

**Micro Cap
Multibagger**

Career Launcher



3CAPITALS
expertise you can trust



Keystone Virtual Event Platform



CL Educate Ltd

NSE: CLEDUCATE | Date: 16th Feb 2022 | CMP: 110

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Company Snapshot

- **Total Weightage % in Micro Cap Portfolio = 6% (CMP 110-114)**
- **Single Phase Buying Strategy = Buy 6% between Rs 110-125**
- **Price Target = INR 250+ in next 12 months & INR 500+ in next 2-3 years. If everything goes well, it can be 50-100x in the next 10-12 years.**
- CL educates incorporated in the year 1996 as an MBA entrance test preparation institution. **The company has a market capitalisation of Rs 330 Crores.** Company has received NCLT approval for merging all it's subsidiaries. **The new business model is 'ED Tech + Mar Tech'.** During the pandemic period the nationwide ban on offline education motivated the firm to adapt sturdy AI driven digital platforms offering the services of business through virtual platforms. **The platforms are AI ~Aspiration, VIRSA & VOSMOS.**



Market Cap: INR 330 Cr.	Current Price: INR 125	52 weeks H/L: 138/32.1
ROE: 4.4%	Sales Growth (5Y): -8%	Financial Leverage = 1.47
ROCE: 6.8%	Debt to Equity: 0.15	Dividend Payout: 14.10%
Face Value: 5	Promoter Holding: 50.9%	Borrowings(Cr): 17
Market Cap / Sales = 1.16	Price/Book = 1.16	Debt = 41.8 Cr
Promoter Pledge: 0.0%	Book Value = 98.4	Total Asset = 388 Cr
Promoter Holding: 50.89%	FII/DII Holding: 10.56%	Public Holding: 38.55%

Source : Screener.in

The Industry Report : Education Sector

GLOBAL MARKET

The global online education sector is expected to grow from US\$19.12 billion in FY2020 to US\$ 350 Billion in FY2025. (Source: Forbes).

The ED-Tech sector is expected to reach US\$ 1.96 billion by 2021, with about 9.6 million users from US\$ 247 million and around 1.6 users in 2016. (source: ibef).

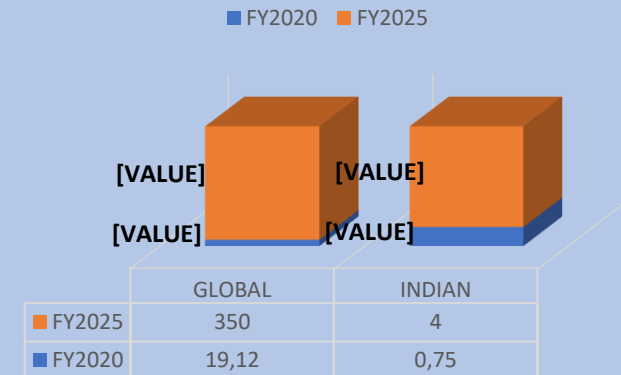
INDIAN MARKET

In India, the Edtech market is expected to reach US\$ 4 billion by 2025, from US\$ 0.75 Billion in 2020. With 37.3% population of the country in the age group of 10–30 years, more than 260 Mn students enrolled across 1.6 Mn schools, ~39,000 colleges catering to 27.5 Mn under-graduate and 4 Mn postgraduate students. 95% plus students opt for coaching classes to acquire strong skills for admissions at UG & PG level.

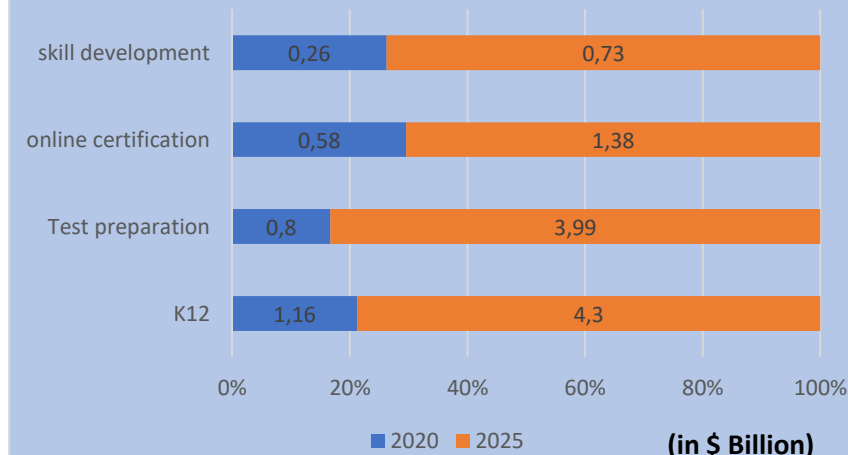
GROWTH & OPPORTUNITY

The Government of India's target of Gross Enrolment Ratio (GER) of 50% by 2035 for higher education is expected to drive investments in the education space. **The ED-Tech business CAGR 19.9% from 2021 to 2028.** The virtual platforms ~ 'Cost effective and Convenient' .

GLOBAL EDTECH BUSINESS



SEGMENT-WISE EXPECTED GROWTH



CL Educates: Company Overview (1/2)

COMPANY OVERVIEW

Incorporated in the year 1996 the company started rendering services for MBA entrance test preparation. **The company have following subsidiaries** ~ In 2008 they acquired its potential subsidiary company ~ '**Kestone Integrated Marketing Services Pvt. Ltd**' with 100% ownership. In 2011 the company established **GK publications** its own publication house. In 2017 the company launched another subsidiary '**Accendere Knowledge Management Services Pvt. Ltd.**' which looks after the research incubation business of CL educates for corporates and educational institutions. In the same year CL educates acquired **ICE GATE Pvt. Ltd.** which solely looks after its GATE preparation business.

COMPANY's PRODUCTS

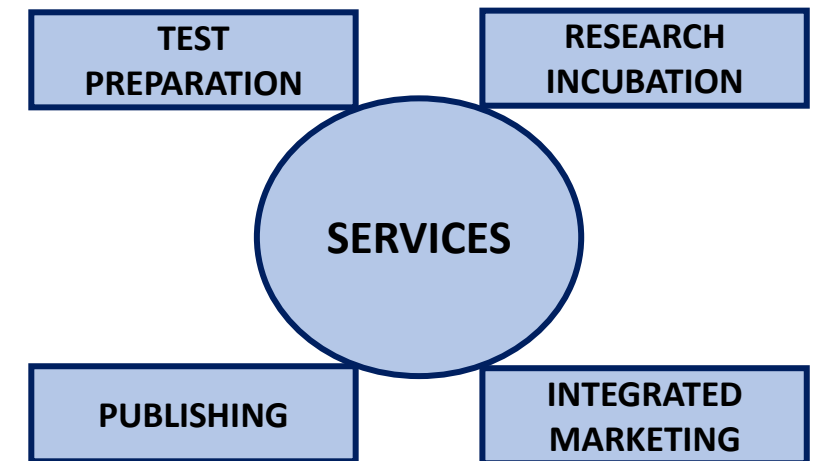
They provide~ **Aptitude based and Knowledge based products**. The Aptitude based products includes Law, BBA/IPM, MBA, GMAT, Bank PO, SAT, IELTS, SSC, etc. Under knowledge based products IIT-JEE, NEET, BITSAT, AIIMS, CACPT, UPSC, GATE etc. are offered. In non-test preparation segment professional qualification exams such as CFA, FRM, data science, Python, Machine learning are provided.

