
**CL HIGHER
EDUCATIONAL
SERVICES
PRIVATE
LIMITED**

Statutory Audit for the year
ended 31st March, 2013

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, 2013, 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. 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, 2013;
- (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 Companies Act, 1956;
 - e. on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Haribhakti & Co.

Chartered Accountants

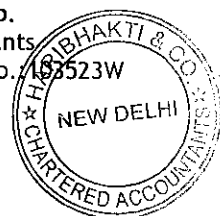
Firm Registration No.: 197523W



Raj Kumar Agarwal

Partner

Membership No.:074715



Place: New Delhi

Date: July 26, 2013

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 31 March, 2013]

- (i) The Company does not have any fixed assets, accordingly 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, clauses (ii)(a), (ii)(b), and (ii)(c) of paragraph 4 of the order are not applicable to the Company.
- (iii) (a) The Company had granted a loan to one party covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 2,579,058 and the yearend balance of loans granted to such parties was ₹ Nil.
(b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions for such loans are not, *prima facie*, prejudicial to the interest of the Company.
(c) The parties had repaid the principal amounts as stipulated and had also been regular in the payment of interest to the company.
(d) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
(e) The Company had taken loan from one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was ₹ 2,647,562 and the year-end balance of loans taken from such party was ₹ Nil.
(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 and has been regular in payment of interest.
- (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 clause (iv) of paragraph 4 of the order is 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 Companies Act, 1956 that need to be entered into the register maintained under section 301 have been so entered.
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding value of Rupees five lakhs have been entered into during the financial year at prices which are reasonable having regard to the prevailing market prices at the relevant time.



- (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) Undisputed statutory dues for income-tax have *not been regularly deposited with the appropriate authorities and there have been a slight delay in few cases.*

According to the information and explanations given to us, undisputed dues in respect of income-tax which were outstanding, at the year end for a period of more than six months from the date they became payable are as follows:

Name of the statute	Nature of the dues	Amount (Rs)	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act	Tax deducted at source	16,396	March 2012	April 30, 2012	Unpaid

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.

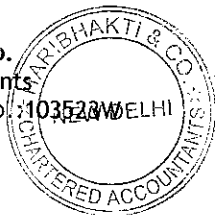
(b) According to the information and explanation given to us, there are no dues of Income tax, Sales-tax, Service tax, Investor Education and Protection Fund, Wealth tax, Customs duty, Excise duty and cess which have not been deposited on account of any dispute.

- (x) As the company is registered for a period less than five years, clause (x) of paragraph 4 of the Order is not applicable to the Company for the current year.
- (xi) The Company has not taken any loans from banks or financial institutions and it has not issued any debentures.
- (xii) According to the information and explanations given to us and based on the documents and records produced to us, the company has not granted loans & advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund / society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
- (xiv) In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 (as amended) 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.
- (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 explanation given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
- (xix) According to the information and explanations given to us, no debentures have been issued by the Company during the year.
- (xx) The Company has not raised money by way of public issue during the year.
- (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.
Chartered Accountants
Firm Registration No.: 103528W



Raj Kumar Agarwal
Raj Kumar Agarwal
Partner
Membership No.: 074715

Place: New Delhi
Date: July 26, 2013

CL Higher Educational Services Private Limited
Balance Sheet as at March 31, 2013

	Note	March 31, 2013	(Amount in ₹) March 31, 2012
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	100,000	100,000
Reserves and surplus	4	(202,401)	(165,636)
		<u>(102,401)</u>	<u>(65,636)</u>
Current liabilities			
Short-term borrowings	5	-	2,647,562
Other current liabilities	6	113,643	100,666
		<u>113,643</u>	<u>2,748,228</u>
TOTAL		<u>11,242</u>	<u>2,682,592</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	2,458	94,750
Short-term loans and advances	7	-	2,579,058
Total		<u>2,458</u>	<u>2,673,808</u>
		<u>11,242</u>	<u>2,682,592</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.

