 10 each have been issued to the former promoters of GK Publications Private Limited against the said share application money at a premium of ₹ 580 per share.

The terms/rights of such equity shares were same as those of existing class-I shares-equity shares [Refer note 3(b)].

6. Long-term borrowings

	Non-current portion		Current maturities	
	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Term loans (secured)				
-From banks				
a) Vehicle loans (Refer footnote i)	517,935	1,477,994	960,058	852,801
b) Other term loans (Refer footnote ii)	44,439,184	17,400,482	51,738,842	47,718,368
The above amount includes				
Amount disclosed under the head "Other current liabilities" (Refer note 11)	-	-	(52,698,900)	(48,571,169)
Net amount	**44,957,119**	**18,878,476**	**-**	**-**

Footnotes

i. Vehicle loans from banks are secured against hypothecation of concerned vehicles.

The repayment terms of the vehicle loans are as follows:

For amount outstanding as at March 31, 2015

Loan	Outstanding Amount Amount in ₹	Rate of Interest	Equal monthly installment (EMI) Amount in ₹	Date of Last EMI
Loan 1	429,473	11.99%	33,030	May 7, 2016
Loan 2	402,871	12.27%	24,618	July 9, 2016
Loan 3	645,649	11.53%	32,700	January 5, 2017
	1,477,993			

For amount outstanding as at March 31, 2014

Loan	Outstanding Amount Amount in ₹	Rate of Interest	Equal monthly installment (EMI) Amount in ₹	Date of Last EMI
Loan 1	752,948	11.99%	33,030	May 7, 2016
Loan 2	633,268	12.27%	24,618	July 9, 2016
Loan 3	944,579	11.53%	32,700	January 5, 2017
	2,330,795			

ii. Secured term loans from bank

The Company had entered into a finance facility agreement with revised limit amounting ₹ 484,200,000 (previous year ₹ 366,900,000) with Kotak Mahindra Bank, under which various term loans and overdrafts have been availed at different times during the current and previous year.
The term loans so availed comprises five loans ₹ 83,558,732, ₹ 12,000,000, ₹ 35,000,000,₹ 50,000,000 and ₹ 44,000,000. Year end balances of these loans are ₹ Nil, ₹ 3,126,045, ₹ 14,274,445, ₹ 34,777,536 ₹ 44,000,000 (previous year ₹ 26,726,611, ₹ 7,273,186 ₹ 31,119,053, ₹ Nil and ₹ Nil) respectively.

Interest rate:
These loans carry interest at Bank's base rate + 4.25% per annum ranging from 14% to 14.25% (previous year 14.% to 14.25%).

Repayment schedule:

The loan of ₹ 83,558,732 is repayable in 28 equal monthly installments of ₹ 3,515,379 (inclusive of interest) for which November 15, 2014 was the last installment date.

The loan of ₹ 12,000,000 is repayable in 36 equal monthly installments of ₹ 410,132 (inclusive of interest) for which November 10, 2015 is the last installment date.

The loan of ₹ 35,000,000 is repayable in 24 equal monthly installments of ₹ 1,684,587 (inclusive of interest) for which December 25, 2015 is the last installment date.

The loan of ₹ 50,000,000 is repayable in 24 equal monthly installments of ₹ 2,406,554 (inclusive of interest) for which July 25, 2016 is 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
This loan is secured by way of first and exclusive charge on all present and future current and moveable assets including moveable fixed assets of the Company.
Lien over fixed deposits of ₹ 45,000,000.

Collateral security

The loan is 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.
- Lien over fixed deposits of ₹ 110,000,000

The loan was 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 above, overdraft facility upto ₹ 355,000,000 (Previous year ₹ 265,000,000) (disclosed in short term borrowings in the financial statements), cash management facility of ₹ 2,500,000 (Previous Year ₹ 2,500,000) and OD against credit card receivables of ₹ 15,000,000 (availed). Securities mentioned above are securities provided by the Company for such overall limit.

iii. Aggregate amount of loans guaranteed by directors of the Company ₹ 332,731,246 (previous year ₹ 305,779,029) [Includes amount of ₹ 51,738,842 (previous year ₹ 47,718,368) disclosed under other current liabilities as current maturities of long term borrowing (Refer note 11)] and short term borrowings amounting ₹ 236,553,220 (previous year ₹ 240,660,179) (Refer note 9).

7. Deferred tax liabilities

In accordance with Accounting Standard 22 on 'Accounting for Taxes on Income' the addition in Deferred Tax Liability of ₹ 2,299,599 (net of schedule II adjustment of ₹ 2,348,097) 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, 2015 that reverse in one or more subsequent years gave rise to the following net Deferred Tax Liabilities as at March 31, 2015.

	March 31, 2015 Amount in ₹	Charge/(benefit) Amount in ₹	March 31, 2014 Amount in ₹
Deferred tax assets			
Unabsorbed depreciation and brought forward business losses	-	5,473,346	5,473,346
Provision for diminution in value of investment	21,742	(406)	21,336
Provision for gratuity	3,179,598	(904,541)	2,275,057
Provision for leave encashment	3,410,385	(1,130,870)	2,279,515
Provision for loans and advances	13,974,092	(326,088)	13,648,004
Provision for incentive	3,771,030	(2,670,857)	1,100,174
Provision for doubtful debts	389,577	(55,711)	333,866
Provision for obsolescence of inventory	193,119	(193,119)	-
	24,939,543	**191,754**	**25,131,298**
Deferred tax liabilities			
On account of depreciation	42,797,286	4,455,942	38,341,344
Total deferred tax liabilities	**42,797,286**	**4,455,942**	**38,341,344**
Net deferred tax liabilities	**17,857,743**	**4,647,696**	**13,210,046**
Deferred tax charge for the year		**4,647,696**	
Less: Adjusted against opening reserves on account of depreciation according to Schedule II (refer note 4)		**2,348,097**	
Net Deferred tax charge for the year		**2,299,599**	

8. Provisions (Refer Note 36)

	Long-term		Short-term	
	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Provision for employees benefits				
Provision for gratuity	9,259,254	6,510,281	162,679	150,473
Provision for leave encashment	10,169,319	7,068,479	340,342	308,592
	19,428,573	**13,578,760**	**503,021**	**459,065**

CL Educate Limited
Notes to the Financial Statements for the year ended March 31, 2015

12. Tangible assets*#

Particulars	Gross block (at cost)				Accumulated depreciation					Net block
	As at April 1, 2014	Additions	Disposals/ Adjustments	As at March 31, 2015	As at April 1, 2014	Depreciation for the year	Adjustment as per Schedule II	Disposals/ Adjustments	As at March 31, 2015	As at March 31, 2015
Leased assets										
Land (Refer footnote ii)	20,043,350	-		20,043,350	2,158,973	222,481	-	-	2,381,454	17,661,896
Owned assets										
Building(Refer footnote i)	303,750,926	-	-	303,750,926	20,489,417	4,799,061	-	-	25,288,478	278,462,448
Plant & machinery	7,993,775	1,564,982		9,558,757	5,273,943	722,573	-	-	5,996,516	3,562,241
Leasehold improvement	19,549,865	5,356,414	1,250,171	23,656,108	14,458,528	3,846,302	-	1,250,171	17,054,659	6,601,449
Furniture and fixtures	5,362,197	1,769,083	1,749,302	5,381,978	3,322,939	1,020,421	54,368	1,710,407	2,687,321	2,694,657
Vehicles	12,616,453	-		12,616,453	5,745,672	1,351,400	260,474	-	7,357,546	5,258,907
Office equipment	20,600,902	1,615,342	4,486,698	17,729,546	8,806,747	2,906,582	5,994,114	4,200,545	13,506,898	4,222,648
Computers	28,123,250	36,559,587	15,932,466	48,750,371	21,006,702	13,394,499	793,577	9,449,071	25,745,707	23,004,664
Total	**418,040,718**	**46,865,408**	**23,418,637**	**441,487,489**	**81,262,921**	**28,263,319**	**7,102,533**	**16,610,194**	**100,018,579**	**341,468,910**

*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 and previous year. (See note 6).

#'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 ₹ 7,102,533 and deferred tax thereon has been adjusted against the opening reserves.

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 of ₹ 51,864,647 located at Faridabad, as fixed assets held for sale under other current assets. (Refer note 22). Further, fixed assets aggregating ₹ 800,000 are also classified as held for sale in current year.

12. Tangible assets*

Particulars	Gross block (at cost)				Accumulated depreciation				Net block
	As at April 1, 2013	Additions	Disposals/ Adjustments	As at March 31, 2014	As at April 1, 2013	Depreciation for the year	Disposals/ Adjustments	As at March 31,2014	As at March 31,2014
Leased assets									
Land (Refer footnote ii)	20,043,350	-	-	20,043,350	1,936,492	222,481	-	2,158,973	17,884,377
Owned assets									
Building(Refer footnote i)	303,750,926	-	-	303,750,926	15,538,276	4,951,141	-	20,489,417	283,261,509
Plant & machinery	8,372,154	-	378,379	7,993,775	4,919,830	591,910	237,797	5,273,943	2,719,832
Leasehold improvement	20,039,322	3,530,666	4,020,123	19,549,865	14,596,918	3,879,097	4,017,487	14,458,528	5,091,337
Furniture and fixtures	5,574,109	144,203	356,115	5,362,197	3,265,556	367,183	309,800	3,322,939	2,039,258
Vehicles	12,616,453	-	-	12,616,453	4,484,026	1,261,646	-	5,745,672	6,870,781
Office equipment	20,429,671	905,476	734,245	20,600,902	7,227,784	2,031,689	452,726	8,806,747	11,794,155
Computers	28,443,783	1,189,373	1,509,906	28,123,250	18,010,551	4,316,556	1,320,405	21,006,702	7,116,548
Total	**419,269,768**	**5,769,718**	**6,998,768**	**418,040,718**	**69,979,433**	**17,621,703**	**6,338,215**	**81,262,921**	**336,777,797**

*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 and previous year. (See note 6).

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 of ₹ 51,864,647 located at Faridabad, as fixed assets held for sale under other current assets. (Refer note 22)

CL Educate Limited
Notes to the Financial Statements for the year ended March 31, 2015

13. Intangible assets*

Particulars	Gross block (at cost)				Accumulated amortisation				Netblock
	As at April 1, 2014	Additions	Disposals/ Adjustments	As at March 31, 2015	As at April 1, 2014	Amortisation for the year	Disposals/ Adjustments	As at March 31, 2015	As at March 31, 2015
Owned assets									
Intellectual property rights and trademarks	166,147,995	-	-	166,147,995	67,557,786	13,661,648	-	81,219,434	84,928,561
Softwares	11,230,212	917,752	-	12,147,964	9,586,575	545,563	-	10,132,138	2,015,826
Content development	16,722,705	22,900,000	-	39,622,705	8,034,788	5,746,131	-	13,780,919	25,841,786
License fees	2,800,000	-	-	2,800,000	974,880	933,240	-	1,908,120	891,880
CAT online module	1,830,150	5,810,920	-	7,641,070	1,830,150	1,691,927	-	3,522,077	4,118,993
Total	**198,731,062**	**29,628,672**	**-**	**228,359,734**	**87,984,179**	**22,578,509**	**-**	**110,562,688**	**117,797,046**

*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 in the current and previous year. (See note 6).

13. Intangible assets*

Particulars	Gross block (at cost)				Accumulated amortisation				Net block
	As at April 1, 2013	Additions	Disposals/ Adjustments	As at March 31, 2014	As at April 1, 2013	Amortisation for the year	Disposals/ Adjustments	As at March 31, 2014	As at March 31, 2014
Owned assets									
Intellectual property rights and trademarks	166,147,995	-	-	166,147,995	51,920,781	15,637,005	-	67,557,786	98,590,209
Softwares	10,367,762	940,750	78,300	11,230,212	8,990,500	655,325	59,250	9,586,575	1,643,637
Content development	12,600,000	4,122,705	-	16,722,705	5,406,575	2,628,213	-	8,034,788	8,687,917
License fees	600,000	2,200,000	-	2,800,000	41,640	933,240	-	974,880	1,825,120
CAT online module	1,830,150	-	-	1,830,150	1,830,150	-	-	1,830,150	-
Total	**191,545,907**	**7,263,455**	**78,300**	**198,731,062**	**68,189,646**	**19,853,783**	**59,250**	**87,984,179**	**110,746,883**

*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 in the current and previous year. (See note 6).

14. Capital work in progress

Particulars	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Opening balance	-	93,235
Less: Capitalised during the year as:		
Leasehold improvements	-	93,235
Closing balance	-	-

15. Non-current investments

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Investment property		
(Non-trade, valued at cost less accumulated depreciation)		
Cost of building	13,113,500	13,113,500
Less: Accumulated depreciation	1,614,568	1,407,690
Closing balance (A)	**11,498,932**	**11,705,810**
Equity shares in subsidiary companies		
(Trade, un-quoted, at cost)		
92,48,053 (Previous year 5,430,026) fully paid up equity shares of ₹ 10 each of Career Launcher Education Infrastructure and Services Limited	1,296,768,376	223,990,983
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 (Refer footnote i)	143,388,978	143,388,978
6,576 (Previous year 6,576) fully paid up equity shares of ₹ 10 each of CL Higher Education Services Private Limited	65,760	65,760
Less : Provision for dimunition in value of investment in CL Higher Education Services Private Limited	(65,760)	(65,760)
Closing balance (B)	**1,509,357,354**	**436,579,961**
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)	**1,525,856,286**	**453,285,771**

The aggregate book value of unquoted non current investment are as follows:

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Aggregate book value of unquoted non current investment (excluding provision for impairment)	1,514,423,114	441,645,721

The Company has given undertaking to HDFC Limited against the loan of ₹ 280,000,000 taken by Career Launcher Infrastructure Private Limited (CLIP), a subsidiary company of its subsidiary named Career Launcher Education Infrastruture and Servies Limited (CLEIS), that it will continue to hold atleast 51% of equity shares of CLEIS throughout the tenure of said loan.
There are no other significant restrictions on the right of ownership, realisability of investments or the remittance of income and proceeds of disposal.

Footnotes:

For the year ended March 31, 2015
During the year, the Company has issued 12,917 and 10,569 number of shares to Rakesh Mittal and Poonam Mittal respectively on September 5, 2014 and adjusted against the share application money received in the previous year amounting ₹ 13,856,863.(Refer note 5)

For the year ended March 31, 2014
The Company has acquired third and last tranche of shares in GKP by payment of cash consideration as stipulated above. Balance consideration amounting ₹ 13,856,863 to be settled by issue of equity shares. The Board in its meeting held on July 22, 2014 proposed to issue 23,486 equity shares at the price of ₹ 590 per share subject to approval by shareholders in ensuing annual general meeting. Pending issue of such shares as at Balance Sheet date, the Company had recorded consideration so payable as share application money pending allotment. (Refer note 5)

16. Long-term loans and advances

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Unsecured, considered good, unless otherwise stated		
Capital advances	1,095,163	1,291,359
Security deposits	11,575,140	8,098,254
Subtotal A	**12,670,303**	**9,389,613**
Service tax paid under protest	21,302,000	21,302,000
Loans and advances to employees	76,000	2,071,834
Advance income-tax [(net of provision for tax of ₹ 147,852,800) (P.Y. ₹ 125,719,800)]	31,200,183	46,358,953
MAT Credit Entitlement	5,120,615	5,519,000
Others (Refer note 46)	24,859	24,859
Subtotal B	**57,723,657**	**75,276,646**
Total (A+B)	**70,393,960**	**84,666,259**

17. Other non-current assets

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Unsecured, considered good		
Interest accrued on non current deposits	-	88,447
Non-current bank balances (Refer note 20)	112,341,980	132,341,980
	112,341,980	**132,430,427**

18. Inventories (Valued at cost or net realisable value, whichever is lower)

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Traded goods		
- Text books	45,330,322	33,647,181
Less: Provision for obsolescence of inventory	584,094	-
	44,746,228	**33,647,181**

19. Trade receivables

	March 31, 2015 Amount in ₹	March 31, 2014 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)		
- Considered good	234,728,090	65,968,856
- Considered doubtful	1,178,286	1,029,022
	235,906,376	66,997,878
Less: Provision for doubtful trade receivables	1,178,286	1,029,022
	234,728,090	65,968,856
Others	300,499,883	292,943,632
	535,227,973	**358,912,488**

Footnote:
The above includes ₹ 13,172,289 (Previous year ₹ 12,602,599) recoverable from Monica Oli (Authorised to run Comprehensive Education and IT Training Institute). (Refer note 48)

20. Cash and bank balances

	Non-current		Current	
	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Cash and cash equivalents				
Balances with banks:				
– on current accounts	-	-	54,355,176	28,080,092
Cheques/ drafts on hand	-	-	4,486,231	2,898,968
Cash on hand	-	-	3,955,709	3,953,560
	-	**-**	**62,797,116**	**34,932,620**
Other bank balances				
- in unpaid dividend account	-	-	17,075	19,822
– Deposits with original maturity for more than 3 months but less than 12 months from the reporting date	-	-	2,592,505	5,999,700
– Margin money deposits and under lien deposits (Refer footnote i)	112,341,980	132,341,980	47,998,224	3,710,692
	112,341,980	132,341,980	113,404,920	44,662,834
Amount disclosed under other non-current assets (Refer note 17)	(112,341,980)	(132,341,980)	-	-
	-	-	**113,404,920**	**44,662,834**

Footnote: i

Current deposits include:

- Deposits of ₹ 1,837,750 (Previous year ₹ 1,694,629) for issue of guarantees in favor of Northern Eastern Council Secretariat, Shilong,
- Deposits of ₹ 750,600 (Previous year ₹ 1,447,000) in favour of for the purpose of paper purchase,
- Deposits of ₹ 339,605 (Previous year ₹ 504,063) for issue of guarantees in favor of The Directorate of Employment Training, Gandhi Nagar-TDD,
- Deposits of ₹ 70,269 (Previous year ₹ 65,000) submitted in bank against consumer court case appeal
- Deposits of ₹ 45,000,000 (Previous year ₹ Nil) submitted in bank against overdraft facility

"Non current deposits include:

- Deposits of ₹ 99,518 (Previous year ₹ 99,518) for issue of guarantees in favor of value added tax authorities,
- Deposits of ₹ 2,003,429 (Previous year ₹ 2,003,429) for issue of guarantees in favor of Development Support Agency of Gujarat- TDD Project,
- Deposits of ₹ 239,033 (Previous year ₹ 239,033) for issue of guarantees in favor of The Directorate of Employment Training, Gandhi Nagar-TDD,
- Deposits aggregating to ₹ 110,000,000 (Previous year ₹ 130,000,000) pledged with banks for overall loan facility (Refer footnote ii of note 6).

21. Short term loans and advances

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Unsecured, considered good, unless otherwise stated		
- Considered good	15,980,156	13,078,700
- Considered doubtful	636,266	436,266
	16,616,422	**13,514,966**
Less: provision for doubtful balance	636,266	436,266
Subtotal (A)	**15,980,156**	**13,078,700**
Loans and advance to related parties (Refer note 46)		
- Considered good	128,965,794	79,996,380
- Considered doubtful	1,404,371	1,404,371
	130,370,165	**81,400,751**
Less: Provision for doubtful advances	1,404,371	1,404,371
Subtotal (B)	**128,965,794**	**79,996,380**
Loans and advance to Others		
- Considered good		
Other receivables from related parties (Refer note 46)		
- on account of transfer of fixed assets	1,393,621	1,618,979
- Considered good	2,000,217	585,860
Subtotal (C)	**3,393,838**	**2,204,839**
Other loans and advances		
Loans and advances to employees	3,818,377	317,093
Balance with government authorities		
- Service tax credit receivable available for adjustment	1,317,111	413,434
Other advances recoverable in cash or in kind		
- Prepaid expenses	94,532,329	105,861,084
- Loan and advances to franchisees	70,000	70,000
- Advance to suppliers	2,967,201	116,456
- Receivable from others (good)	31,964,386	2,849,485
- Receivable from others (doubtful)	40,224,409	40,224,409
	174,893,813	**149,851,961**
- Less: Provision for doubtful loans and advances	40,224,409	40,224,409
Subtotal (D)	**134,669,404**	**109,627,552**
Total (A+B+C+D)	**283,009,192**	**204,907,471**

22. Other current assets

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Interest accrued but not due on fixed deposits	2,094,465	1,469,343
Other receivable from related party (Refer footnote i and note 46)	22,841,122	
Total (A)	**24,935,587**	**1,469,343**
Fixed asset held for sale (Refer footnote (iii) of note 12)*	52,664,647	51,864,647
Total (B)	**52,664,647**	**51,864,647**
Total (A+B)	**77,600,234**	**53,333,990**

Footnote:

i. During the year, CLEIS a subsidiary company has recorded an expense 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 expense has been recorded by the Company and ESOP reserves has been created with a corressponding receivables 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 and previous year. (See note 6).

23. Revenue from operations

	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Revenue from operations		
Sale of products (traded)		
- Sale of text book	251,834,823	186,524,306
Sale of services		
- Education and training programmes	896,628,843	812,617,942
- Vocational training services	207,746,113	97,994,122
	1,356,209,779	**1,097,136,370**
Other operating revenue		
Start up fees from franchisees	27,458,743	17,313,898
Campus placement income	7,218,054	3,666,000
Grant income	105,380,219	64,878,538
Scrap sale	102,820	110,912
Revenue from operations	**1,496,369,615**	**1,183,105,719**

Footnotes

i. Includes income from related party (refer Note 46)

24. Other Income

	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Interest income on		
-Fixed deposits	14,756,216	16,480,065
- loans and advances (refer footnote i)	4,352,043	1,784,446
Advertising income (refer footnote i)	12,322,445	10,989,830
Net gain on foreign currency transactions and translations	102,577	1,619,365
Liabilities no longer required written back	14,513,247	16,639,410
Infrastructure fees (refer footnote i)	2,280,000	1,380,000
Rent income from investment property net of expenses (refer footnote ii)	1,318,710	80,000
Bad debts recovered	950,587	807,504
Notice period recovery	2,367,135	1,978,958
Miscellaneous income	256,725	1,278,107
	53,219,685	**53,037,684**

Footnotes

i. Includes income from related parties (refer note 46).

ii. Rent income (net of expense)

	March 31, 2015	March 31, 2014
Rent income on building classified as Investment property	1,525,588	293,750
Less: Depreciation on building classified as investment property	206,878	213,750
	1,318,710	**80,000**

25. Purchase of traded goods

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Text books	116,733,566	102,850,342
Paper	702,746	2,019,971
Others	28,283,909	12,543,486
	145,720,221	**117,413,799**

26. (Increase) in inventories of traded goods

		March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Opening stock	A	33,647,181	24,284,972
Closing stock	B	45,330,320	33,647,181
(Increase) in inventory of traded goods	(A-B)	**(11,683,139)**	**(9,362,209)**

27. Cost of services

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Franchisee expenses	397,810,512	327,596,622
Faculty expenses	85,629,297	84,083,443
Equipment hire expenses (Refer footnote i)	35,700,246	25,267,255
Hostel expenses	39,121,224	11,896,229
Mobilization expenses	11,688,592	13,708,555
Project monitoring charges	-	837,218
Placement support expenses	15,468,500	11,408,500
Other test prep related consumables	1,962,651	2,271,894
	587,381,022	**477,069,716**

Footnotes

i. Includes expense from related party (refer Note 46).

28. Employee benefits expense

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Salary, wages, bonus and other benefits	217,053,182	203,229,236
Contribution to provident and other funds (Refer note 36)	6,232,229	3,821,528
Gratuity expense (Refer note 36)	3,659,715	2,909,148
Leave encashment expense (Refer note 36)	4,580,703	3,181,687
Expense on employee stock option (ESOP) scheme (Refer note 37)	7,016,855	853,950
Staff welfare expenses	7,213,503	6,587,275
	245,756,187	**220,582,824**

29. Finance costs

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Interest expense on borrowings		
-Vehicle loan	231,374	329,502
-Overdraft	32,921,767	30,184,490
-Term loan	10,295,692	11,938,856
Other borrowing costs		
- Loan processing charges	2,446,639	1,541,939
- Bank guarantee charges	-	110,173
Interest on delayed payment of	1,200,000	-
- Advance income tax	70,413	28,389
- Other statutory dues	**47,165,885**	**44,133,349**

30. Depreciation and amortisation expenses

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Depreciation of tangible assets (Refer note 12)	28,263,319	17,621,703
Amortisation of intangible assets (Refer note 13)	22,578,509	19,853,783
	50,841,828	**37,475,486**

31. Other expenses

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Rent expenses (Refer note 40)	70,572,676	58,775,267
Office expenses	25,788,869	30,107,739
Travelling and conveyance expenses	23,881,297	22,438,168
Communication expenses	16,933,777	16,594,488
Water and electricity expenses	11,973,684	11,670,790
Legal and professional expenses (Refer note 38)	11,399,464	10,746,254
Repairs and maintenance expenses		
-Building	11,685,492	8,955,719
-Others	5,420,413	3,906,874
Marketing research	11,911,125	12,237,225
Advertisement, publicity and sales promotion	74,447,985	55,797,859
Material development and printing expenses	24,156,907	3,627,030
Freight and cartage expenses	4,012,727	3,333,010
Printing and stationery expenses	2,995,048	2,884,612
Rates and taxes expenses	3,125,955	18,865
Provision for obsolescence of inventory	584,094	-
Newspaper, books and periodicals expenses	889,245	755,416
Insurance expenses	1,295,190	1,322,287
Recruitment, training and development expenses	1,771,466	2,857,661
Donations	10,055	119,810
Business service fee expenses	2,400,000	2,400,000
Bank charges (other than finance cost)	4,571,184	2,984,365
Business promotion expenses	9,155,003	7,144,908
Sales Incentive	3,893,130	1,872,088
Commission to non executive directors	498,258	122,642
Bad debts written off	60,006,567	38,996,311
Doubtful advances written-off	1,238,946	505,688
Miscellaneous balances written-off	1,271,188	1,622,780
Provision for doubtful advance	200,000	340,333
Provision for doubtful debts	1,178,286	-
Loss on Sales of Assets	4,883,393	-
Fixed assets written off	325,048	679,602
Miscellaneous expenses	2,941,906	2,802,448
	395,418,378	**305,620,239**

32. Prior period expenses (net)

		March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Prior period income			
- Legal and professional expenses			500,000
- Other		-	52,596
	A	-	**552,596**
Prior period expenses			
- Legal and professional expenses		-	844,000
- Miscellaneous expenses		-	187,500
	B	-	**1,031,500**
Prior period expenses (net) (A-B)	**(A-B)**	-	**478,904**

33. 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, 2015	March 31, 2014
Profit after tax	A	₹	65,756,319	17,493,386
Add: Exceptional expenses			-	15,488,025
Profit after tax but before exceptional expenses	B		65,756,319	32,981,411
Weighted average numbers of equity shares	C	Numbers	10,708,949	9,417,810
Add: Dilutive potential equity shares (Refer footnote i)	D	Numbers	161,790	304,946
Number of equity shares for dilutive EPS	E=C+D	Numbers	10,870,739	9,722,756
Basic earnings per share before exceptional expenses	B/C	₹	6.14	3.50
Diluted earnings per share before exceptional expenses	B/E	₹	6.05	3.39
Basic earnings per share after exceptional expenses	A/C	₹	6.14	1.86
Diluted earnings per share after exceptional expenses	A/E	₹	6.05	1.80

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:

Weighted average number of shares	March 31, 2015 In numbers	March 31, 2014 In numbers
Shares to be issued to Rakesh Mittal and Poonam Mittal (Refer footnote a)	-	23,486
Employee stock option outstanding (Refer footnote b)	88,301	46,166
Class-II shares-CCPS (Refer footnote c)	60,415	193,433
Class-III shares-OCPS (Refer footnote c)	13,074	41,861
	161,790	**304,946**

For the year ended March 31, 2015

a. During the year, the Company has issued equity shares of CL Educate Limited to the promoters of G. K. Publication Private Limited for purchase of third and last tranche of equity share of G. K. Publication Private Limited (Refer note 5). Therefore, such shares are no more dilutive in nature and are added to the number of equity shares outstanding in the computation of basic earnings per share.

b. The Company has ESOP outstanding as on balance sheet date, shares which are outstanding and will be issued at, for a lesser 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 exercising 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.

c. During the year, the Company has issued equity shares of CL Educate Limited to GPE (India) Limited and Gaja Trustee Company Private Limited for Class- III shares-OCPS as per terms mentioned in footnote D of note 3. Therefore, such shares have been treated as dilutive till the date of conversion.

