
Career Launcher Education Infrastructure and Services Limited

Statutory Audit for the year
ended March 31, 2016

INDEPENDENT AUDITOR'S REPORT**To the Members of****Career Launcher Education Infrastructure and Services Limited****Report on the Financial Statements**

We have audited the accompanying financial statements of Career Launcher Education Infrastructure and Services Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2016, 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 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 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 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 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 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 financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the



accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 31st March, 2016, its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- (1) As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in "Annexure 1", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
- (2) As required by Section 143(3) of the Act, we report that:
 - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the aforesaid 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, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, we give our separate Report in "Annexure 2".
 - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note 24 on Contingent Liabilities and Note 34 in respect of other pending litigations.



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Chartered Accountants

(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/W100048



Pranav Jain
Partner
Membership No. 098308



Date: July 28, 2016
Place: New Delhi

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Career Launcher Education Infrastructure and Services Limited on the financial statements for the year ended March 31, 2016]

- (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.

The Company does not have any Immovable property. Accordingly, paragraph 3(i)(c) of the Order is not applicable to the Company.

- (ii) The Company is engaged in providing various infrastructure facilities, soft skills, educational and consultancy programs and does not hold any inventory. Accordingly, paragraph 3 (ii) of the Order is not applicable to the Company.

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

- (a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the terms and conditions of loans granted by the Company to 2 parties covered in the register maintained under Section 189 of the Act, (total loan amount granted during the year Rs. Nil and balance outstanding as at balance sheet date amounting Rs. 170,422,878 are prejudicial to the Company's interest on account of the fact that the Company is not charging any interest on such loans.

- (b) The schedule of repayment of principal and payment of interest in respect of such loans has not been stipulated and thus we are unable to comment whether the repayments or receipts are regular and report amounts overdue for more than ninety days, if any, as required under paragraph 3(iii)(c) of the Order.

- (c) In respect of the aforesaid loans, as the schedule of repayment of principal has not been stipulated, we are unable to comment whether there is any overdue amount of loans granted by the Company to parties listed in the register maintained under Section 189 of the Act.

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

Nature of non-compliance	Name of Company/party	Amount Involved	Balance as at March 31, 2016
Loan given at rate of interest lower than prescribed	Career Launcher Infrastructure Private Limited	Nil	94,722,198
	Career Launcher Education Foundation	Nil	75,700,680



- (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) The Central Government of India has not prescribed the maintenance of cost records for any of the activities of the Company under sub-section (1) of Section 148 of the Act and the rules framed there under.
- (vii) (a) The Company is generally regular in depositing with appropriate authorities, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, service tax, value added tax, customs duty, excise duty, cess and any other material statutory dues applicable to it, however, there have been slight delay in few cases.

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

Name of the statute	Nature of the dues	Amount ₹	Period to which the amount relates	Due Date	Date of Payment
Income Tax Act, 1961	Advance Tax	2,707,074	April 01, 2015 to June 30, 2015	June 15, 2015	Not yet paid
Income Tax Act, 1961	Advance Tax	3,815,367	July 01, 2015 to September 30, 2015	September 15, 2015	Not yet paid

- (b) According to the information and explanation given to us, there are no dues with respect to income tax, sales tax, service tax, value added tax, customs duty, excise duty, which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the Company has not defaulted in repayment of loans to financial institutions and banks. There are no debenture holders.
- (ix) In our opinion and according to the information and explanations given to us, the Company has utilized the money raised by way of term loans during the year for the purposes for which they were raised. The Company has not raised money by way of public issue offer during the year.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or any fraud on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such instance by the management.
- (xi) According to the information and explanations given to us, the Company has not paid / provided for any managerial remuneration. Accordingly, paragraph 3(xi) of the Order is not applicable to the Company.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.



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- (xiii) According to the information and explanation given to us, all transactions entered into by the Company with the related parties are in compliance with Sections 188 of Act, where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (xiv) The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with him.
- (xvi) According to the information and explanation given to us the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. - 103523W/W100048



Pranav Jain
Partner
Membership No. 098308



Date: July 28, 2016
Place: New Delhi

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the members of Career Launcher Education Infrastructure and Services Limited on the financial statements for the year ended March 31, 2016]

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Career Launcher Education Infrastructure and Services Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India ("ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing specified under section 143(10) of the Act to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that



transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Qualified opinion

According to the information and explanations given to us and based on our audit, the following material weakness has been identified as at March 31, 2016:


- a) Comprehensive policy for periodical review and reconciliation of students and fee income recorded in the books of account has not been documented. This could potentially result in incorrect recording of revenue.

A 'material weakness' is a deficiency, or a combination of deficiencies, in internal financial control over financial reporting, such that there is a reasonable possibility that a material misstatement of the company's annual or interim financial statements will not be prevented or detected on a timely basis.

In our opinion, except for the possible effects of the material weakness described above on the achievement of the objectives of the control criteria, the Company has maintained, in all material respects, adequate internal financial controls over financial reporting and such internal financial controls over financial reporting were operating effectively as of March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the ICAI.

We have considered the material weakness identified and reported above in determining the nature, timing, and extent of audit tests applied in our audit of the March 31, 2016 financial statements of the Company, and the material weakness does not affect our opinion on the financial statements of the Company.

For Haribhakti & Co. LLP
Chartered Accountants
ICAI Firm Registration No. 103523W/W100048


Pranav Jain
Partner
Membership No.098308



Date: July 28, 2016
Place: New Delhi

Career Launcher Education Infrastructure and Services Limited
Balance Sheet as at March 31, 2016

	Note	March 31, 2016	(Amount in ₹) March 31, 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	94,476,060	94,426,060
Reserves and surplus	4	726,898,261	680,310,265
		<u>821,374,321</u>	<u>774,736,325</u>
Non-current liabilities			
Long-term borrowings	5	17,737,234	43,714
Other long-term liabilities	6	3,023,500	2,590,000
Long-term provisions	7	301,669	317,816
		<u>21,062,403</u>	<u>2,951,530</u>
Current liabilities			
Trade payables	8		
(i) total outstanding dues of micro enterprises and small enterprises			
(ii) total outstanding dues of creditors other than micro enterprises and small enterprises		293,465	2,396,968
Other current liabilities	9	55,154,254	47,382,103
Short-term provisions	7	8,862	5,692
		<u>55,456,581</u>	<u>49,784,763</u>
TOTAL		<u>897,893,305</u>	<u>827,472,618</u>
ASSETS			
Non-current assets			
Fixed assets			
- Tangible assets	10	2,113,841	2,608,373
- Intangible assets	11	8,729,511	11,437,618
Non-current investments	12	337,264,104	337,264,104
Deferred tax assets (net)	30	1,070,895	931,991
Long-term loans and advances	13	17,398,853	16,789,179
		<u>366,577,204</u>	<u>369,031,265</u>
Current assets			
Trade receivables	14	41,591,740	26,430,698
Cash and bank balances	15	3,527,434	755,682
Short-term loans and advances	16	486,196,927	431,254,973
		<u>531,316,101</u>	<u>458,441,353</u>
TOTAL		<u>897,893,305</u>	<u>827,472,618</u>
Summary of significant accounting policies	2		

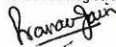
The accompanying notes form an integral part of the financial statements.

