

SCALING HEIGHTS PENETRATING MARKETS

ANNUAL REPORT 2022-23



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FORWARD LOOKING STATEMENT

In this Annual Report we have disclosed forward-looking information to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements - written and oral – that we periodically make contain forward-looking statements that set out anticipated results based on the management's plans and assumptions. We have tried, wherever possible, to identify such statements by using words such as 'anticipates', 'estimates', 'expects', 'projects', 'intends', 'plans', 'believes' and words of similar substance in connection with any discussion of future performance. We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in our assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should the underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.



CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Satya Narayanan R
Chairman & Executive Director

Mr. Gautam Puri
Vice Chairman & Managing Director

Mr. Nikhil Mahajan
Executive Director & Group
CEO Enterprise Business

Ms. Madhumita Ganguli
Non-Executive Independent Director

Mr. Girish Shivani
Non-Executive Independent Director

Mr. Sanjay Tapriya
Non-Executive Independent Director

Prof. Piyush Sharma
Non-Executive Independent Director

Mr. Imran Jafar
Non-Executive Non-Independent Director



BOARD COMMITTEES

AUDIT COMMITTEE

Mr. Girish Shivani
Chairman
Ms. Madhumita Ganguli
Mr. Sanjay Tapriya
Mr. Gautam Puri

NOMINATION, REMUNERATION AND COMPENSATION COMMITTEE

Mr. Sanjay Tapriya
Chairman
Mr. Girish Shivani
Mr. Imran Jafar

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Mr. Girish Shivani
Chairman
Mr. Satya Narayanan R
Mr. Gautam Puri

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. Rachna Sharma

STAKEHOLDERS' RELATIONSHIP COMMITTEE

Mr. Girish Shivani
Chairman
Mr. Gautam Puri
Mr. Nikhil Mahajan

SHARE TRANSFER COMMITTEE

Mr. Satya Narayanan R
Chairman
Mr. Gautam Puri
Mr. Nikhil Mahajan

CHIEF FINANCIAL OFFICER

Mr. Arjun Wadhwa

STATUTORY AUDITORS

Walker Chandiok & Co. LLP,
Chartered Accountants (Firm
Registration No.: 001076N/
N500013)

REGISTRAR AND SHARE TRANSFER AGENT

KFin Technologies Limited
Selenium Tower B, Plot 31-32, Gachibowli,
Financial District Nanakramguda, Hyderabad 500
032, Telangana, India

Toll Free Number – 1800 309 4001

WhatsApp – 9100 094 099

E-mail: einward.ris@kfinetch.com

Website: <https://ris.kfintech.com/> and
<https://www.kfintech.com/>

SEBI Registration No.: INR00000022

CL EDUCATE LIMITED

Corporate Office:

A-45, First Floor, Mohan Co-operative Industrial
Estate, New Delhi – 110044, India

Registered Office:

Plot No.9A, Sector-27A, Mathura Road,
Faridabad, Haryana – 121003, India

Tel.: 011-4128 1100, Fax: 011-4128 1101

Website: www.cleducate.com

Email: compliance@cleducate.com

Bankers

HDFC Bank, ICICI Bank, State Bank of India,
IndusInd Bank, Wells Fargo, OCBC, State Bank
of India-California

CHAIRMAN'S MESSAGE

Dear Shareholders,

As we reflect on the past fiscal year, I am filled with a sense of pride and optimism. Despite the challenging economic conditions that the world has experienced in recent years, CL Educate stands firm, tall and ready for the journey ahead.



The Macro Scenario

The macro environment, both globally and particularly in India, is increasingly favorable. The pandemic, which cast a cloud of uncertainty, now appears to be behind us, as the world steadily recovers and returns to normalcy. India, with its demographic dividend, burgeoning purchasing power, and growing aspirational middle class, emerges as a bright spot in the global landscape. The next surge of growth is set to originate from our Tier 2 and Tier 3 cities, where a highly educated middle class is swiftly forming. The centrality of digital cannot be overstated with the population scale success stories in India of digital public infrastructure including Aadhaar, UPI, etc, and with the promise of ONDC and more.