For the year ended March 31, 2014

a. The Company has committed to issue equity shares of CL Educate Limited to the promoters of G. K. Publication Private Limited for purchase of third and last tranche of equity share of G. K. Publication Private Limited (Refer footnote i of note 15). As the numbers of shares and share price for such issue is determined as of the reporting date, the impact of the same as potential equity share for calculation of diluted earnings per share has been taken.

b. The Company has ESOP outstanding as on balance sheet date, shares which are outstanding and will be issued at, for a lesser 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 exercising 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.

c. The Company has committed to issue equity shares of CL Educate Limited to GPE (India) Limited on conversion of Class- II shares-CCPS and Gaja Trustee Company Private Limited for Class- III shares-OCPS as per terms mentioned in footnote D of note 3. The conversion price 1 and 2 as mentioned in footnote D of note 3 of the financial statements has elapsed. Shareholders have right to seek the conversion of these shares at a price per equity shares of ₹ 425 each as stipulated in conversion price 3. Hence, number of shares is determined as of the reporting date, therefore, such shares are considered as dilutive and are added to the number of equity shares outstanding in the computation of diluted earnings per share.

34. Contingent liabilities (to the extent not provided for)

Particulars	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Claims against the Company not acknowledged as debt [Refer footnote (i)]	319,293,266	319,293,266
Corporate guarantees [Refer footnote (ii)]	355,000,000	380,000,000
	674,293,266	**699,293,266**

Footnote i: Details of claims against the Company not acknowledged as debt

Particulars	Year Pertaining	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Service Tax (a)	July 2003 to September 2008	142,013,412	142,013,412
Service Tax (a)	October 2008 to March 2009	7,372,308	7,372,308
Service Tax (a)	April 2009 to September 2009	10,664,476	10,664,476
Service Tax (a)	October 2009 to September 2010	71,756,945	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	11,981,634	11,981,634
Total		**319,293,266**	**319,293,266**

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 under protest.

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 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 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 year, the Company has received an order passed by Commissioner (Appeals) of Service tax. The Company has 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 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

The Company had been allotted a land located at Faridabad (Haryana) in an auction by Hon'ble High Court of Jharkhand. When the Company applied for transfer of ownership in the records of Haryana Urban Development Authority (HUDA), the transfer permission was granted with levy of extension fee of ₹ 6,700,000 (previous year ₹ 6,700,000) on account of various dues not paid by the erstwhile owner. The Company has disputed the demand and has preferred an appeal with the Administrator, HUDA.

Rashtriya advertising & Prabhatam Advertising Pvt Ltd, a service provider has filed a claim against the Company for recovery of an amount of ₹ 1,456,079 (previous year ₹ 1,456,079) with interest as balance of amounts due. The Company has disputed the demand and the case is under trial in the court of law.

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.

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

Bank Name	Name of the guaranter	Name of the borrower	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
IndusInd Bank Limited	CL	Kestone	75,000,000	75,000,000
Kotak Mahindra Bank	CL	CLM	-	25,000,000
HDFC Limited	CL /CLEIS	CLIP	280,000,000	280,000,000
Total			**355,000,000**	**380,000,000**

The Company has given an undertaking to continue to provide financial support to CL Higher Education Services Private Limited ('CLHES'), the subsidiary of the Company, to meet financial liabilities for winding up activities of CLHES.

35. Commitments

Particulars	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
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)]	8,400,000	10,800,000
- to others [Net of advances of ₹ 1,095,163 (previous year ₹ 1,291,359]	69,757	-
Commitment for license fees from Threesixtyone Degree Minds Consulting Private Limited	-	250,000
Total capital commitments (A)	**8,469,757**	**11,050,000**
Other material Commitments		
Commitment for maintenance of contents to related party	8,400,000	10,800,000
Total other material commitments (B)	**8,400,000**	**10,800,000**
Total commitments (A+B)	**16,869,757**	**21,850,000**

36. Employee benefits obligations

The Company has in accordance with the Accounting Standard-15 'Employee Benefits' has calculated the 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, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Employers contribution to provident fund	6,112,506	3,699,184
Employers contribution to employees' state insurance	119,723	122,344
Total (Refer note 28)	**6,232,229**	**3,821,528**

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, 2015	March 31, 2014	March 31, 2015	Mar 31, 2014
Discount rate (per annum)	8.00%	9.07%	8.00%	9.07%
Expected rate of increase in compensation levels	8.00%	7.39%	8.00%	7.39%
Expected rate of return on plan assets	N.A.	N.A.	8.75%	8.75%
Expected average remaining working lives of employees (years)	26.84	26.90	26.84	26.90
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 8.00% (previous year 9.07%) 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

(Amount in ₹)

Particulars	Earned Leave (unfunded)		Gratuity (funded)	
	Mar 31, 2015	March 31, 2014	Mar 31, 2015	March 31, 2014
Present value of obligation at the beginning of the year	7,377,071	5,917,117	7,792,400	5,930,320
Current service cost	2,055,412	1,343,014	2,485,673	1,698,003
Interest cost	669,100	473,369	706,771	474,426
Past service cost	-	-	-	-
Benefit paid	(1,448,113)	(1,721,733)	(591,086)	(1,197,117)
Actuarial loss on obligation	1,856,191	1,365,304	552,988	886,768
Present value of obligation at the end of the year	10,509,661	7,377,071	10,946,746	7,792,400

III. Fair value of plan assets

Particulars	Gratuity (funded)	
	Mar 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Fair value of plan assets at the beginning of the year	1,131,646	2,031,805
Expected return on plan assets	99,019	177,783
Contributions	898,537	88,063
Received from fund		-
Benefits paid	(591,086)	(1,138,271)
Actuarial (loss) on plan assets	(13,302)	(27,734)
Fair value of plan assets at the end of the year	**1,524,814**	**1,131,646**

IV. Expenses recognised in the Statement of Profit and Loss for the year

(Amount in ₹)

Particulars	Earned leave (unfunded)		Gratuity (funded)	
	Mar 31, 2015	March 31, 2014	Mar 31, 2015	March 31, 2014
Current service cost	2,055,412	1,343,014	2,485,673	1,698,003
Interest cost	669,100	473,369	706,771	474,426
Past service cost	-	-	-	-
Expected return on plan assets	-	-	(99,019)	(177,783)
Net actuarial loss to be recognized	1,856,191	1,365,304	566,290	914,502
Expense recognised in Statement of Profit and Loss	4,580,703	3,181,687	3,659,715	2,909,148

V. Reconciliation of present value of defined benefit obligation and fair value of assets

(Amount in ₹)

Particulars	Earned Leave (unfunded)		Gratuity (funded)	
	Mar 31, 2015	March 31, 2014	Mar 31, 2015	March 31, 2014
Present value of obligation as at the end of the year **(A)**	10,509,661	7,377,071	10,946,746	7,792,400
Fair Value of plan assets as at the end of the year **(B)**	-	-	1,524,814	1,131,646
Net liability recognized in Balance Sheet as at year end **(A-B)**	10,509,661	7,377,071	9,421,932	6,660,754
Amount classified as:				
Short term provision (Refer note 8)	340,342	308,592	162,679	150,473
Long term provision (Refer note 8)	10,169,319	7,068,479	9,259,253	6,510,281

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)

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014	March 31, 2013
PBO	10,946,746	7,792,400	5,930,320
Plan assets	1,524,814	1,131,646	2,031,805
Net (liability)	(9,421,932)	(6,660,754)	(3,898,515)
Experience gain/(loss) on PBO	(1,739,727)	452,704	924,288
Experience gain/(loss) on plan assets	(13,302)	(37,893)	(2,879)

Particulars	March 31, 2012	March 31, 2011
PBO	5,151,348	5,220,924
Plan assets	1,962,767	1,632,356
Net (liability)	(3,188,581)	(3,588,568)
Experience gain/(loss) on PBO	785,029	(1,600,913)
Experience gain/(loss) on plan assets	39,845	(24,004)

(b) Earned Leave (unfunded)

(Amount in ₹)

Particulars	March 31, 2015	March 31, 2014	March 31, 2013
PBO	10,509,661	7,377,071	5,917,117
Plan assets	-	-	-
Net (liability)	(10,509,661)	(7,377,071)	(5,917,117)
Experience (loss) on PBO	119,956	(191,308)	(648,627)
Experience gain/(loss) on plan assets	-	-	-

Particulars	March 31, 2012	March 31, 2011
PBO	5,003,743	4,919,119
Plan assets	-	-
Net (liability)	(5,003,743)	(4,919,119)
Experience (loss) on PBO	(201,840)	(442,554)
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, 2015 and March 31, 2014 has not been provided by Life Insurance Corporation of India.

(c) Employer's best estimate for contribution during next year

Particulars	Amount in ₹
Employees gratuity fund	4,377,888
Earned leave	2,082,898

37. Employees share based payment plan

Pursuant to shareholder resolution dated March 6, 2008, the Company introduced "Employee Stock Option Plan 2008 (CL ESOP -2008)" 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. 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 272,468 (previous year 248,968) stock options have been granted under this scheme.

The terms and conditions related to grant of the share options are as follows:

******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.*

Employees entitled	No. of options	Vesting conditions	Contractual life of options (in years)
Directors of the Company (and its subsidiaries)	154,857	3 years' service from the grant date	1.64
Employees	117,611	3 years' service from the grant date	4.19

Share based payment expenses	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
CL ESOP -2008 (Refer footnote)	7,016,855	853,950

Footnote:

Includes reversal of liability amounting ₹ 1,279,308 in current year and expenses amounting ₹ 100,033 in the previous year on account of stock options of CLEIS, a subsidiary of the Company, to employees of the Company.

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, 2015 Number of Stock Options	March 31, 2015 Weighted average exercise Price (₹)	March 31, 2014 Number of Stock Options	March 31, 2014 Weighted average exercise Price (₹)
Employees Stock Option Plan 2008				
Outstanding at the beginning of the year	9,600	300.00	9,600	300.00
Granted during the year	-	-	-	-
Exercised during the year	2,400	300.00	-	-
Forfeited during the year	-	-	-	-
Expired during the year	2,400	300.00	-	-
Outstanding at the end of year	4,800	300.00	9,600	300.00
Exercisable at year end	4,800	300.00	9,600	300.00
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

(Amount in ₹)

Particulars	March 31, 2015 Number of Stock Options	March 31, 2015 Weighted average exercise	March 31, 2014 Number of Stock Options	March 31, 2014 Weighted average exercise
Employees Stock Option Plan 2008				
Outstanding at the beginning of the year	179,482	322.37	181,357	318.45
Granted during the year	23,500	430.00	5,000	262.00
Exercised during the year	500	175.00	-	-
Forfeited during the year	-	-	4,250	175.00
Expired during the year	2,125	175.00	2,625	175.00
Outstanding at the end of year	200,357	336.92	179,482	322.37
Exercisable at year end	167,107	330.46	15,750	214.13
Vested during the year	11,125	207.58	8,500	217.64
Weighted average grant date fair value per option for option granted during the year at less than fair value	23,500	430.00	5,000	415.00

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2015	March 31, 2014
Dividend yield (%)	-	-
Expected volatility (%)*	76.65%	19.04%
Risk-free interest rate (%)	8.00%	8.70%
Weighted average share price (in ₹)	488.00	334.00
Exerciseprice(in ₹)	175-300	175-300

*Expected volatility has been determined using historical fluctuation in share issue prices of the Company.

38. Payment to auditors (excluding service tax)

Particulars	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Statutory audit	2,300,000	2,300,000
Other services [including fee for Initial Public Offerings ('IPO')]*	9,975,000	678,414
Reimbursement of expenses	274,161	-
Total	**12,549,161**	**2,978,414**

* Pending completion of IPO the same are recorded under loans and advances.

39. 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, 2015

(Amount in ₹)

Particulars	Education and training programme (including sale of study material)	Vocational training	Others	Total
Revenue				
External revenue	1,175,922,410	313,126,332	7,320,873	1,496,369,615
Total revenue	**1,175,922,410**	**313,126,332**	**7,320,873**	**1,496,369,615**
Results Segment results	**150,157,814**	**66,800,625**	**7,320,874**	**224,279,313**
Unallocated expenses				**141,344,195**
Operating profit				**82,935,118**
Finance costs				(47,165,885)
Other income including finance income	17,473,598	1,264,965	34,481,122	53,219,685
Prior period expenses(net)				-
Exceptional expenses				-
Profit before tax				**88,988,918**
Income taxes				(23,232,599)
Net profit				**65,756,319**
As at March 31, 2015				
Segment assets	549,813,505	485,889,376	-	1,035,702,881
Unallocable assets				2,186,143,848
Total assets				**3,221,846,729**
Segment liabilities	336,222,066	149,612,424	-	485,834,490
Unallocable liabilities				374,352,392
Total liabilities				**860,186,882**
Other information				
Capital expenditure-allocable	39,112,545	35,350,000	-	74,462,545
Capital expenditure-unallocable	-	-	-	2,031,535
Depreciation and amortisation- allocable	28,778,419	11,207,843	-	39,986,262
Depreciation and amortisation-unallocable	-	-	-	10,855,566
Other significant non-cash expenses (net)-allocable	51,242,290	18,001,527	-	69,243,817
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:

(Amount in ₹)

Particulars	Within India	Overseas	Total
Segment revenue	1,480,290,604	16,079,011	**1,496,369,615**
Segment assets	3,221,373,055	473,674	**3,221,846,729**
Segment liabilities	854,502,219	5,684,663	**860,186,882**
Capital expenditures	76,156,429	337,651	**76,494,080**

For the Year ended March 31, 2014

(Amount in ₹)

Particulars	Education and training programme (including sale of study material)	Vocational Training	Others	Total
Revenue				
External revenue	1,016,456,146	162,872,660	3,776,913	1,183,105,719
Total revenue	**1,016,456,146**	**162,872,660**	**3,776,913**	**1,183,105,719**
Results				
Segment results	**176,244,966**	**7,762,894**	**3,776,912**	**187,784,772**
Unallocated expenses				**153,478,907**
Operating profit				**34,305,865**
Finance costs				(44,133,349)
Other income including finance income				53,037,684
Prior period income (net)				(478,904)
Exceptional expenses				(15,488,025)
Profit before tax				**27,243,270**
Income taxes				(9,749,884)
Net profit				**17,493,386**
As at March 31, 2014				
Segment assets	421,294,545	180,973,555	-	602,268,100
Unallocable assets				1,211,103,001
Total assets				**1,813,371,101**
Segment liabilities	214,638,743	81,537,524	-	296,176,267
Unallocable liabilities				391,030,050
Total liabilities				**687,206,317**
Other information				
Capital expenditure-allocable	5,243,558	526,160	-	5,769,718
Capital expenditure-unallocable	-	-		7,263,455
Depreciation and amortisation- allocable	7,253,788	723,067	-	7,976,855
Depreciation and amortisation-unallocable	-	-		29,498,631
Other significant non-cash expenses (net)-allocable	46,073,747	867,399	-	46,941,146
Other significant non-cash expenses (net)-unallocable	-	-		1,794,952

Secondary segment

The Company has identified Geographical Segment as Secondary Segment.

Financial information about the geographic segment is given below:

(Amount in ₹)

Particulars	Within India	Overseas	Total
Segment revenue	1,183,105,719	-	**1,183,105,719**
Segment assets	1,790,907,005	22,464,096	**1,813,371,101**
Segment liabilities	686,937,633	268,684	**687,206,317**
Capital expenditures	12,871,230	161,943	**13,033,173**

40. 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, 2015 and March 31, 2014 was ₹ 70,572,676 and ₹ 58,775,267 respectively. Total of future minimum lease payments under non-cancellable leases are as follows:

Particulars	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Not later than one year	10,396,400	1,700,426
Later than one year but not later than 5 years	7,223,806	-
Later than 5 years	-	-
Total	**17,620,206**	**1,700,426**

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 ₹ 1,525,588 (Previous year ₹ 293,750). There are no non cancellable leases and hence disclosure relating to minimum lease receipts has not been provided.

41. Expenditure in foreign currency

Particulars	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Travelling and conveyance	1,130,726	-
Bank charges	83,160	46,009
Rent	1,431,749	407,375
Salary and wages	1,562,316	2,196,836
Faculty expenses	10,604,173	-
Others	3,526,708	69,835
Total	**18,338,832**	**2,720,055**

42. Earnings in foreign currency

Particulars	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Test preparation training services	10,255,213	-
Sale of study material	5,823,798	-
Total	**16,079,011**	**-**

43. 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, 2015 Amount in ₹	March 31, 2014 Amount in ₹	March 31, 2015 Amount in Original Currency	March 31, 2014 Amount in Original Currency
- Trade receivables	26,661,672	14,242,769	AED 1,465,765 QAR 100,000	AED 773,930 QAR 100,000
- Payable for expenses	691,080	-	AED 40,604	-
- Short term loans and advances	48,533,092	48,637,047	SGD 174,867 USD 768,589 AED 36,853	SGD 174,867 USD 768,589 AED 23,815
- Cash and bank balances	1,483,235	138,309	AED 87,147	AED 8,494

*Abbreviations: AED: United Arab Emirates Dirham, QAR: Qatari Rial, SGD: Singapore Dollar and USD: United States Dollar.

44. 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 ₹ 224,239 on prescribed CSR activities. However, as the policy was approved towards the end of the financial year, the Company could not implement the same and thus neither any CSR activity was undertaken nor any amount was spent towards CSR during the year and the company expects to spend the same in next financial year. Further, 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.

45. Disclosure relating to suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006:

Particulars	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year included in		
- Trade payables	228,607,669	146,539,624
Other current liabilities		
- Payables for expenses	59,258,181	45,801,692
- Payables on purchase of fixed assets	6,358,243	363,980
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
	294,224,093	**192,705,296**
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 day 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 expenditure under section 23 of the MSMED Act 2006.	-	-

46. 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 USA Inc., USA (upto September 30, 2013) ii. Career Launcher Education Infrastructure & Services Ltd, India iii. CL Media Private Limited, India iv.CL Asia Educational Hub Pte Ltd, Singapore (upto December 4, 2013) v.Kestone Asia Educational Hub Pte Ltd, Singapore (from December 5, 2013) vi. Kestone Integrated Marketing Services Private Limited, India vii. Career Launcher Infrastructure Private Limited, India viii. CL Higher Education Services Private Limited, India ix. G K Publications Private limited, India
Enterprises in which key management personnel and their relatives are able to exercise significant influence	i. Career Launcher Education Foundation, India 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, 2015 Amount in ₹	March 31, 2014 Amount in ₹
1.Revenue from operations-Other operating revenue		
a. Advertising Income		
- CL Media Private Limited	12,322,445	10,989,830
2. Other income		
a. Interest on loans and advances		
- Career Launcher Education Infrastructure and Services Limited	1,139,541	-
- G K Publications Private Limited	2,754,305	1,769,587
- CL Media Private Limited	448,362	-
- Nalanda Foundation	9,835	-
	4,352,043	**1,769,587**
b. Infrastructure Fees		
- CL Media Private Limited	900,000	
- Career Launcher Education Infrastructure & Services Limited	1,380,000	1,380,000
	2,280,000	**1,380,000**
c. Rent income-others		
- Career Launcher Education Infrastructure and Services Limited	180,000	180,000

Particulars	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
3. Other expenses		
a. CL Media Private Limited		
- Business service fee expense	2,400,000	2,400,000
- Material development and printing expenses	18,160,000	-
- Purchase of traded goods	113,975,616	94,636,327
	134,535,616	**97,036,327**
b. G.K. Publications Private Limited		
- Purchase of traded goods	11,899,619	6,464,998
c. Kestone Integrated Marketing Services Private Limited		
- Equipment hiring charges	27,416,219	25,267,255
- Marketing expenses	5,275,009	596,938
- Legal and professional charges	794,570	370,778
- Mobilisation expenses	5,366,314	-
	38,852,112	**26,234,971**
d. Career Launcher Education Foundation		
- Marketing research expenses	-	2,200,000
	-	**2,200,000**
e. Managerial remuneration*		
- Mr. Gautam Puri	8,840,000	5,609,352
- Mr. Satya Narayanan R.	8,840,000	5,609,352
- Mr. Nikhil Mahajan	8,668,000	5,459,352
	26,348,000	**16,678,056**

*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.

4.Reimbursement of expense from related parties		
- Career Launcher Education Infrastructure and Services Limited	140,000	390,000
- Kestone Integrated Marketing Services Private Limited	844,056	-
- Nalanda Foundation	697,641	-
- CL Media Private Limited	80,000	
- G K Publications Private Limited	80,000	158,521
	1,841,697	**548,521**
5.Reimbursement of expense to related parties		
- CL Media Private Limited	63,500	-
- Career Launcher Education Infrastructure and Services Limited	-	41,832
	63,500	**41,832**
6.Amount received on behalf of related parties		
- CL Media Private Limited	-	7,680
7.Amount paid on behalf of related parties		
- CL Media Private Limited	-	519,623
-Career Launcher Education Foundation	-	7,979
- Kestone Integrated Marketing Services Private Limited	-	201,977
	-	**729,579**
8.Amount paid by related party for purchase of fixed assets		
- Kestone Integrated Marketing Services Private Limited	1,010,991	-
- Career Launcher Infrastructure Private Limited	225,359	-
	1,236,350	**-**

Particulars	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
9. Loans given to related party		
- Career Launcher Education Infrastructure and Services Limited	21,600,000	-
- Career Launcher Education Foundation	555,000	715,000
- CL Media Private Limited	41,578,301	-
- Nalanda Foundation	24,755,000	-
- Kestone Asia Educational Hub Pte. Ltd. (formally known as Career Launcher Asia Educational Hub Pte. Ltd)	-	218,158
- G K Publications Private Limited	-	17,900,000
- CL Higher Education Services Private Limited	100,000	120,000
	88,588,301	**18,953,158**
10. Liability taken over from and converted into loan		
- CL Higher Education Services Limited	105,810	-
11. Conversion of interest into loan		
- G K Publications Private Limited	2,478,875	2,061,355
- Nalanda Foundation	8,851	-
- CL Media Private Limited	403,526	-
	2,891,252	**2,061,355**
12. Conversion of receivable into loans and advances		
- Career Launcher Education Infrastructure and Services Limited	427,339	-
13. Conversion of receivable for fixed assets into loan		
- G K Publications Private Limited	-	5,000,000
14. Repayment of loan given		
- G K Publications Private Limited	8,850,000	13,714,500
- CL Media Private Limited	11,500,000	-
- Career Launcher Education Infrastructure and Services Limited	22,027,339	2,160,055
	42,377,339	**15,874,555**
15. Loans balances given adjusted/written off		
CL Higher Education Services Private Limited		
- Loans and advances written off	325,810	-
- Kestone Asia Educational Hub Pte. Ltd. (formally known as Career Launcher Asia Educational Hub Pte. Ltd)		
- Loans and advances adjusted	-	1,284,324
	325,810	**1,284,324**
16. Repayment of loan taken		
- Career Launcher Employee Welfare Society	-	890,000
17. Purchase of assets from related party		
CL Media Private Limited		
-Content purchased	2,400,000	2,400,000
-Intellectual property rights	-	406,142
	2,400,000	**2,806,142**
18. Sale of investment to related party		
- Kestone Integrated Marketing Services Private Limited	-	665,692
	-	-
19. Purchase of investment in subsidiaries from others		
- Career Launcher Education Infrastructure and Services Limited	1,072,777,393	-
- G K Publications Private Limited	-	34,413,282
	1,072,777,393	**34,413,282**

Particulars	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
20. Exceptional expenses (Refer note 48)		
Balances written- off/provided for of related parties balances:		
i. Career Launcher Education Foundation		
- Loans and advances written off	-	15,488,025

(C) Balance outstanding with or from related parties as at:

Particulars	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
1. Long term loans and advances		
- Career Launcher Employee Group Gratuity Trust	24,859	24,859
2. Trade receivable		
- CL Media Private Limited	6,921,218	-
3. Short-term loans and advances		
a. Loans and advance to related parties		
- Kestone Asia Educational Hub Pte. Ltd. (formally known as Career Launcher Asia Educational Hub Pte. Ltd)*	7,956,186	8,296,325
- Career Launcher Education Foundation	52,892,571	52,337,571
- Nalanda Foundation	24,763,851	-
- CL Media Private Limited	30,481,827	
- GK Publications Private Limited	14,275,730	20,646,855
- CL Higher Education Services Private Limited	-	120,000
	130,370,165	**81,400,751**
*including restatement of foreign exchange		
b. Receivables on account of transfer of fixed assets		
- Career Launcher Infrastructure Private Limited	1,393,621	1,618,979
	1,393,621	**1,618,979**
c. Other dues from related parties:		
- Career Launcher Education Infrastructure and Services Limited	140,000	427,339
- GK Publications Private Limited	238,521	158,521
- Kestone Integrated Marketing Services Private Limited	844,056	-
- CL Media Private Limited	80,000	-
- Nalanda Foundation	697,640	-
	2,000,217	**585,860**
4. Other current assets		
- Career Launcher Education Infrastructure and Services Limited	22,841,122	-
5.Provisions		
a. Career Launcher Higher Education Services Private Limited		
- Provision for Impairment of investment	65,760	65,760
b. Kestone Asia Educational Hub Pte. Ltd.		
- Provision for doubtful loans and advances	1,404,371	1,404,371
	1,404,371	**1,404,371**
6. Trade payable		
- CL Media Private Limited	67,038,640	61,209,359
- GK Publications Private Limited	13,536,140	2,986,521
- Kestone Integrated Marketing Services Private Limited	66,742,518	34,388,865
	147,317,298	**98,584,745**
7. Other current liabilities		
a. Payable for expenses		
- CL Media Private Limited	11,192,840	272,748
	11,192,840	**272,748**

Particulars	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
b. Payable for Fixed assets		
- Kestone Integrated Marketing Services Private Limited	1,010,991	-
c. Employee related payables		
- Mr.Gautam Puri	2,766,569	513,792
- Mr. Satya Narayanan R	2,766,569	513,792
- Mr. Nikhil Mahajan	2,756,491	511,512
	8,289,629	**1,539,096**
8. Guarantees given on behalf of (Refer note 35):		
Kestone Integrated Marketing Services Private Limited (Guarantee to bank for loan taken by the Company)	75,000,000	75,000,000
CL Media Private Limited (Guarantee to bank for loan taken by the Company)	-	25,000,000
Career Launcher Infrastructure Private Limited (Guarantee to bank for loan taken by the Company)	280,000,000	280,000,000
Total	**355,000,000**	**380,000,000**
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**

47. Exceptional expenses

Particulars	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Balances written off of related party balances		
i. Career Launcher Education Foundation (Refer footnote)		
- Loans and advances written off	-	15,488,025
	-	**15,488,025**

Footnote:
In the previous year, the Company had written off balances due in the nature of short terms loans and advances ('referred as balances') recoverable from Career Launcher Education Foundation, enterprise in which key management personnel and their relatives are able to exercise significant influence, as the loans and advances are considered unrecoverable on account of inability of Career Launcher Education Foundation to repay such amounts.

