

HARIBHAKTI & CO. LLP

Chartered Accountants

CL Higher Educational
Services Private Limited

Statutory Audit for the year
ended March 31, 2014

Independent Auditors' Report

To the Members of CL Higher Educational Services Private Limited

Report on the Financial Statements

We have audited the accompanying financial statements of CL Higher Educational Services Private Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss and Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these 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 Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditors' judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.



Emphasis of Matter

We draw attention to note 20 of the accompanying financial statements which indicates that the Company has incurred losses during the year and the net worth has eroded at the year end. The Company presently has adequate support from its holding company for meeting its operating and financial requirements to carry on and expand the existing business of the Company. On the basis of such assurance, the Company is being viewed as a going concern and the financial statements have been drawn under the going concern assumption. Our opinion is not qualified in respect of this matter.


Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Act;
 - e. on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For Haribhakti & Co. LLP

Chartered Accountants

Firm Registration No.: 103523W


Raj Kumar Agarwal

Partner

Membership No.: 074715



Place: NEW DELHI

Date: August 11, 2014

Annexure to Independent Auditors' Report

[Annexure 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 Higher Educational Services Private Limited on the financial statements for the year ended March 31, 2014]

- (i) The Company does not have any fixed assets. Accordingly, the provisions of clauses (i)(a), (i)(b) and (i)(c) of paragraph 4 of the Order are not applicable to the Company.
- (ii) The Company is a service company engaged in setting up and running schools, colleges and universities and does not hold inventory. Accordingly, the provisions of clauses (ii)(a), (ii)(b), and (ii)(c) of paragraph 4 of the Order are not applicable to the Company.
- (iii) (a) According to information and explanations given to us, the Company has not granted any loan, secured or unsecured, to parties covered in the register maintained under section 301 of the Act. Accordingly, the provisions of clauses (iii)(b), (iii)(c) and (iii)(d) of paragraph 4 of the Order are not applicable to the Company.
- (e) The Company has taken loan from two entities covered in the register maintained under section 301 of the Act. The maximum amount involved during the year was ₹ 145,000 and the year-end balances of loans taken from such parties were ₹ 145,000.
- (f) In our opinion, the rate of interest and other terms and conditions for such loans are not, *prima facie*, prejudicial to the interest of the Company.
- (g) In respect of the aforesaid loans, the Company is regular in repaying the principal amounts as stipulated. The loans are interest free.
- (iv) In our opinion and according to the information and explanations given to us, there are no transactions in respect of purchase of inventory and fixed assets or of sale of goods and services. Accordingly, the provisions of clause (iv) of paragraph 4 of the Order are not applicable to the Company.
- (v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Act that need to be entered into the register maintained under section 301 have been so entered.
- (b) There are no transactions in pursuance of contracts and arrangements entered in the register maintained under section 301 of the Act during the year aggregating to ₹ 500,000 or more in respect of any party.
- Unsecured loans granted to parties covered in the register maintained under section 301 of the Act, are dealt with in paragraphs (iii)(a), (iii)(b), (iii)(c) and (iii)(d) above.
- Unsecured loans taken from parties covered in the register maintained under section 301 of the Act, are dealt with in paragraphs (iii)(e), (iii)(f) and (iii)(g) above.
- (vi) 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 meaning of Sections 58A and 58AA of the Act and the rules framed there under.



- (vii) The Provisions relating to internal audit are not applicable to the Company.
- (viii) The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the business activities of the Company.
- (ix) (a) The Company is *generally* regular in depositing undisputed statutory dues in respect of income tax.
Further, as explained statutory dues in respect of provident fund, investor education and protection fund, employees' state insurance, sales-tax, wealth-tax, service tax, customs duty, excise duty and cess are currently not applicable to the Company.