As per our report of even date

For Haribhakti & Co. LLP

Chartered Accountants

ICAI Firm Registration No.: 103523W / W100048


Pranav Jain


Partner

Membership No.: 098308



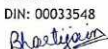
For and on behalf of Board of Directors of

Career Launcher Education Infrastructure and Services Limited


Gautam Puri

Director

DIN: 00033548


Bharti Jain

Company Secretary

ICSI M. No: 35330


Satya Narayanan R.

Director

DIN: 00307326



Place: New Delhi

Date: July 28, 2016

Place: New Delhi

Date: July 28, 2016

Career Launcher Education Infrastructure and Services Limited
Statement of Profit and Loss for the year ended March 31, 2016

	Note	(Amount in ₹)	
		March 31, 2016	March 31, 2015
Income			
Revenue from operations	17	65,515,935	52,879,661
Other income	18	43,931,452	34,815,671
Total revenue		109,447,387	87,695,332
Expenses			
Employee benefits expense	19	16,620,380	23,866,263
Finance costs	20	4,166,426	1,388,821
Depreciation and amortisation expense	21	3,288,881	5,122,501
Other expenses	22	21,225,049	25,702,488
Total expenses		45,300,736	56,080,073
Profit before exceptional items, prior period items, and tax		64,146,651	31,615,259
Exceptional items	23	-	22,841,122
Profit before prior period items, and tax		64,146,651	8,774,137
Prior period expenses (net)		-	-
Profit before tax		64,146,651	8,774,137
Tax expense:			
-Current tax		18,047,159	8,490,516
-Minimum Alternate Tax (MAT) credit		-	-
-Deferred tax (benefit)	30	(138,904)	(28,387)
		17,908,255	8,462,129
Profit after tax		46,238,396	312,008
Earnings per equity share (in ₹):	27		
Nominal value of ₹ 10 each (Previous year ₹ 10 each)			
- Basic before exceptional expenses		4.89	2.45
- Basic after exceptional expenses		4.89	0.03
- Diluted before exceptional expenses		4.89	2.45
- Diluted after exceptional expenses		4.89	0.03
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
ICAI Firm Registration No.: 103523W / W100048


Pranav Jain
Partner
Membership No.: 098308



For and on behalf of Board of Directors of
Career Launcher Education Infrastructure and Services Limited



Gautam Puri
Director
DIN: 00033548


Satya Narayanan R.
Director
DIN: 00307326


Bharti Jain
Company Secretary
ICSI M. No: 35330

Place: New Delhi
Date: July 28, 2016

Place: New Delhi
Date: July 28, 2016



Career Launcher Education Infrastructure and Services Limited
Cash Flow Statement for the year ended March 31, 2016

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Cash flow from operating activities		
Net profit before tax	64,146,651	8,774,137
<i>Adjustments for:</i>		
Depreciation and amortisation	3,288,881	5,122,501
Interest on borrowings	3,674,356	1,187,438
Interest on delay of payment of taxes	492,070	201,383
Advances written off	110,322	148,673
Provision for doubtful recoverables	-	597,043
Transfer to stock options outstanding	-	22,841,122
Profit on sale of assets	(35,552)	-
Interest income	(39,307,343)	(34,267,009)
Liabilities no longer required written back	(243,330)	(434,951)
Provision written back	(127,122)	(51,128)
	(32,147,718)	(4,654,928)
Operating profit before working capital changes	31,998,932	4,119,209
<i>Movement in assets and liabilities, net</i>		
<i>Adjustments for (increase)/decrease in operating assets:</i>		
Trade receivables	(15,161,042)	(4,109,602)
Short-term loans and advances	8,443,679	551,204
Long term loans and advances	(8,027,063)	(413,237)
<i>Adjustments for increase/(decrease) in operating liabilities:</i>		
Short-term provisions	3,170	(30,479)
Trade payables	(2,103,503)	-
Other current liabilities	5,993,127	8,240,450
Other long-term liabilities	433,500	1,400,000
Long-term provisions	110,975	(846,339)
	(10,307,157)	4,791,997
Cash generated from/(used in) operations	21,691,775	8,911,206
Less: taxes paid, (net of refund and interest thereon)	(10,629,770)	(7,494,706)
Net cash generated from operating activities	11,062,005	1,416,500
Cash flow from investing activities		
Capital expenditure on fixed assets	(7,442,669)	(10,160,250)
Proceeds from sale of fixed assets	59,984	-
Loans given to related parties (refer footnote)	(78,440,105)	(74,384,300)
Loans realised from related parties	14,944,150	41,180,979
Inter-corporate deposits given	-	121,634
Investment in fixed deposits	-	(7,500,000)
Proceeds from fixed deposits	-	7,500,000
Interest received	39,307,343	34,267,009
Net cash used in investing activities	(31,571,297)	(8,974,928)

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Career Launcher Education Infrastructure and Services Limited
Cash Flow Statement for the year ended March 31, 2016
 Continued from previous page

	March 31, 2016	March 31, 2015
Cash flow from financing activities		
Proceeds from issue of right shares (net of share issue expenses)	399,600	685,612
Interest on delay of payment of taxes	(492,070)	-
Proceeds from short-term borrowings from related parties	-	21,600,000
Repayment of short-term borrowings to related parties (including conversion of borrowings into trade payables)	-	(22,027,338)
Proceeds from long-term borrowings	30,770,462	
Repayment of long-term borrowings (including current maturities)	(4,036,373)	(215,910)
Finance cost	(3,360,575)	(1,189,309)
Net cash generated/(used in) from financing activities	23,281,044	(1,146,945)
Net increase/(decrease) in cash and cash equivalents	2,771,752	(8,705,373)
Cash and cash equivalents (refer note 16)		
-Beginning of the year	755,682	9,461,055
-End of the year (A)	3,527,434	755,682
Deposits with original maturity of more than three months (B)	-	-
Cash and bank balances as per Balance Sheet (A+B) (refer footnote iii)	3,527,434	755,682

Footnote:

Include ₹ 25,148,402 (Previous year ₹ 17,367,709) and ₹ 35,602,856 (Previous year ₹ 30,969,650) converted into unsecured loans on account of trade and other receivables and interest receivables respectively.

Summary of significant accounting policies (refer note 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" as notified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- iii. Pledged as first charge with HDFC Ltd. against loan taken by Career Launcher Infrastructure Private Limited, wholly owned subsidiary of the Company (also refer note 15)

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

For and on behalf of Board of Directors of
 Career Launcher Education Infrastructure and Services
 Limited

Chartered Accountants

ICAI Firm Registration No.: 103523W / W100048

Pranav Jain

Pranav Jain

Partner

Membership No.: 098308



Gautam Puri

Gautam Puri

Director

DIN: 00033548

Bharti Jain

Bharti Jain

Company Secretary

ICSI M. No: 35330

Place: New Delhi

Date: July 28, 2016

Satya Narayanan R.

Satya Narayanan R.

