HARIBHAKTI & CO.
Chartered Accountants

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Limited Review Report

Review Report to
The Board of Directors
Educomp Solutions Limited

1. We have reviewed the accompanying statement of unaudited financial results of Educomp Solutions Limited ('the Company') for the quarter and six months ended September 30, 2012 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

2. Results for the quarters ended June 30, 2012, September 30, 2011, six months ended September 30, 2011 were reviewed and results for the year ended March 31, 2012 were audited, by us jointly with another firm of chartered accountants.

3. We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

4. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with accounting standards notified pursuant to Companies (Accounting Standards) Rules, 2006 and other recognised accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For Haribhakti & Co.
Chartered Accountants
Firm Registration No. 103523W



[Raj Kumar Agarwal]
Partner
Membership No.: 074715

Place: Gurgaon
Date: November 09, 2012

EDUCOMP SOLUTIONS LIMITED

Regd. Office: 1211, Padma Tower I, Rajendra Place, New Delhi-110008

Consolidated Statement of Assets & Liabilites

(Rupees in Lacs)

Particulars	As at 30-09-12 Unaudited	As at 31-03-12 Audited
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share Capital	2,388.23	1,921.28
(c) Reserves and Surplus	271,890.06	248,532.72
(c) Money received against share warrants	5,559.90	-
Sub-total-Shareholder's funds	279,838.19	250,454.00
2 Share application money pending allotment	-	-
3 Minority Interest	26,728.72	27,619.51
4 Non-current liabilities		
(a) Long-term borrowings	138,708.80	96,392.99
(b) Deferred tax liabilities (net)	2,368.82	1,973.80
(c) Other long term liabilities	1,881.24	2,582.62
(d) Long-term provisions	1,269.44	1,060.29
Sub-total - Non-current liabilities	144,228.30	102,009.70
5 Current liabilities		
(a) Short-term borrowings	34,839.94	29,136.44
(b) Trade payables	33,279.21	28,447.74
(c) Other current liabilities	56,193.13	86,249.68
(d) Short-term provisions	4,456.26	4,292.22
Sub-total - Current liabilities	128,768.54	148,126.08
TOTAL - EQUITY AND LIABILITES	579,563.74	528,209.28
B ASSETS		
1 Non-current assets		
(a) Fixed assets	172,429.76	169,584.39
(b) Goodwill on consolidation	113,815.98	106,938.10
(c) Non-current investments	10,048.10	9,878.47
(d) Deferred tax assets (net)	3,610.29	2,627.59
(e) Long-term loans and advances	83,887.29	76,358.30
(f) Other non-current assets	10,511.90	12,466.86
Sub-total - Non -current assets	394,303.32	377,853.71
2 Current assets		
(a) Current investments	15.20	15.20
(b) Inventories	8,249.88	9,094.30
(c) Trade receivables	143,120.02	102,885.58
(d) Cash and cash equivalents	12,647.66	22,053.34
(e) Short-term loans and advances	17,919.11	11,535.24
(f) Other current assets	1,057.84	3,459.20
(g) FCMITDA	2,250.72	1,312.71
Sub-total - Current assets	185,260.42	150,355.57
TOTAL - ASSETS	579,563.74	528,209.28

HARI BHAKTI & CO. CHARTERED ACCOUNTANTS NEW DELHI

EDUCOMP SOLUTIONS LIMITED NEW DELHI

EDUCOMP SOLUTIONS LIMITED

Regd. Office: 1211, Padma Tower I, Rajendra Place, New Delhi-110008

(Rupees in lacs)