(b) According to the information and explanation given to us, there are no dues of income tax, sales-tax, service tax, investor education and protection fund, wealth tax, customs duty, excise duty and cess which have not been deposited on account of any dispute.
- (x) As the Company is registered for a period less than five years, the provisions of clause (x) of paragraph 4 of the Order are not applicable to the Company.
- (xi) The Company has not taken any loans from banks or financial institutions and it has not issued any debentures. Accordingly, the provisions of clause (xi) of paragraph 4 of the Order are not applicable to the Company
- (xii) According to the information and explanation given to us, we are of the opinion that the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, the provisions of clause (xii) of paragraph 4 of the Order are not applicable to the Company.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause (xiv) of paragraph 4 of the Order are not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions during the year. Accordingly, the provisions of clause (xv) of paragraph 4 of the Order are not applicable to the Company.
- (xvi) The Company has not obtained any term loans.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment.
- (xviii) According to the information and explanations given to us, the Company has not made preferential allotment of shares to parties and companies covered in register maintained under section 301 of the Act.



HARIBHAKTI & CO. LLP


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- (xix) According to the information and explanations given to us, no debentures have been issued by the Company during the year. Accordingly, the provisions of clause (xix) of paragraph 4 of the Order are not applicable to the Company.
- (xx) The Company has not raised money by way of public issue during the year. Accordingly, the provisions of clause (xx) of paragraph 4 of the Order are not applicable to the Company.
- (xxi) 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 such case by the management.

For Haribhakti & Co. LLP

Chartered Accountants

Firm Registration No.: 103523W


Raj Kumar Agarwal
Partner

Membership No.: 074715



Place: NEW DELHI

Date: August 11, 2014

CL Higher Educational Services Private Limited
Balance Sheet as at March 31, 2014

		(Amount in ₹)	
	Note	March 31, 2014	March 31, 2013
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	100,000	100,000
Reserves and surplus	4	(323,976)	(202,401)
		<u>(223,976)</u>	<u>(102,401)</u>
Current liabilities			
Short-term borrowings	5	145,000	-
Other current liabilities	6	97,845	113,643
		<u>242,845</u>	<u>113,643</u>
TOTAL		<u><u>18,869</u></u>	<u><u>11,242</u></u>
ASSETS			
Non-current assets			
Long-term loans and advances	7	8,784	8,784
		<u>8,784</u>	<u>8,784</u>
Current assets			
Cash and bank balances	8	10,085	2,458
Total		<u>10,085</u>	<u>2,458</u>
		<u><u>18,869</u></u>	<u><u>11,242</u></u>

Summary of significant accounting policies 2
The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Haribhakti & Co. LLP

Chartered Accountants

Firm Registration No.: 103523W

Raj Kumar Agarwal

Partner

Membership No.: 074715

Place: NEW DELHI

Date: August 11, 2014



For and on behalf of the Board of Directors of
CL Higher Educational Services Private Limited

Gautum Puri
Director

Sreenivasan R.
Director

Place: NEW DELHI

Date: August 11, 2014

CL Higher Educational Services Private Limited
Statement of Profit and Loss for the year ended March 31, 2014

Particulars	Note	(Amount in ₹)	
		Year ended March 31, 2014	Year ended March 31, 2013
Income			
Other income	9	-	68,504
Total Revenue		<u>-</u>	<u>68,504</u>
Expenses			
Finance cost	10	2,951	3,976
Other expenses	11	118,625	101,293
Total expenses		<u>121,576</u>	<u>105,269</u>
Loss before tax		(121,576)	(36,765)
Less: Tax expense		-	-
Loss after tax		<u>(121,576)</u>	<u>(36,765)</u>
Loss per share (in ₹):			
-Basic and diluted	15	(12.16)	(3.68)
Summary of significant accounting policies	2		

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Haribhakti & Co. LLP

Chartered Accountants

Firm Registration No. 1103523W

Raj Kumar Agarwal

Partner

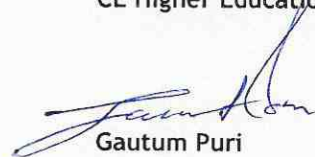
Membership No.: 074715

Place: NEW DELHI

Date: August 11, 2014



For and on behalf of the Board of Directors of
CL Higher Educational Services Private Limited


Gautum Puri

Director


Sreenivasan R.