The emerging educated class, armed with knowledge, skills, and greater positive attitude towards entrepreneurship, will cater to the world's manpower requirements in a telling way in the coming decade. The trend forecasts a promising future, where our middle-class youth and citizens drive the progress through innovative ventures and skilful professions of not just India but almost the entire world. That is a great opportunity that we would like to participate in.

India EdTech

The education sector in India has entered an exciting phase of growth, providing fertile ground for Career Launcher. The increasing willingness of Indian households to prioritize educational expenditure even before EMIs and investments underscores the pivotal role we play.

Our growth strategy in the EdTech realm relies on two main pillars - network expansion and international student mobility. Our ambitious journey towards establishing 1000 centers, reaching ₹ 1000 crs in revenue is an important medium term goal set on our compass. Our immediate focus to expand to 500 centers within the next three years, underscores our commitment to blended learning. The advent of CUET as well as the launch of high school tuitions as a product that we have introduced enables us to now visualize multiple CL Centers in any town that has a population of over 100,000. We have our task cut out here.

The network, indeed, is the heart of our business, and its expansion provides us a unique competitive advantage that cannot be simply achieved by throwing money at the problem by even the most funded of competition. The franchisee model, with its negative capex, entrepreneurial vigor, and speed of expansion, underpins our core strengths.



Student mobility is an exceptionally great opportunity for the next decade or two. Currently, there are over 6 million students studying in their non-native geographies across undergrad and post grad programs. India alone has over 750,000 student opportunity (coming in or going out) per year that is expected to grow 2.5 times in the next 5-6 years. Our focus on international student mobility through digital as well as through establishing CL centers abroad in the next three years will be an exciting new baby in our bouquet. Middle East/West Asia is already making significant contributions to our score card, and we aim to extend our focus to SAARC and ASEAN in the immediate future. Our strategic relationships with partner organisations and universities in Europe, North America are poised to expand and contribute significantly to the business growth here.

Kestone, Our MarTech Arm

Turning to Kestone, our MarTech venture, we're seeing a resurgence of physical events and customer engagement, with virtual engagement now becoming an integral part of it. While we acknowledge that the future lies in platforms like VOSMOS, our emphasis remains on strengthening our current market position. We continuously invest in technological improvements to our virtual platform, with initiatives aimed at the Metaverse and Web 3.0 transformation for businesses. Our team has done exceptionally well to build the digital events platform as well as VOSMOS in a disciplined and bootstrapped approach to innovating her way out of trouble during the unforgiving COVID period that obliterated a significant number of companies operating in this space.

Singapore as a first geography outside of India is shining brightly; and more international expansion is in sight. New territories like Indonesia, Dubai/GCC and a refocus on the US market are witnessing a lot of action.

Strategic Moves and Shareholders' Value Creation

In our strategic initiatives, we aim to foster an environment where both EdTech and MarTech can reach their full potential. One of the key steps is to enable both arms of Business to create and follow their independent growth path in the coming years. The leadership, the plans, the teams are in place to undertake this energizing journey over the coming quarters and years. We, relentlessly, remain committed to balancing growth with financial sustainability and shareholder value enhancement.

Looking forward, we see endless possibilities. The investments, the initiatives and the innovations that we make today will set the stage for long-term growth and profitability, allowing us to fulfil our mission of shaping the leaders of tomorrow not just in India but across many societies in the world over the next decade.

Thank you for your unwavering faith in CL Educate, and we look forward to navigating the future together.