Director

DIN: 00307326



Place: New Delhi

Date: July 28, 2016

1. Background

Career Launcher Education Infrastructure and Services Limited ('the Company') was incorporated in India on June 16, 2005 under the Companies Act, 1956 to provide various infrastructure facilities, soft skills, educational and consulting programs. The Company is a subsidiary of CL Educate Limited that holds 99.99% (Previous year 97.94%) of its share capital.

The accompanying financial statements reflect the results of the activities undertaken by the Company during the period April 1, 2015 to March 31, 2016.

2. Summary of significant accounting policies

(i) Basis for preparation

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 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 Schedule III to the Companies Act, 2013. 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 management's 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) Fixed assets

Tangible assets

Tangible fixed assets are stated at cost of acquisition net of CENVAT (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.

(v) Depreciation and Amortisation

Depreciation and amortisation has been calculated on Straight Line Method based on the following useful lives, based on management estimates and which are equal to the lives specified as per schedule II to the Act.

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. Useful lives as per Schedule II to the Companies Act, 2013 are as under:-

Asset	Useful life
Tangible assets:	
Office equipment	5
Computer hardware	3
Vehicle	8
Furniture and Fixtures	8
Leasehold improvements	3
Intangible assets:	
Website	5
Education manual	5
Software	5
License Fee	5

(vi) 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 as mentioned in Accounting Standard- 28 "Impairment of Assets". An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets' 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.

(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) Foreign exchange transactions

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Monetary items denominated in foreign currencies at the year-end are translated at the exchange rates prevailing on the date of the Balance Sheet. Non-monetary items denominated in foreign currencies are carried at cost.

Any income or expense on account of exchange differences either on settlement or on translation of transactions is recognized in the Statement of Profit and Loss.

(ix) 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.

- a) Soft Skill fee is fee charged from different schools on revenue sharing basis and is recognized on accrual basis over the year of rendering services.
- b) License fee on account of grant of brand on non exclusive basis is onetime fee charged from different schools and is recognised in the year in which contract is executed
- c) School fee from students is recognized on accrual basis.
- d) Income from interest on deposit and loans is recognized on the time proportion method taking into consideration the amount outstanding and the applicable interest rate.

(x) Employee benefits

(a) 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.

(a) Long term employee benefits:

(i) Defined contribution plans:

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 [presently 12% restricted to maximum salary limit of ₹ 15000 p.m.] of the employees' basic salary. These contributions are made to the fund administered and managed by the Government of India.

The Company's contributions to the scheme 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 plans: 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 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 fund set by Life Insurance Corporation of India through employee group gratuity trust.

(iii) Other long term employee 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 using Projected Unit Credit Method at the end of the year. Actuarial gain and losses are recognized immediately in the Statement of Profit and Loss.

(iv) Employee stock option scheme

The Employee Stock Option Scheme ('the Scheme') provides for the grant of equity shares of the Company to its employees. The Scheme provides that employees are granted an option to acquire equity shares of the Company that vests in a graded manner. The options may be exercised within a specified period. The Company follows the fair value method to account for its stock-based employee compensation plans. Compensation cost is measured using independent valuation by a firm of Chartered Accountants using Black-Scholes model 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.

(xi) Investment

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) Leases

Operating leases

Leases where the lessor effectively retains substantially all the risks and benefits of ownership over the lease term are classified as operating lease.



As lessee

Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

As lessor

The assets given under operating lease are shown in the Balance Sheet under fixed assets and depreciated according to depreciation policy of the Company. The lease income is recognized in the Statement of Profit and Loss on a straight-line basis over the lease period.

(xiii) 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.

(xiv) Tax expenses

Tax expense for the period comprising current tax, MAT credit 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.

Minimum alternate tax

Minimum alternate tax (MAT) paid in a period 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.

(xv) 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 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.



Career Launcher Education Infrastructure and Services Limited
Notes to the Financial Statements for the year ended March 31, 2016

(xvi) Share issue expenses

Share issue expenses are adjusted against the securities premium account as permissible under Section 52 of the Companies Act, 2013 to the extent balance is available for utilization in the securities premium account.

(xvii) 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.

(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) Material events

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



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.

Particulars	March 31, 2016		March 31, 2015	
	Numbers	Amount in ₹	Numbers	Amount in ₹
Authorised shares				
Equity shares of ₹ 10 each (Previous year ₹10)	10,000,000	100,000,000	10,000,000	100,000,000
Issued, subscribed and fully paid up shares				
Equity shares of ₹ 10 each (Previous year ₹10)	9,447,606	94,476,060	9,442,606	94,426,060
	9,447,606	94,476,060	9,442,606	94,426,060

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

Particulars	March 31, 2016		March 31, 2015	
	Numbers	Amount in ₹	Numbers	Amount in ₹
At the beginning of the year	9,442,606	94,426,060	9,435,106	94,351,060
Issued during the year	5,000	50,000	7,500	75,000
Outstanding at the end of the year	9,447,606	94,476,060	9,442,606	94,426,060

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 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.

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

Name of share holders	March 31, 2016			March 31, 2015		
	Numbers	Amount in ₹	% held	Numbers	Amount in ₹	% held
i) CL Educate Limited, the holding company	9,447,600	94,476,000	99.99	9,248,053	92,480,530	97.94
	9,447,600	94,476,000		9,248,053	92,480,530	

d) Details of shareholders holding more than 5% shares in the Company

Name of share holders	March 31, 2016			March 31, 2015		
	Numbers	Amount in ₹	% held	Numbers	Amount in ₹	% held
i) CL Educate Limited, the holding company	9,447,600	94,476,000	99.99	9,248,053	92,480,530	97.94

Six share are held by nominee shareholders of CL Educate Ltd.

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.

f) Shares reserved for issue under options

The Company had one stock option plan. Employee stock options were 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 September 30, 2008, the Company had 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. All the above options granted were planned to be settled in equity at the time of exercise and had maximum vesting period of 3 years from the date of respective grants. As at March 31, 2016 and March 31, 2015 the Company has Nil and 71,000 number of shares reserved for issue under the scheme respectively. (Also refer to note 33).

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 at its meeting on January 28, 2014 the Company had renewed "CLEIS Employee Stock Options Plan 2008" for a further period upto November 20, 2014 and March 31, 2015 respectively.

Pursuant to the resolution passed by the Board of Directors at its meeting held on June 23, 2015 the Company terminated "CLEIS Employee Stock Options Plan 2008" and accordingly the options which were lying unvested/unexercised under the said Plan shall stand cancelled and extinguished.



4. Reserves and surplus

4.1 Securities premium
Particulars

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Opening balance	677,234,904	676,624,292
Add: Premium on issue of equity shares	350,000	612,500
Less: Share issue expenses	(400)	(1,888)
Closing balance (A)	677,584,504	677,234,904

4.2 Surplus in the Statement of Profit and Loss

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Opening balance	3,075,361	3,191,263
Add: Profit after tax for the year as per the Statement of Profit and Loss	46,238,396	312,008
Add: Deferred tax on depreciation charged to opening reserve	-	205,514
Less: Adjustment pursuant to schedule II on account of depreciation (refer note 10 & 11)	-	(633,424)
Closing balance (B)	49,313,757	3,075,361
Total reserves and surplus (A+B)	726,898,261	680,310,265

During year ended March 31, 2015, pursuant to the transitional provisions of Schedule II in respect of fixed assets where the remaining useful life was "Nil" as on April 1, 2014, their carrying amount aggregating ₹ 633,424 and deferred tax thereon has been adjusted against the opening reserves.