BUSINESS MODEL

The new business model of CL educates is based on **ED tech + Mar tech**. The ED tech segment refers to test preparation, institutional & publication whereas Martech refers to Corporates.

TEST CENTERS

- **CL educates have 200+ coaching institutions in 100+ cities across India.** Majority of centers of CL educates are under partnership and few are self-owned centers.
- Currently in FY2021 self owned centers are 13 centers in 3 cities and 5 centers in 2 cities
- **OPM expected for FY2024 is between 18-20%**
- Partner owned centers as of FY2024 are 155 centers in 100 cities.



CL Educates: Company Overview (2/2)

DIGITAL PLATFORM

For the ED-Tech segment the company has built its own digital platform ~ **Aspiration AI**. This platform provides rich content of CL educates designed by professionals in the form of video lecturers. Vast digital library is accessible by students 24*7.

But it is vital as an investor to understand what made CL educates shift on digital grounds other than lockdowns?

Convenience & cost efficiency are the key drivers for the online education market. **The number of consumers (paid & unpaid) serviced online rose to ~3.87 lakh this year, as compared to ~2.75 lakh last year.** The EdTech segment is estimated at \$2.8 Bn; and is expected to reach \$10 Bn by FY'25. In terms of online enrolments the company has seen a steep increase. ED tech is the future of education be it COVID or not. **The convenience witnessed by customers gives this platform an extra edge over other forms of education.**

- 15,30,957 Hrs of content viewed (FY'21)
- 64,187 No. of videos

- 80% Digital enrolments
- 78,054 Hrs of video content

- ~660 Mn No. of questions attempted
- 26.35 Mn No. of tests taken

Aspiration AI

- AI platform, as a central platform for all its student-related services
- Aspiration AI has created a smooth education experience for students.
- **several new features, including digital library of lectures for various courses, recorded video lectures, integration with other apps**
- This platform has built enhanced tools for teaching & learning were and they are integrated within the platform; making it robust for students of all courses.
- **CAT Percentile Predictor:** AI-based feature, which helps users calculate their percentile in CAT with astonishing accuracy.
- **MBA Profilizer:** CL's patented IIM-Call Predictor tool, which helps the user predict from which IIM or B-school he/she can expect a call from, based on his/her CAT score and profile.
- **VARC1000:** Minimum time, maximum outcome; result oriented course, which is designed to boost a candidate's Verbal Ability & Reading Comprehension score in CAT in the least possible time.

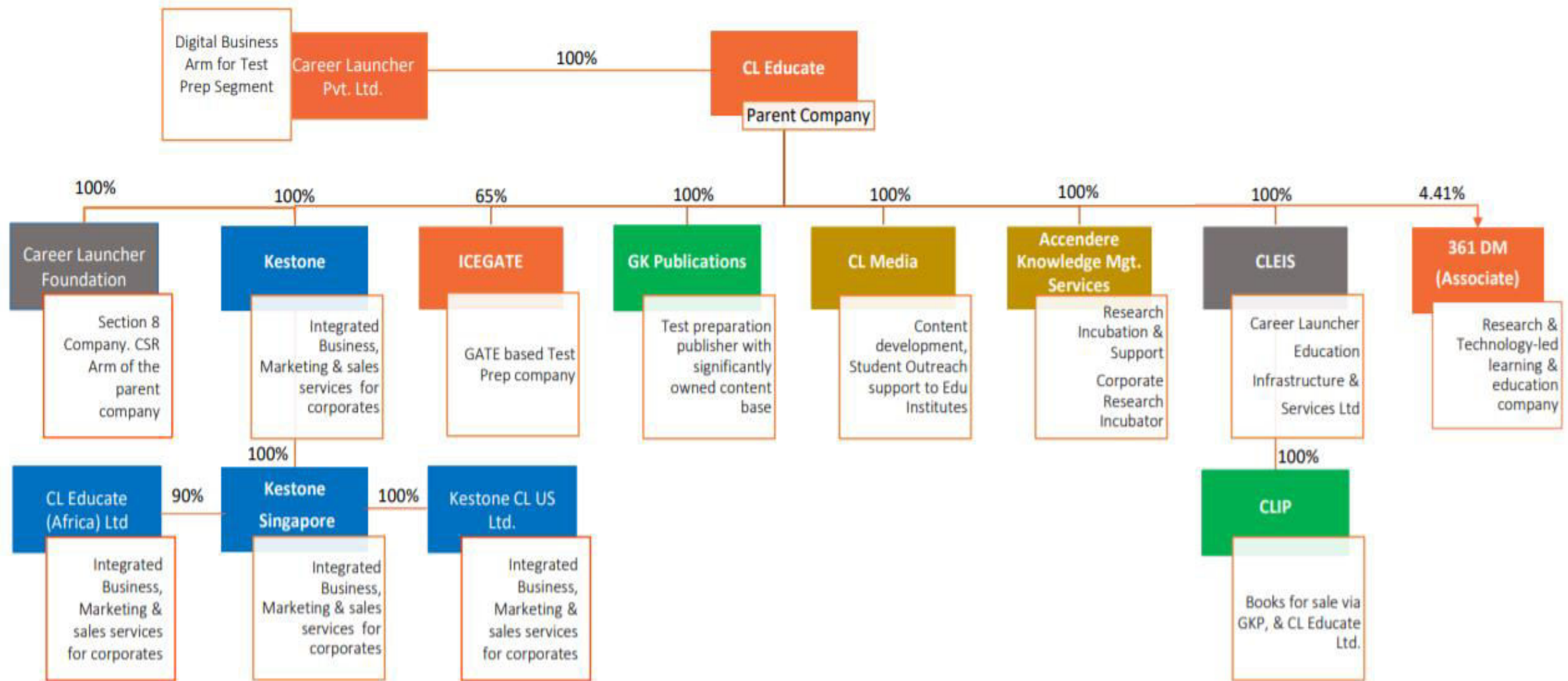
- **In India, the Edtech market is expected to reach US\$ 4 billion by 2025, from US\$ 0.75 Billion in 2020.** With 37.3% population of the country in the age group of 10–30 years, more than 260 Mn students enrolled across 1.6 Mn schools, ~39,000 colleges catering to 27.5 Mn under-graduate and 4 Mn postgraduate students. 95% plus students opt for coaching classes to acquire strong skills for admissions at UG & PG level. **The education market is expected to grow 2x to \$225 billion by financial year 2025 at 14 per cent compound annual growth rate (CAGR) in the next five years.**
- The rising demand for higher or advance level education gives the firm ample of opportunities to retain maximum profits in education sector. CL Educates is a brand into the market with 2 plus decades of expertise in training students for various prestigious colleges. Its high quality content designed by professionals is available to its students on manual and digital platforms. Along with digital platforms the company is keen to grow its manual centers in upcoming quarters.
- **New exams coming into the market have high estimated demand and CL Educates have plans to capture the enrolled students for the exam under its test preparation segment. The EdTech segment is estimated at \$2.8 Bn; and is expected to reach \$10 Bn by FY'25. Analytics industry (data science, machine learning, Python) are expected to grow 26.5% in FY 2021, summing up an aggregate revenue of \$45.4 world wide.**
- The company has strong footprints in digital marketing business as well. **The digital marketing industry report forecasted the industry to grow at a CAGR of 12.8%, reaching around \$330–340 billion in 2020.** The company strategy for upcoming years is to grow its digital marketing business where virtual platforms are the major players. In this highly competitive market with various players at different levels the company has confidence of significant growth through its various digital platforms.