Chartered Accountants

Firm Registration No.: 103523W

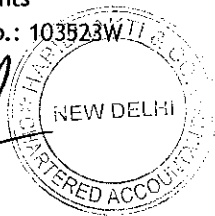


Raj Kumar Agarwal
Partner

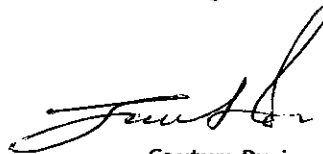
Membership No.: 074715

Place: New Delhi

Date : July 26, 2013



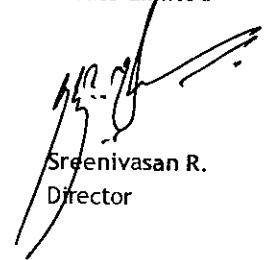
For and on behalf of the Board of directors of
CL Higher Educational Services Private Limited



Gautum Puri
Director

Place: New Delhi

Date : July 26, 2013



Sreenivasan R.
Director

CL Higher Educational Services Private Limited
Statement of Profit and Loss for the year ended March 31, 2013

(Amount in ₹)

Particulars	Note	Year ended March 31, 2013	Period ended March 31, 2012
Income			
Other income	9	68,504	87,842
Total Revenue		68,504	87,842
Expenses			
Finance cost	10	3,976	163,958
Other expenses	11	101,293	89,520
Total expenses		105,269	253,478
Loss before tax		(36,765)	(165,636)
Less: Tax expense		-	-
Loss after tax		(36,765)	(165,636)
Loss per share (in ₹):			
-Basic and diluted	15	(3.68)	(16.56)
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.

Chartered Accountants

Firm Registration No.:103523W



Raj Kumar Agarwal

Partner

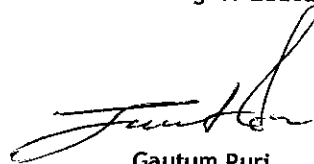
Membership No.:074715



Place: New Delhi

Date : July 26, 2013

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



Gautum Puri

Director



Sreehivasan R.

Director

Place: New Delhi

Date : July 26, 2013

CL Higher Educational Services Private Limited
Cash Flow Statement for the year ended March 31, 2013

(Amount in ₹)

Note	Year ended March 31, 2013	Period ended March 31, 2012
Cash flow from operating activities		
	(36,765)	(165,636)
<i>Net loss before tax</i>		
<i>Adjustments for non-cash items:</i>		
Finance costs	3,976	147,562
Interest income		(79,058)
Liabilities no longer required written back	(68,504)	-
	(64,528)	68,504
Operating profit before working capital changes		
	(101,293)	(97,132)
Changes in working capital:		
<i>Adjustments for increase / (decrease) in operating liabilities:</i>		
Other current liabilities	9,001	100,666
	9,001	100,666
Cash generated from / (used in) operations		
	(92,292)	3,534
<i>Net income tax (paid) / refunds</i>		
	-	(8,784)
Net cash generated used in operating activities (A)	(92,292)	(5,250)
Cash flow from investing activities		
Loan given to related party	-	(2,500,000)
Net cash generated used in investing activities (B)	-	(2,500,000)
Cash flow from financing activities		
Proceeds from issue of equity shares	-	100,000
Proceeds from short-term borrowings	-	2,500,000
Interest paid	-	-
Net cash generated from financing activities (C)	-	2,600,000
Net increase / (decrease) in Cash and cash equivalents (A+B+C)		
	(92,292)	94,750
Cash and cash equivalents (Refer to note 8)		
-Beginning of the year	94,750	-
-End of the year	2,458	94,750
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 set out in AS-3 the Companies (Accounting Standard) Rules, 2006 (as amended).

As per our report of even date

For Haribhakti & Co.

Chartered Accountants

Firm Registration No.: 103523W

Raj Kumar Agarwal

Partner

Membership No.:074715



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

Gautum Puri
Director

Sreeniyasan R.
Director

Place: New Delhi

Date : July 26, 2013

Place: New Delhi

Date : July 26, 2013

CL Higher Educational Services Private Limited
Notes to the financial statements for the year ended March 31, 2013

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, where in 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) 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.

(iii) Revenue recognition

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

(iv) 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.