48. 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 previous year, 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 previous year, 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 year, on March 16, 2015 the Hon'ble Arbritrator has passed an award amounting AED 2,063,267 (equivalent to ₹ 35,137,437) in favour of the Company.

49. The Company is in the process of conducting a Transfer Pricing Study for the financial year 2014-15 using the services of an independent chartered accountant for Specified Domestic Transactions ('SDT') with its associated parties domiciled in India as stipulated in Section 92BA of the Income Tax Act, 1961, applicable in India, to determine whether such SDT with associated parties in India are being undertaken at "arm's length basis".

The management is of the opinion that all transactions with associated enterprises are undertaken at negotiated contracted prices on usual commercial terms and are at arms' length, and there will not be any impact on the financial statements as a consequence of the legislation.

50. The Company has filed legal cases against its debtors for recovery of outstanding receivables amounting Rs. 13,172,289. 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 amounting Rs. 52,038,864 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.

51. The Company has reclassified/regrouped previous year figures where necessary to conform to the current year's classification.

As per our report of even date
For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.:103523W

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

Sd/-
Raj Kumar Agarwal
Partner
ICAI Membership No.:074715

Sd/-
Gautam Puri
Managing Director
DIN: 00033548

Sd/-
Nikhil Mahajan
Director & CFO
DIN: 00033404

Sd/-
Rachna Sharma
Company Secretary
ICSI M. No.: A17780

Place: New Delhi
Date : June 23, 2015

Place: New Delhi
Date : June 23, 2015

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, 2015, 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 are 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, but not for the purpose of expressing an opinion on whether the Holding Company has an adequate internal financial controls system over financial reporting in place and the operating effectiveness of such controls. 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 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, 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, 2015, their consolidated profit and their consolidated cash flows for the year ended on that date.

Other Matter

(a) We did not audit the financial statements of 1 subsidiary whose financial statements reflects total assets of ₹ 190,971 as at March 31, 2015, total revenues of ₹ Nil and net cash outflows amounting to ₹ 65,762 for the year ended

on that date, as considered in the consolidated financial statements. These financial statements are unaudited and 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 this subsidiary and our report in terms of sub-sections (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary is based solely on such unaudited financial statements. In our opinion and according to the information and explanations given to us by the

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 matter with respect to our reliance on the financial statements certified by the management.

Report on Other Legal and Regulatory Requirements

(1) As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, based on the comments in the auditor's report of the Holding Company and subsidiary companies, we give in the Annexure, 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, 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;

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, 2015 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiaries companies, none of the directors of the Group companies is disqualified as on March 31, 2015 from being appointed as a director in terms of Section 164 (2) of the Act;

f. 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 33 to the financial statements in respect of contingent liabilities and Note 52 in respect of other pending litigations;

(ii) The Group did not have any long term contract including derivative contract 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 subsidiaries companies incorporated in India.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W

Sd/-
Raj Kumar Agarwal
Partner
Membership No. 074715

Date: June 23, 2015
Place: New Delhi

Annexure to Independent Auditors' Report

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of CL Educate Limited on the consolidated financial statements for the year ended March 31, 2015]

(i) (a) The Group has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) During the year, the fixed assets of the Group have been physically verified by the management of the respective entities 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 Group and the nature of its assets.

(ii) (a) The inventory of the Group, including inventory lying with third parties, has been physically verified by the management of the respective entities during the year. In our opinion, the frequency of verification is reasonable.

(b) The procedures of physical verification of inventory followed by the management of the Group are reasonable and adequate in relation to their size and the nature of its business.

(c) The Group is maintaining proper records of inventory. As informed, discrepancies noticed in physical verification during the year have been properly dealt with in the books of account.

(iii) (a)The Company and its subsidiary have granted unsecured interest free loan to one party and unsecured loan to one party covered in the register maintained under Section 189 of the Act. In our opinion and according to the information and explanations given by the management of Group, the rates of interest, wherever charged, are not, *prima facie,* prejudicial to the interest of the respective loan granting entities. However, other terms and conditions related to loans granted to the parties are, *prima facie,* prejudicial to the interest of the respective loan granting entities.

(b) In respect of the aforesaid loans, there is no overdue amount in excess of ₹ 100,000 in respect of loans granted to companies, firms or other parties listed in the register maintained under section 189 of the Act.

(iv) In our opinion and according to the information and explanations given by the management of the Group, there exists an adequate internal control system commensurate with the size of the Group and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services except for event management services wherein the internal control system needs to be strengthened to be commensurate with the size of the Group and the nature of its business.

During the course of our audit, except for continuing failure to correct major weakness in internal control system of the Group with regard to the sale of services related to event management, we have not observed any continuing failure to correct major weaknesses in internal control system of the Group.

(v) In our opinion and according to the information and explanations given by the management of the Group, the respective entities have 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 Group in respect of business activities 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 Group is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it.

According to the information and explanations given by the management of Group, undisputed dues in respect of provident fund, employees' state insurance, income tax, sales tax, wealth 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 yearend 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	15,100,122	April 2014 to September 2014	ptember 15, 2014	Not yet paid

(b) According to the information and explanation given by the management of Group, the dues outstanding with respect to, income tax, sales tax, wealth tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount including penalty (in ₹)	Period to which the amount relates	Forum where dispute is pending
Finance Act, 1994	Service Tax	120,711,412	July 2003 to September 2008	Central Excise and Service Tax Appellate Tribunal, New Delhi
Finance Act, 1994	Service Tax	7,372,308	October 2008 to March 2009	Central Excise and Service Tax Appellate Tribunal, New Delhi
Finance Act, 1994	Service Tax	10,664,476	April 2009 to September 2009	Central Excise and Service Tax Appellate Tribunal, New Delhi
Finance Act, 1994	Service Tax	71,756,945	October 2009 to September 2010	Central Excise and Service Tax Appellate Tribunal, New Delhi
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

Name of the statute	Nature of the dues	Amount including penalty (in ₹)	Period to which the amount relates	Forum where dispute is pending
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	T credit reversal	1,569,481	tober 2007 to March 2008	Commissioner of Service Tax (Appeals), New Delhi
Finance Act, 1994	T credit reversal	40,097,178	April 2008 to March 2012	Commissioner of Service Tax (Appeals), 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

(c) According to the information and explanations given by the management of Group, there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the respective entities.

(viii) The Company and its subsidiaries except a subsidiary, Career Launcher Infrastructure Private Limited, does not have accumulated losses at the end of the financial year nor has incurred cash losses in the current and immediately preceding financial year.

In our opinion, in case of Career Launcher Infrastructure Private Limited accumulated losses at the end of the financial year are less than fifty percent of its net worth. Further the Subsidiary has incurred cash losses during the financial year covered by our audit and in the immediately preceding financial year.

(ix) According to the information and explanations given by the management of Group, the respective entities have not defaulted in repayment of dues to any bank or financial institutions. The Group has not issued any debentures.

(x) According to the information and explanations given by the management of Group, the terms and conditions of the guarantees given by the respective entities, for loans taken by others from banks or financial institutions during the year are not, *prima facie,* prejudicial to the interest of the respective entities except in case of a subsidiary Career Launcher Education Infrastructure and Services Limited (CLEIS), where in our opinion, the terms and conditions of the guarantee amounting ₹ 15,000,000 given by such subsidiary for loan taken from bank by an entity over which Key Managerial Personnel have significant influence are prejudicial to the interests of CLEIS.

(xi) According to the information and explanations given by the management of Group, the term loans have been applied for the purpose for which the loans were obtained.

(xii) During the course of examination of the books and records of the Group carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given, we have neither come across any instance of fraud on or by the respective entities, noticed or reported during the year, nor have we been informed of any such instance by the management of the respective entities.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.103523W

Sd/-
Raj Kumar Agarwal
Partner
Membership No. 074715

Date: June 23, 2015
Place: New Delhi

Consolidated Balance Sheet as at March 31, 2015

Particulars	Notes	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	116,451,550	99,178,100
Reserves and surplus	4	1,961,581,733	1,388,292,681
		2,078,033,283	**1,487,470,781**
Share application money pending allotment	5	-	13,856,563
Minority interest		**13,621,171**	**285,596,657**
Non-current liabilities			
Long-term borrowings	6	249,000,209	235,016,513
Deferred tax liabilities (net)	7	18,548,855	23,302,806
Other long-term liabilities	8	2,590,000	1,190,000
Long-term provisions	9	29,067,346	20,392,171
		299,206,410	**279,901,490**
Current liabilities			
Short-term borrowings	10	309,428,079	340,803,493
Trade payables	11	200,181,872	169,853,087
Other current liabilities	12	478,073,482	405,137,070
Short-term provisions	9	25,030,548	25,677,560
		1,012,713,981	**941,471,210**
Total		**3,403,574,845**	**3,008,296,701**

ASSETS

Non-current assets

During the year, pursuant to Share Subscription and Amendment Agreement dated August 12, 2014 between the Company, individual promoters and a shareholder GPE (India) Limited, Mauritius the Company has issued 467,293 equity shares of Rs. 10 each at a price of Rs. 590 per share to GPE (India) Limited, Mauritius in two tranches of 230,000 equity shares and 237,293 equity shares on September 05, 2014 and September 16, 2014 respectively.

-Tangible assets	13	781,526,763	755,866,264
During the year, pursuant to the Share Subscription Agreement date	14	126,246,290	110,247,787
-Capital work-in-progress	46	6,312,785	6,312,785
Goodwill on consolidation	45	195,959,853	195,959,853
Non-current investments	15	16,998,932	17,205,810
Deferred tax assets (net)	7	3,279,534	1,600,942
Long-term loans and advances	16	214,146,518	207,233,270
Other non-current assets	17	114,798,505	132,430,427
		1,459,269,180	**1,426,857,138**

Consolidated Balance Sheet as at March 31, 2015

Particulars	Notes	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Current assets			
Inventories Trade	18	88,147,827	105,716,848
receivables	19	865,998,275	647,638,239
Cash and bank balances	20	193,566,063	114,021,313
Short-term loans and advances	16	630,639,917	561,944,656
Other current assets	21	165,953,583	152,118,507
		1,944,305,665	**1,581,439,563**
		3,403,574,845	**3,008,296,701**
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.:103523W

Sd/-
Raj Kumar Agarwal
Partner
Membership No.:074715

Place: New Delhi
Date : June 23, 2015

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

Sd/-
Gautam Puri
Managing Director
DIN: 00033548

Sd/-
Nikhil Mahajan
Director and CFO
DIN: 00033404

Vivek Garg
Senior Vice-President- Finance

Rachna Sharma
Company Secretary
ICSI M. No.: A17780

Place: New Delhi
Date : June 23, 2015

Consolidated Statement of Profit and Loss for the year ended March 31, 2015

Particulars	Notes	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Income			
Revenue from operations	22	2,736,216,862	2,186,847,135
Other income	23	95,231,199	89,694,660
Total revenue (I)		**2,831,448,061**	**2,276,541,795**
Expenses			
Cost of raw material and components consumed	24A	62,160,690	93,655,209
Cost of services	24B	634,468,667	519,437,428
Purchases of traded goods	25	19,811,383	16,312,474
Decrease/(increase) in inventories of finished goods, work-in-progress and traded goods	26	23,433,778	(39,909,280)
Employee benefit expenses	27	749,693,992	686,573,553
Finance costs	28	93,568,132	89,710,517
Depreciation and amortisation expense	29	77,394,268	54,697,892
Other expenses	30	878,230,218	659,081,124
Total expenses (II)		**2,538,761,128**	**2,079,558,917**
Profit before exceptional items, prior period items, tax and minority interest (I - II)		**292,686,933**	**196,982,878**
Exceptional items (net)	47	22,841,122	13,258,993
Profit before extraordinary items, prior period items, tax and minority interest		**269,845,811**	**183,723,885**
Prior period expenses (net)	31	-	1,898,506
Profit before tax and minority interest		**269,845,811**	**181,825,379**
Income tax expense:			
For current year:			
-Current tax		83,795,196	47,731,437
-Minimum alternate tax ('MAT') credit		(15,167,132)	(24,907,463)
-Deferred tax charge/(benefit)		(8,131,708)	(675,095)

During the year, pursuant to Share Subscription and Amendment Agreement dated August 12, 2014 between the Company, individual promoters and a shareholder GPE (India) Limited, Mauritius the Company has issued 467,293 equity shares of Rs. 10 each at a price of Rs. 590 per share to GPE (India) Limited, Mauritius in two tranches of 230,000 equity shares and 237,293 equity shares on September 05, 2014 and September 16, 2014 respectively.

Particulars	Notes	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
-Tax adjustment/expenses		(274,487)	2,339,538
Total tax expenses		**60,221,869**	**24,488,417**
Profit after tax before minority interest		**209,623,942**	**157,336,962**
Share of minority in (loss)/profit for the year		(221,572)	9,339,771
Profit after tax		**209,845,514**	**147,997,191**

CL Educate Limited

Consolidated Statement of Profit and Loss for the year ended March 31, 2015

Particulars	Notes	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
	32		
- Basic before exceptional expenses		21.73	17.12
- Basic after exceptional expenses		19.60	15.71
- Diluted before exceptional expenses		21.40	16.59
- Diluted after exceptional expenses		19.30	15.22
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the Consolidated Financial Statements.

As per our report of even date

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.:103523W

Sd/-
Raj Kumar Agarwal
Partner
Membership No.:074715

Place: New Delhi
Date : June 23, 2015

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

Sd/-
Gautam Puri
Managing Director
DIN: 00033548

Sd/-
Nikhil Mahajan
Director and CFO
DIN: 00033404

Vivek Garg
Senior Vice-President-Finance

Rachna Sharma
Company Secretary
ICSI M. No.: A17780

Place: New Delhi
Date : June 23, 2015

Consolidated Cash Flow Statement for the year ended March 31, 2015

	March 31, 2015 Amount in₹	March 31, 2014 Amount in₹
A Cash flow from operating activities		
Net profit before tax and minority interest and after prior period items	269,845,811	181,825,379
Adjustments for:		
Depreciation and amortisation	77,394,268	54,697,892
Depreciation and amortisation on investment property	206,878	213,750
Interest expense	84,992,428	84,162,444
Loan processing charges	3,294,926	2,564,401
Interest income	(62,844,766)	(55,728,893)
Dividend Paid	2,747	26,218
(Gain) on fixed assets sold	-	(243,992)
Fixed assets written off	1,158,942	679,602
Transfer to employee stock option outstanding	7,016,855	853,950
1 Advances and deposits written off	2,182,440	2,128,468
Bad debts written off	67,722,932	47,107,803
Rent on investment properties	(1,345,588)	(293,750)
Bad debts recovered	(950,587)	(807,504)
Liability no longer required written back	(24,559,770)	(18,090,322)
Provision for doubtful advances Provision	1,975,329	851,087
no longer required written back	(2,585,347)	(3,078,958)
Provision for obsolescence of inventory	584,094	
Exceptional non cash items:		
Advances written off	-	13,258,993
- Expense on employee stock option (ESOP) scheme	22,841,122	-
Unrealised foreign exchange gain	(228,191)	(1,528,675)
Foreign currency translation reserve		9,448,901
Dur **Operating profit before working capital changes**	446,704,523	318,046,794
Dur **Adjustments for (increase)/decrease in operating assets**		
Trade receivables	(284,201,064)	(154,265,038)
Other non current assets	17,543,475	-
Other current assets	(5,801,084)	(10,086,359)
Long term loans and advances	(1,822,966)	246,638
Short term loans and advances	(35,706,163)	(41,674,416)
Inventories	16,984,927	(38,055,569)
Adjustments for increase/(decrease) in operating liabilities		
Other current liabilities	79,222,640	22,859,928
Non current liabilities	1,400,000	88,100
Long term provisions	8,675,175	8,253,627
Short term provisions	600,239	(959,638)
Trade payables	29,994,861	49,009,315
Cash generated from operations	273,594,563	153,463,382
Taxes paid (net of refund including interest on refund)	(74,892,536)	(55,292,593)
Net cash generated from operating activities	198,702,027	98,170,789

Consolidated Cash Flow Statement for the year ended March 31, 2015

		March 31, 2015 Amount in₹	March 31, 2014 Amount in₹
B	**Cash flow from investing activities:**		
	Purchase of fixed assets (including capital advances and fixed assets related payable)	(125,921,157)	(43,605,970)
	Proceeds from sale of fixed assets	6,515,107	357,401
	Purchase of investment of in subsidiaries	(1,072,777,393)	(47,913,314)
	Inter-corporate deposits (net)	121,634	(13,610)
	Realisation from fixed deposits (net)	(64,019,179)	75,851,118
	Loan given	(126,790,968)	(92,478,057)
	Proceeds from realisation of loan given	89,200,978	44,018,026
	Rental income	1,345,588	293,750
	Interest received	54,899,221	52,236,838
	Net cash used in Investing activities	(1,237,426,169)	(11,253,818)
C	**Cash Flow from financing activities:**		
	Proceeds from issue of equity shares of subsidiary company (net of minority adjustments)	75,000	2,126,335
	Proceeds from issue of equity shares of holding company	17,273,450	-
	Security premium	1,157,745,590	350,000
	Share application money received (utilised) (net)	(13,856,563)	13,856,563
	Proceeds from long-term borrowings (including current maturities)	50,000,000	35,000,000
	Repayment of long-term borrowings	(26,435,113)	(116,958,699)
	Proceeds from short-term borrowings (net)	(31,375,414)	59,116,975
	Loan processing fee paid	(3,294,926)	(2,564,401)
	Dividend paid	(2,747)	(26,218)
	Share issue expenses	(11,220,468)	(33,567)
	Interest paid (include interest capitalised)	(84,692,079)	(84,797,000)
	Net cash flow from financing activities	1,054,216,730	(93,930,012)
	Net increase/(decrease) in cash and cash equivalents	15,492,588	(7,013,041)
	Unrealised foreign exchange gain on cash and cash equivalents	35,730	22,017
	Cash and cash equivalents at beginning of the year	53,813,069	60,804,093
	Adjustment on account of acquisition of subsidiary		-
	Cash and cash equivalents at end of the year	69,341,387	53,813,069
	Cash and cash equivalents comprise		
	Balances with banks:		
	– on current accounts	60,861,703	46,902,245
	Cheques/ drafts on hand	4,486,231	2,898,968
	Cash on hand	3,993,453	4,011,856
		69,341,387	53,813,069

	March 31, 2015 Amount in₹	March 31, 2014 Amount in₹
Add:		
Fixed deposits shown under cash and bank balances	124,224,676	60,208,244
Total cash and bank balances at end of the year	**193,566,063**	**114,021,313**

Notes :

1. The above Consolidated 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.

2. Notes to the financials statements are integral part of the Consolidated Cash Flow Statement.

This is the Consolidated Cash Flow Statement referred to in our report of even date attached.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.:103523W

Sd/-
Raj Kumar Agarwal
Partner
Membership No.:074715

Place: New Delhi
Date: June 23, 2015

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

Sd/-
Gautam Puri
Managing Director
DIN: 00033548

Sd/-
Nikhil Mahajan
Director and CFO
DIN: 00033404

Vivek Garg
Senior Vice-President- Finance

Rachna Sharma
Company Secretary
ICSI M. No.: A17780

Place: New Delhi
Date: June 23, 2015

1. Background

CL Educate Limited ('the Company' or 'the Holding Company') was incorporated in India on April 25, 1996 to conduct various educational and consulting programs. 67.47 % (previous year 68.58%) of the shares are being held by the promoters / directors of the Company and their relatives and the balance 32.53 % (previous year 31.42%) of the shares are being held by other individuals and companies.

Further, the Group has also 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 year April 1, 2014 to March 31, 2015.

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, 2015 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, 2015	March 31, 2014
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) (Refer footnote i)	100.00%	100.00%
CL Media Private Limited (CLM) (India)	100.00%	100.00%
C L Higher Education Services Private Limited (CLHES) (India)	65.76%	65.76%
Career Launcher Education Infrastructure and Services Limited (India) (CLEIS) (Refer footnote iii)	97.94%	57.55%
Career Launcher Infrastructure Private Limited (CLIP) (India) (Refer footnote iii)	97.94%	57.55%

(i) This subsidiary was acquired by the Company with effect from October 1, 2011. During the year 2013-14, on March 29, 2014, the Company acquired remaining 24% share.

(ii) During the year, the Company purchased additional shares of this subsidiary from other shareholders, resultantly, the share of Company further increased from 57.55% to 97.94%.

(iii) This Company is a wholly owned subsidiary company of "CLEIS" and accordingly shareholding has increased in CLIP, due to increase in shareholding in CLEIS.

Entities acquired/ sold during the year 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.

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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 year 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 year 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 year 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 year 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 period 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 AS-26.

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.

Schedule II to the Companies Act 2013 has become applicable to the Company with effect from April 1, 2014. Accordingly, the Company has determined the useful life of its assets as per Schedule II. Revised useful lives and earlier useful lives are as under:

Particulars	Revised useful life (years)	Existing useful life (years)
Tangible Assets:		
Building	60	60
Leasehold land	90 (period of lease)	90 (period of lease)

Plant and machinery	10-15	10–15
Furniture and fixtures	8-10	5 -16
Office equipment	5	5 -21
Vehicle	8-10	10
Computer equipment	3-6	5
Leasehold improvements and building improvements	Lesser of 3 years and period of lease	1-3
Intangible assets: (Life ascertained in accordance with AS- 26)		
Trademark	5	5
Software	1-10	1 – 10
CAT online module	4	4
Intellectual property rights	Amortised over a period of 10 years using straight line method based on the management's assessment of useful life.	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.	5 years from the date of acquisition of business.
Non-compete fee	5	5
Website	5	5
License fees	Over the period of license	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.

In accordance with the transitional provisions of Schedule II, in respect of assets where the remaining useful life is 'Nil', their carrying amount aggregating ₹ 10,291,918 and deferred tax thereon after retaining the residual value as on April 1, 2014 as determined by the management has been adjusted against the opening balance of retained earnings as on that date.

As a consequence, had the company not adopted Schedule II to the Companies Act, 2013, depreciation for the year would have been lower by ₹ 8,430,279, profit for the year would have been higher by ₹ 8,430,279 and the written down value of assets as at March 31, 2015 would have been ₹ 929,537,441 as against reported written down value of ₹ 907,773,053. Impact of change in estimates of useful lives on subsequent periods is not realistically ascertainable.

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 period 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. 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 period 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.

Defined contribution plan: Employee state insurance

Employees whose wages/salary is within the prescribed limit in accordance with the Employee State Insurance Act, 1948, are covered under this scheme. 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 at the end of the year. 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. Income taxes

Income tax expense comprises current tax (i.e. amount of tax for the year determined in accordance with the Income-tax law), deferred tax charge or credit and MAT credit entitlement.

Deferred tax charge or credit reflects the tax effects of timing differences between accounting income and taxable income for the period. 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 realised 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 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 ('MAT') payable under the provisions of the Income Tax Act 1961 is recognised as an asset in the year in which credit becomes eligible and is set off to the extent allowed in the year in which the Company or respective subsidiary becomes liable to pay income taxes at the enacted tax rates. MAT credit is recognised as an asset only when and to the extent there is convincing evidence that the company or respective subsidiary will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the recommendations contained in Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Consolidated Statement of Profit and Loss and shown as MAT Credit recoverable. The Company reviews the same at each Balance Sheet date and writes down the carrying amount of MAT Credit receivable to the extent there is no longer convincing evidence to the effect that Company will pay normal Income 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 period 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 period, unless they have been issued at a later date.

w. 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”.

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 [previous year three classes of shares i.e. Equity shares (Class-I), Compulsorily convertible 0.01% non cumulative preference shares (CCPS)(Class -II) and Optionally convertible 0.01% non cumulative preference shares (OCPS)(Class- III)], having a par value of ₹ 10 per share.

Particulars	March 31, 2015		March 31, 2014	
	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	13,000,000	130,000,000
Preference shares of ₹ 10 each (previous year ₹ 10)	-	-	2,000,000	20,000,000
	16,000,000	160,000,000	15,000,000	150,000,000
Issued, subscribed and fully paid up				
Equity shares of ₹ 10 each (previous year ₹ 10) with equal voting rights (Class -I)	11,645,155	116,451,550	9,417,810	94,178,100
Compulsorily convertible 0.01% non cumulative preference shares (CCPS) of ₹ 10 each (previous year ₹ 10) (Class -II)	-	-	411,045	4,110,450
Optionally convertible 0.01% non cumulative preference shares(OCPS) of ₹ 10 each (Previous year ₹ 10)(Class-III)	-	-	88,955	889,550
	11,645,155	**116,451,550**	**9,917,810**	**99,178,100**

b) Reconciliation of shares outstanding as at the beginning and at the end of the reporting period

1) Class-I shares-Equity shares

Particulars	March 31, 2015		March 31, 2014	
	Numbers	Amount in ₹	Numbers	Amount in ₹
At the beginning of reporting year	9,417,810	94,178,100	9,417,810	94,178,100
Add: Share issued during the year by way of:				
-Allotment of share for a consideration in cash (Refer footnote i)	1,064,426	10,644,260	-	-
-Allotment of share for a consideration other than in cash (Refer footnote ii, iii and iv)	1,162,919	11,629,190	-	-
Outstanding at the end of the year	**11,645,155**	**116,451,550**	**9,417,810**	**94,178,100**

Footnote i.