5. Long-term borrowings

Particulars	(Amount in ₹)			
	Non-current portion		Current maturities	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Term Loan, secured				
Vehicle loan from bank (footnote a and b)	507,046	43,714	271,876	243,774
Term Loan, unsecured				
Working Capital Loan from bank (footnote c)	2,841,886	-	1,504,128	-
Working Capital Loan from Financial Institutions (footnote d)	14,388,302	-	7,508,339	-
Amount disclosed under the head "other current liabilities" (refer note 9)	-	-	(9,284,343)	(243,774)
Net amount	17,737,234	43,714	-	-

a) Vehicle loan from bank carries interest @ 12.24% p.a. The loan is repayable in 60 monthly instalments of ₹ 22,140 including interest, from the date of loan i.e. June 14, 2011.

b) During the year, Company has taken a Vehicle loan from a Bank, details of the loan are as follows:

Name of Bank	Loan taken	Rate of Interest	Tenure	Date of first EMI	EMI
HDFC Limited	770,462	13.50%	36 Months	5-Feb-16	26,146

c) During the year, Company has taken Working loan from banks, details of the loans are as follows:

Name of Bank	Loan taken	Rate of Interest	Tenure	Date of first EMI	EMI
IndusInd Bank	2,500,000	18.50%	36 Months	4-Oct-15	91,009
Deutsche Bank	2,500,000	19.00%	36 Months	5-Oct-15	91,630

d) During the year, Company has taken Working capital loan from financial institutions, details of the loans are as follows:

Name of financial institutions	Loan taken	Rate of Interest	Tenure	Date of first EMI	EMI
Magma Fincorp Limited	9,000,000	19.00%	36 Months	7-Oct-15	329,904
Tata Capital Financial Services Limited	5,000,000	18.65%	36 Months	9-Oct-15	183,280
Capital First Limited	7,500,000	18.75%	36 Months	5-Nov-15	273,974
Dewan Housing Finance Corporation Ltd.	3,500,000	13.50%	36 Months	14-Oct-15	118,790

Guarantees:

The loans taken from Magma Fincorp Limited and IndusInd bank are secured by corporate guarantee of CL Educate Limited, the Holding Company.

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6. Other long term liabilities

Particulars	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Security deposits received	3,023,500	2,590,000
	<u>3,023,500</u>	<u>2,590,000</u>

7. Provisions

Particulars	Long-term	
	March 31, 2016	March 31, 2015
Long term provision for employee benefits		
Provision for gratuity (refer note 25)	110,393	-
Provision for leave encashment (refer note 25)	191,276	317,816
	<u>301,669</u>	<u>317,816</u>

Particulars	Short-term	
	March 31, 2016	March 31, 2015
Short term provision for employee benefits		
Provision for gratuity (refer note 25)	2,746	-
Provision for leave encashment (refer note 25)	6,116	5,692
	<u>8,862</u>	<u>5,692</u>

8. Trade payables

Particulars	March 31, 2016	March 31, 2015
Trade payables (refer note 31 and 32)	293,465	2,396,968
	<u>293,465</u>	<u>2,396,968</u>

9. Other current liabilities

Particulars	March 31, 2016	March 31, 2015
Current maturities of long term borrowings (refer note 5)	9,284,343	243,774
Interest accrued but not due on borrowings	316,051	2,270
<i>Others</i>		
- Employees related payables (refer note 32)	4,806,572	6,574,753
- Payables for expenses (refer note 31 and 32)	18,086,761	6,705,756
- Payable for fixed assets (refer note 31 and 32)	-	7,331,996
- Other payables (refer footnote)	18,742,409	22,841,122
- Advance from customers (Advance fees)	3,305,225	2,746,357
- Other liabilities (represent statutory liabilities payable to government authorities)	612,893	936,075
	<u>55,154,254</u>	<u>47,382,103</u>

Footnote: During the year 2015-16 and 2014-15, CL Educate Limited, holding company had granted ESOP to director of the Company and expense had been recorded by the Company in accordance with guidance note issued by ICAI in respect of shares of the holding company to be issued to a director of the Company. All amounts related to issue of such shares on exercise of ESOP shall be reimbursed by company to the holding company. ESOP expense/reversal and a corresponding payable has been recorded in the books of the Company and accordingly, no expense/reversal has been recorded by the holding Company.

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10. Tangible assets

Current year
Particulars

Particulars	Gross block (at cost)				Accumulated depreciation					(Amount in ₹) Net block
	As at April 1, 2015	Additions/ Adjustments	Disposals/ Adjustments	As at March 31, 2016	As at April 1, 2015	Schedule II Adjustment	Depreciation for the year	Disposals/ Adjustments	As at March 31, 2016	As at March 31, 2016
Own assets										
Office equipment	1,708,002	12,373	34,795	1,685,580	1,209,852	-	98,135	10,363	1,297,624	387,956
Computer hardware	1,348,851	33,000	-	1,381,851	1,251,213	-	29,472	-	1,280,685	101,166
Vehicles*	1,382,800	-	-	1,382,800	552,451	-	177,676	-	730,127	652,673
Furniture and fixtures	1,797,232	-	-	1,797,232	903,618	-	128,386	-	1,032,004	765,228
Lease hold improvement	2,186,867	65,300	-	2,252,167	1,898,245	-	147,104	-	2,045,349	206,818
Total	8,423,752	110,673	34,795	8,499,630	5,815,379	-	580,773	10,363	6,385,789	2,113,841

*Vehicles are subject to first and exclusive charge to secure the Company's borrowings referred in notes as secured term loan from bank. (See note 5).

Previous year#

Particulars	Gross block (at cost)				Accumulated depreciation					(Amount in ₹) Net block
	As at April 1, 2014	Additions/ Adjustments	Disposals/ Adjustments	As at March 31, 2015	As at April 1, 2014	Schedule II Adjustment	Depreciation for the year	Disposals/ Adjustments	As at March 31, 2015	As at March 31, 2015
Own assets										
Office equipment	1,010,663	697,339	-	1,708,002	443,871	516,323	249,658	-	1,209,852	498,150
Computer hardware	1,127,357	221,494	-	1,348,851	869,532	117,101	264,580	-	1,251,213	97,638
Vehicles*	1,382,800	-	-	1,382,800	374,775	-	177,676	-	552,451	830,349
Furniture and fixtures	775,572	1,021,660	-	1,797,232	718,767	-	184,851	-	903,618	893,614
Lease hold improvement	1,634,372	552,495	-	2,186,867	1,332,782	-	565,463	-	1,898,245	288,622
Total	5,930,764	2,492,988	-	8,423,752	3,739,727	633,424	1,442,228	-	5,815,379	2,608,373

#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 ₹ 838,938 (net of deferred tax ` 205,514) has been adjusted against the opening reserves.

*Vehicles are subject to first and exclusive charge to secure the Company's borrowings referred in notes as secured term loan from bank. (See note 5).



