

Enclosure-1

April 08, 2019

To,
The Board of Directors
CL Educate Limited
A-45, First Floor
Mohan Co-operative Industrial Estate
New Delhi - 110 044

Sub.: Fairness opinion for the proposed Scheme of Arrangement by way of amalgamation of Career Launcher Education Infrastructure & Services Limited, CL Media Private Limited, Accendere Knowledge Management Services Private Limited, G. K. Publications Private Limited and Kestone Integrated Marketing Services Private Limited with CL Educate Limited and their respective shareholders and creditors

Dear Sir / Madam,

We, Sundae Capital Advisors Private Limited (referred to as "Sundae" or "We"), refer to the engagement letter dated April 05, 2019 with CL Educate Limited (referred to as "CLEL" / "Amalgamated Company"), wherein we have been requested to provide a fairness opinion on the Scheme of Arrangement in terms of Para (I)(A)(2)(d) of the Annexure I to the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017.

SCOPE AND PURPOSE OF THIS REPORT

The equity shares of CL Educate Limited are listed on National Stock Exchange of India Limited ("NSE") and BSE Limited (BSE). The Company in its Board Meeting held on November 27, 2018, has approved the Scheme of Arrangement by way of amalgamation of Career Launcher Education Infrastructure & Services Limited (the "Amalgamating Company 1"), CL Media Private Limited (the "Amalgamating Company 2"), Accendere Knowledge Management Services Private Limited (the "Amalgamating Company 3"), G. K. Publications Private Limited (the "Amalgamating Company 4") and Kestone Integrated Marketing Services Private Limited (the "Amalgamating Company 5") with CL Educate Limited and their respective shareholders and creditors (the "Scheme of Arrangement"). The Amalgamating Company 1, Amalgamating Company 2, Amalgamating Company 3, Amalgamating Company 4 and Amalgamating Company 5 are collectively referred to as the "Amalgamating Companies".

This Fairness Report is being issued in accordance with the SEBI Circular No. CFD/DIL3/CIR/2017/21 dated March 10, 2017, as amended from time to time, on the proposed Scheme of Arrangement. This certificate has been issued for the sole purpose to facilitate the Amalgamated and Amalgamating Companies to comply with Regulation 37 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time, and it shall not be valid for any other purpose.



COMPANY BACKGROUND

CL Educate Limited / Amalgamated Company

CL Educate Limited was incorporated on April 25, 1996 under the Companies Act, 1956 under the name and style "Career Launcher (India) Private Limited" having its Registered Office at National Capital Territory of Delhi. Amalgamated Company converted into a Public Company from a Private Company and changed its name to "Career Launcher (India) Limited" which was approved by Registrar of Companies, National Capital Territory of Delhi and Haryana vide a Fresh Certificate of Incorporation Issued Consequent upon Change in Name on Conversion to Public Limited Company on June 17, 2000. Amalgamated Company changed its name to its present name i.e. "CL Educate Limited" which was approved by Registrar of Companies, National Capital Territory of Delhi and Haryana vide Fresh Certificate of Incorporation Issued Consequent upon Change in Name on March 18, 2011. Amalgamated Company shifted its Registered Office from National Capital Territory of Delhi to State of Haryana which was approved by Regional Director vide Order dated October 26, 2018. The Registered Office of Amalgamated Company is located at Plot No. 9A, Sector-27A, Mathura Road, Faridabad, Haryana - 121 003. The Corporate Identity Number of Amalgamated Company is L74899HR1996PLC076897. The equity shares of the Amalgamated Company are listed on NSE & BSE.

Amalgamated Company is engaged in the business of providing education and test preparation training programs which include tuitions to school students and coaching to aspirants for a variety of entrance examinations both at the school and graduate / postgraduate levels.

The Capital Structure of the Amalgamated Company is as under:

Particulars	Amount (INR)
Authorized Share Capital	
1,60,00,000 Equity Shares of INR 10 each	16,00,00,000
Total	16,00,00,000
Issued, Subscribed and Paid Up Share Capital	
1,41,65,678 Equity Shares of INR 10 each fully paid up	14,16,56,780
Total	14,16,56,780

Career Launcher Education Infrastructure & Services Limited / Amalgamating Company 1