This year company has decided to merger of its subsidiaries. They are looking for external funds which will give a strong backup to company's business.

CL Educates~ Subsidiaries

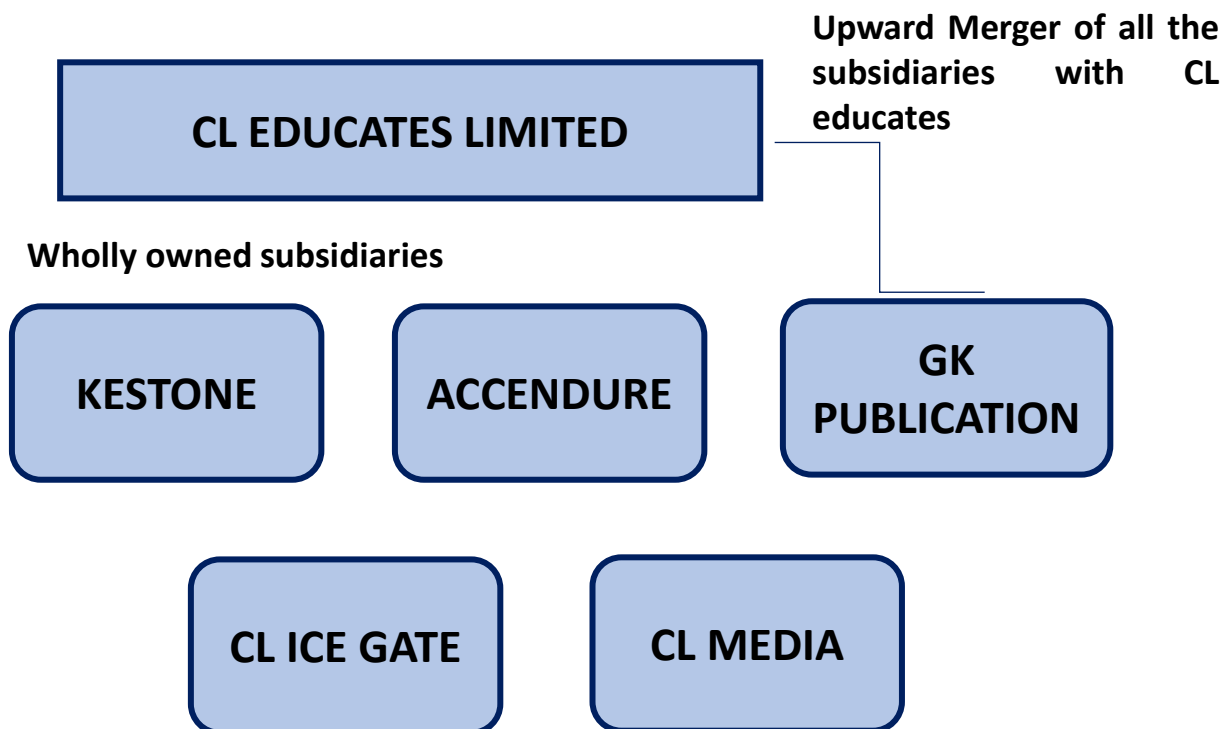
Source: CL Educates quarter 3 presentation report

3C Capitals

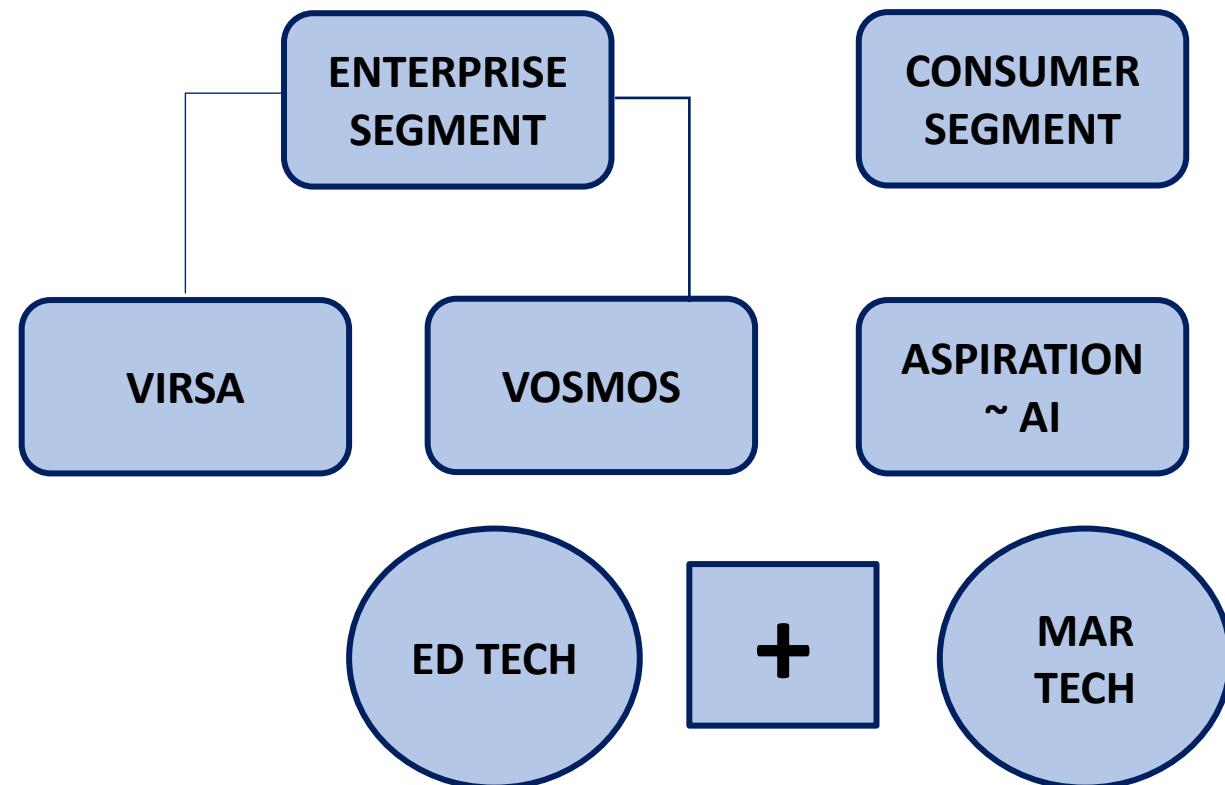


Business Model ~ CL Educates

Pre Merger Business Model



Post Merger Business Model



Segment Wise Quarterly Results

3C Capitals

(In Lakhs)

SEGMENT	Q3 FY22	Q2 FY22	Q-o-Q	Q3 FY21	Y-o-Y	Dec 21	Dec 20	Y-o-Y
ED Tech	2755	3235	-15%	2435	13%	9364	8211	14%
Seg. results (EBIT)	311	650	-52%	557	-44%	1626	1035	57%
Mar Tech	2261	2086	8%	2154	5%	6160	5659	9%
Seg. results (EBIT)	203	182	11%	144	41%	487	201	142%