During the year, pursuant to Share Subscription and Amendment Agreement dated August 12, 2014 between the Company, individual promoters and a shareholder GPE (India) Limited, Mauritius the Company has issued 467,293 equity shares of Rs. 10 each at a price of Rs. 590 per share to GPE (India) Limited, Mauritius in two tranches of 230,000 equity shares and 237,293 equity shares on September 05, 2014 and September 16, 2014 respectively.

During the year, pursuant to the Share Subscription Agreement dated September 05, 2014 between the Company, individual promoters and a shareholder Housing Development Finance Corporation Limited (HDFC Limited) the Company has issued 594,233 equity shares of Rs. 10 each at a price of Rs. 590 per share to HDFC Limited on September 05, 2014.

Footnote ii.

The Board of Directors of the Company at its meeting held on August 11, 2014 proposed a scheme wherein eligible domestic shareholders of a subsidiary company, Career Launcher Education and Infrastructure Services ("CLEIS Investor") holding equity shares of CLEIS were given a "share swap option" to swap shares of CLEIS with shares of CL Educate Limited at an agreed share swap ratio. This share swap option was proposed with an objective to consolidate Company's shareholding in CLEIS.

Pursuant to such share swap option, the Board of Directors of the Company at its meeting held on September 05, 2014 approved to allot 1 equity share of the Company of Rs. 10 each, for 2.10 equity shares of CLEIS held by the eligible CLEIS investors subject to adjustment and rounding up. Such swap ratio has been determined in accordance with the Relative Valuation Report obtained by the Company from a Category-1 Merchant Banker.

Pursuant to the resolutions passed by the Board of Directors at its meetings held on August 11 and September 05, 2014 and pursuant to the shareholders' approval to the scheme at the Annual General Meeting of the Company held on September 05, 2014, the Company issued 904,139 equity shares of Rs. 10 each at an effective price of Rs. 590 to CLEIS investors in lieu of 1,898,684 shares of CLEIS. Consequent to share swap, the Company now holds 97.99% shares in CLEIS as against 57.55% shares prior to the share swap.

Footnote iii
The Company has acquired third and last tranche of shares in GKP by payment of cash consideration and balance consideration amounting ₹ 13,856,863 is settled by issue of 23,486 equity shares at the price of ₹ 590 per share.

2) Class-II shares-CCPS

Particulars	March 31, 2015		March 31, 2014	
	Numbers	Amount in ₹	Numbers	Amount in ₹
At the beginning of the reporting year	411,045	4,110,450	411,045	4,110,450
Less: conversion into equity shares (refer footnote iv)	411,045	4,110,450	-	-
Outstanding at the end of the year	-	-	**411,045**	**4,110,450**

3) Class-III shares-OCPS

Particulars	March 31, 2015		March 31, 2014	
	Numbers	Amount in ₹	Numbers	Amount in ₹
At the beginning of the reporting year	88,955	889,550	88,955	889,550
Less: conversion into equity shares (refer footnote iv)	88,955	889,550	-	-
Outstanding at the end of the year	-	-	**88,955**	**889,550**

Footnote iv
During the financial year 2012-13, the Company had issued 411,045, 0.01% Non-Cumulative Compulsorily Convertible Preference Shares (CCPS) of Rs. 10 each at a price of Rs. 200 per share termed as Class II and 88,955, 0.01% Non-Cumulative Optionally Convertible Preference Shares (OCPS) of Rs. 10 each issued at a price of Rs. 200 per share termed as Class III to GPE (India) Limited and Gaja Trustee Company Private Limited respectively.

Each holder of CCPS had to get his shares converted in to equity shares as per the terms of conversion stipulated in the addendum number 3 to the Share Subscription and Shareholders Agreement dated November 02, 2012 within 5 years from the closing date i.e. November 09, 2012. (The price of conversion is detailed below. Refer footnote D)

Each holder of OCPS had either to get his shares converted in to equity shares or redeemed in cash as per the terms of conversion stipulated in the addendum number 3 to the Share Subscription and Shareholders Agreement dated November 02, 2012 at any time. (The price of conversion is detailed below. Refer footnote D).

The Board of Directors at its meeting dated July 22, 2014 approved of the conversion of such CCPS and OCPS into equity shares of Rs. 10 each at a price of Rs. 425 per share. The details of the equity shares issued are as given below:

Name of the Shareholder	Nature of Preference Sharesheld	No. of Preference Shares held	No. of Equity Share to be Issued
GPE(India) Limited	OCPS	411,045	193,433
Gaja Trustee Company Private Limited	CCPS	88,955	41,861

c) Terms/rights attached to equity shares

For the year ended March 31, 2015

A. Voting
Each holder of equity shares is entitled to one vote per share held.

B. 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 period and previous year.

C. 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.

For the year ended March 31, 2014

A. Voting

1) Class-I shares-Equity shares: Each holder of these class of shares is entitled to one vote per share held.

2) Class-II shares-CCPS: These class of shares do not carry any voting rights.

3) Class-III shares-OCPS: These class of shares do not carry any voting rights.

B. Dividends

1) Class-I shares-Equity shares: 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.

2) Class-II shares-CCPS: The Company declares and pays dividends in Indian rupees. CCPS had preferential right of dividend over equity shares in event of declaration of dividend. These shares carry dividend rate of 0.01%. The dividend is payable only when the Company declares dividend during a particular financial year.

3) Class-III shares-OCPS: The Company declares and pays dividends in Indian rupees. OCPS had preferential right of dividend over equity shares in event of declaration of dividend. These shares carry dividend rate of 0.01%. The dividend is payable only when the Company declares dividend during a particular financial year.

C. Liquidation

1) Class-I shares-Equity shares: 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.

2) Class-II shares-CCPS: In the event of liquidation of the Company, the holders of CCPS shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any and before payment to equity shareholders. Such distribution amounts will be in proportion to the number of CCPS held by the shareholders upto the extent of agreed conversion amount of such shares.

3) Class-III shares-OCPS: In the event of liquidation of the Company, the holders of OCPS shall be entitled to receive all of the remaining assets of the Company, after distribution of all preferential amounts, if any and before payment to equity shareholders. Such distribution amounts will be in proportion to the number of OCPS held by the shareholders upto the extent of agreed redemption/conversion amount of such shares.

D. Other terms and conditions

1) Class-II shares-CCPS:

On December 14, 2012, the Company had issued 411,045 class- II, 0.01% CCPS of ₹ 10 each.

Each share holder of CCPS had to get its share converted into equity share as per price of conversion mentioned below within 5 years from closing date i.e. November 9, 2012.

Conversion price 1:
If the Company raises additional funds of a minimum of ₹ 100,000,000 through the issue of new shares within a period of 90 days i.e. February 7, 2013 from the closing date i.e. November 9, 2012, the CCPS shall be converted into equity shares at a price per share equal to the price per share of the new shares so issued in a manner to yield an IRR of 15% per annum, calculated on daily basis for the period from the closing date till the date on which new shares are so issued.

Conversion price 2:
If the Company does not raise additional funds within 90 days from the closing date or if the Company raises additional funds of less than ₹ 100,000,000 through the issue of new shares within a period of 90 business days from the closing date, the CCPS shall be converted into equity shares at a price per share based on aggregate equity valuation of such fund raised of less than ₹ 100,000,000 or 12.5 multiplied by the EBITDA as per audited consolidated financial statements of the Company and its subsidiaries for the twelve month period ended March 31, 2013, whichever is lower. If the consolidated audited EBITDA of the Company for the year ended March 31, 2013 is less than ₹ 360,000,000 or if audited consolidated financial statements are not made available to shareholder by December 30, 2013, shareholder shall have right, exercisable at its sole discretion at any time by written notice to the Company and the founders and the Company, to require the Company to convert all of their shareholding as Class-II shares-CCPS into such number of equity shares that ensures shareholder an internal rate of return of 15% on the investment amount calculated from the closing date upto the date of such conversion.
Founders and the Company, jointly and severally undertake and agree to shareholder, to procure third parties to acquire and purchase of all of the Class-II shares-CCPS held by shareholder at conversion price arrived in accordance with the shareholder agreement. In event such purchase by third party doesn't happen in 60 days of conversion, founders and the Company are jointly and severally liable to purchase the same at above mentioned conversion price.

Conversion price 3:
If for any reason whatsoever under applicable laws the Company is unable to undertake the conversion, shareholder shall have the right to seek the conversion of these shares at a price per equity share of ₹ 425.
If the Company subsequently raises additional fund through issue of new shares at a price per share lower than above conversion price, the the following conditions shall apply:

i. If shareholder has already exercised its options under above then the founders shall procure the Company to, and the Company shall take all reasonable steps to issue such number of additional equity shares to the shareholder as if the Class-II shares-CCPS had converted at a price per share equal to the price per share of such new shares. Such additional equity shares shall, subject to applicable laws be issued at no further cost to shareholder.

ii. If shareholder has not exercised its options under Conversion Price 1 and Conversion Price 2, then at shareholder's options, CCPS may be converted into equity shares of the Company at a price per share equal to the price of such new share.

2) Class-III shares-OCPS:

On December 14, 2012, the Company had issued 88,955 class-II, 0.01% OCPS of ₹ 10 each.

Each share holder of OCPS had to get his share converted into equity share or redeemed in cash as per price of conversion mentioned below at any time.

Conversion price 1:
If the Company raises additional funds of a minimum of ₹ 100,000,000 through the issue of new shares within a period of 90 days i.e. February 7, 2013 from the closing date i.e. November 9, 2012, the OCPS shall be converted into equity shares at a price per share equal to the price per share of the new shares so issued in a manner to yield an IRR of 15% per annum, calculated on daily basis for the period from the closing date till the date on which the New Shares are so issued.

Conversion price 2:

If the Company does not raise additional funds within 90 days from the closing date or if the Company raises additional funds of less than ₹ 100,000,000 through the issue of new shares within a period of 90 business days from the closing date, the OCPS shall be converted into equity shares at a price per share based on aggregate equity valuation of such fund raised of less than ₹ 100,000,000 or 12.5 multiplied by the EBITDA as per audited consolidated financial statements of the Company and its subsidiaries for the twelve month period ended March 31, 2013, whichever is lower. If the consolidated audited EBITDA of the Company for the year ended March 31, 2013 is less than ₹ 360,000,000 or if audited consolidated financial statements are not made available to shareholder by December 30, 2013, shareholder shall have right, exercisable at its sole discretion at any time by written notice to the Company and the founders and the Company, to require the Company, to redeem all of their shareholding as Class-III shares-OCPS at a price that ensures shareholder an internal rate of return of 15% on the investment amount calculated from the closing date upto the date of such redemption.

Founders and the Company, jointly and severally undertake and agree to shareholder, to procure third parties to acquire and purchase of all of the Class-III shares-OCPS held by shareholder at conversion price arrived in accordance with shareholder agreement. In event such purchase by third party doesn't happen in 60 days of conversion, founders and the Company are jointly and severally liable to purchase the same at above mentioned conversion price.

Conversion price 3:

If for any reason whatsoever under applicable laws the Company is unable to undertake the conversion/redemption, shareholder shall have the right to seek the conversion of these shares at a price per equity share of ₹ 425.

If the Company subsequently raises additional fund through issue of new shares at a price per share lower than above conversion price, the the following conditions shall apply:

i. If shareholder has already exercised its options under above then the founders shall procure the Company to, and the Company shall take all reasonable steps to issue such number of additional equity shares to shareholder as if the Class-III shares-OCPS had converted at a price per share equal to the price per share of such new shares. Such additional equity shares shall, subject to applicable laws be issued at no further cost to shareholder.

ii. If shareholder has not exercised its options under Conversion Price 1 and Conversion Price 2, then at shareholder's options, The Class-III shares-OCPS may be converted into equity shares of the Company at a price per share equal to the price of such new share.

d) Shares held by the holding company/ultimate holding company and/or their associates/ subsidiaries and shareholders holding more than 5% shares in the Company.

1) Class-I shares-Equity shares

Name of share holders	March 31, 2015		March 31, 2014	
	Numbers	% held	Numbers	% held
Mr. Gautum Puri	2,562,579	22.01%	2,549,186	27.07%
Mr. Satya Narayanan R	2,562,579	22.01%	2,549,186	27.07%
Bilakes Consulting Private Limited	1,245,193	10.69%	786,859	8.36%
GPE (India) Limited	1,426,473	12.25%	765,747	8.13%
HDFC Limited	594,233	5.10%	-	-
	8,391,057	**72.06%**	**6,650,978**	**70.63%**

As per records of the Company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownerships of shares.

2) Class-II shares-CCPS

Name of share holders	March 31, 2015		March 31, 2014	
	Numbers	% held	Numbers	% held
GPE (India) Limited	-	-	411,045	100.00%
	-	-	**411,045**	**100.00%**

As per records of the Company, including its register of shareholders/members, the above shareholding represents both legal and beneficial ownerships of shares.

3) Class-III shares-OCPS

Name of share holders	March 31, 2015		March 31, 2014	
	Numbers	% held	Numbers	% held
Gaja Trustee Company Private Limited	-	-	88,955	100.00%
	-	-	**88,955**	**100.00%**

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 has been mentioned below:

1) Class-I shares-Equity shares

	March 31, 2015	March 31, 2014
	Numbers	Numbers
Equity shares allotted as fully paid-up pursuant to contracts for consideration other than cash	1,826,951	670,032
	1,826,951	**670,032**

In addition, the Company has issued total equity shares in current period 7,675 of ₹ 10 each fully paid up (as on March 31, 2014 4,775 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 42)

The Group has two stock option plans. Employee stock options are convertible into equity shares in accordance with the respective employees' stock option plans.

CL Educate Limited
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 Extraordinary General Meeting 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 5 years from the date of respective grants. As at March 31, 2015 and March 31, 2014 the Company had 29,743 and 56,143 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. Subsequently, the Company has approved and adopted the amended "Career Launcher Employee Stock Options Plan 2008" in its Annual General Meeting held on September 5, 2014 and the same is valid for a period of 3 years.

Further, pursuant to the resolution passed by the Board of Directors at its meeting held on August 11, 2014 and resolution passed by the members in the Annual General Meeting held on September 05, 2014, the Company renewed "Career Launcher Employee Stock Options Plan 2008" for a further period till May 29, 2015.

Career Launcher Education Infrastructure and Services Limited

Pursuant to the resolution passed by the Board of Directors at its meeting on September 30, 2008, the subsidiary company introduced "CLEIS Employee Stock Options Plan 2008" which provides for the issue of 100,000 stock options to employees of the subsidiary company and its group companies/entities. 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, 2015 and March 31, 2014 the subsidiary company had 71,000 and 71,000 number of shares reserved for issue under the scheme respectively. (Also refer to note 42).

Pursuant to the Special Resolution passed by the members in the Annual General Meeting held on September 30, 2013, and the resolution passed by the Board of Directors of the subsidiary company at its meeting on January 28, 2014, the subsidiary company renewed "CLEIS Employee Stock Options Plan 2008" for a further period of one year i.e. November 20, 2014 and March 31, 2015 respectively.

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4. Reserves and Surplus

	March 31, 2015 Amount in₹	March 31, 2014 Amount in₹
4.1. Securities premium		
Opening balance	913,417,025	802,960,734
(+) Securities premium received/(adjusted)		
-on issue of equity shares in cash	617,076,080	350,000
-on issue of equity shares consideration other than cash	540,669,510	-
(-) Adjustment for reclassification of capital reserve into goodwill/change in minority interest	(220,175,950)	110,139,858
(-) Share issue expenses	(11,220,468)	(33,567)
(+) Transfer from Class-II shares-CCPS conversion reserve	4,831,186	-
(+) Transfer from Class-III shares-OCPS redemption/conversion reserve	1,045,526	-
Closing balance (A)	**1,845,642,909**	**913,417,025**
4.2. Class-II shares-CCPS conversion reserve (B)		
Opening balance	4,831,186	4,831,186
(-) Transferred to securities premium during the year	(4,831,186)	-
Closing balance (B)	**-**	**4,831,186**
4.3.Class-III shares-OCPS redemption/conversion reserve (C)		
Opening balance	1,045,526	1,045,526
(-) Transferred to securities premium during the year	(1,045,526)	-
Closing balance (C)	**-**	**1,045,526**
4.4. Capital reserves (Others) (D)	**19,939**	**19,939**
4.5. General reserves (E)	**5,784,256**	**5,784,256**
4.6. Foreign currency translation reserve		
Opening balance	-	(3,272,445)
(+) Additional recognised in the current year	-	9,470,918
(-) Transferred to P&L during current year	-	(6,198,473)
Closing balance (F)	**-**	**-**
4.7. Employee stock option outstanding		
Gross employee stock compensation for options granted in earlier years	9,327,206	8,473,256
	7,016,855	853,950
(+) Gross compensation for options granted to employees of subsidiary (Refer footnote ii of note 47)	22,841,122	-
Closing balance (G)	**39,185,183**	**9,327,206**
4.8. Surplus in the Consolidated Statement of Profit and Loss		
Opening balance	453,867,543	385,579,272
(+) Net profit for the year	209,845,514	147,997,191
(+) Transferred from Foreign currency translation reserve	-	6,198,473
(-) Adjustment on account of change in minority interest	(580,772,529)	(85,907,393)
(+) Adjusted Depreciation on account of schedule II (refer footnote a)	(10,291,918)	-
(+) Schedule II adjustment of deferred tax (refer footnote a)	(1,699,164)	-
Closing balance (H)	**70,949,446**	**453,867,543**
Total reserves and surplus (A+B+C+D+E+F+G+H)	**1,961,581,733**	**1,388,292,681**

Footnote a:

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 opening reserves.

5. Share application money pending allotment

There is no share application money pending allotment as at March 31, 2015.

For the year ended March 31, 2014

Share application money in the previous year represents shares to be issued to former promoters of G.K. Publications Private Limited for acquiring the third and last tranche of shares in G.K. Publications Private Limited by payment of consideration as stipulated in the investment agreement entered on November 12, 2011 with the former promoters of G.K. Publications Private Limited, including consideration by way of issue of equity shares of the Company of value ₹ 13,856,863, which had been recorded as 'share application money pending allotment' by the Company.

During the period, on July 22, 2014, 23,486 equity shares of ₹ 10 each have been issued to the former promoters of GK Publications Private Limited against the said share application money at a premium of ₹ 580 per share.

The terms/rights of such equity shares were same as those of existing class-I shares-equity shares [Refer note 3(b)].

6. Long-term borrowings

	March 31, 2015 Amount in₹	March 31, 2014 Amount in₹	March 31, 2015 Amount in₹	March 31, 2014 Amount in₹
Term loans (secured)				
-From banks				
a) Vehicle loans (Refer footnote i)	1,250,290	1,765,482	1,692,994	1,068,711
b) Other term loans (Refer footnote ii)	44,439,184	17,400,482	51,738,842	47,718,368
-From others				
a) Term loan (Refer footnote iii)	203,310,735	212,849,649	9,538,914	2,150,351
Unsecured loans				
-From banks				
a) Term loans (Refer footnote iv)	-	1,274,958	1,128,541	1,366,387
b) From others (Refer footnote v)	-	1,725,942	-	2,214,283
	249,000,209	235,016,513	64,099,291	54,518,100
The above amount includes				
Amount disclosed under the head "Other current liabilities" (Refer note 12)	-	-	(64,099,291)	(54,518,100)
Net amount	**249,000,209**	**235,016,513**	-	-

Footnotes

i. Vehicle loans from banks are secured against hypothecation of concerned vehicles.

The repayment terms of the vehicle loans are as follows:

For amount outstanding as at March 31, 2015

Loan	Outstanding Amount Amount in₹	Equal monthly instalment (EMI) Amount in₹	Rate of Interest	Date of Last EMI
Loan 1	429,473	33,030	11.99%	May 7, 2016
Loan 2	402,871	24,618	12.27%	July 9, 2016
Loan 3	645,649	32,700	11.53%	January 5, 2017
Loan 4	287,488	22,140	12.24%	June 14, 2016
Loan 5	1,177,803	49,218	10.59%	June 10, 2017
	2,943,284			

For amount outstanding as at March 31, 2014

Loan	Outstanding Amount Amount in₹	Equal monthly instalment (EMI) Amount in₹	Rate of Interest	Date of Last EMI
Loan 1	752,948	33,030	11.99%	May 7, 2016
Loan 2	633,268	24,618	12.27%	July 9, 2016
Loan 3	944,579	32,700	11.53%	January 5, 2017
Loan 4	503,398	22,140	12.24%	June 14, 2016
	2,834,193			

ii. Secured term loans from Bank

The Company had entered into a finance facility agreement with revised limit amounting ₹ 484,200,000 (previous year ₹ 366,900,000) with Kotak Mahindra Bank, under which various term loans and overdrafts have been availed at different times during the current and previous year.
The term loans so availed comprises five loans ₹ 83,558,732, ₹ 12,000,000, ₹ 35,000,000, ₹ 50,000,000 and ₹ 44,000,000. Year end balances of these loans are ₹ Nil, ₹ 3,126,045, ₹ 14,274,445, ₹ 34,777,536 ₹ 44,000,000 (previous year ₹ 26,726,611, ₹ 7,273,186 ₹ 31,119,053, ₹ Nil and ₹ Nil) respectively.

Interest rate:
These loans carry interest at Bank's base rate + 4.25% per annum ranging from 14% to 14.25% (previous year 14.% to 14.25%).

Repayment schedule:

The loan of ₹ 83,558,732 was repayable in 28 equal monthly installments of ₹ 3,515,379 (inclusive of interest) for which November 15, 2014 was the last installment date.

The loan of ₹ 12,000,000 is repayable in 36 equal monthly installments of ₹ 410,132 (inclusive of interest) for which November 10, 2015 is the last installment date.

The loan of ₹ 35,000,000 is repayable in 24 equal monthly installments of ₹ 1,684,587 (inclusive of interest) for which December 25, 2015 is the last installment date.

The loan of ₹ 50,000,000 is repayable in 24 equal monthly installments of ₹ 2,406,554 (inclusive of interest) for which July 25, 2016 is 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
This loan is secured by way of first and exclusive charge on all present and future current and moveable assets including moveable fixed assets of the Company.

1 Lien over fixed deposits of ₹ 45,000,000.
1

Collateral security

The loan is 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.
- Lien over fixed deposits of ₹ 110,000,000

The loan is 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 above, overdraft facility upto ₹ 355,000,000 (Previous year ₹ 265,000,000) (disclosed in short term borrowings in the financial statements), cash management facility of ₹ 2,500,000 (Previous Year ₹ 2,500,000) and OD against credit card receivables of ₹ 15,000,000 (unavailed). Securities mentioned above are securities provided by the Company for such overall limit.

iii. Secured term loans-from others

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 Educated 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, 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, 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.

j) Corporate guatantee from CL Educate Limited (CL), the ultimate holding company, and CLEIS, the holding company.

k) Personal guatantees 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 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, 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, 2015 & March 31, 2014.

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 calender 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.

Aggregate amount of loans guaranteed by directors of the Company ₹ 599,625,885 (previous year ₹ 605,873,177) [Includes amount of ₹ 61,277,756 (previous year ₹ 52,083,002) disclosed under other current liabilities as current maturities of long term borrowing (Refer note 12)] and short term borrowings amounting ₹ 290,598,210 (previous year ₹ 321,814,102) (Refer note 10).

iv. Unsecured loan from Bank

The term loans so availed of ₹ 4,000,000. Year end balances of these loans are ₹ 1,128,541 (previous year ₹ 2,641,345).

Interest rate:
These loans carry interest at Bank's base rate + 7.75% per annum i.e. 17.50% (previous year 17.50%).

Repayment schedule:

The loan is repayable in 36 equal monthly installments of ₹ 143,608 (inclusive of interest) for which January 5, 2016 is the last installment date.

v. Unsecured loan from others

The term loans so availed comprises loans ₹ 4,000,000 and ₹ 3,500,000. Year end balances of these loans are ₹ Nil and ₹ Nil (previous year ₹ 2,154,329 and ₹ 1,785,896) respectively.

Interest rate:
The loans of ₹ 4,000,000 and ₹ 3,500,000 carry interest at fixed rate of 19.64% and 19.53% respectively (previous year 19.64% and 19.53% respectively).

Repayment schedule:

The loan of ₹ 4,000,000 was repayable in 36 equal monthly installments of ₹ 188,247 in 1st year, 132,628 in 2nd year and 106,598 in 3rd year (inclusive of interest) for which January 7, 2016 is the last installment date. However, the same has been pre paid during the year.

The loan of ₹ 3,500,000 was repayable in 36 equal monthly installments of ₹ 170,432 in 1st year, 118,561 in 2nd year and 81,511 in 3rd year (inclusive of interest) for which January 5, 2016 is the last installment date. However, the same has been pre paid during the year.

7. Deferred tax (liabilities)/ assets

In accordance with Accounting Standard 22 on 'Accounting for Taxes on Income' decrease in Deferred Tax Liability of ₹ 6,095,118 for the current year has been recognised as benefit in the Consolidated Statement of Profit and Loss. The tax effect of significant timing differences as at March 31, 2015 that reverse in one or more subsequent years gave rise to the following net Deferred Tax Liability as at March 31, 2015.

	March 31, 2015 Amount in₹	(Charge)/benefit Amount in₹	March 31, 2014 Amount in₹
Deferred tax assets			
On account of			
Unabsorbed Losses	39,750,355	10,034,106	29,716,249
Provision for gratuity	5,257,500	781,442	4,476,058
Provision for bonus	1,172,520	(488,806)	1,661,326
Provision for leave encashment	3,675,880	1,279,355	2,396,525
Provision for investment impairment	21,742	406	21,336
Provision for loans and advances	13,974,092	160,374	13,813,718
Provision for incentive	3,771,030	3,771,030	-
Provision for obsolete inventory	193,119	193,119	-
Provision for doubtful debts & Advance	716,975	383,109	333,866
Provision for sales incentive	100,587	(112,682)	213,269
Provision for sales return	552,723	135,573	417,150
Unrealised foreign exchange loss	110,786	110,786	-
Total deferred tax assets	**69,297,309**	**16,247,812**	**53,049,497**
Deferred tax liabilities			
On account of depreciation	84,904,055	10,152,694	74,751,361
Total deferred tax liabilities	**84,904,055**	**10,152,694**	**74,751,361**
Net deferred tax (liabilities)	**(15,606,746)**	**6,095,118**	**(21,701,864)**

Deferred Tax Liabilities	(15,606,746)
Add: Transfer to retained earnings on account of Schedule II adjustments (Refer note 4)	337,425
Net deferred tax liabilities	**(15,269,321)**
Deferred tax benefit for the year	6,095,118
Add: Transfer from retained earnings on account of Schedule II adjustments	2,036,590
Net deferred tax benefit for the year	**8,131,708**

Presentation in the financial statements as per tax jurisdictions:

	March 31, 2015 Amount in₹	March 31, 2014 Amount in₹
Total deferred tax assets of net deferred tax assets jurisdiction entities	3,279,534	1,600,942
Total deferred tax liabilities of net deferred tax liabilities jurisdiction entities	(18,548,855)	(23,302,806)
Net deferred tax liability shown in the Balance Sheet	**(15,269,321)**	**(21,701,864)**

Net deferred tax assets and net deferred tax liabilities as shown in different entities have not been setted off considering the provisions of AS-22.