Career Launcher Education Infrastructure and Services Limited
Notes to the financial statements for the year ended March 31, 2016

11. Intangible assets

Current year
Particulars

Particulars	Gross block (at cost)				Accumulated amortisation				(Amount in ₹)	
	As at April 1, 2015	Additions	Disposals/ Adjustments	As at March 31, 2016	As at April 1, 2015	Adjustment	Amortisation for the year	Disposals/ Adjustments	As at March 31, 2016	Net block As at March 31, 2016
Website	3,584,770	-	-	3,584,770	3,574,743	-	6,010	-	3,580,753	4,017
Education manual	2,750,000	-	-	2,750,000	2,750,000	-	-	-	2,750,000	-
Licence fee	14,999,258	-	-	14,999,258	3,638,875	-	2,634,890	-	6,273,765	8,725,493
Software	483,991	-	-	483,991	416,783	-	67,208	-	483,991	-
Total	21,818,019	-	-	21,818,019	10,380,401	-	2,708,108	-	13,088,509	8,729,510

Previous year
Particulars

Particulars	Gross block (at cost)				Accumulated amortisation				(Amount in ₹)	
	As at April 1, 2014	Additions	Disposals/ Adjustments	As at March 31, 2015	As at April 1, 2014	Adjustment	Amortisation for the year	Disposals/ Adjustments	As at March 31, 2015	Net block As at March 31, 2015
Website	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	-
Licence fee	-	14,999,258	-	14,999,258	-	-	3,638,875	-	3,638,875	11,360,383
Software	483,991	-	-	483,991	381,385	-	35,398	-	416,783	67,208
Total	6,818,761	14,999,258	-	21,818,019	6,700,128	-	3,680,273	-	10,380,401	11,437,618

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12. Non current investments (valued at cost unless stated otherwise)

Particulars	(Amount in ₹)	
	March 31, 2016	March 31, 2015
(i) Unquoted, trade investments		
Investment in subsidiaries		
Career Launcher Infrastructure Private Limited		
98,468 (Previous year: 98,468) fully paid up equity shares of face value of ₹ 10 each	186,764,104	186,764,104
150,000 (Previous year: 150,000) fully paid up 0.01% optionally convertible preference shares of face value of ₹ 10 each	150,000,000	150,000,000
	<u>336,764,104</u>	<u>336,764,104</u>
(i) Unquoted, non- trade investments		
Investment in shares of others		
Energy Plantation Project Private Limited		
50,000 (Previous year: 50,000) fully paid equity shares of face value of ₹ 10 each	500,000	500,000
	<u>337,264,104</u>	<u>337,264,104</u>

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

	March 31, 2016	March 31, 2015
Aggregate book value of unquoted non current investment	337,264,104	337,264,104

Footnote: 51% of investment in shares of Career Launcher Infrastructure Private Limited are pledged with HDFC Limited against loan taken by Career Launcher Infrastructure Private Limited, wholly owned subsidiary of the Company.

There are no other significant restrictions on the right of ownership, realisability of investments or the remittance of income and proceeds of disposal.

13. Long-term loans and advances

Particulars	March 31, 2016	March 31, 2015
Unsecured, considered good		
Gratuity fund	-	413,237
Advance income tax (net of provision of ₹ 32,476,704 (previous year ₹ 14,429,545))	8,958,553	14,288,556
MAT credit entitlement	-	2,087,386
Security Deposit	8,440,300	-
	<u>17,398,853</u>	<u>16,789,179</u>

14. Trade receivables*

	March 31, 2016	March 31, 2015
Outstanding for a period exceeding six months from the date they are due for payment		
Unsecured, considered good	14,831,082	14,029,945
Others receivable		
Unsecured, considered good	26,760,658	12,400,753
Unsecured, considered doubtful	597,043	597,043
Less: Provision for doubtful receivables	(597,043)	(597,043)
	<u>41,591,740</u>	<u>26,430,698</u>

* Includes amount due from related parties (refer note 32)

Footnote: Pledged as first charge via an escrow mechanism with HDFC Ltd. against loan taken by Career Launcher Infrastructure Private Limited, wholly owned subsidiary of the Company.



15. Cash and bank balances (refer footnote)

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Cash and cash equivalents		
Cash on hand	39	1,319
Cheques on hand	2,150,000	-
Balances with banks		
-on current accounts	1,377,395	754,363
	<u>3,527,434</u>	<u>755,682</u>

Footnote: Pledged as first charge with HDFC Ltd. against loan taken by Career Launcher Infrastructure Private Limited, wholly owned subsidiary of the Company.

16. Short term loans and advances

	March 31, 2016	March 31, 2015
Unsecured, considered good, unless stated otherwise		
Loans and advances to related parties (refer note 32)	484,369,463	420,873,508
Loans and advances to employees	284,000	75,058
Balances with government authorities	149,746	104,821
Security deposit	865,000	9,880,300
Gratuity fund	-	2,182
Other advances recoverable in cash or kind		
- Prepaid expenses	67,224	48,810
- Receivables from others (good)	461,494	270,294
	<u>486,196,927</u>	<u>431,254,973</u>

During the year, the Company has given unsecured loans to their group companies/parties for meeting their working capital requirement. Details of the same are as below:

Company/Party name	Amount given	Rate of interest
Career Launcher Infrastructure Private Limited	-	Nil
Career Launcher Education Foundation	-	Nil
Nalanda Foundation	76,177,631	15.05%
CLEF AP Trust	2,262,474	14.00%
Total	78,440,105	

Year end balance of loans are as follows:

Company/Party name	March 31, 2016	March 31, 2015
Career Launcher Infrastructure Private Limited	94,722,197	94,722,197
Career Launcher Education Foundation	75,700,681	75,700,681
Nalanda Foundation	295,567,738	234,334,257
CLEF AP Trust	18,378,847	16,116,373
Total	484,369,463	420,873,508

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17. Revenue from operations

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Sale of services		
- Revenue from soft skill fee*	28,389,966	25,572,852
Fees income		
- Tuition fees	17,121,946	19,120,152
- License fee*	15,138,889	3,250,000
- Bus fees	2,094,551	2,127,750
- Other fees	2,770,583	2,808,907
	65,515,935	52,879,661

* Includes revenue charged from related parties (refer note 32)

18. Other income

	March 31, 2016	March 31, 2015
Interest on bank deposits	-	76,198
Interest on loans		
- Related parties (refer note 32)	39,307,343	34,190,811
Other non-operating income		
- Expense reversal on Employee stock options (ESOP)	4,098,713	-
- Liabilities written back	243,330	434,951
- Provision for gratuity written back (refer Note 25)	82,859	-
- Provision for leave encashment written back (refer Note 25)	44,263	-
- Provision written back	-	51,128
- Profit on sale of assets	35,552	-
- Miscellaneous income	119,392	62,583
	43,931,452	34,815,671

19. Employee benefits expense

	March 31, 2016	March 31, 2015
Salaries, wages and other benefits	15,696,610	21,678,164
Contribution to provident and other funds (refer note 25)	734,025	783,178
Leave encashment expenses (refer note 25)	-	151,611
Gratuity (refer note 25)	-	875,608
Staff welfare expenses	189,745	377,702
	16,620,380	23,866,263