HIGHLIGHTS

- **9-month Revenues and EBITDA show positive trends.**
- **Decrease in Q-o-Q EdTech Revenue due to seasonality. Q3 is usually the lowest quarter for student services.**
- EdTech Q3 results (Y-o-Y) lower due to impact of salary and overhead reductions in FY21
- **Mar Tech results shows significant growth on yearly basis.** Clients responding well to the new VEP platform

- Student Revenue up 9% Y-o-Y. Recovery continues despite COVID threat.
- Non-Student revenue up 30% Y-o-Y basis.
- Colleges and Universities also increasingly responsive to student acquisition business
- **Publishing bouncing back. Revenue up 5.5x (3.6 Cr vs 0.6 Cr)**
- **Above table shows the % growth in revenues in both segments with 5% in Mar Tech and 13% in ED tech**

Kestone~ Metaverse (1/2)

Source: CL Educates quarter 3 presentation report 3C Capitals

VIRSA~ Virtual Events Platform

FEATURES

- VIRSA observes to create data-driven insights that are aligned with your interests and create options that add value to your experience to an awesome virtual event journey
- It provides platform for various occasions ~ , **Live Streaming and Webinar with 1,000+ Audience, Sharing Screens, Polling, Quizzing, Gaming, etc.**

STRENGTHS

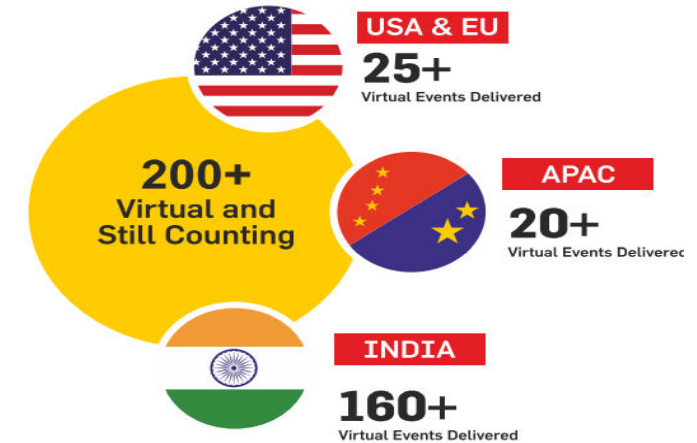
- It provides real-time data visibility for effective performance management & monitoring.
- Its **AI-driven features~ event Analytics & Attendee Analytics ,Engagement Analytics, Behavior Analytics & Sales Predictive Analytics , Resources & MQL Analytics.**

Catered Some of the
Leading Global Brands



Kestone
Virtual Event Platform

**EXCELLENCE
AT A GLANCE**
More Power to Your Events



Achievements

- Hosted the **World Sustainable Development Summit (WSDS) 2021** – a three-day flagship summit by The Energy and Resources Institute (TERI). The event was **inaugurated by the Indian Prime Minister, Mr Narendra Modi**. It was attended by **8000+ participants**, with **100+ hrs of sessions** and **14+ exhibitors**.

Ranked 5th for by ~ Brandequity
Ranked 10th by ~ Grand View research

Kestone~ Metaverse (2/2)

Source: CL Educates quarter 3 presentation report

3C Capitals

VOSMOS~ Virtual + Cosmos

Kestone's newly launched product ~ **VOSMOS = Virtual + cosmos**. The product is designed to experience the world just by sitting at your home, i.e. in a virtual environment.

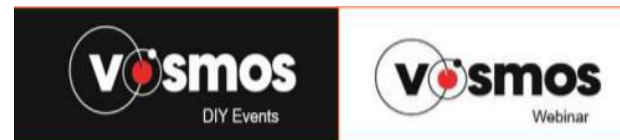
VOSMOS is launched for corporates in two segments ~ DIY Events ~ DIY Webinar.

Features

- Art gallery experience
- 24* 7 retail shopping
- video conferencing
- integrated payment gateways
- engagement with gamification

Strengths

- **The virtual platform Vosmos is 3 D in nature** as compared to all other available platforms in the market which are 2 D in nature.
- **Data tracking, analytics found to be more effective in giving consumer insights and there experience through this platform as said by companies like Microsoft and Amazon.**



Kestone – VOSMOS, Virtual Reality



Company's focus for DIY Events is in USA market, whereas for DIY Webinar its for India & USA market.

The company has declared to launch VOSMOS new version '**Do it by yourself**' means the CL educate will start sharing licenses

Achievements

- With **only five months of launch period the company has got a contract of 1 year from Dell**. Under this contract Dell wants to create a virtual gallery for its stores, this will enable users to check out the Dell stores just by one click in time and it will increase the reach towards people.
- **CISCO Webex is currently using there VOSMOS platform.**

Kestone Presence : Overseas

Kestone CL Asia Hub Pte. Ltd., Singapore

This subsidiary of Kestone based in Singapore is a high revenue yielding subsidiary. Major business of Kestone is generated through this office. Kestone allocates highest revenues to its Singapore office. The company has several expansion plans since the response is highest among all.

(in Crores)

METRIC	Singapore	USA	Africa
Total Assets	14.0796	3.17 93	0.0880
Revenue	9.5957	3.0229	0.0426
PAT	1.7496	0.9290	0.0151

*The above financial data is till 31st March FY 2021

Kestone CL US Limited * USA

The second highest revenue yielding subsidiary of Kestone overseas. The response from US market holds immense potential for Kestone's business. Company has plans to continue and expand the business in USA.

Kestone's Metaverse digital platform ~ VOSMOS, segment product ~ DIY Events & DIY Webinar focused market is USA.

- 200+ virtual events performed
- India 160+ events
- USA 25+ events
- APAC 20+ events

Renowned Brands engagement

Aditya Birla Group
TATA Steel
Britania
Google

The growth in virtual events accelerated in 9 months

CL Educate Africa Ltd.

CL educate recently launched this new office overseas to cover the African markets by providing there integrated marketing services. The office is very new and do not hold any significant numbers currently. But the company has plans to continue the business in this area with a vision of gaining popularity and growth in coming years.

PARAMETERS	HIGHEST	MODERATE	LOWEST
Revenue	S	US	A
Total Assets	S	US	A
PAT	S	US	A

Maximum share of business is generated from India. Followed by Singapore, USA & Africa office.