Director

Place: NEW DELHI

Date: August 11, 2014

CL Higher Educational Services Private Limited
Cash Flow Statement for the year ended March 31, 2014

(Amount in ₹)

Note	Year ended March 31, 2014	Period ended March 31, 2013
Cash flow from operating activities		
	(121,576)	(36,765)
<i>Net loss before tax</i>		
<i>Adjustments for non-cash items:</i>		
	2,951	3,976
	-	(68,504)
	2,951	(64,528)
<i>Liabilities no longer required written back</i>		
	(118,625)	(101,293)
<i>Operating profit before working capital changes</i>		
<i>Changes in working capital:</i>		
	(18,749)	9,001
	(18,749)	9,001
<i>(decrease) in other current liabilities</i>		
	(137,374)	(92,292)
<i>Cash generated from / (used in) operations</i>		
	-	-
<i>Net income tax (paid) / refunds</i>		
	(137,374)	(92,292)
<i>Net cash generated used in operating activities (A)</i>		
<i>Cash flow from financing activities</i>		
	145,000	-
<i>Proceeds from short-term borrowings</i>		
	145,000	-
<i>Net cash generated from financing activities (C)</i>		
	7,626	(92,292)
<i>Net increase/(decrease) in Cash and cash equivalents (A+B+C)</i>		
<i>Cash and cash equivalents (Refer to note 8)</i>		
	2,458	94,750
<i>-Beginning of the year</i>		
	10,085	2,458
<i>-End of the year</i>		
Summary of significant accounting policies	2	

- i. The notes referred above form an integral part of the financial statements.
ii. The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard 3 on "Cash Flow Statements" notified under section 211(3C) of the Companies Act, 1956.

As per our report of even date

For Haribhakti & Co. LLP

Chartered Accountants

Firm Registration No. 103523W

Raj Kumar Agarwal

Partner

Membership No.:074715



Place: NEW DELHI

Date: August 11, 2014

For and on behalf of the Board of Directors of
CL Higher Educational Services Private Limited

Gautum Puri

Director

Sreenivasan R.

Director

Place: NEW DELHI

Date: August 11, 2014

1. Background

CL Higher Educational Services Private Limited ('the Company') was incorporated in India on August 28, 2011 to establish, setup, and run in any part of India Schools, Colleges, Universities, wherein professional, Technical, vocational or higher education will be imparted. The Company is a subsidiary of CL Educate Limited which holds 65.76% of its equity share capital.

2. Summary Of Significant Accounting Policies

(i) Basis for preparation of Financial Statements:

The Financial Statements have been prepared in accordance with the generally accepted accounting principles in India (Indian GAAP) under the historical cost convention on accrual basis. These financial statements have been prepared to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and relevant provision of the Companies Act, 1956.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

(ii) Current/non-current classification of assets/liabilities

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 Revised Schedule VI to the Companies Act, 1956. The Company has ascertained its operating cycle as 12 months for the purpose of current/non-current classification of assets and liabilities

(iii) 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 recognized prospectively in current and future periods.

(iv) Revenue recognition

Interest on loans granted is recognised using the time proportion method based on interest rates implicit in the transaction.

(v) 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.

(vi) Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period 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 except where the results would be anti-dilutive. The dilutive potential equity shares are deemed converted as of the beginning of the period, unless they have been issued at a later date.



(vii) Borrowing Cost

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.

(viii) Provisions, contingent liabilities and contingent assets

Provision

Provisions are recognized when the Company has a present obligation as a result of past events and it is more likely that an outflow of resources will be required to settle the obligations and the amount has been reliably estimated. Such provisions are not discounted to their present value and are determined based on the management's estimation of the obligation required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect management's current estimates.

Contingent liabilities

A disclosure for a contingent liability is made where it is more likely than not that a present obligation or possible obligation may result in or involve an outflow of resources. When no present or possible obligation exists and the possibility of an outflow of resources is remote, no disclosure is made.

Contingent assets

Contingent assets are neither recorded nor disclosed in the financial statements.

(ix) Tax Expense

Tax expense for the year comprising current tax and deferred tax 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 realization 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 realized.

Deferred tax assets and liabilities are measured at the tax rates that have been enacted or substantively enacted at the Balance Sheet date.

Minimum alternate tax

Minimum alternate tax (MAT) paid in a 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.



CL Higher Educational Services Private Limited
Notes to the financial statements for the year ended March 31, 2014

(x) Material events

Material Events occurring after the Balance Sheet date are taken into cognizance.