8. Other long-term liabilities

	March 31, 2015 Amount in₹	March 31, 2014 Amount in₹
Security deposit received	2,590,000	1,190,000
	2,590,000	**1,190,000**

9. Provisions

		Long-term		Short-term	
		March 31, 2015 Amount in₹	March 31, 2014 Amount in₹	March 31, 2015 Amount in₹	March 31, 2014 Amount in₹
Provision for taxes					
-for Income tax [net of advance tax and tax deducted at source of ₹ 19,115,544 (previous year ₹ 3,763,015)]		-	-	22,484,466	23,731,717
Total	A	-	-	**22,484,466**	**23,731,717**
Provision for sales return (Refer footnote i)	B	-	-	1,788,747	1,350,000
Provision for employees benefit					
Gratuity (Refer note 44)		18,101,534	11,931,276	400,514	252,171
Leave encashment (Refer note 44)		10,965,812	8,460,895	356,821	343,672
Total	C	**29,067,346**	**20,392,171**	**757,335**	**595,843**
Total (A+B+C)		**29,067,346**	**20,392,171**	**25,030,548**	**25,677,560**

Footnote:
H

	March 31, 2015 Amount in₹	March 31, 2014 Amount in₹
Opening balance	1,350,000	998,559
(+) Additions during the year	1,788,747	1,350,000
(-) Utilised/reversed during the year	(1,350,000)	(998,559)
Closing balance	**1,788,747**	**1,350,000**

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10. Short-term borrowings

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Secured, from bank, repayable on demand		
-Cash credit (Refer footnote i)	309,428,079	340,778,493
Unsecured loans repayable on demand from related parties (Refer note 40)	-	25,000
Net amount	**309,428,079**	**340,803,493**

Footnotes:

i. Details of these loans are as follows:

For the year ended March 31, 2015

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

1. It carries interest rate of bank's base rate plus 4.50 % ranging from 14% to 14.25% calculated on monthly basis on the actual amount utilised.
2. Security details: Refer footnote ii of note 6.

Cash credit from Kotak Mahindra Bank- loan 2

1. 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, Mr. Gautam Puri and Mr. Nikhil Mahajan.

The facility carries an interest rate of bank's base rate + 4.25% per annum payable on monthly basis.

Cash credit from IndusInd Bank- loan 1

1. It carried interest rate of base rate plus 3%-4.25% ranging from 14% to 15%.
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

First and exclusive charge on movable fixed assets of Kestone both present and future.

3. Personnel guaranteed by directors of the Kestone Integrated Marketing Services Private Limited amounting ₹ 40,053,705.
4. Corporate guarantee of CL Educate Limited (Holding Company).
5. Lien on fixed deposits amounting to ₹ 15,000,000 (Previous year ₹ 15,000,000).

Cash credit from IndusInd Bank- loan 2

1. Unsecured loan from bank represents over draft facility from IndusInd Bank in the current year. The above amount represents the limit availed out of the total fund limit of ₹ 19,000,000 (previous year ₹ 19,000,000).
2. The facility carries an interest rate of Bank's fixed deposit rate + 1.75% per annum payable on monthly basis.
3. The above loan is repayable by February 20, 2016 or maturity date of underlying fixed deposits, whichever is earlier.

For the year ended March 31, 2014

Cash credit represents three loans from Kotak Mahindra Bank taken by CL Educate Limited, CL Media Private 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

1. It carries interest rate of base rate plus 4.50 % ranging from 14% to 14.25%.
2. Security details: Refer footnote ii of note 6.

Cash credit from Kotak Mahindra Bank- loan 2

1. It carries interest rate of base rate plus 3.75 %.
2. Security details: Refer footnote ii of note 6.

Cash credit from Kotak Mahindra Bank- loan 3

1. This loan represents the limit availed out of the total fund limit of ₹ 15,000,000 (Previous year ₹ NIL). 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 Company.

Collateral Security:

Lien over the fixed deposit of ₹ 15,000,000.

The loan is further secured by personal guarantees of Mr. Satya Narayanan, Mr. Gautam Puri and Mr. Nikhil Mahajan.

The facility carries an interest rate of bank's base rate + 4.25% per annum payable on monthly basis.

1. It carried interest rate of base rate plus 3%-4.25% ranging from 14% to 15%.
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

First and exclusive charge on movable fixed assets of the Company both present and future.

3. Personal guarantee of Mr. Nikhil Mahajan and Mr. Gautam Puri, Directors of Kestone Integrated Marketing Services Private Limited.
4. Corporate guarantee of CL Educate Limited (Holding Company).
5. Lien on fixed deposits amounting to ₹ 15,000,000 (Previous year ₹ 13,000,000).

Cash credit from IndusInd Bank- loan 2

1. Unsecured loan from bank represents over draft facility from IndusInd Bank in the current year. The above amount represents the limit availed out of the total fund limit of ₹ 19,000,000 (previous year ₹ NIL).
2. The facility carries an interest rate of Bank's fixed deposit rate + 1.75% per annum payable on monthly basis.
3. The above loan is repayable by February 20, 2015 or maturity date of underlying fixed deposits, whichever is earlier.

11. Trade payables

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Trade payable (refer footnote i and note 43)	200,181,872	169,853,087
	200,181,872	**169,853,087**

Footnote i
Includes amount due to related party.

12. Other current liabilities

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Current maturities of long term borrowing (Refer note 6)	64,099,291	54,518,100
Interest accrued but not due on borrowings	686,390	386,041
Income received in advance (Unearned revenue)	197,548,609	169,120,223
Payables for expenses (Refer note 43)		
-To related party (Refer note 40)	5,000	356,547
-To others	69,454,232	62,690,130
Employees related payables	86,327,539	79,029,693
Payable for fixed assets (Refer note 43)	17,185,736	6,289,084
Advance from customers	6,821,892	2,051,205
Advance received against sale of fixed assets	14,547,181	5,350,000
Security from customers	-	200,000
Statutory dues payable	21,397,612	25,146,047
	478,073,482	**405,137,070**

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13. Fixed assets- Tangible assets*#

Particulars	Gross block (at cost)				Accumulated depreciation					Net block
	As at April 1, 2014	Additions during the year	Disposals/ Adjustments	As at March 31, 2015	As at April 1, 2014	Depreciation for the year	Disposals	Adjustment as per Schedule II	As at March 31, 2015	As at March 31, 2015
Land - freehold	105,323,520	-	-	105,323,520	-	-	-	-	-	105,323,520
Land - Leasehold (Refer footnote i)	20,043,350	-	-	20,043,350	2,158,973	222,481	-	-	2,381,454	17,661,896
Buildings (Refer footnote ii)	585,607,047	-	-	585,607,047	34,144,187	9,249,981	-	-	43,394,168	542,212,879
Building Improvements	9,072,717	-	-	9,072,717	8,132,667	433,863	-	349,318	8,915,848	156,869
Plantandmachineries	12,329,595	1,964,563	-	14,294,158	5,955,259	991,127	-	-	6,946,386	7,347,772
Leasehold Improvement	25,044,158	5,832,046	1,250,171	29,626,033	17,554,724	5,137,895	1,250,171	-	21,442,448	8,183,585
Furniture and fixtures	27,200,340	16,208,177	2,109,884	41,298,633	14,491,179	3,318,889	2,070,989	60,561	15,799,640	25,498,993
Officeequipments	37,587,692	12,307,071	4,986,291	44,908,472	14,665,774	6,602,595	4,609,795	7,635,198	24,293,772	20,614,700
Computers	59,595,813	56,683,420	20,904,499	95,374,734	40,057,641	22,521,962	13,648,319	1,986,367	50,917,651	44,457,083
Vehicles	20,634,788	1,737,089	240,730	22,131,147	9,412,352	2,627,107	238,252	260,474	12,061,681	10,069,466
Total	**902,439,020**	**94,732,366**	**29,491,575**	**967,679,811**	**146,572,756**	**51,105,900**	**21,817,526**	**10,291,918**	**186,153,048**	**781,526,763**

*Certain tangible 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 in the current and previous year. (Refer note 6)

#'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 opening reserves.

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 holding company had classified freehold land of ₹ 51,864,647 located at Faridabad, as fixed assets held for sale under other current assets. Further, fixed assets aggregating ₹ 800,000 are also classified as held for sale in current year. * During the FY 2012-13, CLIP, a subsidiary company has entered into agreements with various parties to sale lands located at Faridabad and Amrisar. The same have been shown as "Assets held for sale" under the head "Other Current Assets. (Refer note 21)

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Previous year

Particulars	Gross block (at cost) As at April 1, 2013	Additions during the year	Disposals/ Adjustments	As at March 31, 2014	Accumulated depreciation As at April 1, 2013	Depreciation for the year	Disposals/ Adjustments	As at March 31, 2014	Netblock As at March 31, 2014
Land - freehold	105,323,520	-	-	105,323,520	-	-	-	-	105,323,520
Land - Leasehold (Refer footnote i)	20,043,350	-	-	20,043,350	1,936,492	222,481	-	2,158,973	17,884,377
Buildings (Refer footnote ii)	585,607,047	-	-	585,607,047	24,486,049	9,658,138	-	34,144,187	551,462,860
Building Improvements	9,072,717	-	-	9,072,717	6,041,468	2,091,199	-	8,132,667	940,050
Plant and machineries	12,092,994	614,980	378,379	12,329,595	5,313,919	879,137	237,797	5,955,259	6,374,336
Leasehold Improvement	23,818,132	5,246,149	4,020,123	25,044,158	16,499,744	5,072,467	4,017,487	17,554,724	7,489,434
Furniture and fixtures	24,939,651	2,616,804	356,115	27,200,340	12,798,326	2,002,653	309,800	14,491,179	12,709,161
Office equipments	35,797,150	2,862,586	1,072,044	37,587,692	11,734,682	3,608,209	677,117	14,665,774	22,921,918
Computers	57,423,147	3,682,572	1,509,906	59,595,813	32,298,824	9,079,222	1,320,405	40,057,641	19,538,172
Vehicles	20,634,788	-	-	20,634,788	7,371,745	2,040,607	-	9,412,352	11,222,436
Total	**894,752,496**	**15,023,091**	**7,336,567**	**902,439,020**	**118,481,249**	**34,654,113**	**6,562,606**	**146,572,756**	**755,866,264**

Certain tangible 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 in the current and previous year. (See note 6).

Footnote:

i. 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.

ii. Building includes 5 shares of ₹ 50 each (Previous year 5 shares of ₹ 50 each) being the cost of shares in Tardeo Air conditioned Market Building Cooperative Society Limited, Mumbai.

iii. Pursuant to the board resolution dated October 31, 2012, the holding 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 located at Faridabad and Amrisar. The same have been shown as "Assets held for sale" under the head "Other Current Assets. (refer note 21)

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CL Educate Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2015

14. Fixed assets- Intangible assets*

Particulars	Gross block (at cost)				Accumulated amortisation				Netblock
	As at April 1, 2014	Additions	Disposals/ Adjustments	As at March 31, 2015	As at April 1, 2014	Amortisation	Disposals	As at March 31, 2015	As at March 31, 2015
Intellectual property rights and trademarks	166,147,995	-	-	166,147,995	67,557,786	13,661,648	-	81,219,434	84,928,561
Computer softwares	15,201,192	976,693	-	16,177,885	11,902,684	1,090,056	-	12,992,740	3,185,145
License fees	14,436,000	14,999,258	-	29,435,258	10,280,492	5,735,715	-	16,016,207	13,419,051
Content development	1,722,707	20,500,000	-	22,222,707	35,172	3,103,022	-	3,138,194	19,084,513
CAT Online Module	1,830,150	5,810,920	-	7,641,070	1,830,150	1,691,927	-	3,522,077	4,118,993
Web Site	3,584,770	-	-	3,584,770	3,568,743	6,000	-	3,574,743	10,027
Education Manual	2,750,000	-	-	2,750,000	2,750,000	-	-	2,750,000	-
Non-compete fees	5,000,000	-	-	5,000,000	2,500,000	1,000,000	-	3,500,000	1,500,000
Total	**210,672,814**	**42,286,871**	**-**	**252,959,685**	**100,425,027**	**26,288,368**	**-**	**126,713,395**	**126,246,290**

*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 in the current and previous year (Refer note 6 and 10)

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CL Educate Limited
Notes to Consolidated Financial Statements for the year ended March 31, 2015

Previous year

Particulars	Gross block (at cost) As at April 1, 2013	Additions during the year	Disposals/ Adjustments	As at March 31, 2014	Accumulated amortisation As at April 1, 2013	Amortisation for the year	Disposals/ Adjustments	As at March 31, 2014	Netblock As at March 31, 2014
Intellectualpropertyrights andtrademarks	166,147,995	-	-	166,147,995	51,920,781	15,637,005	-	67,557,786	98,590,209
Computer softwares	13,345,440	1,934,052	78,300	15,201,192	10,693,172	1,268,762	59,250	11,902,684	3,298,508
License fees	12,236,000	2,200,000	-	14,436,000	8,183,652	2,096,840	-	10,280,492	4,155,508
Content development	-	1,722,707	-	1,722,707	-	35,172	-	35,172	1,687,535
CAT Online Module	1,830,150	-	-	1,830,150	1,830,150	-	-	1,830,150	-
Web Site	3,584,770	-	-	3,584,770	3,562,743	6,000	-	3,568,743	16,027
Education Manual	2,750,000	-	-	2,750,000	2,750,000	-	-	2,750,000	-
Non-compete fees	5,000,000	-	-	5,000,000	1,500,000	1,000,000		2,500,000	2,500,000
Total	**204,894,355**	**5,856,759**	**78,300**	**210,672,814**	**80,440,498**	**20,043,779**	**59,250**	**100,425,027**	**110,247,787**

*Certain intangible assets, are subject to charge to secured borrowings of group Companies referred in notes as secured term loan from others and secured term loans from banks and bank overdrafts in the current and previous year. (See note 6).

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15. Non-current investments

	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Investment property		
(Non-trade, valued at cost less accumulated depreciation)		
Cost of building	13,113,500	13,113,500
Less: Accumulated depreciation	1,614,568	1,407,690
	11,498,932	**11,705,810**
Equity shares in 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
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
	16,998,932	**17,205,810**

The aggregate book value of unquoted non current investment are as follows:

	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
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.

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16. Loans and advances

		Long-term		Short-term	
		March 31, 2015 Amountin₹	March 31, 2014 Amountin₹	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Unsecured, considered good, unless otherwise stated					
Capital advances	(A)	13,402,140	13,603,568	-	-
Advance to suppliers	(B)	-	-	9,875,131	4,314,156
Loans and advances to related parties (Refer note 40)	(C)	-	-	456,916,377	419,326,387
Security deposits					
-Considered good		16,086,950	12,294,444	25,861,456	23,924,820
-Considered doubtful		636,266	436,266	-	-
		16,723,216	12,730,710	25,861,456	23,924,820
Less: Provision for doubtful balances		(636,266)	(436,266)	-	-
	(D)	**16,086,950**	**12,294,444**	**25,861,456**	**23,924,820**
Balances recoverable from government authorities					
-Considered good	(E)	21,302,000	21,302,000	2,379,422	435,153
Advance income-tax [(net of provision for tax of ₹ 262,540,460) (Previous year ₹ 196,651,948)]	(F)	110,464,864	117,776,886	-	-
MAT credit entitlement	(G)	52,376,468	39,772,736	-	-
Intercorporate deposits	(H)	-	-	-	121,634
Prepaid expenses	(I)	-	-	97,335,549	108,972,658
Loans and advances to employees	(J)	76,000	2,071,834	7,306,522	1,889,560
Loan and advances to franchisees	(K)	-	-	70,000	70,000
Others					
-Gratuity Assets (Including balances of Trust)		438,096	411,802	13,651	220,147
- Receivable from others (good)		-	-	30,881,809	2,670,141
- Receivable from others (doubtful)		-	-	40,224,409	40,224,409
		438,096	411,802	71,119,869	43,114,697
Less: Provision for doubtful balances		-	-	(40,224,409)	(40,224,409)
Sub total	**(L)**	**438,096**	**411,802**	**30,895,460**	**2,890,288**
Total (A+B+C+D+E+F+G+H+I+J+K+L)		**214,146,518**	**207,233,270**	**630,639,917**	**561,944,656**

17. Other non-current assets

	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Unsecured, considered good, unless otherwise stated		
Interest accrued on non current fixed deposits	-	88,447
Non-current bank balances (Deposits with maturity for more than 12 months from reporting date) (Refer note 20)	112,341,980	132,341,980
Other receivables	2,456,525	-
	114,798,505	**132,430,427**

18. Inventories (Refer footnote a)

	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Valued at lower of costs and net realisable value		
Raw materials (Refer footnote b)	9,686,141	3,237,290
Work-in-progress (Refer footnote c)	2,696,299	16,327,484
Finished goods	76,349,481	86,152,074
Less: Provision for obsolescence of inventory	(584,094)	-
	88,147,827	**105,716,848**

Footnote a: All inventories categories represent text books

Footnote b: Includes raw materials lying with third parties ₹ 9,686,141 (Previous year ₹ 3,237,290)

Footnote c: Includes work-in-progress lying with third parties ₹ 2,696,299 (Previous year ₹ 16,327,484)

19. Trade receivables

	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
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)	332,395,032	104,701,745
-Considered doubtful	1,178,286	1,368,051
	333,573,318	106,069,796
Less: Provision for doubtful trade receivables	(1,178,286)	(1,368,051)
	332,395,032	104,701,745
Others (refer footnote ii)	533,603,243	542,936,494
	865,998,275	**647,638,239**

Footnote:

i. The above includes ₹ 13,172,289 (Previous year ₹ 12,602,599) recoverable from Monica Oli (Authorised to run Comprehensive Education and IT Training Institute). (Refer note 48)

ii. Includes receivables from related party (refer note 40)

20. Cash and bank balances

	Non-current		Current	
	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Cash and cash equivalents				
Balances with banks:				
– on current accounts	-	-	60,861,703	46,902,245
Cheques/ drafts on hand	-	-	4,486,231	2,898,968
Cash on hand	-	-	3,993,453	4,011,856
Other bank balances				
- Unpaid dividend account	-	-	17,075	19,822
– Deposits with original maturity for more than 3 months but less than 12 months from the reporting date	-	-	76,209,377	56,477,730
– Margin money deposits (Refer footnote i)	112,341,980	132,341,980	47,998,224	3,710,692
	112,341,980	132,341,980	193,566,063	114,021,313
Amount disclosed under other non-current assets (Refer note 17)	(112,341,980)	(132,341,980)	-	-
	-	-	**193,566,063**	**114,021,313**

Footnotes i
Current deposits include:

• Deposits of ₹ 1,837,750 (Previous year ₹ 1,694,629) for issue of guarantees in favor of Northern Eastern Council Secretariat, Shilong,

• Deposits of ₹ 750,600 (Previous year ₹ 1,447,000) in favour of for the purpose of paper purchase,

• Deposits of ₹ 339,605 (Previous year ₹ 504,063) for issue of guarantees in favor of The Directorate of Employment Training, Gandhi Nagar-TDD,

• Deposits of ₹ 70,269 (Previous year ₹ 65,000) pledged with bank in favour of Hon'ble Consumer Court against an appeal

• Deposits of ₹ 45,000,000 (Previous year ₹ Nil) pledged with banks for overdraft facility (refer footnote ii of note 6)

• Deposits amounting ₹ 35,000,000 (Previous year ₹ 35,000,000) are under lien, out of which deposits amounting ₹ 15,000,000 (Previous year ₹
15,000,000) are under lien towards cash credit facility from IndusInd Bank and deposits amounting ₹ 20,000,000 (Previous year ₹ 20,000,000)

• Deposits of ₹ 15,000,000 (Previous year ₹ 15,000,000) pledged against Cash Credit facility from Kotak mahindra Bank (refer footnote i of note 6 in regard to loan 2)

• Deposit of ₹ 20,000,000 (Previous year Nil) pledged against Letter of Credit facility taken from Kotak Mahindra Bank having sanction limit ₹ 20,000,000.

"Non current deposits include:

• Deposits of ₹ 99,518 (Previous year ₹ 99,518) for issue of guarantees in favor of value added tax authorities,

• Deposits of ₹ 2,003,429 (Previous year ₹ 2,003,429) for issue of guarantees in favor of Development Support Agency of Gujarat- TDD Project,

• Deposits of ₹ 239,033 (Previous year ₹ 239,033) for issue of guarantees in favor of The Directorate of Employment Training, Gandhi Nagar-TDD,

• Deposits aggregating to ₹ 130,000,000 (Previous year ₹ 130,000,000) pledged with banks for overall loan facility (Refer footnote ii of note 6).

21. Other current assets

	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Unbilled revenue	48,931,908	44,097,855
Interest accrued but not due on fixed deposits	2,094,465	1,469,345
Interest accrued on fixed deposits	1,331,369	1,352,195
Interest accrued but not due on loans and advances		
- From related parties (Refer note 40)	18,141,501	10,711,803
Receivables on account of transfer of fixed assets	132,628	-
Fixed assets held for sale	95,246,837	94,446,837
Others	74,875	40,472
	165,953,583	**152,118,507**

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22. Revenue from operations

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Revenue from operations		
Sale of products (Refer footnote i)	418,945,259	367,456,803
Sale of services (Refer footnote ii)	2,110,065,853	1,671,071,128
Other operating revenue		
Start up fees from franchisees	27,458,743	17,313,898
Licence fees (Refer footnote iii)	3,250,000	8,500,000
Advertising Income	37,949,288	27,474,574
Infrastructure fees (Refer footnote iii)	19,705,801	18,329,270
Sale of scrap	1,299,768	758,362
Campus placement fees	7,218,054	3,666,000
Bus fees	2,127,750	879,897
Income from day care center	-	6,502,049
Grant income	105,380,219	64,878,538
Other miscellaneous operating Income	2,816,127	16,615
	2,736,216,862	**2,186,847,135**

Footnotes i
Detail of products sold

Particulars	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
-Sale of study materials	251,834,823	186,524,306
-Sale of text books	167,110,436	180,932,497
	418,945,259	**367,456,803**

The Company is engaged in publishing educational content and books which are subject to nil rate of excise duty.

Footnotes ii
Detail of services provided

Particulars	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
-Education and training programmes income	896,628,843	812,617,942
-Vocational training services income	207,746,113	97,994,122
-Manpower services income	450,038,443	429,954,344
-Event management services income	510,959,450	303,653,611
-Passthorugh services income	-	217,171
	25,572,852	21,187,390
-School tuition fees	19,120,152	5,446,548
	2,110,065,853	**1,671,071,128**

iii. Includes sales to related party (Refer Note 40).

23. Other Income

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Interest income on		
-Fixed deposits	20,056,691	20,951,015
-Income tax	332,210	152,506
-Loans and advances (Refer footnote i)	42,455,865	34,625,372
Liability no longer required written back	24,559,770	18,090,322
Rent income on investment property [net of depreciation on investment property of ₹ 206,878 (previous year ₹ 213,750)	1,138,710	80,000
Provision written back	2,585,347	3,078,958
Profit on sale of fixed assets (net)	-	243,992
Amount forfeited against sale of land	-	5,505,000
Notice period recovery	2,367,135	1,978,958
Foreign exchange fluctuation gain (net)	99,692	2,383,757
Bad debts recovered	950,587	807,504
Miscellaneous income	685,192	1,797,276
	95,231,199	**89,694,660**

Footnote i: Includes income from related party (Refer note 40).

24A. Cost of raw material and components consumed

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Inventory at the beginning of the year	3,237,290	5,091,001
Add: Purchases during the year	68,609,541	91,801,498
	71,846,831	96,892,499
Less: Inventory at the end of the year	9,686,141	3,237,290
Cost of raw material and components consumed	**62,160,690**	**93,655,209**

Details of raw material and components consumed

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Paper	61,111,745	89,435,264
Lamination material	724,815	315,567
Binding and packaging material	324,130	3,904,378
	62,160,690	**93,655,209**

Details of closing stock of raw materials and components

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Paper	9,686,141	3,237,290
	9,686,141	**3,237,290**

24B. Cost of Services

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Printing cost	30,437,892	49,194,409
Binding and cover pasting charges	3,119,732	3,215,824
Packing material consumed	641,920	1,083,705
Content development cost	9,653,185	3,011,269
Material printing cost	2,316,724	2,396,850
Other test prep related consumables	1,962,651	2,271,894
Labour cost	523,123	993,056
Placement support expenses	15,468,500	11,408,500
Faculty expenses	85,629,297	84,083,443
Franchisee expenses	397,810,512	327,596,622
Hostel expenses	39,121,224	11,896,229
Mobilization expenses	11,688,592	13,708,555
Equipment hire expenses	35,700,246	7,739,854
Royalty charges	395,069	
Project monitoring charges	-	837,218
	634,468,667	**519,437,428**

25. Purchase of traded goods

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Text books	19,811,383	16,312,474
	19,811,383	**16,312,474**

26. Decrease/(increase) in inventories of finished goods, work-in progress and traded goods

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Inventories at the beginning of the year (A)		
-Finished goods produced	86,152,074	47,284,000
-Work-in-progress	16,327,484	6,666,990
-Finished goods purchased	-	8,619,288
	102,479,558	62,570,278
Less: Inventories at the end of the year (B)		
-Finished goods produced	76,349,481	86,152,074
-Work-in-progress	2,696,299	16,327,484
	79,045,780	102,479,558
Net decrease/(increase) (A-B)	**23,433,778**	**(39,909,280)**

Details of Inventory of finished goods produced

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Text books	76,349,481	86,152,074
	76,349,481	**86,152,074**

Details of work in progress

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Text books	2,696,299	16,327,484
	2,696,299	**16,327,484**

27. Employee benefit expenses

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Salary, wages, bonus and other benefits	681,401,304	637,021,016
Contribution to provident and other funds (net of EDLI charges recovered from employees) (Refer note 44)	33,946,591	29,387,562
Gratuity expense (Refer note 44 and footnote i)	7,660,004	2,517,047
Leave encashment expense (Refer note 44 and footnote ii)	5,110,585	3,411,944
Expense on employee stock option (ESOP) scheme (Refer note 42)	7,016,855	853,950
Staff welfare expenses	14,558,653	13,382,034
	749,693,992	**686,573,553**

Footnote i

In case of subsidiary company namely Kestone, as per the actuarial valuation, the gratuity expense for the year ended March 31, 2015 includes expense pertaining to employees engaged on projects. However, since the gratuity pertaining to such employees is recoverable by the subsidiary company, hence gratuity amounting ₹ 2,456,525 has been shown under the head "Other current assets" as "Other recoverables" instead of recognising expense for the year. Further, another subisidiary namely CLIP has recorded gratuity expense of ₹ 57,281 which is not based on actuarial valuation.