Amalgamating Company 1 was incorporated on June 16, 2005 under the Companies Act, 1956 under the name and style "Career Launcher Infrastructure Private Limited" having its Registered Office at National Capital Territory of Delhi. Amalgamating Company 1 converted into a Public Company from a Private Company and changed its name to "Career Launcher Education Infrastructure and Services Limited" which was approved by Registrar of Companies, National Capital Territory of Delhi and Haryana vide a Fresh Certificate of Incorporation Issued Consequent upon Change in Name on Conversion to Public Limited Company on December 29, 2006. Amalgamating Company 1 shifted its Registered Office from National Capital Territory of Delhi to State of Haryana which was approved by Regional Director vide Order dated October 23, 2018. The Registered Office of Amalgamating



Company 1 is located at Plot No. 9A, Sector- 27A, Mathura Road, Faridabad, Haryana - 121 003. The Corporate Identity Number of Amalgamating Company 1 is U70101HR2005PLC076899.

Amalgamating Company 1 is a wholly owned subsidiary of the Amalgamated Company.

CL Media Private Limited / Amalgamating Company 2

Amalgamating Company 2 was incorporated on February 01, 2008 under the Companies Act, 1956, having its registered office at National Capital Territory of Delhi. Amalgamating Company 2 shifted its Registered Office from National Capital Territory of Delhi to State of Haryana which was approved by Regional Director vide Order dated October 23, 2018. The Registered Office of Amalgamating Company 2 is located at Plot No. 9A, Sector-27A, Mathura Road, Faridabad, Haryana - 121 003. The Corporate Identity Number of the Amalgamating Company 2 IS U74300HR2008PTC077265.

Amalgamating Company 2 is a wholly owned subsidiary of the Amalgamated Company.

Accendere Knowledge Management Services Private Limited / Amalgamating Company 3

Amalgamating Company 3 was incorporated on September 19, 2008 under the Companies Act, 1956, having its registered office in the state of Tamil Nadu. Amalgamating Company 3 shifted its Registered Office from the State of Tamil Nadu to National Capital Territory of Delhi which was approved by Registrar of Companies, National Capital Territory of Delhi and Haryana vide Certificate Registration of Regional Director order for Change of State on July 13, 2017. Further, Amalgamating Company 3 shifted its Registered Office from National Capital Territory of Delhi to State of Haryana which was approved by Region Director vide Order dated October 23, 2018. The Registered Office of the Amalgamating Company 3 is located at Plot No. 9A, Sector-27A, Mathura Road, Faridabad, Haryana - 121 003. The Corporate Identity Number of the Amalgamating Company 3 is U74900HR2008PTC077200.

Amalgamating Company 3 is a wholly owned subsidiary of the Amalgamated Company.

G. K. Publications Private Limited / Amalgamating Company 4

Amalgamating Company 4 was incorporated on May 28, 2001 under the Companies Act, 1956, having its registered office at National Capital Territory of Delhi. Amalgamating Company 4 shifted its Registered Office from National Capital Territory of Delhi to State of Haryana which was approved by Regional Director vide Order dated October 23, 2018. The Registered Office of Amalgamating Company 4 is located at Plot No. 9A, Sector-27A, Mathura Road, Faridabad, Haryana - 121 003. The Corporate Identity Number of Amalgamating Company 4 is U22110HR2001PTC076979.

Amalgamating Company 4 is a wholly owned subsidiary of the Amalgamated Company.

Kestone Integrated Marketing Services Private Limited / Amalgamating Company 5

Amalgamating Company 5 was incorporated on February 03, 1997 under the Companies Act, 1956, under the name and style "Kestone Research Private Limited" having its registered office in State of



Karnataka. Amalgamating Company 5 changed its name to its present name i.e. "Kestone Integrated Marketing Services Private Limited" which was approved by Registrar of Companies, Karnataka vide Fresh Certificate of Incorporation Consequent upon Change in Name on March 06, 2007. Amalgamating Company 5 shifted its Registered Office from the State of Karnataka to National Capital Territory of Delhi which was approved by Registrar of Companies, National Capital Territory of Delhi and Haryana vide Certificate of Registration of Company Law Board Order for Change in State on December 29, 2008. Amalgamating Company 5 shifted its Registered Office from National Capital Territory of Delhi to State of Haryana which was approved by Regional Director vide Order dated October 23, 2018. The Registered Office of Amalgamating Company 5 is located at Plot No. 9A, Sector-27A, Mathura Road, Faridabad, Haryana - 121 003. The Corporate Identity Number of Amalgamating Company 5 is U73100HR1997PTC076900.