Yours sincerely,

Satya Narayanan R

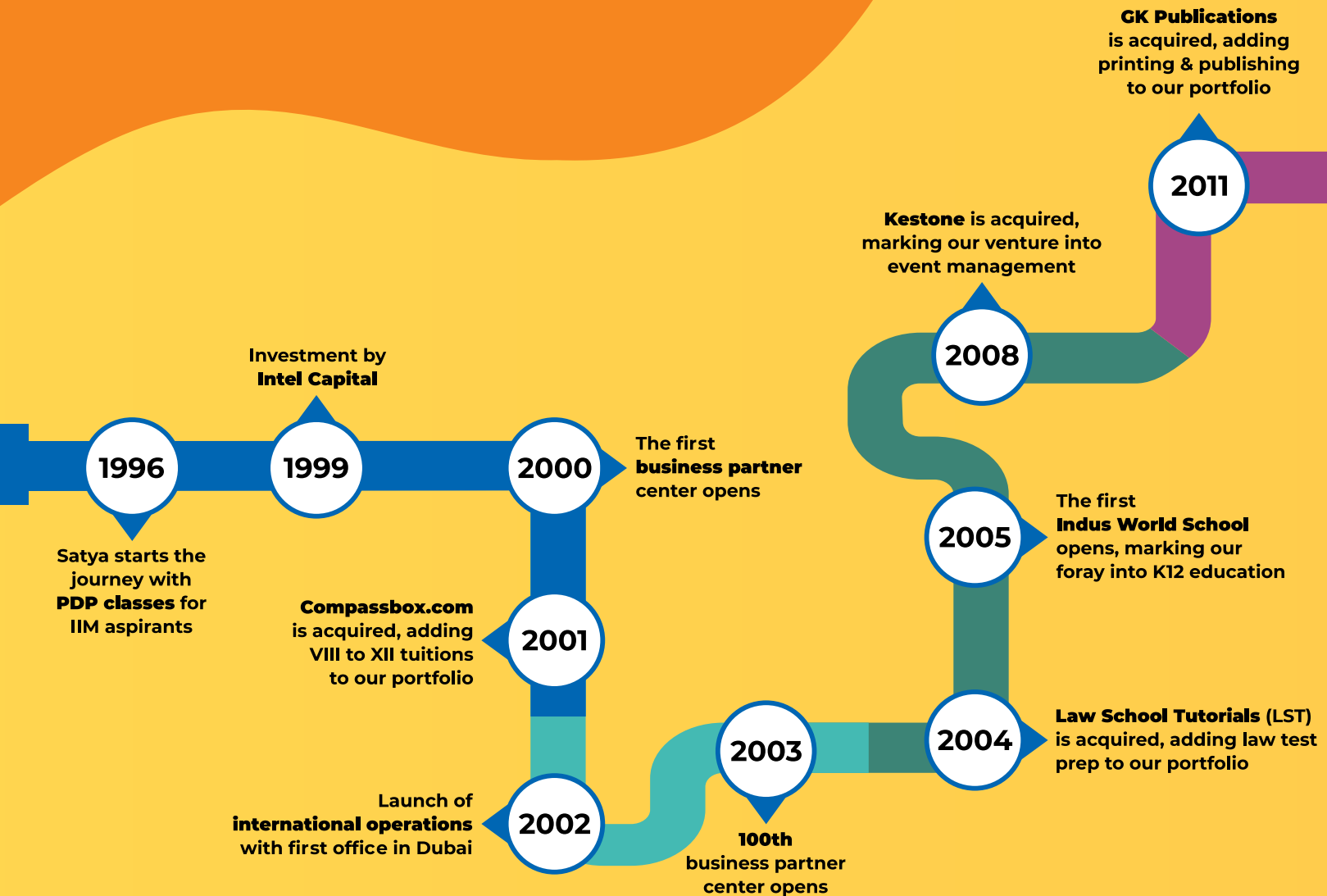
Founder and Chairman

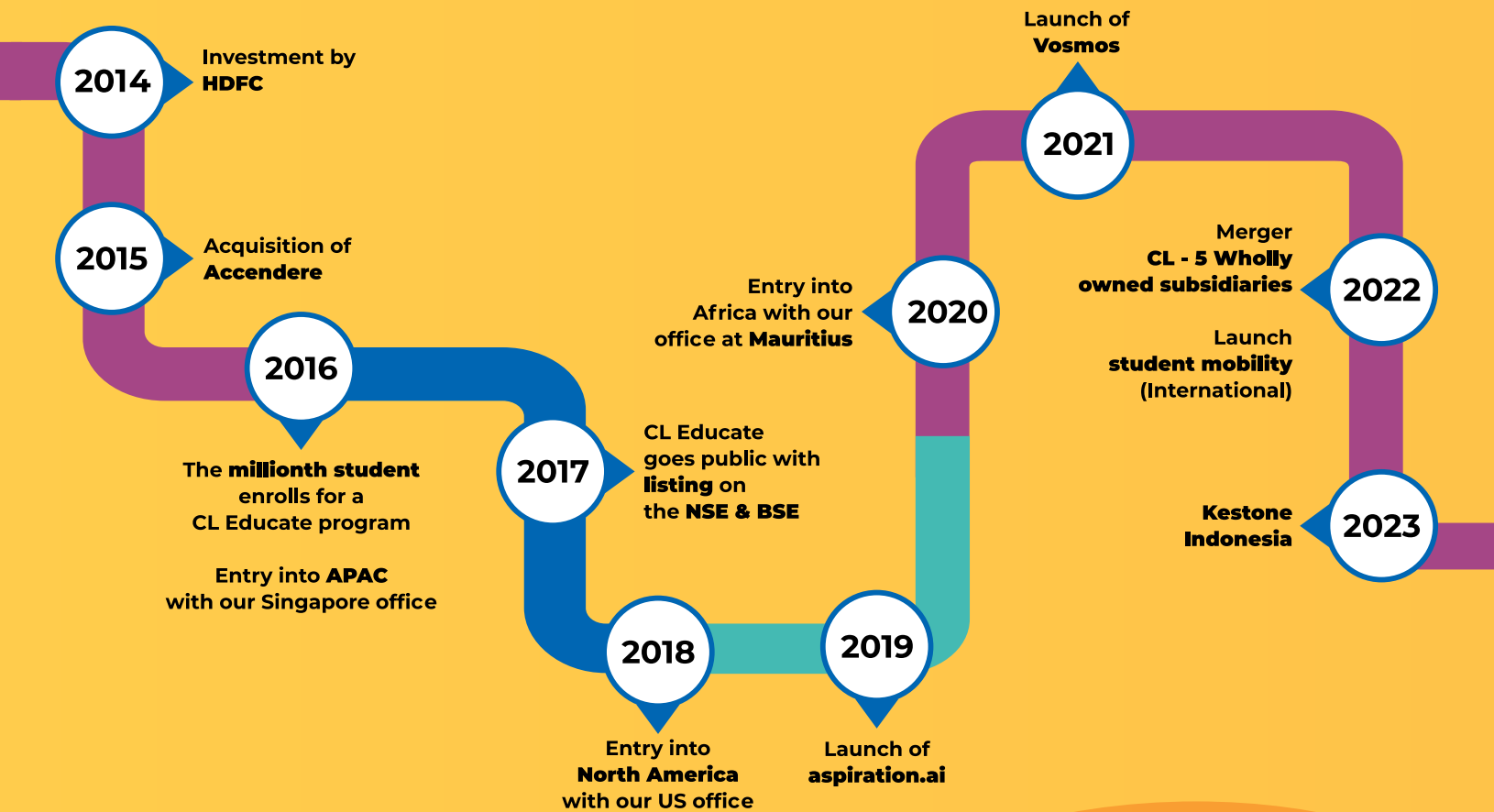
CL Educate Limited





27 YEARS' LEGACY – LAUNCHING CAREERS & SOLVING MARKETING CHALLENGES :





CONSOLIDATED FINANCIAL HIGHLIGHTS

FINANCIAL SUMMARY

(₹ In Lacs)