Kestone ~ Among Top 10 Platforms Globally

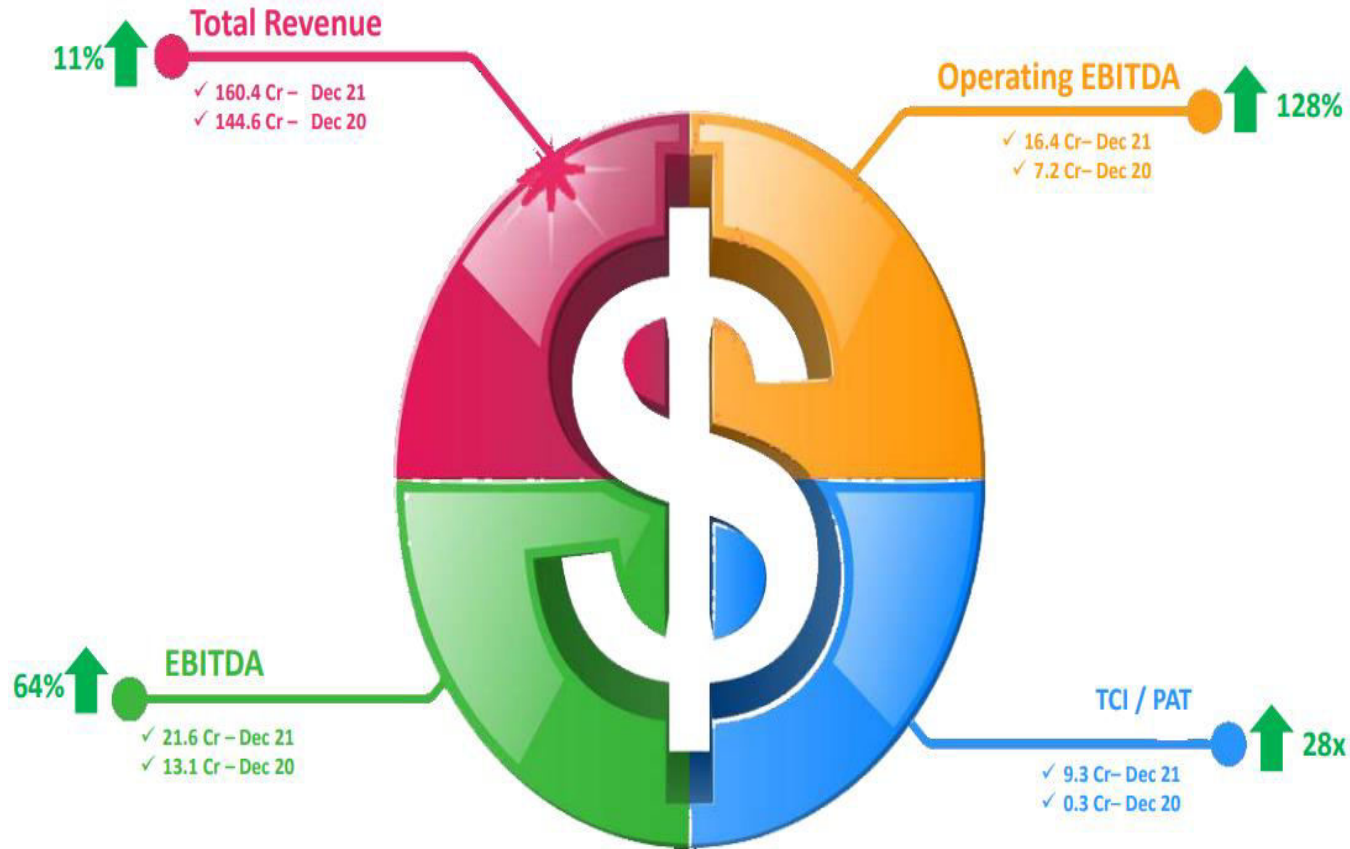
- Kestone Virtual Event Platform featured alongside top global brands including Microsoft, 6Connex, VFairs and Cisco in this latest report on Virtual Events Market by Grand View Research.
- Their SaaS based platform can have annual growth rate of 35%. **Recently a Virtual events platform "Zuddl" raises around 100 Cr will approx. valuation of 500 Cr (5x Sales) having revenue of ~ 100 Cr. If you compare it with Kestone (100% subsidiary of CL Educate) who did 75-100 Cr turnover last years has valuation of just 150 Cr (Approx. half the M Cap of CL Educate) which is just 1.5-2x.**
- **Marquee users of Kestone platform** including DELL, SAP, IBM, INTEL, NVIDIA, MICROSOFT, CISCO, MAX LIFE, SUN PHARMA, AIRTEL etc.
- **Virtual Events Business grows from \$1mn in FY'21 to \$2.1mn in 9-months of FY'22.** VOSMOS launch scheduled. New lines of business expansion includes – Kestone “Metaverse”.

FY20 & FY21 impacted due to COVID enforced Write-Off, Exponential Growth Expected from FY22 Onward

- COVID 19 majorly affected the education industry among all the other segments of economy. Shut down of schools, temporary stay on entrance exams. The sector continued to face challenges, as the consequent waves and variants of COVID kept reappearing. Consequently, for the most part of 2020-21, education institutes remained closed. **To fight with this challenge CL has come-up with strong ED tech business which has witnessed steep growth in digital enrolment's in less than a year now.**
- Previously, the PAT was negative due to a one-time **COVID enforced write-off in FY20 = 30 Cr & FY21 34-35 Cr. From FY22 onward no such write-off and PAT will increase.**
- They have **land parcels worth 82 Cr** which they are selling gradually to pay off the debt ~ 40 Cr, target to become debt free by Dec'22.

Financial Analysis ~ 9MFY22 Vs 9MFY21

Source: CL Educates quarter 3 presentation report




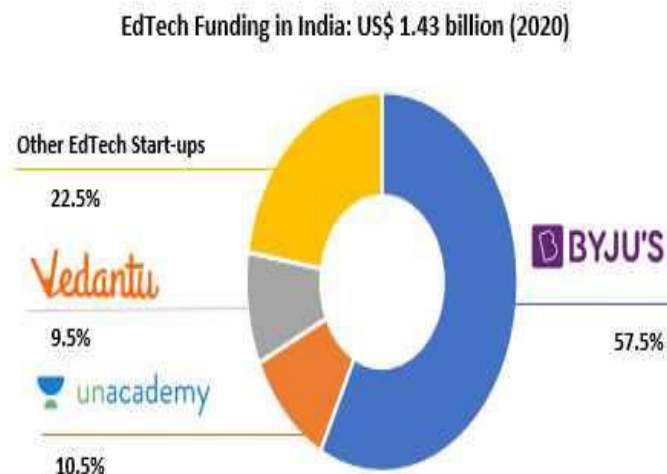
- MBA – Billing up 21%
- Law – Billing up 17%
- BBA / IPM – Billing up 43%
- International Education (GMAT/GRE) – Billing up 71%
- Partner Biz Billing up 30%
- Partnership with Vidya Mandir Classes to open new avenues in ~ Mumbai, Pune.

- With the start of FY22 the financials of CL educate started showing growth. Noticeable improvement seen only when we compare 9M of 2021 with 9M of 2022.
- Post second wave, the total revenue of the company has increased from Rs 144.6 Cr in 9M FY21 to Rs 160.4 in 9M FY22, 11% increase.
- The operating EBITDA of the firm has grown from Rs 7.2 Crores in 9M FY21 to Rs 16.4 Crore 9M FY22, a 128% increase
- Profit after tax was 0.3 Cr in 9M FY21 Vs Rs 9.3 Cr in 9M FY22. Increase of 28x.
- Borrowings of the firm shows a drastic decrease which will help the firm to get debt free by the end of Dec 22.
- The quarterly earnings call made by the company declares there goal of going debt free by Dec 22, which is validated by our expected financial figures column.

Huge Funding in Private EdTech Companies

Source: CL Educates quarter 3 presentation report **3C Capitals**

EdTech	Funding Amount (USD Mn)	Revenue FY19 (USD Mn)	EBITDA FY19 (USD Mn)
 BYJU'S	922.0	193.3	12.5
 unacademy	260.0	3.2	(12.8)
 Vedantu <small>LIVE ONLINE TUTORING</small>	130.0	1.8	(3.7)



Under the preliminary terms discussed, **Byju's would raise a total of about \$4 billion (Rs 30.448 crore approx.) and seek a valuation of about \$48 billion (Rs 3.65 lakh crore) Bloomberg, Dec 16 2021.** According to reports in pandemic period Byju's offered free streaming of video lecturers for certain period. This rose the user base by 200%

CL Educate is available @ "revenue multiple" of just 1 time while unlisted peers are trading at 6 times to 40 times of their revenue.