Amalgamating Company 5 is a wholly owned subsidiary of the Amalgamated Company.

SUMMARY OF PROPOSED TRANSACTION.

The management of Amalgamated Company has decided on restructuring the business of the Amalgamated Company by way of a Scheme of Arrangement whereby with effect from the Appointed Date and upon the Scheme becoming effective, the entire business and whole of the undertaking(s), property and liabilities of the Amalgamating Companies stand transferred to and vested in and / or deemed to be transferred to and vested in Amalgamated Company, as a going concern, so as to become the properties and liabilities of the Amalgamated Company.

The entire Paid up Equity Share Capital of the Amalgamating Companies is beneficially held by Amalgamated Company i.e. Amalgamating Companies are the wholly owned subsidiaries of Amalgamated Company. Accordingly, no consideration would be discharged on amalgamation of Amalgamating Companies with Amalgamated Company.

Further, the investment in the Equity Shares of Amalgamating Companies appearing in the books of account of Amalgamated Company shall without any further act, deed or instrument, stand cancelled.

The Scheme of Arrangement is expected to have the following benefits:

- Elimination of multiple entities;
- Reducing the multiplicities of legal and regulatory compliances;
- Reducing time and efforts for coordination of financials at group level;
- Elimination of duplicative communication and coordination efforts;
- Rationalization of administrative and compliance costs.

SOURCE OF INFORMATION AND REPRESENTATIONS

For the purpose of forming our opinion on the Scheme of Arrangement, we have relied on the discussions with the Management of CL Educate Limited and the following information and documents made available to us:

- Memorandum and Articles of Association of the Amalgamated Company and Amalgamating Companies;



- Audited Financial Statements of the Amalgamated Company and Amalgamating Companies for the Financial Year(s) ended on March 31, 2018, March 31, 2017 and March 31, 2016, Limited reviewed financial statement of the Amalgamated Company for the six months period ended September 30, 2018, and Audited Financial Statements of the Amalgamating Companies for the Half Year ended September 30, 2018;
- Scheme of Arrangement for the proposed transaction.
- Other information as available in public domain.

We have obtained explanations and information considered reasonably necessary for our exercise, from the executives and representatives of Amalgamated Company. Our analysis considers those facts and circumstances present at the Amalgamated Company and Amalgamating Companies at the date of this Fairness Opinion. Our opinion would most likely be different if another date was used.

EXCLUSIONS AND LIMITATIONS

We have assumed and relied upon, without independent verification, the accuracy and completeness of all information that was publicly available or provided or otherwise made available to us by the Amalgamated Company for the purpose of this opinion. With respect to the estimated financials, if any, provided to us by the management, we have assumed that such financials were prepared in good faith and reflect the best currently available estimates and judgments by the management of Amalgamated Company. We express no opinion and accordingly accept no responsibility with respect to or for such estimated financials or the assumptions on which they were based. Our work does not constitute an audit or certification or due diligence of the working results, financial statements, financial estimates or estimates of value to be realized for the assets of the Amalgamated Company or the Amalgamating Companies. We have solely relied upon the information provided to us by the management. We have not reviewed any books or records of the Amalgamated Company or the Amalgamating Companies (other than those provided or made available to us). We have not assumed any obligation to conduct, nor have we conducted any physical inspection or title verification of the properties or facilities of the Amalgamated Company or the Amalgamating Companies and neither express any opinion with respect thereto nor accept any responsibility therefore. We have not made any independent valuation or appraisal of the assets or liabilities of the Amalgamated Company or the Amalgamating Companies. We have not reviewed any internal management information statements or any non-public reports, and, instead, with your consent we have relied upon information which was publicly available or provided or otherwise made available to us by the Amalgamated Company or the Amalgamating Companies for the purpose of this opinion. We are not experts in the evaluation of litigation or other actual or threaten claims and hence have not commented on the effect of such litigation or claims on the valuation. We are not legal, tax, regulatory or actuarial advisors. We are financial advisors only and have relied upon, without independent verification, the assessment of the Amalgamated Company or the Amalgamating Companies with respect to these matters. In addition, we have assumed that the Proposed Scheme of Arrangement will be approved by the regulatory authorities and that the proposed transaction will be consummated substantially in accordance with the terms set forth in the Proposed Scheme of Arrangement.