(v) 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.

(vi) Borrowing Cost

Borrowing costs relating to acquisition or construction or production of assets which takes substantial period of time to get ready for its intended use are also 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.



CL Higher Educational Services Private Limited
Notes to the financial statements for the year ended March 31, 2013

(vii) 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.

(viii) Taxation

Income tax expense comprises current tax and deferred tax charge or credit.

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 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.

(ix) 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, 2013		March 31, 2012	
	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
	10,000	100,000	10,000	100,000

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

Particulars	March 31, 2013		March 31, 2012	
	Number	Amount in ₹	Number	Amount in ₹
At the beginning of the year	10,000	100,000	-	-
Issued during the period	-	-	10,000	100,000
Outstanding at the end of the year	10,000	100,000	10,000	100,000

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.

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, 2013		March 31, 2012	
	Numbers	% of total equity shares	Holding in numbers	% of total equity shares
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, 2013		March 31, 2012	
	Numbers	% of total equity shares	Holding in numbers	% of total equity shares
CL Educate Limited	6,576	65.76%	6,576	65.76%
Bilakes Consulting Private Limited	1,537	15.37%	2,619	26.19%
Mr. Shantanu Prakash	571	5.71%	571	5.71%
GPE(India) Limited	829	8.29%	-	0.00%



CL Higher Educational Services Private Limited

Notes to the financial statements for the year ended March 31, 2013

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, 2013	March 31, 2012
Surplus in the statement of profit and loss		
Opening balance	(165,636)	-
Add: Loss after tax for the year as per statement of profit and loss	(36,765)	(165,636)
Closing balance	(202,401)	(165,636)

5. Short-term borrowings

	(Amount in ₹)	
	March 31, 2013	March 31, 2012
Unsecured		
From related parties (Refer footnote a and note 19)	-	2,647,562
	-	2,647,562

Footnote a: The Company had taken an unsecured loan from its holding company in the previous year carrying an interest rate of 14.25% per annum, interest being payable quarterly. The loan is repayable either on demand or by October 31, 2014, whichever is earlier.

6. Other current liabilities

	(Amount in ₹)	
	March 31, 2013	March 31, 2012
Others		
- Payables for expenses (refer note 14)	76,305	75,843
- Other liabilities (represent statutory liabilities payable to Government)	37,338	24,823
	113,643	100,666

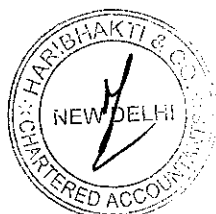
7. Loans and advances

	(Amount in ₹)			
	Long-term		Short-term	
	March 31, 2013	March 31, 2012	March 31, 2013	March 31, 2012
Unsecured, considered good				
Loan to related party (Refer note 19)	-	-	-	2,579,058
Advance income-tax (net of provision for tax of ₹ Nil (previous year ₹ Nil))	8,784	8,784	-	-
Total	8,784	8,784	-	2,579,058

8. Cash and bank balances

	(Amount in ₹)	
	March 31, 2013	March 31, 2012
Cash and cash equivalents		
Balances with banks		
- in current accounts	2,458	94,750
	2,458	94,750

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CL Higher Educational Services Private Limited
Notes to the financial statements for the year ended March 31, 2013

9. Other income

Interest on loans given to related parties (Refer note 19)
 Other non-operating income:
 -Liabilities No longer required written back

	(Amount in ₹)	
	Year ended March 31, 2013	Period ended March 31, 2012
	-	87,842
	68,504	-
	<u>68,504</u>	<u>87,842</u>

10. Finance cost

Interest expense on
 - Long term borrowings from related parties (Refer note 19)
 - Delay in payment of statutory dues

	(Amount in ₹)	
	Year ended March 31, 2013	Period ended March 31, 2012
	-	163,958
	3,976	-
	<u>3,976</u>	<u>163,958</u>

11. Other expenses

Legal and professional Charges (refer note 13)
 Printing and stationery charges
 Bank charges
 Rates and taxes

	(Amount in ₹)	
	Year ended March 31, 2013	Period ended March 31, 2012
	89,593	87,770
	-	1,750
	6,742	-
	4,958	-
	<u>101,293</u>	<u>89,520</u>

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12. Contingent liabilities and commitments

There are no contingent liabilities as at March 31, 2013 (previous year ₹ nil).