- In Dec'21 - Byju's, currently valued at about \$21 billion, is seeking a valuation of over \$45 billion and looking to raise as much as \$4 billion. The \$48 billion valuation has been derived based on Byju's estimated revenue of \$3 billion in FY2023 which is **16 times sales**.
- In Apr'21 - Byju's, the country's largest online edtech start-up, acquired a 33-year-old brick-and-mortar coaching centre "Aakash Educational Services Ltd (AESL)" for nearly \$940 million in a cash and stock deal. **Aakash's valuation at a revenue (~ 1261 Cr Mar'20) multiple of 5.8 times.**
- Byju's raised \$200 million in February 2020 at a **revenue multiple of 41.5X** while Unacademy raised its Unicorn round at **revenue multiple of nearly 158X in September 2020.**

Strength

BRAND IN THE MARKET

CL educates has a good brand market into the industry.

With there 2 decades plus experience in training students for graduate and post graduate entrance tests conducted on national level CL has rich set of content for its students

ASPIRATION~ AI

The **digital enrolments were growing rapidly. The digital platform was named ~ Aspiration AI. This platform is used by CL for providing digital learning to its customers from K12 to postgraduate level and professional exams preparation clients.**

Numerous videos and content rich digital library helps students to learn there career skills better with Aspiration ai

KESTONE~ METAVERSE

CL has launched two new digital platforms under Kestone subsidiary ~ VIRSA & VOSMOS. It facilitate the virtual events and business conferences.

The products conduct successful marketing events and provides customer friendly user experience to there clients.

Data Analytics are more efficient over this platform.

OUTPUT

The digital enrolments under Ed tech segment in Q1 FY2021 rose to 80%

R

Risk Taking: Acting decisively based on sound judgment and intuition.

O

Ownership: Accepting responsibility for actions & carrying the team forward in a crisis situation.

O

Openness: Regularly sharing experiences with team members and customers, and encouraging feedback and initiative from them.

H

Honesty & comitment to customers: Communicating clearly & honestly to customers, the deliverables and expectations from them.

I

Innovation: Creating products, systems and processes with enhanced effectiveness to meet customer needs.

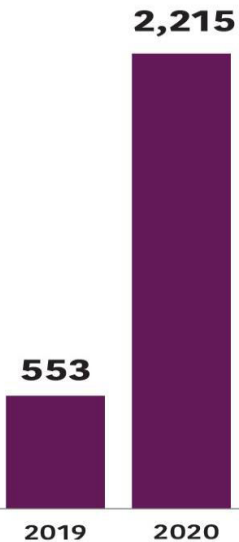
Opportunity

Digital platforms seem to be much convenient and cost efficient for consumers.

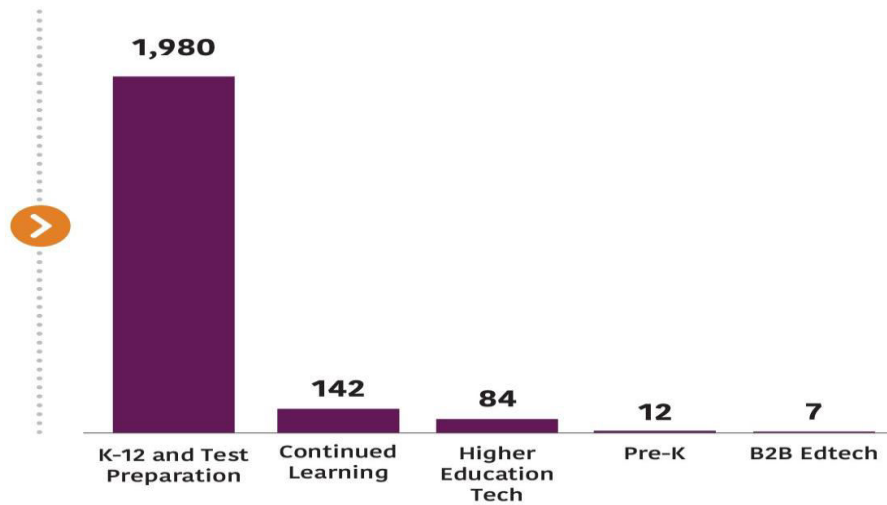
Both manual & digital platforms are significant in company's growth.

Advance level educational qualification~ CFA, FRM, Data analytics, MBA, etc are in high demand.

Total funding (US\$ M)



Large segments within EdTech
Total funding in 2020 (US\$ M)



The sum of total funding differs from aggregate segment funding because few players operate in various segments and the funds acquired by them under each segment are counted multiple times.

- CL's highly designed 3D digital platform VOSMOS is appraised by Amazon & Microsoft for performing smooth data analytics techniques and user friendly experience.
- Currently Dell has given a contract to CL for building virtual gallery on its digital platform VOSMOS.
- COSCO Webex uses VOSMOS for there business as said by the director of CL in earnings call.

In India, the Edtech market is expected to reach US\$ 4 billion by 2025, from US\$ 0.75 Billion in 2020. 580 million people fall under the bracket of (5-24 yrs) age group. Analytics industry (data science, machine learning, Python) are expected to grow 26.5% in FY 2021, summing up an aggregate revenue of \$45.4 world wide.

CL has started focusing on CUCET & IPMAT exam which are expected to grow in terms of revenue for education industry by 75%

VIRSA AI bot digital platform a perfect place to accommodate 8000+ people at one time.

Threats & Weakness

Exam dates

Uncertainty with respect to Dates of Competitive Exams ~ changes in dates of competitive exams has affected the test preparation business of the company heavily

Market risk

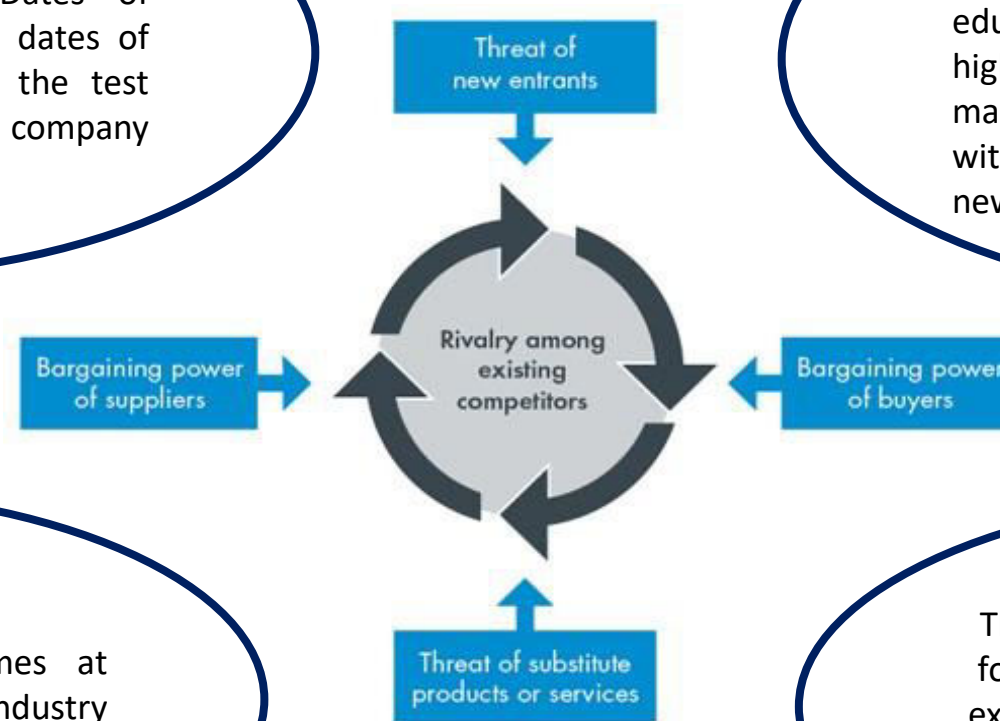
CL educates belongs to informal sector of education industry where Edtech business is highly competitive and challenging to manage. Enterprise segment which is served with marketing services majorly requires new connections on a regular basis.