Footnote ii

In case of subisidiary namely CLIP has recorded an expense of leave encashment of ₹ 19,741 which is not based on actuarial valuation.

28. Finance costs

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Interest on vehicle loans	231,374	329,502
Interest on short term borrowings	73,413,648	68,624,203
Interest on other term loans	11,347,406	15,098,566
Loan processing charges	3,294,926	2,674,574
Interest on delayed payment of statutory dues	5,280,778	2,983,672
	93,568,132	**89,710,517**

29. Depreciation and amortisation expenses

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Depreciation of tangible assets (Refer note 13)	51,105,900	34,654,113
Amortisation of intangible assets (Refer note 14)	26,288,368	20,043,779
	77,394,268	**54,697,892**

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30. Other expenses

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Banquet and event material expenses	58,069,688	117,158,641
Advertisement, publicity and sales promotion expenses	115,001,009	82,734,046
Travelling, conveyance and vehicle maintenance expenses	82,380,289	72,698,874
Rent expense (Refer note 36)	84,782,511	70,629,729
Communication expenses	36,133,793	27,215,698
Equipment hire charges	15,160,379	15,807,786
Office expenses	148,347,123	36,768,290
Legal and professional (Refer note 35)	96,522,849	60,777,942
Retainership fees and temporary manpower resources expenses	31,811,911	21,974,598
Printing and stationery expenses	25,955,149	11,544,056
Power and fuel	14,360,916	13,702,958
Material development and printing expenses	7,994,572	3,627,030
Commission to non executive directors	498,258	122,642
Repairs to building	12,029,727	9,600,719
Repairs to other	9,156,805	5,633,925
Freight outward and forwarding	11,347,442	9,685,043
Bank charges (other than loan processing charges)	4,815,088	3,281,940
Rates, taxes and fees	3,918,609	1,223,913
Insurance	6,063,097	2,374,826
Content development expenses	181,818	38,000
Rebates and discounts	1,785,633	1,892,427
Recruitment, training and development expenses	2,818,059	2,868,761
Newspaper, books and periodicals and subscriptions expenses	889,245	755,820
Fixed assets written off	1,158,942	679,602
Loss on sale of fixed assets (net)	4,852,105	-
Consumption of packing materials	2,428,365	1,978,204
Business service fee	1,725,919	1,516,247
Provision for sales return	1,788,747	1,350,000
Charity and donations	10,055	119,810
Miscellaneous balances written-off	1,271,188	-
Commission/brokerage charges	-	220,000
Sponsorship Fee	15,233,691	24,300,179
Bad debts written off	67,722,932	47,107,803
Provision for doubtful debts and advances	1,975,329	851,087
Advances written off	2,182,440	2,128,468
Provision for obsolescence of inventory	584,094	-
Miscellaneous expenses	7,272,441	6,712,060
	878,230,218	**659,081,124**

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31. Prior period expense (net)

	March 31, 2015 Amount in ₹	March 31, 2014 Amount in ₹
Prior period income		
-Legaland professional	-	(660,642)
-Salary, wages, bonus and other benefits	-	(344,212)
-Miscellaneous income	-	(146,649)
	-	**(1,151,503)**
Prior period expenses		
-Legal and professional expenses	-	320,150
-Franchisees Payments	-	-
-Communication	-	32,376
-ElectricityCharges	-	14,157
-Mobilization expenses	-	844,000
-Miscellaneous expenses	-	1,839,326
	-	**3,050,009**
Prior period expense (net)	**-**	**1,898,506**

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32. 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, 2015	March 31, 2014
Profit after tax	A	₹	209,845,514	147,997,191
Add: Exceptional expenses			22,841,122	13,258,993
Profit after tax but before exceptional expenses	B		232,686,636	161,256,184
Weighted average numbers of equity shares	C	Numbers	10,708,949	9,417,810
Add: Dilutive potential equity shares (Refer footnote i, ii and iii)	D	Numbers	161,790	304,946
Number of equity shares for dilutive EPS	E=C+D	Numbers	10,870,739	9,722,756
Basic earnings per share before exceptional expenses	B/C	₹	21.73	17.12
Diluted earnings per share before exceptional expenses	B/E	₹	21.40	16.59
Basic earnings per share after exceptional expenses	A/C	₹	19.60	15.71
Diluted earnings per share after exceptional expenses	A/E	₹	19.30	15.22

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:

Weighted average number of shares	**March 31, 2015 In numbers**	**March 31, 2014 In numbers**
Shares to be issued to Rakesh Mittal and Poonam Mittal (Refer footnote a)	-	23,486
Employee stock option outstanding (Refer footnote b)	88,301	46,166
Class-II shares-CCPS (Refer footnote c)	60,415	193,433
Class-III shares-OCPS (Refer footnote c)	13,074	41,861
	161,790	**304,946**

For the year ended March 31, 2015

a. During the year, the Company has issued equity shares of CL Educate Limited to the promoters of G. K. Publication Private Limited for purchase of third and last tranche of equity share of G. K. Publication Private Limited (Refer note 5). Therefore, such shares are no more dilutive in nature and are added to the number of equity shares outstanding in the computation of basic earnings per share.

b. The Company has ESOP outstanding as on Balance Sheet date, shares which are outstanding and will be issued at, for a lesser 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 exercising 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.

c. During the year, the Company has issued equity shares of CL Educate Limited to GPE (India) Limited and Gaja Trustee Company Private Limited for Class- III shares-OCPS as per terms mentioned in footnote D of note 3. Therefore, such shares have been treated as dilutive till the dateof conversion.

For the year ended March 31, 2014

a. The Company has committed to issue equity shares of CL Educate Limited to the promoters of G. K. Publication Private Limited for purchase of third and last tranche of equity share of G. K. Publication Private Limited (Refer footnote i of note 15). As the numbers of shares and share price for such issue is determined as of the reporting date, the impact of the same as potential equity share for calculation of diluted earnings per share has been taken.

b. The Company has ESOP outstanding as on Balance Sheet date, shares which are outstanding and will be issued at, for a lesser 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 exercising 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.

c. The Company has committed to issue equity shares of CL Educate Limited to GPE (India) Limited on conversion of Class- II shares-CCPS and Gaja Trustee Company Private Limited for Class- III shares-OCPS as per terms mentioned in footnote D of note 3. The conversion price 1 and 2 as mentioned in footnote D of note 3 of the financial statements has elapsed. Shareholders have right to seek the conversion of these shares at a price per equity shares of ₹ 425 each as stipulated in conversion price 3. Hence, number of shares is determined as of the reporting date, therefore, such shares are considered as dilutive and are added to the number of equity shares outstanding in the computation of diluted earnings per share.

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33. Contingent liabilities (to the extent not provided for)

Particulars	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Claims against the Company not acknowledged as debt [Refer footnote (i)]	319,293,266	319,921,426
Corporate guarantees [Refer footnote (ii)]	15,000,000	15,000,000
	334,293,266	**334,921,426**

Footnote i: Details of claims against the Company not acknowledged as debt

Particulars	Year Pertaining	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Service Tax (a)	July 2003 to September 2008	142,013,412	142,013,412
Service Tax (a)	October 2008 to March 2009	7,372,308	7,372,308
Service Tax (a)	April 2009 to September 2009	10,664,476	10,664,476
Service Tax (a)	October 2009 to September 2010	71,756,945	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
Income tax demand (e)	Assessment year 2011-12	-	628,160
Other cases (f)	Various years	11,981,634	11,981,634
Total		**319,293,266**	**319,921,426**

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 under protest.

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 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 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 year, the Company has received an order passed by Commissioner (Appeals) of Service tax. The Company has 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 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. The Assistant Commissioner of Income Tax has made some disallowances and raised a demand of ₹ 628,160 (including interest) for Assessment year 2011-12. The Company has filed an appeal against the demand notice with Commissioner of Income Tax (Appeals). Subsequently, the Commissioner of income tax vide order u/s 250(6) of the Income tax Act, 1961 dated January 07, 2015 made a final disallowance of ₹ 95,000. In the current period, the Company has recognised tax liability on account of the same in the books of accounts.

f. Other cases

The Company had been allotted a land located at Faridabad (Haryana) in an auction by Hon'ble High Court of Jharkhand. When the Company applied for transfer of ownership in the records of Haryana Urban Development Authority (HUDA), the transfer permission was granted with levy of extension fee of ₹ 6,700,000 (previous year ₹ 6,700,000) on account of various dues not paid by the erstwhile owner. The Company has disputed the demand and has preferred an appeal with the Administrator, HUDA.

Rashtriya advertising & Prabhatam Advertising Pvt Ltd, a service provider has filed a claim against the Company for recovery of an amount of ₹ 1,456,079 (previous year ₹ 1,456,079) with interest as balance of amounts due. The Company has disputed the demand and the case is under trial in the court of law.

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.

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

Bank Name	Name of the guaranter	Name of the borrower	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
HDFC Bank Limited	CLEIS	Nalanda Foundation	15,000,000	15,000,000
Total			**15,000,000**	**15,000,000**

34. Commitments

Particulars	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Estimated amount of contracts remaining to be executed on capital account and not provided for	52,469,757	52,560,429
Commitment for license fees from Threesixtyone Degree Minds Consulting Private Limited	-	250,000
Total capital commitments (A)	**52,469,757**	**52,810,429**
Other material Commitments		
Total other material commitments (B)	**-**	**-**
Total commitments (A+B)	**52,469,757**	**52,810,429**

35. Payment to auditors (excluding service tax)

Particulars	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Statutory audit	5,225,000	5,225,000
Other engagement prescribed by statute to be done by Statutory auditors	-	-
Other services [including fee for Initial Public Offerings ('IPO')]*	9,975,000	678,414
Reimbursement of expenses	298,933	46,668
Total	**15,498,933**	**5,950,082**

* Pending completion of IPO the same are recorded under loans and advances.

36. Leases

As lessee

The Group is a lessee under various operating leases including one car under cancellable operating lease. The lease terms range from 1 to 5 years and accordingly are short term leases. Rental expense for operating lease for the year ended March 31, 2015 and March 31, 2014 was ₹ 84,782,511 and ₹ 70,629,729 respectively. Expected future minimum commitments for non-cancellable leases are as follows:

Particulars	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Not later than one year	16,786,096	10,039,596
Later than one year but not later than 5 years	14,821,533	11,982,581
Later than 5 years	-	-
Total	**31,607,629**	**22,022,177**

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 ₹ 1,525,588 (Previous year ₹ 293,750). There are no non cancellable leases and hence disclosure relating to minimum lease receipts has not been provided.

37. Expenditure in foreign currency

Particulars	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Banquet and event materials	203,386	2,802,979
Bank charges	83,160	46,009
Equipment hire charges	10,581,055	48,550
Temporary manpower resources	-	137,563
Travelling & conveyance Expenses	1,193,576	561,947
Rent	1,431,749	407,375
Salary and wages	1,562,316	2,196,836
Giveways	1,340,181	1,761,411
Faculty expense	10,604,173	-
Professional charges	1,273,747	-
Miscellaneous	6,922,042	4,201,688
Total	**35,195,385**	**12,164,358**

38. Earnings in foreign currency

Particulars	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Test preparation training services	10,255,213	-
Sale of study material	5,823,798	-
Manpower services	2,870,434	852,732
Event management	1,186,738	14,724,097
Pass through services	-	2,281
Total	**20,136,183**	**15,579,110**

39. 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, 2015 Amountin₹	March 31, 2014 Amountin₹	March 31, 2015 Original Currency (FC)	March 31, 2014 Original Currency (FC)
Receivables in foreign currency				
- Trade receivable	26,942,640	14,471,830	AED 1,465,765 QAR 100,000 USD 4507	AED 773,930 QAR 100,000 USD 3,851
- Payable for expenses	691,080	-	AED 40,604	-
- Short term loans and advances	40,576,906	40,340,721	USD 768,589 AED 36,853	USD 768,589 AED 23,815
- Cash and bank balances	1,483,235	138,309	AED 87,147	AED 8,494
Payables in foreign currency				
- Trade Payable	8,392,763	44,924	UDS 134,420 SGD 300	USD 748

*Abbreviations: AED: United Arab Emirates Dirham, QAR: Qatari Rial, SGD: Singapore Dollar and USD: United States Dollar.

40. 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 iv. Mr. Sujit Bhattacharyya, Director of subsidiary v. Mr. Shiva Kumar, Director of subsidiary

(b) Transactions during the year:

Particulars	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
1.Revenue from operations		
a. Soft skill fees		
- Nalanda Foundation	24,210,934	19,825,439
	24,210,934	**19,825,439**
b. License fees		
- Nalanda Foundation	2,750,000	8,000,000
	2,750,000	**8,000,000**
c. Infrastructure Fees		
- Nalanda Foundation	19,705,801	18,329,259
	19,705,801	**18,329,259**
2. Other income		
a. Interest on loans and advances		
- Career launcher education foundation	651,200	556,752
- CLEF AP Trust	1,979,204	1,757,730
- Nalanda Foundation	39,825,461	32,281,013
	42,455,865	**34,595,495**
b. Liability written back		
- Career launcher education foundation	25,062	-
c. Interest income on gratuity fund		
- CL Media Employee Gratuity Trust	92,142	66,061
	92,142	**66,061**

	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
3.Expenses		
a. Other Expenses		
Career Launcher Education Foundation		
-Advertisement, publicity and sales promotion expenses	-	3,300,000
	-	**3,300,000**
b. Managerial remuneration		
Mr. Gautam Puri	8,840,000	5,609,352
Mr. Satya Narayana R	8,840,000	5,609,352
Mr. Nikhil Mahajan	8,668,000	5,459,352
Mr. Shiv Kumar	4,949,400	4,947,960
Mr. Sujeet Bhattacharyya	4,949,400	4,947,960
	36,246,800	**26,573,976**
4. Reimbursement of expenses to KMPs		
- Sujeet Bhattacharya	131,128	339,962
	131,128	**339,962**
5.Reimbursement of expense from related parties		
-Nalanda foundation	883,206	-
	883,206	**-**
6. Reimbursement of expenses to		
- Nalanda Foundation	87,888	62,800
	87,888	**62,800**
7. Amount paid on behalf of related parties		
-Career Launcher Education Foundation	-	7,979
	-	**7,979**
8. Payment received on behalf of		
- Nalanda Foundation	-	356,547
	-	**356,547**
9. Loan taken		
-Career Launcher Education Foundation	-	25,000
	-	**25,000**
10. Repayment of Loan taken		
-Career Launcher employee welfare society	-	890,000
	-	**890,000**
11. Loans given to related party		
-Career Launcher Education Foundation	5,555,000	3,768,059
-Nalanda foundation	50,705,000	37,825,000
	56,260,000	**41,593,059**
12.Conversion of account receivable into unsecured loan		
- Nalanda Foundation	39,405,655	26,033,064
	39,405,655	**26,033,064**
13. Adjustment of other payable to trade receivable		
- Nalanda Foundation	701,889	-

	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
14. Conversion of other receivable to trade receivable		
- Nalanda Foundation	122,732	-
15. Conversion of other receivable to unsecured loan		
- Nalanda Foundation	146,812	-
16. Conversion of payable for fixed assets into trade receivable	8,011,540	-
- Nalanda Foundation		
17. Adjustment of other payable with loans and advances		
- Nalanda Foundation	50,000	-
18. Conversion of interest into unsecured loan		
- Nalanda Foundation	30,978,501	23,269,977
-Career Launcher Education Foundation	-	1,581,957
	30,978,501	**24,851,934**
19. Repayment of loan given		
-Nalanda Foundation	89,150,980	28,530,000
	89,150,980	**28,530,000**
20. Amount received on behalf of		
- Nalanda Foundation	327,981	-
21. Amount received by		
- Nalanda Foundation	3,780,058	-
22. Transfer of assets from related party		
- Nalanda Foundation	8,011,540	-
23. Liability transferred to (on account of gratuity and leave encashment)		
- Nalanda Foundation	86,822	-
24. Liability taken over (on account of gratuity and leave encashment)		
- Nalanda Foundation	-	122,732
25. Exceptional expenses (Refer note 47)		
Balances written- off/provided for of related parties balances:		
Career Launcher Education Foundation		
- Loans and advances written off	-	15,488,025
	-	**15,488,025**
(c) Balance outstanding with or from related parties as at the year end:		
1. Short-term loans and advances		
- Career Launcher Education Foundation	132,663,251	132,108,251
- Nalanda Foundation	308,136,751	273,080,966
- CLEF – AP	16,116,375	14,137,169
	456,916,377	**419,326,386**
2. Long Term loans and advances		
-CL Media Employee Gratuity Trust	1,154,735	974,724
- Career Launcher Employee Group Gratuity Trust	24,859	24,859
	1,179,594	**999,583**

	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
3.Other current assets		
a.Interest accrued on loans and advances		
- Nalanda Foundation	16,800,563	9,956,945
- Career Launcher Education Foundation	1,340,938	754,858
	18,141,501	**10,711,803**
b. Other dues from Related parties		
- Nalanda Foundation	697,641	122,732
	697,641	**122,732**
4. Trade Receivable		
- Career Launcher Education Foundation	7,527,875	7,527,875
- Nalanda Foundation	21,478,121	22,304,336
	29,005,996	**29,832,211**
5. Trade payable		
- Career Launcher Education Foundation	892,027	-
	892,027	**-**
6.Other current liabilities		
a. Payable for expenses		
- Nalanda Foundation	-	356,547
	-	**356,547**
b. Salary payable to KMPs		
- Mr.Gautam Puri	2,766,569	513,792
- Mr. Satya Narayanan R	2,766,569	513,792
- Mr. Nikhil Mahajan	2,756,491	511,512
- Mr. Shiva Kumar	2,015,286	1,510,606
- Mr. Sujeet Bhattacharya	2,993,821	1,956,731
	13,298,736	**5,006,433**
c. Expenses Payable to KMPs		
- Sujeet Bhattacharya	131,128	339,962
	131,128	**339,962**
7. Short term borrowings		
-Career Launcher Employee Welfare Society	-	25,000
	-	**25,000**
8. Guarantees given on behalf of		
- Nalanda Foundation	15,000,000	15,000,000
	15,000,000	**15,000,000**
9. Guarantees given by		
- Bilakes Consulting Private Limited	121,459,000	121,459,000
(Guarantee against loans given to Career Launcher Education Foundation)		
	121,459,000	**121,459,000**

41. Section 135 of the Companies Act, 2013, which came into effect on April 1, 2014, requires certain companies of the group to constitute a Corporate Social Responsibility (CSR) Committee of Directors, adopt a CSR Policy and spend at least 2% of average net profits of respective entities 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 Policies of the respective Companies at their meetings held on February 16, 2015. In accordance with the provisions of Section 135 of the Companies Act, 2013, such Companies were required to spend ₹ 1,303,354 on prescribed CSR activities. However, as the policy was approved towards the end of the financial year, Companies could not implement the same and thus neither any CSR activity was undertaken nor any amount was spent towards CSR during the year and those companies expects to spend the same in next financial year. Further, 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. Employees share based payment plan

Pursuant to shareholder resolution dated March 6, 2008, the Company introduced "Employee Stock Option Plan 2008 (CL ESOP -2008)" 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. 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 272,468 (previous year 248,968) stock options have been granted under this scheme.

The terms and conditions related to grant of the share options are as follows:

**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 terms 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	154,857	3 years' service from the grant date	1.64
Employees	117,611	3 years' service from the grant date	4.19

Share based payment expenses	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
CL ESOP -2008 (Refer footnote)	7,016,855	853,950

Footnote:
Includes reversal of liability amounting ₹ 1,279,308 in current year and expenses amounting ₹ 100,033 in the previous year on account of stock options of CLEIS, a subsidiary of the Company, to employees of the Company.

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, 2015		March 31, 2014	
	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	9,600	300.00	9,600	300.00
Granted during the year	-	-	-	-
Exercised during the year	2,400	300.00	-	-
Forfeited during the year	-	-	-	-
Expired during the year	2,400	300.00	-	-
Outstanding at the end of year	4,800	300.00	9,600	300.00
Exercisable at year end	4,800	300.00	9,600	300.00
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, 2015		March 31, 2014	
	Number of Stock Options	Weighted average exercisePrice₹	Number of Stock Options	Weighted average exercisePrice₹
Employees Stock Option Plan 2008				
Outstanding at the beginning of the year	179,482	322.37	181,357	318.45
Granted during the year	23,500	430.00	5,000	262.00
Exercised during the year	500	175.00	-	-
Forfeited during the year	-	-	4,250	175.00
Expired during the year	2,125	175.00	2,625	175.00
Outstanding at the end of year	200,357	336.92	179,482	322.37
Exercisable at year end	167,107	330.46	15,750	214.13
Vested during the year	11,125	207.58	8,500	217.64
Weighted average grant date fair value per option for option granted during the year at less than fair value	23,500	430.00	5,000	415.00

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2015	March 31, 2014
Dividend yield (%)	-	-
Expected volatility	76.65%	19.04%
Risk-free interest rate	8.00%	8.70%
Weighted average share price (in ₹)	488.00	334.00
Exercise price (in ₹)	175-300	175-300

*Expected volatility has been determined using historical fluctuation in share issue prices of the Company.

Apart from CL Educate Limited, one of its subsidiary namely Career Launcher Education Infrastructures and services Limited has also issued ESOPs.

Pursuant to shareholder resolution dated September 30, 2008, the Company introduced "CLEIS Employee Stock Options Plan 2008" which provides for the issue of 100,000 stock options to employees of the Company and its group companies/entities. The plan entitles employees to purchase equity shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. 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 29,000 (previous year 25,000) stock options have been granted under this scheme.

The terms 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)
Employees	25,000	3 years' service from the grant date	1.65

Expenses pertaining to employee stock option plan have been booked in CL Educate Limited, holding company, as stock options have been granted to employees of CL Educate Limited.

The information concerning stock options granted, exercised, forfeited and outstanding at the yearend is as follows:

Particulars	March 31, 2015		March 31, 2014	
	Number of Stock Options	Weighted average exercise ₹	Number of Stock Options	Weighted average exercise ₹
<u>Employees Stock Option Plan 2008</u>				
Outstanding at the beginning of the year	20,000	97.50	15,000	80.00
Granted during the year	-	-	10,000	115.00
Exercised during the year	7,500	91.67	5,000	80.00
Forfeited during the year	-	-	-	-
Expired during the year	-	-	-	-
Outstanding at the end of year	12,500	101.00	20,000	97.50
Exercisable at year end	-	-	10,000	80.00
Vested during the year	-	-	5,000	80.00
Option to employees of the holding company	12,500	101.00	20,000	97.50
Weighted average grant date fair value per option for option granted during the year at less than fair value	-	-	10,000	224.00

The Black Scholes valuation model has been used for computing the weighted average fair value considering the following inputs:

Particulars	March 31, 2015	March 31, 2014
Dividend yield (%)	-	-
Expected volatility	48.54%	64.29%
Risk-free interest rate	7.88%	8.67%
Weighted average share price (in ₹)	222.89	223.46
Exercise price (in ₹)	80-115	80-115

43. 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, 2015 are as follows:

	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year included in		
- Trade payables	200,181,872	169,853,087
Other current liabilities		
- Payable for Expenses	69,459,232	63,046,677
- Payable for Fixed Assets	17,185,736	6,289,084
Principal amount due to micro and small enterprises		
Interest due on above		
	286,826,840	**239,188,848**
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 day 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 expenditure under section 23 of the MSMED Act 2006.	-	-

44. The Group has in accordance with the Accounting Standard- 15 'Employee Benefits' has calculated the various benefits provided to employees as under:

A Defined contribution Plan

During the year, the Group has recognized the following amounts in Statement of Profit and Loss:

Particulars	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Employers contribution to provident fund Employers	23,675,475	19,031,200
contribution to employee state insurance Employers	9,986,632	10,022,455
contribution to EDLI	284,484	333,907
Total	**33,946,591**	**29,387,562**

• • • • *intentionally left* • • • • •

B. Defined employee benefits and other long term benefit schemes:

I. Actuarial assumptions

Particulars	Earned Leave (unfunded)		Employees Gratuity Fund	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Discount rate (per annum)	7.80%-8%	9.07%-9.14%	7.80%-8%	9.07%-9.14%
Expected rate of increase in compensation levels	4.88%-8%	5%-8%	4.88%-8%	5%-8%
Expected rate of return on plan assets	NA	NA	8-9%	6.75%-8.75%
Expected average remaining working lives of employees (years)	10.5-33.51	10.5-31.60	25.08-32.68	10.5-31.60
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	1.28- 3.00	3.00- 4.57	1.70 -3.81	1.73-4.57
From 31 to 44 years	2.00- 2.09	0.72- 2.00	0.75-2.00	0.06-2.00
Above 44 years	0.00- 1.00	0.01- 1.00	0.01-1.00	0.01-1.00

Note:

The discount rate has been assumed at 7.80-8.00% (previous year 9.07%-9.14%) 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)		Employees Gratuity Fund	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Present value of obligation at the beginning of the year	8,749,408	7,316,555	14,628,837	13,713,690
Acqusition adjustment	(33,168)	93,669	(53,654)	29,063
Current service cost	2,524,320	1,750,869	6,044,305	3,957,588
Interest cost	793,790	585,324	1,327,522	1,097,096
Benefit paid	(2,484,451)	(2,017,601)	(2,957,493)	(1,889,689)
Actuarial (gain)/loss on obligation	1,772,734	1,075,751	2,949,610	(2,236,080)
Present value of obligation at the end of the year	**11,322,633**	**8,804,567**	**21,939,127**	**14,671,668**

Note:

Opening Balance for Present Value of Obligation for Earned Leave and Employees Gratuity does not include Rs. XX and Rs. XX respectively which pertain to a subsidiary CLIP for which no actuarial valuation was carried out during the year and hence no actuarial data is available

III. Fair value of plan assets

Particulars	Employees Gratuity Fund	
	March 31, 2015	March 31, 2014
Fair value of plan assets at the beginning of the year	2,990,730	4,536,534
Adjustment on account of wrong non-deduction by life insurance corporation (LIC) in earlier year	-	-
Expected return on plan assets	250,542	346,852
Contributions	2,180,487	88,063
Benefits paid	(1,595,457)	(1,830,843)
Actuarial gain/(loss) on plan assets	11,648	(45,295)
Adjustment on account of difference in opening balance	19,573	-
Administrative Expenses	(5,024)	-
Fair value of plan assets at the end of the year	**3,852,499**	**3,095,311**

Note:

Opening Balance for Fair Value of plan assets in respect of Employees Gratuity does not include Rs. XX which pertain to a subsidiary CLIP for which no actuarial valuation was carried out during the year and hence no actuarial data is available

IV. Expenses Recognised in the Statement of Profit and Loss for the year

Particulars	Earned Leave (unfunded)		Employees Gratuity Fund	
	March 31, 2015	March 31, 2014	March 31, 2015	March 31, 2014
Current service cost	2,524,320	1,750,869	6,044,305	3,957,588
Interest cost	793,790	585,324	1,327,522	1,097,096
Past service cost	-	-	-	-
Expected return on plan assets	-	-	(250,542)	(346,852)
Net actuarial (gain)/ loss to be recognized	1,772,734	1,075,751	2,937,962	(2,190,785)
Expense recognised in statement of Profit and Loss	**5,090,844**	**3,411,944**	**10,059,247**	**2,517,047**

V. Reconciliation of present value of defined benefit obligation and fair value of assets

Particulars	Earned Leave (unfunded)		Employees Gratuity Fund	
	March 31, 2015	**March 31, 2014**	**March 31, 2015**	**March 31, 2014**
Present value of obligation as at the end of the year	11,322,633	8,804,567	21,939,127	14,671,668
Above amount comprises of:	-	-	-	-
Short term present value of obligation	356,821	343,672	844,672	302,409
Long term provision	10,965,812	8,460,895	21,094,455	14,369,259
Total (A)	**11,322,633**	**8,804,567**	**21,939,127**	**14,671,668**
Fair Value of plan assets as at the end of the year	-	-	3,852,499	3,095,311
Above amount comprises of:				
Short term fair value of plan assets	-	-	446,340	270,385
Long term fair value of plan assets	-	-	3,406,159	2,824,926
Total (B)	**-**	**-**	**3,852,499**	**3,095,311**
Net (Asset)/ liability recognized in Balance Sheet as at year end	11,322,633	8,804,567	18,502,047	12,183,447
Amount classified as:				
Short term provision	356,821	352,942	1,032,737	252,171
Long term provision	10,965,812	8,451,625	17,469,310	11,931,276
Net asset recognized in Balance Sheet as at year end				
Amount classified as:	-	-	415,419	607,090
Short term loans and advances	-	-	2,182	220,147
Long term loans and advances	-	-	413,237	386,943

VI. Net assets/liability and actuarial experience gain/(loss) for present benefit obligation ('PBO') and plan assets and employers best estimate for next year

(a) Employees Gratuity Fund

Particulars	**March 31, 2015 Amountin₹**	**March 31, 2014 Amountin₹**	**March 31, 2013 Amountin₹**
PBO	21,939,127	14,671,668	13,713,690
Plan assets	3,852,499	3,095,311	4,536,534
Net assets/(liability)	(18,086,628)	(11,576,357)	(9,177,156)
Experience gain/(loss) on PBO	(266,646)	1,562,687	912,031
Experience gain/(loss) on plan assets	37,683	(113,343)	(22,809)

	March 31, 2012 Amountin₹	**March 31, 2011 Amountin₹**
PBO	9,566,128	8,151,870
Plan assets	4,902,114	4,461,681
Net assets/(liability)	(4,664,014)	(3,690,189)
Experience gain/(loss) on PBO	1,294,277	(1,028,815)
Experience gain/(loss) on plan assets	44,982	(32,936)

(b) Earned Leave (unfunded)

Particulars	**March 31, 2015 Amountin₹**	**March 31, 2014 Amountin₹**	**March 31, 2013 Amountin₹**
PBO	11,322,633	8,804,567	7,316,555
Plan assets	-	-	-
Net assets/(liability)	(11,322,633)	(8,804,567)	(7,316,555)
Experience gain/(loss) on PBO	500,349	(22,781)	(459,295)
Experience gain/(loss) on plan assets	-	-	-

	March 31, 2012 Amountin₹	**March 31, 2011 Amountin₹**
PBO	6,040,968	5,525,796
Plan assets	-	-
Net assets/(liability)	(6,040,968)	(5,525,796)
Experience gain/(loss) on PBO	(215,990)	(89,083)
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, 2015 has not been provided by Life Insurance Corporation of India.