20. Finance cost

	March 31, 2016	March 31, 2015
Interest expense on borrowings*	2,903,969	1,187,438
Processing Charges	770,387	-
Interest on delay in depositing statutory dues	492,070	201,383
	4,166,426	1,388,821

* Includes interest charged by related parties (refer note 32)



21. Depreciation and amortisation expenses

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Depreciation of tangible fixed assets (refer note 10)	580,773	1,442,228
Amortisation of intangible fixed assets (refer note 11)	2,708,108	3,680,273
	3,288,881	5,122,501

22. Other expenses

	March 31, 2016	March 31, 2015
Revenue share	1,659,799	1,725,919
Lease rent expenses (refer note 29)	3,249,122	4,775,407
Electricity expenses	453,608	463,743
Content development expenses	24,500	181,818
Travelling and conveyance expenses	3,419,077	3,662,903
Communication expenses	207,903	238,105
Insurance expenses	28,355	58,768
Infrastructure charges (refer note 32)	1,576,650	1,550,568
Administration expenses	6,950,754	7,325,546
Repairs and maintenance - others	444,656	486,852
Printing and stationery expenses	87,295	544,810
Legal and professional expenses (refer note 26)	1,161,900	1,242,896
Sales and marketing expenses	321,475	1,034,178
Retainership fees	1,444,317	1,584,258
Provision for doubtful receivables	-	597,043
Advances written off	110,322	148,673
Miscellaneous expenses	85,316	81,001
	21,225,049	25,702,488

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23. Exceptional Items

Pursuant to the Career Launcher Employee Stock Options Plan 2008, in the financial year 2008-09 CL Educate Limited, the holding company, had granted 142,857 options of CL Educate Limited to Mr. Shantanu Prakash, director in the Company. 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 Directors of CL Educate Limited. However, at the board meeting of the holding company 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. Shares were to be allotted in accordance with the ESOP Plan and having regard to conditions prevailing at the time of exercise.

Accordingly, during the year ending on March 31, 2015 the Company had 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.

24. Contingent liabilities and commitments

Contingent liabilities not provided for:

- (i) Corporate guarantee amounting ₹ 280,000,000 (Previous Year ₹ 280,000,000) for loan taken by subsidiary company.
- (ii) Corporate guarantee amounting ₹ 15,000,000 (Previous Year ₹ 15,000,000) for loan taken by Nalanda Foundation.

Commitments:

- (i) There are no capital and other material commitments as at March 31, 2016 and March 31, 2015.

25. Employee benefits obligations

The Company in accordance with the Accounting Standard-15 'Employee Benefits' has calculated the various benefits provided to employees as under:

A. Defined contribution plans

a. Provident fund.

During the year the Company has recognized the following amounts in the Statement of Profit and Loss:

	March 31, 2016	(Amount in ₹) March 31, 2015
Employers contribution to provident fund (refer note 19)	667,566	684,797
Total	667,566	684,797

B. Defined employee benefits and other long term benefit schemes:

The Company provides benefits by way of gratuity and leave encashment to its employees. The present value of obligation 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 summarized positions of various defined benefits are as under:



I. Actuarial assumptions

Particulars	Gratuity (funded)		Leave Encashment (unfunded)	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Discount Rate	8.00%	8.00%	8.00%	8.00%
Salary Escalation Rate	8.00%	8.00%	8.00%	8.00%
Expected Rate of Return on Plan Assets	8.35%	8.00%	N.A.	N.A.
Retirement Age (years)	58	58	58	58
Expected remaining working lives of employees (years)	24.53	25.08	22.13	23.57
Mortality table	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)	IALM (2006-08)
Ages	Withdrawal Rate (%)	Withdrawal Rate (%)	Withdrawal Rate (%)	Withdrawal Rate (%)
Upto 30 years	3.00	3.00	3.00	3.00
From 31 to 44 years	2.00	2.00	2.00	2.00
Above 44 years	1.00	1.00	1.00	1.00

Note:

The discount rate has been assumed at 8.00% p.a. (previous year 8.00%) which is determined by reference to market yield at the Balance Sheet date on government securities. The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.

II. Change in Benefit Obligation

(Amount in ₹)

Particulars	Gratuity (funded)		Leave Encashment (unfunded)	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Present value of obligation at the beginning of the year	444,158	716,899	323,508	1,088,181
Acquisition adjustment* :				
Transfer (Out)	(51,923)	(53,654)	(18,750)	(33,168)
Transfer (In)	3,347	-	4,268	-
Current service cost	147,878	193,094	108,554	137,837
Interest cost	35,533	65,166	25,881	98,916
Past service cost	-	-	-	-
Benefit paid	(33,462)	(1,154,106)	(67,371)	(883,116)
Net actuarial loss / (gain) recognised in the year.	(228,295)	676,759	(178,698)	(85,142)
Present value of obligation at the end of the year	317,236	444,158	197,392	323,508

*During the year, the Company had transferred actual liabilities of ₹ 51,923 (previous year ₹ 53,654) and ₹ 18,750 (previous year ₹ 33,168) and acquired actual liabilities of ₹ 3,347 and ₹ 4,268 on account of gratuity and leave encashment respectively for 1 employee (previous year 5 employees) transferred to/from group entities and an entity over which KMPs have significant influence. The same have been considered in calculating closing liabilities for gratuity and leave encashment as acquisition adjustments without effecting expenses and benefits/contribution paid for the year ended March 31, 2016.

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III. Fair Value of plan assets during the year

(Amount in ₹)

Particulars	Gratuity (funded)		Leave Encashment (unfunded)	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Fair value of plan assets at the beginning of the year	859,577	604,754	-	-
Expected return on plan assets	68,766	48,380	-	-
Contributions	150,000	1,95,412	-	-
Premium for Life Cover	-	-	-	-
Benefits paid	(33,462)	-	-	-
Fund management charges	(4,492)	-	-	-
Received from LIC against payment made through provision	(805,501)	-	-	-
Actuarial gain/(loss) on Plan Assets	(30,791)	11,031	-	-
Fair value of plan assets at the end of the year	204,097	859,577	-	-

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

(Amount in ₹)

Particulars	Gratuity (funded)		Leave Encashment (unfunded)	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Current service cost	147,878	193,094	108,554	137,837
Interest cost	35,533	65,166	25,881	98,916
Expected return on plan assets	(68,766)	(48,380)	-	-
Net actuarial loss / (gain) to be recognised	(197,504)	665,728	(178,698)	(85,142)
Expense/ (income) recognised in Statement of Profit and Loss	(82,859)	875,608	(44,263)	151,611

V. Amount recognised in the Balance Sheet

(Amount in ₹)

Particulars	Gratuity (funded)		Leave Encashment (unfunded)	
	March 31, 2016	March 31, 2015	March 31, 2016	March 31, 2015
Present value of obligation as at the end of the year	317,236	444,158	197,392	323,508
Fair value of plan assets as at the end of the year	204,097	859,577	-	-
Funded status	(113,139)	415,419	(197,392)	(323,508)
Net Assets/ (liability) recognised in Balance Sheet as at March 31, 2016	(113,139)	415,419	(197,392)	(323,508)
Amount classified as:				
Short term (provision)/advances	(2,746)	2,182	(6,116)	(5,692)
Long term (provision)/advances	(110,393)	413,237	(191,276)	(317,816)