Government

Changes in government schemes at various levels in education industry disrupts the planned cycle of the business.

Other Risk

The marketing services are short contracts for 1 - 2 or maybe more events, which may experience irregularity. This will impact Mar tech business of the firm and this segment may experience slower profit growth.



Strategy For Upcoming Years (1/2)

The **digital platform VOSMOS** will give the firm an extra edge into the market~ **Kestone Metaverse**. Its technology is innovative in nature and currently the reviews stand strong for it. Through VOSMOS the firm will cover USA & Indian market for DIY events and DIY webinars services to corporates.

Partnership with Vidya Mandir classes for opening new centres at Mumbai & Pune. The company wants to add in more centers to its test preparation segment which will help them cover maximum test takers both on digital grounds and manual classes.

Under test preparation segment company aims to focus on **new important exams CUCET & IPMAT**.

Under **ED-Tech business** is expected to grow at a **CAGR of 39% by FY2025**. Major segments **K-12 and competitive exam preparation** hold immense potential.

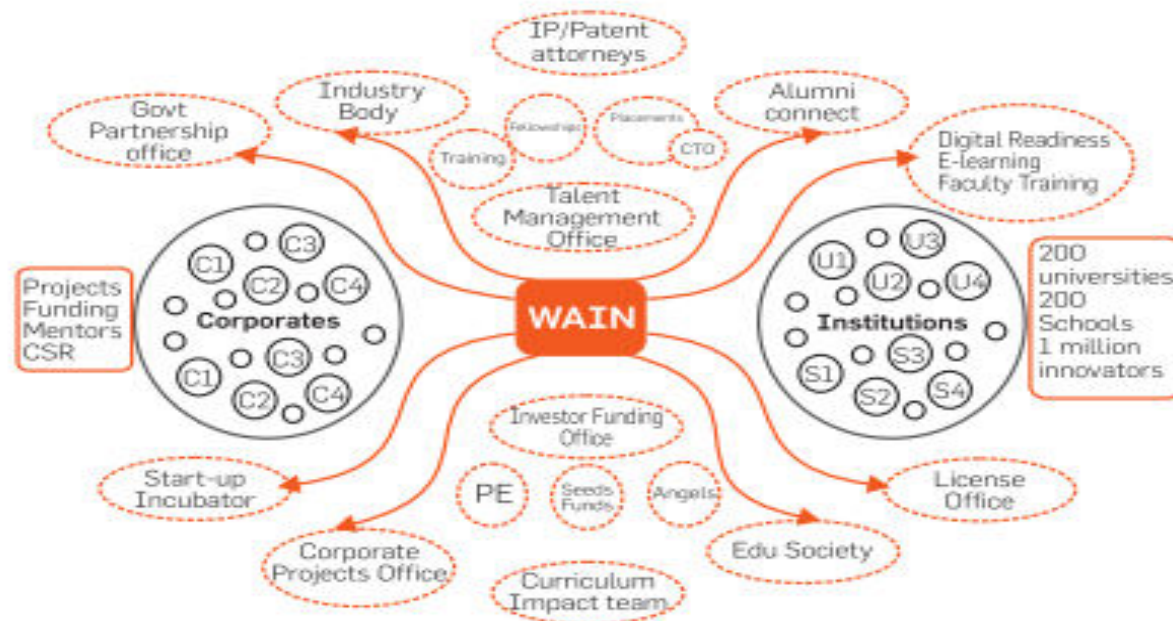
The firm is looking for external funding which will strengthen the financial operations of the business. Currently they have decided to merge the company's subsidiaries.

Merger Order has been passed by NCLT in Feb'22 i.e. Composite Scheme: Merger of CLEIS, CL Media, GKP, AKMS and Kestone with CL Educate.

Strategy For Upcoming Years (2/2)

Source: CL Educates quarter 3 presentation report **3C Capitals**

Research & Innovation



WAINConnect Platform

In the past couple of years, focus has been renewed on Research & Development, which has subsequently brought about a lot of challenges in terms of scalability.

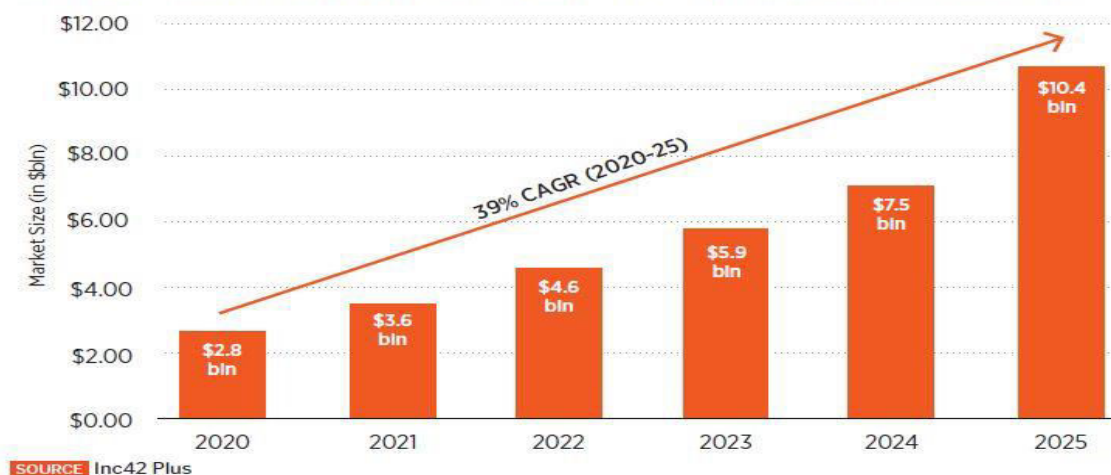
The objective of the WAIN platform is to provide interlinked opportunities for academic institutions and corporates to work together.

Strong Corporate Governance

- CL educates is in the hands of eminent team of board of Directors Mr. Satya Narayanan R.(Chairman of the board & executive director), Gautam Puri (Vice chairman & managing director), Mr. Nikhil Mahajan (Non-executive director, CEO of Mar tech) & Arjun Wadhwa (CFO).
- Professionally qualified, experienced and active board. Statutory Auditors – Walker Chandiok & Co LLP.