Particulars	Amountin₹
Employees Gratuity Fund	10,471,727
Earned leave	2,373,953

45. Goodwill on consolidation

Particulars	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
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
	195,959,853	**195,959,853**

46. Capital work in progress:

Particulars	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Opening balance	6,312,785	6,406,020
Less: Capitalisation during the year	-	93,235
Balance at year end	**6,312,785**	**6,312,785**

47. Exceptional items (net)

Particulars	March 31, 2015 Amountin₹	March 31, 2014 Amountin₹
Balances written off of related party balances		
i. Career Launcher Education Foundation (Refer footnote i)		
- Loans and advances written off ii.(Gain)	-	15,488,025
on sale of investment in subsidiary	-	(2,229,032)
iii.Career Launcher Education Infrastructure Services Private Limited		
- Expense on employee stock option (ESOP) scheme (Refer footnote ii)	22,841,122	
	22,841,122	**13,258,993**

Footnote:

(i) In the previous year, the Group has written off balances due in the nature of short terms loans and advances ('referred as balances') recoverable from Career Launcher Education Foundation, enterprise in which key management personnel and their relatives are able to exercise significant influence, as the loans and advances were considered unrecoverable on account of inability of Career Launcher Education Foundation to repay such amounts.

(ii) Pursuant to the Career Launcher Employee Stock Options Plan 2008, in the financial year 2008-09 CL Educate Limited, had granted 142,857 options of CL Educate Limited to Mr. Shantanu Prakash, director in CLEIS. These options were to be settled in equity in four tranches commencing from financial year 2013-14.

Mr. Shantanu Prakash in earlier years had communicated his unwillingness to exercise the options to the Board of CL Educate Limited. However, at the board meeting of CL Educate Limited held on September 22, 2014, Mr. Shantanu Prakash expressed his willingness to exercise the options granted to him and requested the Board to extend the exercise period.

Accordingly, during the year ending on March 31, 2015 CLEIS has made a provision of ₹ 22,841,122 against the said options using the fair value method to account for the said stock-based employee compensation costs. Compensation cost is measured using independent valuation by a firm of Chartered Accountants using Black-Scholes model in accordance with the guidance note issued by the Institute of Chartered Accountants of India.

48. 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 previous year, 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 previous year, 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 year, on March 16, 2015 the Hon'ble Arbritrator has passed an award amounting AED 2,063,267 (equivalent to ₹ 35,137,437) in favour of the Company.

49. Transfer Pricing

The Group is in the process of conducting a Transfer Pricing Study for the financial year 2014-15 using the services of an independent Chartered Accountant for Specified Domestic Transactions ('SDT') with its associated parties domiciled in India as stipulated in Section 92BA of the Income Tax Act, 1961, applicable in India, to determine whether such SDT with associated parties in India are being undertaken at "arm's length basis".

The management is of the opinion that all transactions with associated enterprises are undertaken at negotiated contracted prices on usual commercial terms and are at arms' length, and there will not be any impact on the financial statements as a consequence of the legislation.

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50. Statement of Net Assets and Profit or Loss Attributable to Owners and Minority Interest

Name of the Entity	Net Assets i.e. Total assets minus total liabilities		Share in Profit or Loss	
	As a %age of ₹ consolidated net assets	Amounts in ₹	As a %age of consolidated profit or loss	Amounts in
CL Educate Limited	112.91%	2,361,659,847	31.34%	65,756,319
Indian Subsidiary				
Kestone Integrated Marketing Services Private Limited	7.74%	161,843,612	31.95%	67,050,741
CL Media Private Limited	8.69%	181,668,611	42.53%	89,244,275
G.K. Publications Private Limited	0.73%	15,300,655	(0.90%)	(1,897,382)
CL Higher Education Services Private Limited	0.00%	-	0.11%	223,977
Career Launcher Education Infrastructure and Services Limited	(30.71%)	(642,439,442)	(5.12%)	(10,753,988)
MinorityInterest				
Career Launcher Education Infrastructure and Services Limited	0.65%	13,621,171	(0.11)	(221,572)
	100.00%	**2,091,654,454**	**100.00%**	**209,845,514**

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51. 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, Managed manpower services, Event management 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.

Managed manpower 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.

Event management 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: Vocational training includes specific projects undertaken (including government projects).

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CL Educate Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2015

For the year ended March 31, 2015

Amount in ₹

Particulars	Education & training programme (including sale of study material)	Vocational Training	K - 12	Sale of educational books	Managed Manpower services	Event management services	Others	Eliminations	Total
Revenue									
External revenue	1,175,922,410	313,126,332	72,585,462	168,307,383	450,038,443	510,959,450	45,277,382	-	**2,736,216,862**
Intersegment revenue				240,541,238	1,109,562	9,803,000	60,209,846	(311,663,646)	-
Total revenue	1,175,922,410	313,126,332	72,585,462	408,848,621	451,148,005	520,762,450	105,487,228	311,663,646	**2,736,216,862**
Allocable Expenses									
Allocable Expenses (without eliminations)	1,025,764,595	246,325,707	54,556,892	305,173,694	426,385,055	402,705,256	39,566,151	**297,416,435**	**2,203,060,915**
Results									
Segment results	150,157,814	66,800,625	18,028,570	103,674,927	24,762,950	118,057,194	65,921,077	14,247,210	**533,155,947**
Unallocated expenses									**242,132,081**
Operating profit									291,023,866
Finance costs									**(93,568,132)**
Other income including finance income	17,473,598	1,264,965	-	-	-	-	76,492,636	-	**95,231,199**
Prior period expenses(net)									-
Exceptional expenses									**(22,841,122)**
Profit before tax									**269,845,811**
Income taxes									**(60,221,869)**
Net profit									**209,623,942**
As at March 31, 2015									
Segment assets (excluding goodwill on consolidation)									
Segment assets	549,813,505	485,889,376	925,999,404	506,554,733	110,416,390	88,481,890	142,047,279	1,821,774,982	987,427,595
Unallocable assets									2,220,187,397
Total assets									**3,207,614,992**
Segment liabilities (excluding minority interest)									
Segment liabilities	336,222,066	149,612,424	264,897,546	257,068,817	57,039,408	120,172,623	37,424,066	434,108,182	788,328,768
Unallocable liabilities									523,591,623
Total liabilities									**1,311,920,391**
Other information									
Capital expenditure - allocable	39,112,545	35,350,000	18,319,146	519,971	-	-	29,337,984	2,400,000	**120,239,646**
Capital expenditure - unallocable									**16,779,591**
Depreciation and amortisation - allocable	28,778,419	11,207,843	16,896,040	2,996,752	-	-	7,127,440	4,143,109	**62,863,385**
									14,530,883
Other significant non-cash expenses (net) - allocable	51,242,290	18,001,527	22,841,122	3,933,709	-	-			**96,018,648**
Other significant non-cash expenses (net) - unallocable									**1,393,628**

CL Educate Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2015

For the year ended March 31, 2014

Amount in ₹

Particulars	Education & training programme (including sale of study material)	Vocational Training	K - 12	Sale of Manpower books	Managed management services	Event services	Others	Eliminations	Total
Revenue									
External revenue	1,016,456,146	162,872,660	60,845,143	2,854,670	429,954,344	303,653,611	210,210,561		**2,186,847,135**
Intersegment revenue	-	-	-	258,620,367	651,693	6,279,599	34,982,240	**(300,533,899)**	
Total revenue	1,016,456,146	162,872,660	60,845,143	261,475,037	430,606,037	309,933,210	245,192,801	**(300,533,899)**	**2,186,847,135**
Allocable Expenses	734,509,614	137,582,365	56,568,210	143,116,296	380,312,402	249,836,365	52,037,060		**1,753,962,312**
Allocable Expenses (without eliminations)	840,211,180	155,109,766	58,128,210	143,116,296	380,312,402	249,836,365	210,545,593	**(283,297,500)**	**1,753,962,312**
Results									
Segment results	176,244,966	7,762,894	2,716,933	118,358,741	50,293,635	60,096,845	34,647,209	**(17,236,399)**	**432,884,823**
Unallocated expenses									**235,886,088**
Operating profit									196,998,735
Finance costs									(89,710,517)
Other income including finance income									89,694,660
Prior period expenses(net)									(1,898,506)
Exceptional expenses									(13,258,993)
Profit before tax									**181,825,379**
Income taxes									(24,488,417)
Net profit									**157,336,962**
As at March 31, 2014									
Segment assets (excluding goodwill on consolidation)									
Segment assets	421,294,545	180,973,555	459,202,373	224,193,581	94,246,534	88,028,333	258,231,732	(250,629,604)	1,475,541,049
Unallocable assets									1,336,795,799
Total assets									**2,812,336,848**
Segment liabilities (excluding minority interest)									
Segment liabilities	214,638,743	81,537,524	27,112,404	61,287,000	48,466,626	50,246,165	145,803,537	(221,827,904)	407,264,095
Unallocable liabilities									814,108,605
Total liabilities									**1,221,372,700**
Other information									
Capital expenditure-allocable	5,243,558	526,160	5,630,881	357,283	-	-	1,848,773		**13,606,655**
Capital expenditure-unallocable									**7,273,195**
Depreciation and amortisation- allocable	7,253,788	723,067	12,791,864	1,603,324	-	-	4,578,464		**26,950,507**
Depreciation and amortisation-unallocable									**27,747,385**
Other significant non-cash expenses (net)-allocable	46,073,747	867,399	899,411	-	-	-	9,638,903		**57,479,460**
Other significant non-cash expenses (net)-unallocable									**3,108,410**

CL Educate Limited
Notes to the Consolidated Financial Statements for the year ended March 31, 2015

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, 2015

Particulars	Within India	Overseas	Total
Segment revenue	2,720,137,850	16,079,012	2,736,216,862
Segment assets	3,206,950,345	664,647	3,207,614,992
Segment liabilities	1,297,815,730	14,104,661	1,311,920,391
Capital expenditures	136,681,587	337,651	137,019,237

For the year ended March 31, 2014

Particulars	Within India	Overseas	Total
Segment revenue	2,186,847,135	-	2,186,847,135
Segment assets	2,789,872,753	22,464,095	2,812,336,848
Segment liabilities	1,221,104,018	268,682	1,221,372,700
Capital expenditures	20,717,907	161,943	20,879,850

52. The Company has filed legal cases against its debtors for recovery of outstanding receivables amounting ₹ 38,141,202. 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 amounting ₹ 52,038,864 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.

53. The Company has reclassified/regrouped previous year figures where necessary to conform to the current year's classification.

As per our report of even date.

For **Haribhakti & Co. LLP**
Chartered Accountants
ICAI Firm Registration No.:103523W

Sd/-
Raj Kumar Agarwal
Partner
Membership No.:074715

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

Sd/-
Gautam Puri
Managing Director
DIN: 00033548

Sd/-
Nikhil Mahajan
Director and CFO
DIN: 00033404

Vivek Garg
Senior Vice President - Finance

Rachna Sharma
Company Secretary
ICSI M. No.: A17780

Place: New Delhi
Date : June 23, 2015

Place: New Delhi
Date : June 23, 2015

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 0800 / 1100, Fax: 011-4128 1101
Website: www.cleducate.com, E-mail: rachna.sharma@careerlauncher.com

Notice

NOTICE is hereby given that the **19th ANNUAL GENERAL MEETING** of the members of CL Educate Limited (formerly known as Career Launcher (India) Limited) will be held on Monday the 07th day of September, 2015 at 11.00 A.M at the Registered office of the Company situated at A-41, Espire Building, Lower Ground Floor, Mohan Co-operative Industrial Area, Main Mathura Road, New Delhi – 110 044 to transact the following business:

ORDINARY BUSINESS:

Item No. 1 – Adoption of Annual Accounts - To receive, consider and adopt,

a. the Audited Financial Statements of the Company for the Financial Year ended 31st March, 2015, and the reports of the Board of Directors and Auditors thereon;

b. the Audited Consolidated Financial Statements of the Company for the Financial Year ended 31st March, 2015, and the report of Auditors thereon;

Item No. 2 –Retirement by Rotation- To appoint a director in place of Mr. Gautam Puri (DIN: 00033548), **Vice Chairman and Managing Director of the Company,** who retires by rotation at the ensuing **Annual General Meeting**, and who, being eligible offers himself for re-appointment.

Item No. 3 – Ratification of the Appointment of Statutory Auditors

To ratify the appointment of statutory auditors of the Company, and to fix their remuneration and to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

"RESOLVED THAT pursuant to section 139, 142 and other applicable provisions of the Companies Act, 2013 and Rules made thereunder, 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, Chartered Accountants, LLP (Firm Registration No. – 103523W), as the Statutory Auditors of the Company for the Financial Year 2015-16.

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to fix such remuneration as may be agreed upon between the Auditors and the Board of Directors."

SPECIAL BUSINESS:

Item No. 4- To ratify the remuneration fixed by the Board for the Cost Auditor of the Company, as well as to authorize Board to fix/alter/amend/negotiate the remuneration payable to the Cost Auditor in future;

To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution:**

"**RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with 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 members hereby approve of and ratify both, the Board's decision of appointing **M/s Sunny Chhabra and Company, Cost Accountants (Firm Registration No. 101544)** as the Cost Auditor of the Company for the Financial Year 2014-15, as well as the remuneration fixed by the Board in this behalf.

RESOLVED FURTHER THAT the members hereby authorize the Board to fix, negotiate, alter, amend or modify the remuneration to be paid to the Cost Auditors of the Company, from time to time, as may be mutually agreed by the Cost Auditor and the Board.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary for the purpose of giving effect to this resolution".

Item No. 5 – Approval to increase Borrowing Powers of the Board under Section 180(1)(c) of the Companies Act, 2013.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** in supersession of the earlier Ordinary Resolution passed in this respect, under Section 293(1)(d) of the Companies Act, 1956 at the Extra Ordinary General Meeting of the Company held on May 31, 2008 and pursuant to the provisions of Section 180(1)(c) and all other applicable provision, if any, of the Companies Act, 2013 and the Rules framed thereunder (including any statutory modification or reenactment thereof, for the time being in force), and the Articles of Association of the Company, members' consent be and is hereby accorded, as a special resolution, to increase the borrowing powers of the Board so as to bring within the ambit of Board's absolute discretion, the power to borrow moneys, for and on behalf of the Company, with or without security and on such terms and conditions as the Board may in its absolute discretion deem fit, and for any purpose whatsoever, such that the moneys to be borrowed together with the moneys already borrowed, (excluding temporary loans obtained from the Company's bankers in the ordinary course of Business) at any given point of time does not exceed Rs. 1,500,000,000/- (Rupees One Hundred and Fifty Crores only), notwithstanding that the moneys to be borrowed together with the moneys already borrowed by the Company (apart from cash credit arrangements, discounting of bills and other temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) exceeds the aggregate of the paid up share capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose.

RESOLVED FURTHER THAT the Board be and is hereby authorised and empowered to arrange or settle the terms and conditions on which such moneys are to be borrowed from time to time as to interest, repayment, security or otherwise as it may in its absolute discretion think fit;

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of the Company be and is hereby authorised to do all such acts, deeds, matters and things and give such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate to the extent permitted by law, all or any of the powers herein conferred to any Committee of Directors or the Managing Director or any Director(s) or any Key Managerial Personnel (KMPs) or any other Officer(s) of the Company."

Item No. 6 – Approval under section 180 (1)(a) of the Companies Act, 2013 for creation of Mortgage and Charge.

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"**RESOLVED THAT** in supersession of the earlier Ordinary Resolution passed under Section 293(1)(a) of the Companies Act, 1956 at the Extra Ordinary General Meeting of the Company held on May 31st, 2008 and pursuant to Section 180 (1)(a) and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modifications thereof, for the time being in force), and subject to the rules framed by the Reserve Bank of India in this behalf, the

consent of the Company be and is hereby accorded to the Board of Directors (hereinafter referred as 'Board' which expression shall also include a committee thereof) of the Company to mortgage, hypothecate and/or create charge, in addition to any other mortgage, hypothecations or charges created/to be created by the Company, in such form and manner and with such ranking and at such time and on such terms as the Board may determine, on any of the movable and/or immovable properties of the Company (including but not limited to all intangible property, rights and benefits under all contracts and agreements entered into by the Company and the monies of and long term receivables of, and the loans and advances made by, the Company), both present and future, and/or the whole or substantially the whole of the undertaking or any part of properties of the Company where so ever situated, and it would be deemed to include any other units or project acquired or to be acquired after this resolution is passed in favour of the lender(s) and/or their agent or trustees for securing the borrowings and financial assistance obtained/to be obtained from banks, public financial institutions, body(ies) corporate or any other party by the Company, from time to lime, subject to the limits approved under Section 180(1)(c) of the Companies Act, 2013, together with interest, at the respective agreed rates, additional interest, compound interest, accumulated interest, liquidated damages, commitment fee, premium on prepayment, additional interest, further interest, remuneration of the agent(s), trustee(s), if any, all other costs, charges and expenses and all other monies payable by the Company in terms of the financing documents, or any other documents. entered into/to be entered into between the Company and the lenders, agents and trustees in respect of the said borrowings/financial assistance and containing such specified terms and conditions and covenants in respect of enforcement of security(ies) as may be stipulated in that behalf and agreed to between the Company and the lender, (including their agent(s), trustee(s)).

RESOLVED FURTHER THAT for the purpose of giving effect to this Resolution, the Board of the Company be and is hereby authorised to do all such acts, deeds, matters and things and give such directions as it may in its absolute discretion deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard and also to delegate to the extent permitted by law, all or any of the powers herein conferred to any Committee of Directors or the Managing Director or any Director(s) or any Key Managerial Personnel (KMPs) or any other Officer(s) of the Company."

Item No. 7 – 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;

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

"RESOLVED THAT subject to the receipt of all the applicable governmental and regulatory approvals, and with a view to make Career Launcher Education Infrastructure and Services Limited (CLEIS) a 100% subsidiary of the Company, the consent of the members be and is hereby accorded to the Company and to the Board of Directors to make a further investment in the shares of CLEIS, by purchasing all the CLEIS shares held by Bilakes Consulting Private Limited (hereinafter 'Bilakes'), (being the only other shareholder of CLEIS apart from the Company, CL Educate Limited as on August 03, 2015), partly for cash, and partly in kind.

RESOLVED FURTHER THAT in kind consideration be paid by effecting a share swap transaction by offering a share swap option to Bilakes in exchange for equity shares of CL Educate Limited (the "CLE Equity Shares"), such that Bilakes shall be entitled to receive 1 (one) CLE Equity Share for every 2.10 (two point one zero) CLEIS Equity Shares held by Bilakes (the "Share Swap"), subject to adjustments, and rounding up.

RESOLVED FURTHER THAT for the purpose of the above arrangement, CLE shares be valued at Rs. 590/- per share, CLEIS shares be valued at Rs. 281/- per share, and the share swap ratio, accordingly be agreed to be 2.1:1, all valuations been done by an Independent Category 1 Merchant Banker, vide Valuation Reports dated August 1, 2014.

RESOLVED FURTHER THAT under the above arrangement, 32029 nos. of CLEIS shares be purchased from Bilakes for cash, total 'in cash consideration' being 90 Lakhs, and 167524 nos. of CLEIS shares be purchased from Bilakes in kind, total 'in kind consideration' being 4.71 Cr, by allotting upto 79774 nos. of fresh CLE equity shares to Bilakes.

RESOLVED FURTHER THAT in order to give effect to the share swap transaction, and pursuant to the provisions of Section 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 (the Act) read with the Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s) thereto or reenactment thereof for the time being in force) and in accordance with the provisions contained in the Memorandum and Articles of Association, the consent of the shareholders of the Company be and is hereby accorded, by way of a special resolution, to the Board of Directors of the Company, to offer, issue and allot upto 79774 (Seventy Nine Thousand Seven Hundred and Seventy Four) Equity Shares of the Company, to Bilakes Consulting Private Limited subject to the acceptance of the offer of share swap by Bilakes, in which case, the consideration for CLE shares so allotted shall be payable other than in cash, in the form of CLEIS shares of the same value that would be transferred in the name of CLE by Bilakes.

RESOLVED FURTHER THAT the equity shares so issued and allotted shall rank pari passu with the existing equity shares of the Company in all respects including entitlement to dividend and may be allotted either in physical or in demat form.

RESOLVED FURTHER THAT Mr. Gautam Puri, Vice Chairman & Managing Director, Mr. Nikhil Mahajan, Executive Director & Chief Financial Officer and Ms. Rachna Sharma, Company Secretary, be and are hereby jointly and severally authorized for and on behalf of the Company to do all such acts, deeds, matters and things as may be necessary or as may be required from time to time to give effect to this resolution including but not limited to registering the name of the allottees as a member in the Register of Members of the Company and making the requisite filings with the Registrar of Companies, NCT of Delhi and Haryana.

RESOLVED FURTHER THAT share certificates be issued to the allottee under the signature of Mr. Gautam Puri, Vice Chairman & Managing Director, Mr. Nikhil Mahajan, Executive Director & Chief Financial Officer, and Ms. Rachna

Sharma, Company Secretary and that the Common Seal of the Company be affixed upon the same in accordance with the provisions contained in the Article of Association of the Company, in the presence of Mr. Gautam Puri, Mr. Nikhil Mahajan and Ms. Rachna Sharma."

Item No. 8 – Preferential allotment of Equity Shares (as part consideration against the acquisition of a minimum of 51% stake) to 'Accendere Knowledge Management Services Private Limited'

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution:**

RESOLVED THAT in accordance with the provisions contained in the Memorandum and Articles of Association of the Company and pursuant to the provisions of Section 42, 62 and all other applicable provisions, if any, of the Companies Act, 2013 read with the Rule 14 of Companies (Prospectus and Allotment of Securities) Rules, 2014 (including any statutory modification(s) thereto or reenactment thereof for the time being in force), the consent and approval of the members of the Company be and is hereby accorded, as a special resolution, to the issuance and allotment of upto 185830 nos. (One lakh Eighty Five Thousand Eight Hundred and Thirty) fully paid up Equity Shares of the Company at a face value of Rs.10/- each, at an issue price of Rs. 590/- per share (being the fair price derived by an independent Category 1 Merchant Banker), forming part of the Authorized Share Capital of the Company to the following allottees for consideration otherwise than in cash, consideration being the acquisition of a minimum of 51% shareholding of Accendere Knowledge Management Services Private Limited from its promoter and/or other shareholders:

Name of Allottees	No. of shares to be issued	Price at which issued (in Rs.)	Total Amount of shares (in Rs. Cr)
Mr. Praveen Dwarakanath	92915	590	5.48
Mr. Shivaraman Ramaswamy	92915	590	5.48
Total	**185830**		**10.96**

RESOLVED FURTHER THAT the equity shares so issued and allotted shall rank pari passu with the existing equity shares of the Company in all respects including entitlement to dividend and may be allotted either in physical or in demat form.

RESOLVED FURTHER THAT Mr. Gautam Puri, Vice Chairman & Managing Director, Mr. Nikhil Mahajan, Executive Director & Chief Financial Officer and Ms. Rachna Sharma, Company Secretary, be and are hereby jointly and severally authorized for and on behalf of the Company to do all such acts, deeds, matters and things as may be necessary or as may be required from time to time to give effect to this resolution including but not limited to registering the name of the allottees as a member in the Register of Members of the Company and making the requisite filings with the Registrar of Companies, NCT of Delhi and Haryana.