Particulars	FY21	FY22	FY23
Total Income	19,191	21,787	29,771
EBITDA	(77)	2,920	3,208
EBITDA Margin	-0.4%	13.4%	10.8%
Exceptional Item	-	-	(16)
Profit / (Loss) Before Tax	(1,480)	1,723	1,875
Profit / (Loss) After Tax	(1,277)	1,379	2,253
Total Comprehensive Income	(1,216)	1,458	2,456
Basic EPS	(4.5)	2.5	4.1
Networth	24,711	26,163	27,478

SEGMENT HIGHLIGHTS

(₹ In Lacs)

Revenue	FY21	FY22	FY23
EdTech	10,669	13,104	17,596
MarTech	7,562	7,813	11,536
Total	18,231	20,917	29,131

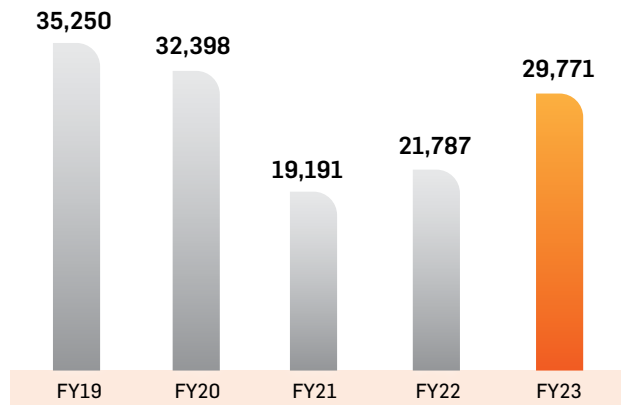




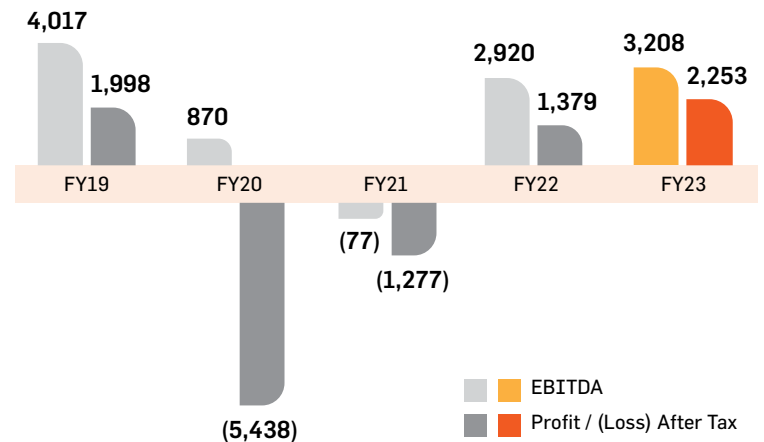
OPERATIONAL HIGHLIGHTS

(₹ In Lacs)