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3. Share capital

The Company has only one class of share capital having a par value of ₹ 10 per share, referred to herein as equity share.

	March 31, 2014		March 31, 2013	
	Number	Amount in ₹	Number	Amount in ₹
Authorised Shares				
Equity shares of ₹ 10 each (previous year ₹ 10)	10,000	100,000	10,000	100,000
Issued, subscribed and fully paid-up shares				
Equity shares of ₹ 10 each (previous year ₹ 10)	10,000	100,000	10,000	100,000
	<u>10,000</u>	<u>100,000</u>	<u>10,000</u>	<u>100,000</u>

a. Reconciliation of the shares outstanding at the beginning and at the end of the reporting period.

Particulars	March 31, 2014		March 31, 2013	
	Number	Amount in ₹	Number	Amount in ₹
At the beginning of the year	10,000	100,000	10,000	100,000
Outstanding at the end of the year	<u>10,000</u>	<u>100,000</u>	<u>10,000</u>	<u>100,000</u>

b. Terms/rights attached to equity share*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 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.

c. Shares held by the holding company / ultimate holding company and/or their associates/ subsidiaries

Name of shareholder	March 31, 2014		March 31, 2013	
	Numbers	% held	Numbers	% held
CL Educate Limited	6,576	65.76%	6,576	65.76%

d. Detail of shareholders holding more than 5% of equity share of the Company

Name of shareholder	March 31, 2014		March 31, 2013	
	Numbers	% held	Numbers	% held
CL Educate Limited	6,576	65.76%	6,576	65.76%
Bilakes Consulting Private Limited	1,537	15.37%	1,537	15.37%
GPE (India) Limited	829	8.29%	829	8.29%
Mr. Shantanu Prakash	571	5.71%	571	5.71%

e. No class of shares have been allotted as fully paid up pursuant to contract/(s) without payment being received in cash, allotted as fully paid up by way of bonus shares or bought back.



4. Reserves and surplus

	(Amount in ₹)	
	March 31, 2014	March 31, 2013
(Deficit) in the Statement of Profit and Loss		
Opening balance	(202,401)	(165,636)
Add: Loss after tax for the year as per Statement of Profit and Loss	(121,576)	(36,765)
Closing balance	(323,976)	(202,401)

5. Short-term borrowings

	(Amount in ₹)	
	March 31, 2014	March 31, 2013
Unsecured		
From related parties (Refer footnote a and note 19)	145,000	-
	145,000	-

Footnote a: The Company has taken an interest free unsecured loan from two related parties in the current year. The loan is repayable on demand.

6. Other current liabilities

	(Amount in ₹)	
	March 31, 2014	March 31, 2013
Others		
- Payables for expenses (refer note 14)	76,305	76,305
- Other liabilities (represent statutory liabilities payable to Government)	21,540	37,338
	97,845	113,643

7. Long term loans and advances

	(Amount in ₹)	
	March 31, 2014	March 31, 2013
Unsecured, considered good		
Advance income-tax (net of provision for tax of ₹ Nil (previous year ₹ Nil))	8,784	8,784
Total	8,784	8,784

8. Cash and bank balances

	(Amount in ₹)	
	March 31, 2014	March 31, 2013
Cash and cash equivalents		
Balances with banks		
- in current accounts	10,085	2,458
	10,085	2,458

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CL Higher Educational Services Private Limited
Notes to the financial statements for the year ended March 31, 2014

9. Other income

	Year ended March 31, 2014	(Amount in ₹) Year ended March 31, 2013
Other non-operating income:		
-Liabilities no longer required written back	-	68,504
	-	68,504

10. Finance cost

	Year ended March 31, 2014	(Amount in ₹) Year ended March 31, 2013
Interest expense on		
- Delay in payment of statutory dues	2,951	3,976
	2,951	3,976

11. Other expenses

	Year ended March 31, 2014	(Amount in ₹) Year ended March 31, 2013
Legal and professional charges (refer note 13)	91,170	89,593
Bank charges	27,051	6,742
Rates and taxes	404	4,958
	118,625	101,293

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12. Contingent liabilities and commitments

There are no contingent liabilities as at March 31, 2014 and March 31, 2013.