VI. Experience on actuarial Gain / (Loss) for PBO and Plan Assets.

a) Gratuity (funded)

Particulars	(Amount in ₹)				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Present value of obligation	317,236	444,158	716,899	668,650	421,673
Fair value of plan assets	204,097	859,577	604,754	566,514	433,225
(Deficit)/Surplus	(113,139)	415,419	(112,145)	(102,136)	11,552
Experience adjustments on plan liabilities-gain/(loss)	228,295	(506,706)	152,861	50,448	(180,592)
Experience adjustments on plan assets-(loss)/gain	(30,791)	18,590	(12,746)	2,490	(4,090)

b) Leave encashment (unfunded)

Particulars	(Amount in ₹)				
	March 31, 2016	March 31, 2015	March 31, 2014	March 31, 2013	March 31, 2012
Present value of obligation	197,392	323,508	1,088,181	1,014,188	771,179
Fair value of plan assets	-	-	-	-	-
(Deficit)/Surplus	(197,392)	(323,508)	(1,088,181)	(1,014,188)	(771,179)
Experience adjustments on plan liabilities-gain/(loss)	178,698	208,460	186,831	124,596	(84,445)
Experience adjustments on plan assets-(loss)/gain	-	-	-	-	-

c) 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, 2016 and March 31, 2015 has not been provided by Life Insurance Corporation of India.

VII. Employer's best estimate of contribution during the next year.

Particulars	(Amount in ₹)
Gratuity	205,644
Leave encashment	88,917

26. Payment to auditors (included in legal and professional expenses) (refer note 22)

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Statutory audit (exclusive of service tax)	400,000	400,000
Out of pocket expenses	-	21,465
Total	400,000	421,465



27. Earnings per share

The calculation of earnings per share has been made in accordance with Accounting Standard (AS)-20 "Earnings per share".

A statement on calculation of Basic and Diluted EPS is as under:

	Reference	Units	Year ended March 31, 2016	Year ended March 31, 2015
Profit after tax	A	₹	46,238,396	312,008
Add: Exceptional item	B	₹	-	22,841,122
Profit after tax but before exceptional item	C=A+B	₹	46,238,396	23,153,130
Weighted average no. of equity shares	D	Nos.	9,447,046	9,436,777
Add: Dilutive potential equity shares	E	Nos.	-	8,007
Number of equity shares (of ₹ 10 each) for Dilutive EPS	F=D+E	Nos.	9,447,046	9,444,784
Basic earnings per share (before exceptional item (C/D))		₹	4.89	2.45
Basic earnings per share (after exceptional item (A/D))		₹	4.89	0.03
Diluted earnings per share (before exceptional item (C/F))		₹	4.89	2.45
Diluted earnings per share (after exceptional item (A/F))		₹	4.89	0.03

28. Segment reporting

Business Segment

The disclosure as required under Accounting Standard (AS)- 17 "Segment Reporting" as notified under section 133 of the Companies Act read with rule 7 of the Companies (Accounts) Rules, 2014 has not been provided as the Company deals in one business segment namely 'provision of education and related services'.

Geographic Segment

Since the company's activities / operations are primarily within India and considering the nature of services it deals in, the risks and returns are same and as such there is only one geographical segment.

29. Leases

The company is a lessee under an operating lease. The lease terms of premises under lease range from 1 to 5 years. Rental expense for operating leases for the year ended March 31, 2016 was ₹ 3,249,122 (previous year ₹ 4,775,407). The maximum obligations on non-cancellable operating lease payable as per the rentals stated in the respective agreements:

	(Amount in ₹)	
	March 31, 2016	March 31, 2015
Not later than one year	2,363,898	4,890,327
Later than one year but not later than five year	-	6,666,698
Later than five year	-	-
	<u>2,363,898</u>	<u>11,557,025</u>

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30. Deferred tax assets

In accordance with Accounting Standard 22 on 'Accounting for Taxes on Income' the net increase in deferred tax asset of ₹ 138,904 has been recognised as benefit in the Statement of Profit and Loss. The tax effect of significant timing differences as at 31 March 2016 that reverse in one or more subsequent years gave rise to the following net deferred tax assets as at 31 March 2016.

Particulars	(Amount in ₹)		
	March 31, 2016	Benefit/(charge) for the year	March 31, 2015
Deferred tax assets and liabilities are attributable to the following:			
Deferred tax assets			
Depreciation	739,397	(140,592)	879,989
Provision for leave encashment	65,264	(39,698)	104,962
Provision for bonus	228,827	147,004	81,823
Provision for gratuity	37,407	37,407	-
Total deferred tax assets	1,070,895	4,121	1,066,774
Deferred tax liabilities			
Provision for gratuity	-	134,783	(134,783)
Total deferred tax liabilities	-	134,783	(134,783)
Net deferred tax assets	1,070,895	138,904	931,991

31. Disclosure relating to suppliers registered under Micro, Small and Medium Enterprise Development Act, 2006 (MSMED Act, 2006):

	(Amount in ₹)	
	Year ended March 31, 2016	Year ended March 31, 2015
The principal amount and the interest due thereon remaining unpaid to any MSME supplier as at the end of each accounting year included in		
Principal amount due to micro and small enterprises	-	-
Interest due on above	-	-
Total	-	-

The amount of interest paid by the buyer in terms of section 16 of the MSMED ACT 2006 along with the amounts of the payment made to the supplier beyond appointed day 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 not 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.

-



32. 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 and relationships:

a) Holding Company	: CL Educate Limited
b) Subsidiary Company	: Career Launcher Infrastructure Private Limited
c) Enterprises in which key management personnel and their relatives are able to exercise significant influence.	: Nalanda Foundation Career Launcher Education Foundation CLEF AP Trust Career Launcher Education Infrastructure & Services Limited Employee Group Gratuity Trust
d) Key Management Personnel	: Sujit Bhattacharyya (Director) Shiva Kumar (Director)

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

Particulars	(Amount in ₹)	
	Year ended March 31, 2016	Year ended March 31, 2015
i. Revenue from soft skill fees		
Nalanda Foundation	28,389,966	24,210,933
ii. Revenue from license fees		
Nalanda Foundation	2,750,000	2,750,000
iii. Interest income		
Nalanda Foundation	37,044,868	32,211,606
CLEF AP Trust	2,262,475	1,979,205
iv. Interest Expenses		
CL Educate Limited	-	1,139,541
v. Conversion of account receivable into loans and advances		
Nalanda Foundation	25,148,402	17,367,709
vi. Conversion of Interest Income into loans and advances		
Nalanda Foundation	33,340,381	28,990,446
CLEF AP Trust	2,262,475	1,979,204
vii. Conversion of borrowings into other payable		
CL Educate Limited	-	427,338
viii. Adjustment of other payables against trade receivable		
Nalanda Foundation	-	701,889
ix. Conversion of other receivable into trade receivable		
Nalanda Foundation	-	122,732
x. Adjustment of payable for fixed assets against trade receivable		
Nalanda Foundation	-	8,011,540
xi. Adjustment of other payable against loans advanced to		
Nalanda Foundation	-	50,000
xii. Transfer of security deposit from		
Career Launcher Infrastructure Private Limited	179,500	-
xiii. Transfer of fixed assets from		
Career Launcher Infrastructure Private Limited	-	2,331,996