RESOLVED FURTHER THAT share certificates be issued to the allottees under the signature of Mr. Gautam Puri, Vice Chairman & Managing Director, Mr. Nikhil Mahajan, Executive Director & Chief Financial Officer, and Ms. Rachna Sharma, Company Secretary and that the Common Seal of the Company shall be affixed upon the same in the presence of Mr. Gautam Puri, Mr. Nikhil Mahajan, and Ms. Rachna Sharma."

By Order of the Board
For CL Educate Limited

Sd/-
Nikhil Mahajan
Director
DIN No. : 00033404
Designation: Whole – Time Director & CFO
Address: H. No. 457, Sector – 30,
Faridabad – 121003, Haryana

New Delhi
August 03, 2015

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and such proxy need not be a member of the Company. Proxy in order to be effective must be deposited at the company's Registered Office not less than 48 (Forty Eight) hours before the commencement of the meeting. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.

2. In the case of Corporate Member, it is requested to send a certified copy of the Board Resolution authorizing the representative to attend and vote on its behalf at the meeting

3. Members desirous of any further information regarding the special business matters to be transacted may write to the company at its registered office at least seven days before the date of the meeting so as to enable the management to keep the information ready.

4. An Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013 containing details and explanations with respect of the special business to be transacted at the meeting, enumerated under Item Nos. 04 to 08 of the Notice, is annexed hereto.

5. Electronic copy of the Annual Report for the Financial Year 2014-15 is also being sent to all the members whose email IDs are registered with the Company for communication purposes. Members may note that the Notice of the 19th Annual General Meeting of the Company, along with the Annual Report 2014-15 will be available on the Company's website www.cleducate.com.

6. All documents referred to in the accompanying Notice and the Explanatory Statement shall be open for inspection at the Registered Office of the Company during normal business hours (9.00 am to 5.00 pm) on all working days except Saturdays, up to and including the date of the Annual General Meeting of the Company.

7. The Register of Members and the Share Transfer books of the Company will remain closed from August 03, 2015 to September 07, 2015 (both days inclusive) for annual closing.

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 148 and all other applicable provisions, if any, of the Companies Act, 2013 read with 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 meeting held on 16.02.2015, on the recommendations of the Audit Committee, has appointed **M/s Sunny Chhabra and Company, Cost Accountants (Firm registration no. 101544)** as the Cost Auditor to conduct an audit of the Cost Accounting Records of the Company for the Financial Year 2014-15, as well as determined the remuneration in this behalf.

In accordance with the provisions of Section 148 of the Companies Act, 2013 read with the rule 14 of the Companies (Audit and Auditors) Rules, 2014, the appointment and remuneration of the cost auditor is required to be approved and ratified by the shareholders of the Company.

The Board, therefore, recommend the Resolution to be passed as an Ordinary Resolution by the Members.

None of the Directors of the Company either directly or through their relatives are, in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution.

ITEM NO. 5

At an Extra Ordinary General Meeting of the Company held on May 31, 2008, an Ordinary Resolution pursuant to Section 293(1)(d) of the Companies Act, 1956 was passed by the Members authorising the Board of Directors (hereinafter referred as 'Board') of the Company to borrow any sums of money from time to time as they may deem fit, in excess of the limits specified under section upto an amount not exceeding Rs. 1,000,000,000/- (Rupees One Hundred Crore Only).

However, pursuant to the provisions of Section 180(1)(c) of the Companies Act, 2013, which has been made effective from September 12, 2013, the Board can exercise borrowing powers only with the consent of the Members of the Company by way of a Special Resolution, unlike Ordinary Resolution as required under Section 293(1)(d) of the Companies Act, 1956 and it is also anticipated that the funds requirement of the Company may substantially grow in view of the expanded activities, it is considered necessary to increase the present borrowing powers to a sum not exceeding Rs. 1,500,000,000/- (Rupees One Hundred and Fifty Crores only).

Therefore, in order to ensure compliance under the new enactment, it is necessary for the Company to take the approval of Members by way of a Special Resolution for enabling the Board to exercise the powers to borrow any sums of money from time to time as they may deem fit for any purpose whatsoever, such that the moneys to be borrowed together with the moneys already borrowed, (excluding temporary loans obtained from the Company's bankers in the ordinary course of Business) at any given point of time does not exceed Rs. 1,500,000,000/- (Rupees One Hundred and Fifty Crores only).

The Board, therefore, recommend the Resolution to be passed as a Special Resolution by the Members.

None of the Directors of the Company either directly or through their relatives are, in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution, except to the extent of their shareholding in the Company, if any.

ITEM NO. 6

At an Extra Ordinary General Meeting of the Company held on May 31, 2008, an Ordinary Resolution pursuant to Section 293(1)(d) of the Companies Act, 1956 was passed by the Members authorising the Board of Directors (hereinafter referred as 'Board') of the Company for enabling the Board to exercise the power to mortgage, hypothecate, pledge and/or create charge, security on the moveable and/or immoveable, tangible and/or intangible properties of the Company, from time to time.

However, Pursuant to the provisions of Section 180(1)(a) of the Companies Act, 2013, which has been made effective from September 12, 2013, it is necessary for the Company to take the approval of Members by way of a Special Resolution, unlike Ordinary Resolution as required under Section 293(1)(a) of the Companies Act, 1956, and as mentioned above in Item No. 4, it is proposed to increase the borrowing powers to Rs. 1,500,000,000/- (Rupees One Hundred and Fifty Crores only), to secure such borrowings, the Company would be required to mortgage and/or charge its moveable and/or immoveable properties, the whole or substantially the whole of the undertaking(s) or any other assets of the Company (both present and future) in favour of the financial institutions/banks/ other lender(s)/ trustees.

Therefore, in order to ensure compliance under the new enactment and secure the borrowings , it is necessary for the Company to take the approval of Members by way of a Special Resolution. In the circumstances, the Board, recommend the Resolution to be passed as a Special Resolution by the Members.

None of the Directors of the Company either directly or through their relatives are, in any way, concerned or interested, whether financially or otherwise, in the proposed Resolution, except to the extent of their shareholding in the Company, if any.

ITEM NO. 7

The present shareholding structure of CLEIS, one of the subsidiary companies, is as follows:

S. No.	Name of the Shareholders	No. of shares held	Shares held in %
1	CL Educate Limited	9265841	98.08
2	Bilakes Consulting Private Limited	181759	1.92
3	Mr. Satya Narayanan .R*	1	0.00

4	Mr. Gautam Puri*	1	0.00
5	Mr. Nikhil Mahajan*	1	0.00
6	Mr. Shiva Kumar Ramachandran*	1	0.00
7	Mr. Sreenivasan .R*	1	0.00
8	Mr. Sujit Bhattacharyya*	1	0.00
	TOTAL	**9447606**	**100.00**

* Nominee shareholders of CL Educate Limited.

At present, Bilakes Consulting Private Limited (hereinafter "Bilakes") holds 181759 nos. of equity shares of CLEIS (after considering all the transfers including NRIs) and with a view to make Career Launcher Education Infrastructure and Services Limited (CLEIS) a 100% subsidiary of the Company, an exit opportunity has been given to Bilakes by purchasing all the CLEIS shares held by Bilakes, (being the only other shareholder of CLEIS apart from the Company, CL Educate Limited as on August 03, 2015), partly for cash, and partly in kind.

Company has already purchased 17794 nos. of CLEIS shares from Bilakes in cash for a payment of Rs. 50 Lakhs, under Board's approval in its meeting held on May 13, 2015 and now intends to further purchase 14235 nos. of CLEIS shares from Bilakes, for cash, at the rate of Rs. 281/- per share, total consideration being approx. Rs. 40 Lakhs.

The balance consideration be paid to Bilakes by effecting a share swap transaction by offering a share swap option to Bilakes in exchange for equity shares of CL Educate Limited (the "CLE Equity Shares"), such that Bilakes shall be entitled to receive 1 (one) CLE Equity Share for every 2.10 (two point one zero) CLEIS Equity Shares held by Bilakes (the "Share Swap"), subject to adjustments, and rounding up.

In order to give effect to above mentioned share swap transaction, 167524 nos. of CLEIS shares, valued at Rs. 281/- per share, will be purchased by the Company from Bilakes for consideration other than cash and in lieu thereof the Company will issue and allot equivalent value of CL shares i.e. 79774, valued at Rs. 590/- per share to Bilakes for consideration other than cash, swap ration being 2.10:1, which is in accordance with the Valuation Report dated 1st August, 2014, derived from M/s. V.B. Desai Financial Services Limited, a Category I Merchant Banker.

The proposal for the allotment of equity shares of the Company pursuant to the Share Swap is subject to the approval of the shareholders of the Company, by way of a special resolution.

The information as required for preferential allotment is enumerated below:

1) **The Object of the Preferential Issue:**

The object of the preferential issue is to make further investment in Career Launcher Education Infrastructure and Services Limited (CLEIS) in order to make it a 100% subsidiary of the Company.

2) **Total no. of shares to be issued**: 79774 (Seventy Nine Thousand Seven Hundred and Seventy Four) equity shares.

3) The price/price band at/within which the allotment is proposed:

The equity shares shall be issued and allotted at Rs. 590/- per share . The price has been derived from the Valuation Report issued by M/s. V.B. Desai Financial Services Limited, Mumbai, a Category 1 Merchant Banker.

Basis on which the price has been arrived at along with report of the registered valuer: The share price has been determined on the basis of Valuation Report given by V.B. Desai Financial Services Limited, Mumbai. A copy of the Report has been made available at the Registered Office of the Company, which may be inspected by the members.

4) The relevant date on the basis of which price has been arrived at: August 1, 2014 is the date on which the valuation report is received by the Company and the same holds true and valid as on the date of this statement.

5) The class or classes of persons to whom the allotment is proposed to be made:

The shares will be issued and allotted to Bilakes Consulting Private Limited, the Corporate promoter of CLE, and the only other shareholders of CLEIS, apart from the Company, CL Educate Limited, whose name appears on the Register of Members of CLEIS as on August 03, 2015, being the record date.

6) Intention of promoters / directors / key managerial personnel to subscribe to the offer:

Promoters / Directors / Key Managerial Personnel of the Company do not intend to subscribe to the preferential issue authorized by this resolution.

7) Proposed time within which the allotment of equity shares will be completed:

The Company will complete the issue and allotment of Equity shares within a period of 12 months from the date of passing of the resolutions by the shareholders.

8) Names of the proposed allottees and the percentage of post preferential offer capital that may be held by them:

P*ost offer capital detail*

S. No.	Name of the Proposed Allottee	No. of Shares proposed to be issued	In %
1.	Bilakes Consulting Private Limited	1253090	10.69
TOTAL		**1253090**	**10.69**

9) Whether a change in control is intended or expected:

There will not be any change in the management control of the Company on account of this proposed preferential allotment except some minor changes in the shareholding pattern as well as voting rights.

10) **The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:**

The Company proposing the issuance and allotment of its shares to below mentioned person(s) and the same has already been presented before the Board in the same Board meeting in which the allotment to Bilakes Consulting Private Limited is placed for Board's approval. Details of said allotment are as follows:

S. No.	Name of the Persons	No. of Shares issued or proposed to be issued	Total Price @590/- (Rs. In Cr.)
1.	Mr. Praveen Dwarakanath	92915	5.48 approx.
2.	Mr. Shivaraman Ramaswamy	92915	5.48 approx.
	TOTAL	**185830**	**10.96**

11) **Justification for allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

The object and justification of the Preferential issue is to make CLEIS, a 100% subsidiary of CL Educate Limited, by investing in its shares, and paying partly in kind, in the form of CLE shares.

12) **Shareholding Pattern before and after the issue of shares involved in the present resolution is as below:**

S. No.	Category	Pre Issue		Post Issue	
		No. of shares held	% of shareholding	No. of shares held	% of shareholding
A	**Promoter's Holding:**				
1	**Indian:**				
	Individual	6495727	55.77	6495727	55.39
	Bodies Corporate	1173316	10.07	1253090	10.69
	Sub Total	**7669043**	65.84	**7748817**	66.07
2	Foreign Investors	0	0.00	0	0.00
	Sub Total (A)	**7669043**	65.84	**7748817**	66.07
B	**Non-Promoter's Holding:**				
1	Institutional Investors/Banks	594233	5.10	594233	5.07
2	Non-Institution:				
	Private Corporate Bodies	640194	5.50	640194	5.46
	Directors and Relatives	7200	0.06	7200	0.06

Indian Public	658070	5.65	658070	5.61
Others (Including NRIs, HUF, Trust, Society, Overseas Bodies Corporate, VCFs etc.)	2078815	17.85	2078815	17.73
Sub Total (B)	**3978512**	34.16	**3978512**	33.93
Grand Total	**11647555**	**100**	**11727329**	**100.00**

As per Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company offering or making an invitation to subscribe to securities on a private placement basis, is required to obtain the prior approval of the Shareholders by way of a Special Resolution, for each of the offers and invitations.

The approval of the Members is accordingly being sought by way of a Special Resolution under Sections 42 and 62 of the Companies Act, 2013 read with the rules made there under, for the issue of Equity Shares and to offer and allot such Equity Shares on a private placement basis.

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 proposed Resolution except for common directorship/ shareholding in CL, CLEIS & Bilakes, which have well been disclosed by the Directors at all forums.

ITEM NO. 8

The members are informed that at the Board Meeting held on August 03, 2015 the Board has approved the acquisition of 51% stake in Accendere Knowledge Management Services Private Limited (hereinafter "Accendere") by way of purchase of 6120 nos. of shares of Accendere, currently held by the its promoters and shareholders, Mr. Praveen Dwarakanath and Mr. Shivaraman Ramaswamy, for a total consideration of upto Rs. 13.64 Crores (Rupees Thirteen Crores Sixty Four Lakhs only) payable partly in cash, and partly by way of CL shares. A brief profile of AKMS, as well as its promoters is given below:

'Accendere
The Business

Accendere currently works with top universities in India helping them take up their research output. It also works with CL Educate Ltd in their international education vertical.
Accendere plans to be a one stop shop for all the consulting needs of universities worldwide.
Accendere's wishes to be a major driver in the increase of the world's knowledge capital. It aims to help school students explore the topics of their dreams *first hand with its concept paper initiative.*

With its research paper initiative which is its USP in the international education industry, it aims to be a leading player in the worldwide IE test prep and consulting market.

The team

Founded and owned by Praveen Dwarkanath (B Tech CS) SRM university and PGDM - IIM Lucknow and Dr R Sivaraman who completed his masters from Carnegie Mellon University

The current investment being contemplated by the Company is within the statutory threshold limits as prescribed under Section 186 of the Companies Act 2013 i.e. is below:

a) Sixty per cent of its paid up share capital, free reserves and securities premium account

OR

b) One Hundred per cent of its free reserves and securities premium account, whichever is more.

Hence, the proposed acquisition deal does not require the members' approval.

Out of the total consideration of Rs. 13.64 Crores (Rupees Thirteen Crores Fifty Lakhs only), Rs.2.5 crores is proposed to be paid in cash, and the balance amount of Rs. 10.96 crores is proposed to be paid in kind, by issuing upto 1,85,830 nos. of CLE equity shares valued at Rs. 590/- per share, being the fair price of the shares derived by an independent Category 1 Merchant Banker vide his Valuation Report dated August 1, 2014

Since the issuance of the said equity shares shall be on a preferential basis, it would require the approval of the shareholders of the Company, by way of a special resolution

The information as required for preferential allotment is enumerated below:

1) The Object of the Preferential Issue:

The object of the Preferential issue is to acquire a minimum of 51 % stake in 'Accendere Knowledge Management Services Private Limited' by purchasing 6120 nos. of shares (out of a total of 12000 shares constituting its paid up share capital) from its promoter shareholders.

2) Total no. of shares to be issued: Upto 185830 (Upto One Lakh Eighty Five Thousand Eight Hundred and Thirty only).

3) The price/price band at/within which the allotment is proposed:

The equity shares shall be issued and allotted at Rs. 590/- per share, being the fair price of the shares derived from the Valuation Report dated August 01, 2014, issued by M/s. V.B. Desai Financial Services Limited, Mumbai a Category 1 Merchant Banker.

4) The relevant date on the basis of which price has been arrived at: August 1, 2014 is the date on which the valuation report is received by the Company and the same holds true and valid as on the date of this statement.

5) The class or classes of persons to whom the allotment is proposed to be made:

The shares will be issued and allotted to Mr. Praveen Dwarakanath and Mr. Shivaraman Ramaswamy, promoter shareholders of Accendere.

6) Intention of promoters / directors / key managerial personnel to subscribe to the offer:

Promoters / Directors / Key Managerial Personnel of the Company do not intend to subscribe to this preferential issue authorized by this resolution.

7) **Proposed time within which the allotment of equity shares will be completed:**

The Company will complete the issue and allotment of Equity shares within a period of 12 months from the date of passing of the resolution by the shareholders.

8) **Names of the proposed allottees and the percentage of post preferential offer capital that may be held by them:**

P*ost offer capital details*

S. No.	Name of the Proposed Allottee	No. of Shares proposed to be issued	In % (approx.)
1.	Mr. Praveen Dwarakanath	92915	0.79
2.	Mr. Shivaraman Ramaswamy	92915	0.79
	TOTAL	**185830**	**1.58**

9) **Whether a change in control is intended or expected:**

There will not be any change in the management or control of the Company on account of this proposed preferential allotment except some minor changes in the shareholding pattern as well as voting rights.

10) **The number of persons to whom allotment on preferential basis have already been made during the year, in terms of number of securities as well as price:**

The Company proposing the issuance and allotment of its shares to below mentioned person and the same has already been presented before the Board in the same Board meeting in which the allotment to Mr. Praveen Dwarakanath and Mr. Shivaraman Ramaswamy is placed for Board's approval. A detail of said allotment is as follows:

S. No.	Name of the Person	No. of Shares issued or proposed to be issued	Total Price @590/- (Rs. In Cr.)
1.	Bilakes Consulting Private Limited	79774	4.70 approx. (For consideration other than cash)
	TOTAL	**79774**	**4.70**

11) **Justification for allotment proposed to be made for consideration other than cash together with valuation report of the registered valuer:**

The object and justification of the Preferential issue is acquire 51 % stake in Accendere Knowledge Management Services Private Limited and make it a subsidiary Company of CL Educate Limited by purchasing 6120 nos. of shares from its promoters and shareholders, partly in cash, and partly in kind by issuing CLE equity shares.

The CLE shares have been valued at Rs. 590/- per share, being the fair price of the shares, derived from the Valuation Report dated August 01, 2014, issued by M/s. V.B. Desai Financial Services Limited, Mumbai, a Category 1 Merchant Banker.

12) **Shareholding Pattern before and after the issue of shares involved in the present resolution is as below:**

S. No.	Category	Pre Issue		Post Issue	
		No. of shares held	% of shareholding	No. of shares held	% of shareholding
A	**Promoter's Holding:**				
1	**Indian:**				
	Individual	6495727	55.77	6495727	54.89
	Bodies Corporate	1173316	10.07	1173316	9.92
	Sub Total	**7669043**	65.84	**7669043**	64.81
2	Foreign Investors	0	0.00	0	0.00
	Sub Total (A)	**7669043**	65.84	**7669043**	64.81
B	**Non-Promoter's Holding:**				
1	Institutional Investors/Banks	594233	5.10	594233	5.02
2	Non-Institution:				
	Private Corporate Bodies	640194	5.50	640194	5.41
	Directors and Relatives	7200	0.06	7200	0.06
	Indian Public	658070	5.65	843900	7.13
	Others (Including NRIs, HUF, Trust, Society, Overseas Bodies Corporate, VCFs etc.)	2078815	17.85	2078815	17.57
	Sub Total (B)	**3978512**	34.16	**4164342**	35.19
	Grand Total	**11647555**	**100.00**	**11833385**	**100.00**

As per Section 42 of the Companies Act, 2013 read with the Companies (Prospectus and Allotment of Securities) Rules, 2014, a company offering or making an invitation to subscribe to securities on a private placement basis, is required to obtain the prior approval of the Shareholders by way of a Special Resolution, for each of the offers and invitations.

The approval of the Members is accordingly is being sought by way of a Special Resolution under Sections 42 and 62 of the Companies Act, 2013 read with the rules made there under, for the issue of Equity Shares and to offer and allot such Equity Shares on a private placement basis.

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 proposed Resolution.

The Shareholding Structure of Accendere Knowledge Management Services Private Limited as on August 3, 2015 is as under:

S. No.	Director Name	No. of Shares	% of Holding in AKMS
1	Praveen Dwarakanath	6000	50%
2	Shivaraman Ramaswamy	6000	50%
	Total	12000	100%

By Order of the Board
For CL Educate Limited

Sd/-
Nikhil Mahajan
Director

New Delhi
August 03, 2015

DIN No. : 00033404
Designation: Whole – Time Director & CFO
Address: H. No. 457, Sector – 30,
Faridabad – 121003, Haryana

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

PLEASE FILL THIS ATTENDANCE SLIP AND HANDOVER THE SAME AT THE VENUE OF THE MEETING

DP ID*	
Client ID*	

Folio No.	
No. of Shares	

Full name of the Shareholder/Proxy……………………………………………………………………………….

I hereby record my presence at the 19th Annual General Meeting of the Company at the Registered Office of the Company situated at A-41, Espire Building, Lower Ground Floor, Mohan Co-operative Industrial Area, New Delhi – 110 044, on Monday, the 07th day of September, 2015 at 11.00 A.M.

……………………………………

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.com **Email ID.**: rachna.sharma@careerlauncher.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 Annual General Meeting of the Company, to be held on the Monday, September, 07th, 2015 at 11.00 A.M. at the registered office of the Company situated at A-41, Espire Building, Lower Ground Floor, Mohan Co-operative Industrial Area, Main Mathura Road, New Delhi – 110 044 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution			
Ordinary Business		**For**	**Against**
1.	Adoption of Annual Accounts		
2.	Re-appointment of Mr. Gautam Puri		
3.	Re-appointment of Statutory Auditors		
Special Business			
4.	To ratify the remuneration fixed by the Board for the Cost Auditor of the Company, as well as to authorize Board to fix/alter/amend/negotiate the remuneration payable to the Cost Auditor in future		
5.	Approval to increase in Borrowing Limits under Section 180(1)(c) of the Companies Act, 2013		
6.	Approval under section 180 (1)(a) of the Companies Act, 2013 for creation of		

	Mortgage and Charge		
7.	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		
8.	Preferential allotment of Equity Shares (as part consideration against the acquisition of a minimum of 51% stake) to 'Accendere Knowledge Management Services Private Limited'		

Signed this……day of………..….2015

Signature of Shareholder………………………..

Signature of Proxy holder(s)…………………..

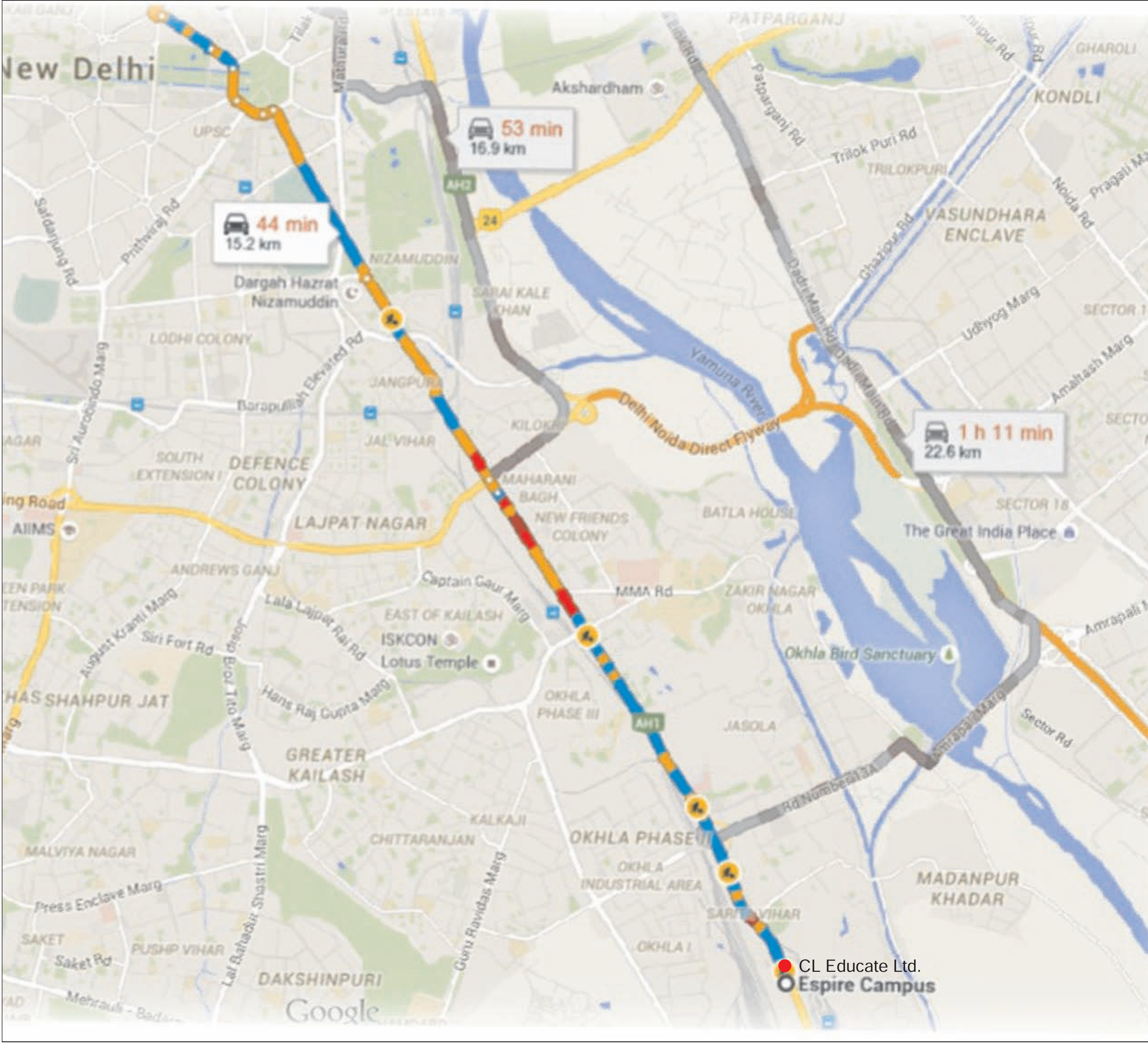
Affix Revenue Stamp not less than Rs. 0.15

Note:

1. 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.

2. Any alteration or correction made to this Proxy form must be initialed by the signatory/signatories.

3. 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.


New Delhi
Akshardham
53 min
16.9 km
44 min
15.2 km
1 h 11 min
22.6 km
Dargah Hazrat Nizamuddin
LODHI COLONY
DEFENCE COLONY
LAJPAT NAGAR
AIIMS
Delhi Noida Direct Flyway
Yamuna River
VASUNDHARA ENCLAVE
The Great India Place
Okhla Bird Sanctuary
ISKCON
Lotus Temple
GREATER KAILASH
OKHLA PHASE II
MADANPUR KHADAR
SHAHPUR JAT
MALVIYA NAGAR
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