There are no capital or other material commitments as at March 31, 2014 and March 31, 2013.

13. Auditor's remuneration (including service tax):

	(Amount in ₹)	
	Year ended March 31, 2014	Year ended March 31, 2013
Statutory audit	84,270	84,270
Out of pocket expenses	-	1,124
	<u>84,270</u>	<u>85,394</u>

14. The Company is in the process of identifying Micro, small and medium enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006 ('the Act'). Accordingly, disclosures required by the said Act have not been provided. However, the management is of the opinion that there will be no interest liability under the said act in view of the supplier's profile of the company

15. Loss per share

The calculation of loss per Share has been made in accordance with Accounting Standard (AS) -20, Earnings Per Share. A statement of Basic and Diluted Loss per share is as under:

	Reference	Units	Year Ended March 31, 2014	Year Ended March 31, 2013
Loss attributable to equity shareholders	A	₹	(121,576)	(36,765)
Weighted average number of equity shares	B	Nos.	10,000	10,000
Add: Dilutive potential equity shares	C	Nos.	-	-
Number of equity shares for dilutive Loss per	D=B+C	Nos.	10,000	10,000
Basic loss per share	(A/B)	₹	(12.16)	(3.68)
Diluted loss per share	(A/D)	₹	(12.16)	(3.68)

16. Segment reporting

The disclosures as required under accounting standard 17 on segment reporting has not been provided as the Company deals in one business segment namely "Education services". As the company operates under a single geographic location i.e. India, there are no separate geographic segments.

17. Deferred tax assets

The Company estimates the deferred tax benefit/(charge) using applicable rate of taxation based on the impact of timing differences between financial statements and estimated taxable income for the current year. The component of deferred tax as at March 31, 2014 is as under:

	March 31, 2014	Benefit/ (Charge) for the year	(Amount in ₹) March 31, 2013
Deferred tax assets			
Accumulated carried forward business losses	99,197	37,884	61,313
	<u>99,197</u>	<u>37,884</u>	<u>61,313</u>

However, as per AS- 22, Accounting for taxes, in the absence of virtual certainty of realisation of accumulated carried forward business losses as at March 31, 2014, deferred tax asset has not been recognised.

18. Additional information pursuant to paragraph 5(ii), 5(iii), 5(iv), 5(v), 5(vii) and 5(Viii) of Part II of Schedule VI to the companies Act, 1956 to the extent, either nil or not applicable, has not been furnished.



19. Related party disclosure

The disclosures as required by the Accounting Standard -18 (Related Party Disclosure) are given below:

(a) List of related parties with whom transactions have taken place and relationships:

Relationship	Name of related party
Holding Company	CL Educate Limited
Enterprises in which key management personnel and their relatives are able to exercise significant influence	Career Launcher Education Foundation, India

(b) Details of related party transactions are as below:

Particulars	(Amount in ₹)	
	March 31, 2014	March 31, 2013
1. Reimbursement of expense incurred on behalf of Company		
- Career Launcher Education Foundation	-	62
2. Loan taken from related party		
- CL Educate Limited	120,000	-
- Career Launcher Education Foundation	25,000	-
3. Repayment of loan taken		
- CL Educate Limited	-	2,579,058
4. Loan waived by lender		
- CL Educate Limited	-	68,504
(c) Balance outstanding as at year end:		
Amounts Payable		
<u>Short term borrowings</u>		
- CL Educate Limited	120,000	-
- Career Launcher Education Foundation	25,000	-
<u>Other current liabilities (Payable for expenses)</u>		
- Career Launcher Education Foundation	62	62

20. Despite deficiency in shareholders' funds, the accounts of the Company have been prepared on the going concern assumption, as the management is confident about improvement in business activities and for continuous support from its holding company that the Company may require to meet its financial liabilities and business activities.

21. Previous year's figures have been regrouped and/or re-arranged wherever necessary to conform to current year's groupings and classifications.

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

Raj Kumar Agarwal
Partner
Membership No.: 074715

Place: NEW DELHI
Date: August 11, 2014



For and on behalf of the Board of Directors of
CL Higher Educational Services Private Limited

Gautum Puri
Director

Sreenivasan R.
Director

Place: NEW DELHI
Date: August 11, 2014