Career Launcher Education Infrastructure and Services Limited
Notes to the financial statements for the year ended March 31, 2016

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
Nalanda Foundation	-	8,011,540
xiv. Reimbursement of expenses to		
CL Educate Limited	5,153,421	140,000
Nalanda Foundation	-	50,000
Career Launcher Infrastructure Private Limited	3,048,473	4,303,159
xv. Reimbursement of expenses from		
Nalanda Foundation	-	865
xvi. Lease rent		
CL Educate Limited	205,650	202,248
xvii. Infrastructure charges		
CL Educate Limited	1,576,650	1,550,568
xviii. Short term loans and advances (given)		
Career Launcher Infrastructure Private Limited	-	6,496,941
Nalanda Foundation	17,688,846	19,550,000
xix. Short term loans and advances (realised)		
Career Launcher Infrastructure Private Limited	-	250,000
Nalanda Foundation	14,944,150	40,880,980
xx. Payment received on behalf of		
Nalanda Foundation	-	327,981
xxi. Payment received on our behalf by		
Nalanda Foundation	-	3,780,058
xxii. Short term borrowings taken		
CL Educate Limited	-	21,600,000
xxiii. Short term borrowings repaid		
CL Educate Limited	-	21,600,000
xxiv. Liability taken over (on account of bonus, gratuity and leave encashment)		
Career Launcher Infrastructure Private Limited	-	75,000
xxv. Liability transferred to (on account of gratuity and leave encashment)		
Nalanda Foundation	-	86,822
CL Media Private Limited	697,168	-
CL Educate Limited	70,673	-
xxvi. Liability transferred from (on account of gratuity and leave encashment)		
CL Educate Limited	7,615	-
xxvii. Liability transferred to (on account of Bonus)		
CL Educate Limited	31,575	-
xxviii. Remuneration paid to KMPs		
Shiva Kumar	-	4,949,400
Sujit Bhattacharya	-	4,949,400



Career Launcher Education Infrastructure and Services Limited
Notes to the financial statements for the year ended March 31, 2016

Particulars	Year ended March 31, 2016	Year ended March 31, 2015
xxix. Reimbursement of expenses to KMPs		
Sujit Bhattacharya	-	131,128
xxx. Balance outstanding as at the year end		
Trade receivables -		
Nalanda Foundation	16,412,264	11,303,775
Loan and advances -		
Career Launcher Infrastructure Private Limited	94,722,197	94,722,197
Nalanda Foundation	295,567,736	234,334,256
Career Launcher Education Foundation	75,700,680	75,700,680
CLEF AP Trust	18,378,847	16,116,375
Payable for expenses -		
CL Educate Limited	7,124,754	140,000
Career Launcher Infrastructure Private Limited	7,271,631	4,228,159
Career Launcher Education Infrastructure and Services Limited Employee Group Gratuity Trust	5,750	5,000
CL Media Private Limited	697,168	-
Other Payable		
CL Educate Limited	18,742,409	22,841,122
Payable for capital expenditure -		
Career Launcher Infrastructure Private Limited	-	2,331,996
Trade payables -		
Career Launcher Infrastructure Private Limited	293,465	2,396,968
Remuneration payable to KMPs -		
Shiva Kumar	1,019,182	2,015,286
Sujit Bhattacharya	2,114,945	2,993,821
Expenses payable to KMPs -		
Sujit Bhattacharya	-	131,128
xxxii. Guarantees given on behalf of (refer note 24)		
Career Launcher Infrastructure Private Limited (Guarantee to bank for loan taken by the company)	280,000,000	280,000,000
Nalanda Foundation (Guarantee to bank for vehicle loan taken by the Trust)	15,000,000	15,000,000
xxxiii. Guarantees given on behalf of Company by (refer Note 5)		
CL Educate Limited	11,500,000	-

33. Employee share based payment plan

Pursuant to shareholder resolution dated September 30, 2008, the Company had 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 entitled employees to purchase equity shares in the Company at the stipulated exercise price, subject to compliance with vesting conditions. All exercised options had been settled by physical delivery of equity shares. As per the plan, holders of vesting options were entitled to purchase one equity share for each option. Till date, 29,000 (previous year 29,000) stock options have been granted under this scheme.



Career Launcher Education Infrastructure and Services Limited
Notes to the financial statements for the year ended March 31, 2016

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

Employees entitled	No. of options	Vesting conditions
Employees	25,000	3 years' services from the grant date

Expenses pertaining to employee stock option plan had been booked in CL Educate Limited, holding company, as stock options have been granted to employees of CL Educate Limited.

Pursuant to the resolution passed by the Board of Directors at its meeting held on June 23, 2015 the Company terminated "CLEIS Employee Stock Options Plan 2008" and accordingly the options which were lying unvested/unexercised under the said Plan shall stand cancelled and extinguished.

The information concerning stock options granted, exercised, forfeited, cancelled/extinguished and outstanding at the year end is as follows:

Particulars	March 31, 2016			March 31, 2015		
	No. Of stock Options	Weighted average exercise price (₹)	Weighted average remaining contractual life (in years)	No. Of stock Options	Weighted average exercise price (₹)	Weighted average remaining contractual life (in years)
Employees Stock Option Plan 2008						
Outstanding at the beginning of the year	12,500	101.00	2.00	20,000	97.50	2.25
Granted during the year	-	-	-	-	-	-
Exercised during the year	(5,000)	80.00	-	(7,500)	91.67	-
*Forfeited, Extinguished terminated during the year	(7,500)	115.00	-	-	-	-
Expired during the year	-	-	-	-	-	-
Outstanding at the end of year	-	-	-	12,500	101.00	2.00
Exercisable at year end	-	-	-	-	-	-
Vested during the year	-	-	-	-	-	-
Options to employees of the holding company	-	-	-	12,500	101.00	2.00
Weighted average grant date fair value per option for option granted during the period at less than fair value	-	-	-	-	-	-

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

Particulars	March 31, 2016	March 31, 2015
Dividend yield (%)	-	-
Expected volatility*	-	48.54%
Risk-free interest rate	-	7.88%
Weighted average share price (in ₹)	-	222.89
Exercise price (in ₹)	-	80-115

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



Career Launcher Education Infrastructure and Services Limited
Notes to the financial statements for the year ended March 31, 2016

35. 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/ W100048



Pranav Jain

Partner

Membership No.: 098308

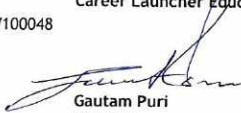


Place: New Delhi

Date : July 28, 2016

For and on behalf of board of directors of

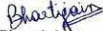
Career Launcher Education Infrastructure and Services Limited



Gautam Puri

Director

DIN: 00033548



Bharti Jain

Company Secretary

ICSI M. No: 35330

Place: New Delhi

Date : July 28, 2016



Satya Narayanan R.

Director

DIN: 00307326