The \$10 bln Edtech Opportunity by 2025

Convenience and low cost will be the driving factors for mass adoption of online education in India



Strong team, complete focus on governance & processes

3C Capitals

Professionally
qualified,
experienced and
active board



Satya Narayanan R.,
Chairman & Executive Director

- 25+ years of experience in the education sector
- Bachelor's degree in Computer Sciences from St Stephen's
- Post Graduate Diploma from IIM Bangalore

Gautam Puri,
Vice Chairman & Managing Director

- 25+ years of experience in the education sector
- Bachelor's degree in Chemical Engineering from Punjab Engineering College
- Post Graduate diploma from IIM Bangalore

Nikhil Mahajan,
Executive Director & CEO Enterprise business

- 24+ years of experience in finance and education
- Bachelor's degree in Electrical Engineering from Benaras Hindu University
- Post Graduate diploma from IIM Bangalore

Girish Shivani,
Independent Director, Chairman Audit Committee

- 23+ Yrs of exp in IT, Telecom, Media, Finance, Corporate Strategy & Operations
- Co-Founder & Managing Partner – Yournest Venture Capital

Imran Jafar,
Non-Executive & Non-Independent Director

- Co-Founder & Managing Partner Gaja Capital. 18+ Yrs exp. In PE, Pharma & Technology
- MBA from IIM-B, & Masters degree in software engineering from BITS Pilani

Piyush Sharma,
Independent Director

- PhD in Marketing from Nanyang Technological University, Singapore (2006)
- Post Graduate diploma from IIM Bangalore
- Associated with Dabur, Becton, ITC, BHEL

Madhumita Ganguli,
Independent Director

- Over 25 years of experience and heads a large part of HDFC

Sanjay Tapriya,
Independent Director,

- CEO Uniworld Sugar Pvt Ltd
- CA & CS

High Corporate Governance

- ✓ Independent/ Nominee Directors are a majority on Board
- ✓ Internal Audit by a reputed external firm
- ✓ Audit Committee, Nomination & Remuneration Committees have only independent/ nominee directors
- ✓ Whistle-blower mechanism
- ✓ Statutory Auditors – Walker Chandiok & Co LLP

Key Senior
Management



Arjun Wadhwa,
Chief Financial Officer (CFO)

- 15+ Yrs of Experience in education space
- Profitable entrepreneurship ventures – Thesportscampus.com & Goals for Souls.
- Post Graduate diploma from MDI, Gurgaon

R Shiva Kumar,
Chief Academic Officer

- 24+ years of experience in the private education sector,
- Bachelor's degree in Technology from IIT Madras,
- Post Graduate diploma from IIM Kolkata

Sreenivasan .R,
Chief Customer Officer

- Over 20 years of experience in the education sector,
- Master's degree in Technology from Jawahar Lal Nehru University;
- Master's degree in Business Administration from IIM Bangalore

Sujit Bhattacharyya,
Chief Digital Officer

- Over 20 years of experience in the education sector,
- Bachelor of Technology degree in Electrical Engineering from IIT Kharagpur;
- Post Graduate diploma from IIM Bangalore

Future Outlook

The company holds immense potential in its new business model. The education industry in India is the largest in the world and ED-Tech business is second largest after USA. The uninterrupted internet penetration growth has boosted the Ed-Tech market globally.

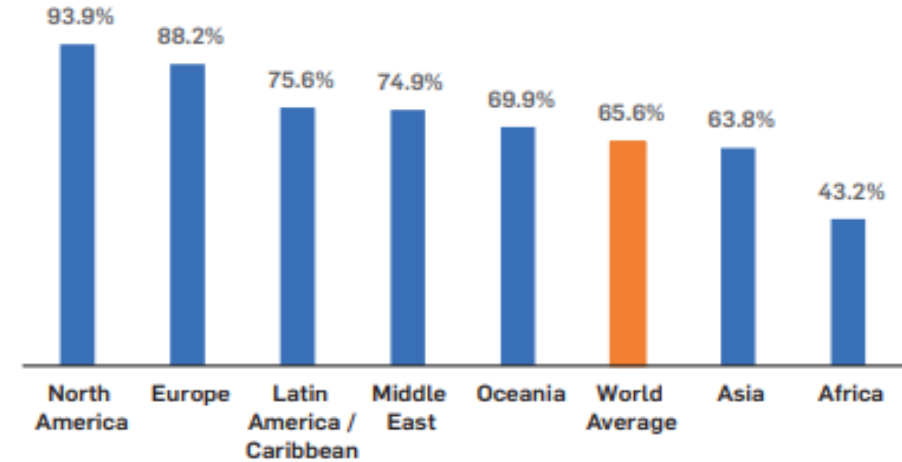
IPO came in Mar'17 @ 250rs (Split Price); Stock price made a low of 20-30rs during Mar-Apr'20 due to Covid; **Promoters increased stake by ~ 2.82% (48% to 50.89%).**

CL educates has started its strong journey from Q1 FY2022. The company suffered major losses on its revenue part due to unforeseen pandemic period which highly affected education industry. **The gross enrolments across courses decreased by 8.6%— from ~115,000 to ~105,000—mainly to the global pandemic and the uncertainty surrounding the exam dates.**

However these enrolments are gaining momentum at a positive pace from Q1 FY2022. The company has adopted muscular digital platforms for facilitating its clients, which has changed the direction of the company from a manual coaching center to ED tech company taking stringent measures for better user experience.

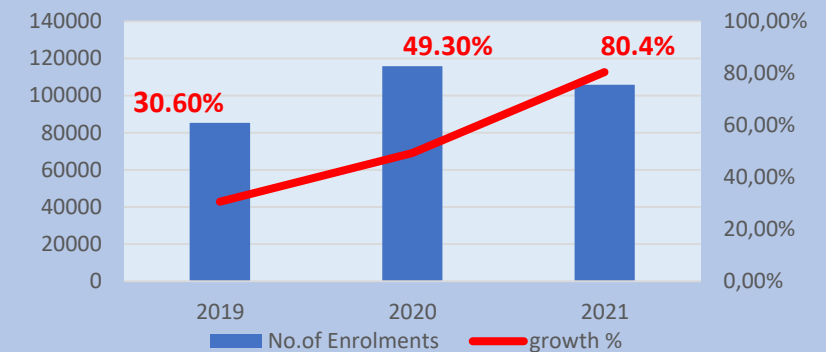
The digital marketing business under its potential subsidiary Kestone is powered highly backed-up **digital platforms~ VIRSA & VOSMOS.** In upcoming years this will help the company to establish strong footprints into the digital marketing business.

Internet Penetration Rate - 2021



Source: www.internetworldstats.com

Growth % in Digital enrolments



SEBI Research Analyst Registration No. : INH200006451

1. At the time of writing this article, the analyst have no position in the stock covered by this report.
2. The analyst has not traded in the recommended stock in the last 30 days.
3. The research analyst does not have any material conflict of interest at the time of publication of the research report.
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6. The research analyst has not served as an officer, director or employee of the subject company.
7. The research analyst or research entity has not been engaged in market making activity for the subject company.
8. The research analyst or research entity or its associates or relatives does not have actual/beneficial ownership of one per cent or more in the securities of the subject company, at the end of the month immediately preceding the date of publication of the research report or date of the public appearance.
9. The analyst does not own more than 1% equity in the said company.