We understand that the managements of the Amalgamated Company or the Amalgamating Companies during our discussion with them would have drawn our attention to all such information



and matters which may have an impact on our analysis and opinion. We have assumed that in the course of obtaining necessary regulatory or other consents or approvals for the Proposed Scheme of Arrangement, no restrictions will be imposed that will have a material adverse effect on the benefits of the transaction that the Amalgamated Company or the Amalgamating Companies may have contemplated. Our opinion is necessarily based on financial, economic, market and other conditions as they currently exist and on the information made available to us as of the date hereof. It should be understood that although subsequent developments may affect this opinion, we do not have any obligation to update, revise or reaffirm this opinion. In arriving at our opinion, we are not authorized to solicit, and did not solicit, interests for any party with respect to the acquisition, business combination or other extra-ordinary transaction involving the Amalgamated Company or the Amalgamating Companies or any of its assets, nor did we negotiate with any other party in this regard.

We have acted as an advisor to the Amalgamated Company or the Amalgamating Companies for providing a fairness opinion on the proposed transaction and will receive professional fees for our services. In the ordinary course of business, Sundae is engaged in merchant banking business including corporate advisory, re-structuring, valuations, etc. We may be providing various other unrelated independent professional advisory services to the Amalgamated Company or the Amalgamating Companies in the ordinary course of our business.

It is understood that this letter is solely for the benefit of and use by the Board of Directors of the Amalgamated Company or the Amalgamating Companies for the purpose of this transaction and for onwards submission to the Stock Exchange(s) and other regulatory or compliance authorities(s) in the due course of the proposed Scheme of Amalgamation and may not be relied upon by any other person and may not be used or disclosed for any other purpose without our prior written consent. The opinion is not meant for meeting any other regulatory or disclosure requirements, save and except as specified above, under any Indian or foreign law, Statute, Act, guideline or similar instruction. Management should not make this report available to any party, including any regulatory or compliance authority / agency except as mentioned above. The letter is only intended for the aforementioned specific purpose and if it is used for any other purpose; we will not be liable for any consequences thereof.

We express no opinion whatever and make no recommendation at all as to the Amalgamated Company or the Amalgamating Companies underlying decision to effect to the proposed transaction or as to how the holders of equity shares or secured or unsecured creditors of the Amalgamated Company or the Amalgamating Companies should vote at their respective meetings to be held in connection with the transaction. We do not express and should not be deemed to have expressed any views on any other terms of transaction. We also express no opinion and accordingly accept no responsibility for or as to the prices at which the equity shares of the Amalgamated Company will trade following the announcement of the transaction or as to the financial performance of the Amalgamated Company following the consummation of the transaction.

In no circumstances however, will Sundae or its associates, directors or employees accept any responsibility or liability to any third party. Our liability (statutory or otherwise) for any economic loss or damage arising out of rendering this opinion shall be limited to amount of fees received for rendering this Opinion as per our engagement with the Amalgamated Company.



OUR OPINION

With reference to above and based on information and explanation provided by the management representative of CL Educate Limited and after analyzing the Scheme of Amalgamation, we understand that Career Launcher Education Infrastructure & Services Limited, CL Media Private Limited, Accendere Knowledge Management Services Private Limited, G. K. Publications Private Limited and Kestone Integrated Marketing Services Private Limited are wholly owned subsidiaries of CL Educate Limited and no shares are being issued by CL Educate Limited as consideration for the proposed amalgamation and there is no change in the Shareholding Pattern of CL Educate Limited post proposed amalgamation. Hence, the Valuation of the Companies has not been undertaken by CL Educate Limited from an Independent Valuer as per SEBI Circular No CFD/DIL3/CIR/2017/21 dated March 10, 2017.

On the basis of the foregoing and based on the information and explanation provided to us, in our opinion, the proposed amalgamation of Amalgamating Companies with the Amalgamated Company under a Scheme of Amalgamation is fair and reasonable to the holders of equity shares of Amalgamated Company.

The aforesaid Scheme of Arrangement shall be subject to the receipt of approvals from NCLT and other statutory authorities as may be required. The detailed terms and conditions are more fully set forth in the Draft Scheme of Arrangement. Sundae has issued this Fairness Opinion with the understanding the Draft Scheme of Arrangement shall not be materially altered and the parties hereto agree that the Fairness Opinion shall not stand good in case the final Scheme of Arrangement alters the transaction.

for Sundae Capital Advisors Private Limited
(SEBI Regn. No. INM000012494)


NitiN Somani
Managing Director