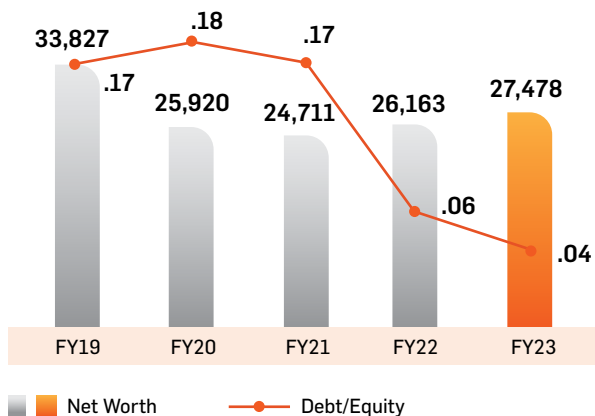
TOTAL INCOME



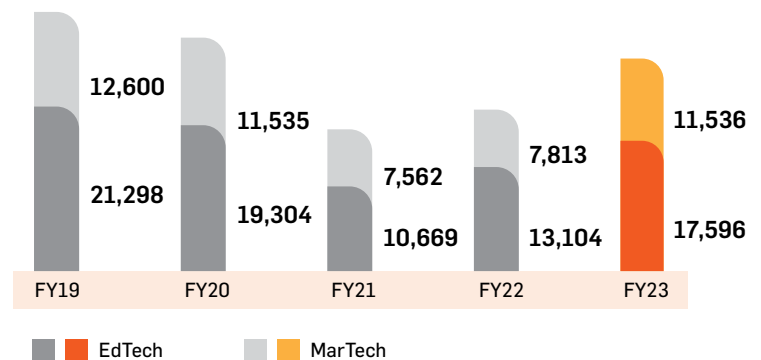
EBITDA & PAT



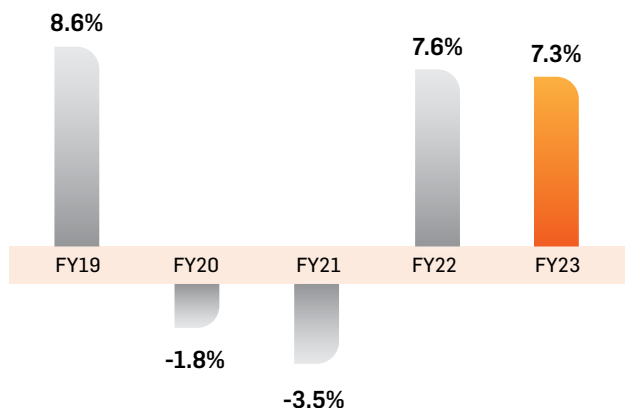
NET WORTH & DEBT-EQUITY



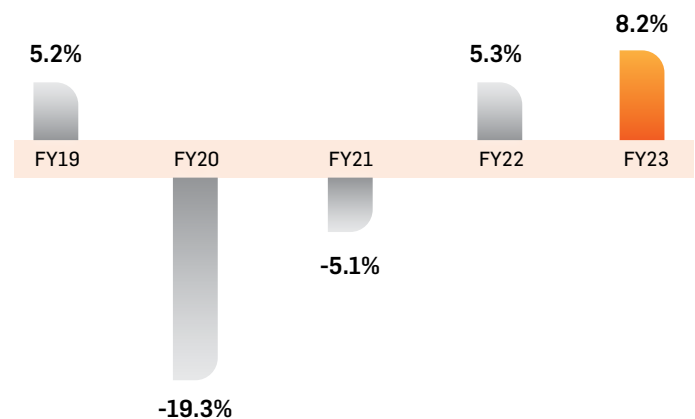
REVENUE MIX



ROCE (%)



ROE (%)



FINANCIAL CAPITAL AND SHAREHOLDERS' WEALTH MAXIMIZATION

ECONOMIC VALUE GENERATED



ECONOMIC VALUE DISTRIBUTED

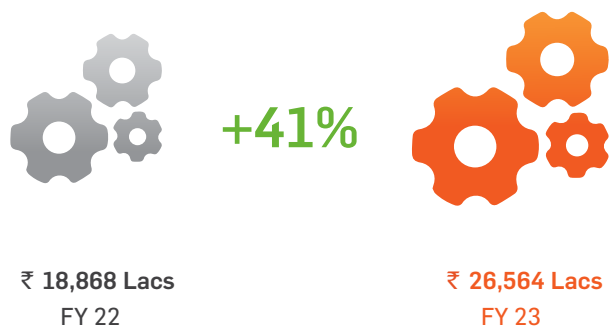
EMPLOYEE BENEFIT EXPENSES



CSR SPENDS



TOTAL OPERATING EXPENSES



SHAREHOLDERS' WEALTH MAXIMIZATION