There are no capital or other material commitments as at March 31, 2013 (previous year ₹ nil).

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

	Year ended March 31, 2013	(Amount in ₹) Period ended March 31, 2012
Statutory audit	84,270	84,270
Out of pocket expenses	1,124	-
	85,394	84,270

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

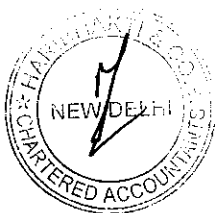
The calculation of loss per Share has been made in accordance with Accounting Standard (AS) -20, Earnings Per Share. A statement of Basic and Diluted Loss per share is as under:

	Reference	Units	Year Ended March 31, 2013	Period Ended March 31, 2012
Loss attributable to equity shareholders	A	₹	(36,765)	(165,636)
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)	₹	(3.68)	(16.56)
Diluted loss per share	(A/D)	₹	(3.68)	(16.56)

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.

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17. Deferred tax assets

The Company estimates the deferred tax charge/credit 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 31 March 2013 is as under:

	March 31, 2013	Benefit/ (Charge) for the year	(Amount in ₹) March 31, 2012
Deferred tax assets			
Accumulated carried forward business losses	198,425	-	165,636
	<u>198,425</u>	<u>-</u>	<u>165,636</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, 2013, 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	March 31, 2013 (₹)	March 31, 2012 (₹)
1. Interest income		
- Career Launcher Education Foundation	-	87,842
2. Interest on loan		
- CL Educate Limited	-	163,958
3. Reimbursement of expense incurred on behalf of company		
- Career Launcher Education Foundation	62	-
4. Loan taken from related party		
- CL Educate Limited	-	2,500,000
5. Loan granted to related party		
- Career Launcher Education Foundation	-	2,500,000
6. Repayment of loan taken		
- CL Educate Limited	2,579,058	7,085,000
7. Loan waived by lender		
- CL Educate Limited	68,504	-



	March 31, 2013 (₹)	March 31, 2012 (₹)
8. Short term loans and advances realised		
- Career Launcher Education Foundation	2,579,058	-
(c) Balance outstanding as at year end:		
	March 31 2013 (₹)	March 31 2012 (₹)
Amounts Receivable		
<u>Short term loans and advances</u>		
- Career Launcher Education Foundation	-	2,579,058
Amounts Payable		
<u>Short term borrowings</u>		
- CL Educate Limited	-	2,647,562
<u>Other current liabilities (Payable for expenses)</u>		
- Career Launcher Education Foundation	62	-

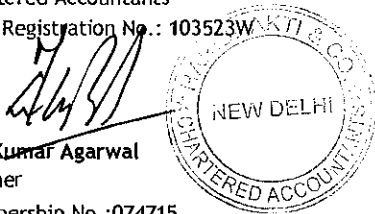
20. Despite deficiency in shareholders' funds, the accounts of the Company have been prepared on the going concern assumption, as the management is confident about improvement in business activities and for continuous support from its holding company that the Company may require to meet its financial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

21. Previous year's figures have been regrouped /reclassified to conform to the current year's presentation. These accounts are for a period of 12 months as against a period of 7 months and 4 days and accordingly current year figures in the statement of profit and loss are not comparable to those in the previous period.

As per our report of even date
For Haribhakti & Co.

Chartered Accountants

Firm Registration No.: 103523W



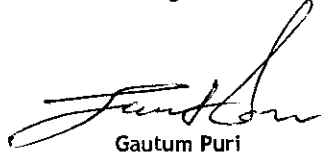
Raj Kumar Agarwal
Partner

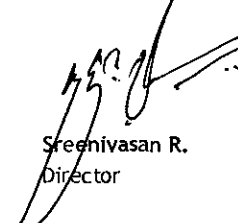
Membership No.:074715

Place: New Delhi

Date : July 26, 2013

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 : July 26, 2013