PART I

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th SEPTEMBER 2012

S.No.	Particulars	Quarter ended			Half Year Ended		Year Ended
		30.09.2012 Unaudited	30.06.2012 Unaudited	30.09.2011 Unaudited	30.09.2012 Unaudited	30.09.2011 Unaudited	31.03.2012 Audited
1	Income from operations						
	(a) Net Sales/Income from operations	30,210.18	32,529.37	31,976.74	62,739.55	61,218.86	149,127.89
	(b) Other Operating Income	-	-	-	-	-	-
	Total Income from operations (net)	30,210.18	32,529.37	31,976.74	62,739.55	61,218.86	149,127.89
2	Expenses						
	(a) Purchases of stock-in-trade	9,401.88	8,276.26	8,437.26	17,678.14	16,800.51	48,483.00
	(b) Changes in inventories of finished goods,wip & stock-in-trade	(888.53)	1,414.11	(965.58)	725.58	(3,496.22)	(4,374.92)
	(c) Employee benefit expenses	8,838.27	8,205.15	8,134.23	17,043.41	15,426.70	32,808.72
	(d) Depreciation & amortisation expenses	3,070.54	3,018.21	2,597.38	6,088.75	5,112.80	10,696.67
	(e) Other expenses	6,693.88	5,940.32	5,880.42	12,634.21	11,075.08	26,359.31
	(f) Foreign Exchange Fluctuation (Net)	(1,209.10)	1,621.01	3,719.02	411.91	3,777.05	4,534.27
	Total Expenses	26,105.94	28,475.06	27,602.73	54,582.00	48,695.93	118,507.65
3	Profit/ (Loss) from Operations before other income , finance costs & exceptional items (1-2)	4,103.24	4,054.31	4,374.01	8,157.55	12,522.93	30,620.24
4	Other Income	1,363.14	1,298.87	772.41	2,662.01	1,445.58	3,158.08
5	Profit/ (loss) from ordinary activities before finance costs & exceptional items (3+4)	5,466.38	5,353.18	5,146.42	10,819.56	13,968.51	33,778.32
6	Finance costs	5,111.02	4,729.19	3,187.09	9,840.21	6,598.09	14,325.30
7	Profit/ (loss) from ordinary activities after finance costs but before exceptional items (5-6)	355.36	623.99	1,959.33	979.35	7,370.42	19,453.02
8	Exceptional items	-	-	-	-	-	-
9	Profit / (Loss) from ordinary Activities before tax (7+8)	355.36	623.99	1,959.33	979.35	7,370.42	19,453.02
10	Tax Expense						
	- Current tax including for earlier years (net)	719.01	598.43	861.13	1,317.44	2,782.81	7,616.50
	- MAT Credit Entitlement / Reversal	(282.06)	(287.12)	(85.38)	(569.18)	(150.07)	(423.37)
	- Deferred tax	(477.82)	(156.04)	(143.94)	(633.86)	(575.32)	(1,445.87)
11	Net Profit / (Loss) from Ordinary activities after tax (9-10)	396.23	468.72	1,307.52	864.95	5,313.00	13,705.56
12	Extraordinary Item (net of tax expense)	-	-	-	-	-	-
13	Net Profit / (Loss) for the period (11-12)	396.23	468.72	1,307.52	864.95	5,313.00	13,705.56
14	Share of Loss / (profit) of Associates	(7.21)	22.04	89.57	14.83	139.21	160.31
15	Minority Share in (Loss)/profit	39.54	(42.00)	(58.99)	(2.46)	232.90	155.66
16	Pre-Acquisition Loss/(profits)	-	-	-	-	-	(163.99)
17	Net Profit/ (Loss) after taxes, minority interest and share of profit/ (loss) of associates (13-14-15-16)	363.90	488.68	1,276.94	852.58	4,940.89	13,553.57
18	Paid up Equity share capital (Face Value Rs.2/- each)	2,388.23	1,931.96	1,920.19	2,388.23	1,920.19	1,921.28
19	Reserve excluding revaluation reserves (As per Balance Sheet of previous accounting year)	-	-	-	-	-	248,532.72
20	Earning Per Share (EPS) (not to be annualized)						
	(a) Basic	0.32	0.51	1.33	0.81	5.15	14.12
	(b) Diluted	0.32	0.51	1.32	0.81	5.11	14.06

PART II

SELECT INFORMATION FOR THE FINANCIAL RESULTS FOR THE QUARTER ENDED 30th SEPTEMBER 2012

A	PARTICULAR OF SHAREHOLDING						
1	Public Shareholding:						
	- Numbers of Shares (Nos.)	67,553,248	49,044,179	48,455,885	67,553,248	48,455,885	48,510,285
	- Percentage of shareholding	56.57%	50.77%	50.47%	56.57%	50.47%	50.50%
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	- Number of shares	13,283,000	-	-	13,283,000		-
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	25.61%	-	-	25.61%		-
	Percentage of shares (as a % of the total share capital of the company)	11.12%	-	-	11.12%		-
	b) Non – encumbered						
	- Number of shares	38,575,306	47,553,645	47,553,645	38,575,306	47,553,645	47,553,645
	-Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	74.39%	100%	100%	74.39%	100%	100%
	Percentage of shares (as a % of the total share capital of the company)	32.30%	49.23%	49.53%	32.30%	49.53%	49.50%

HARI BHAKTI & CO. CHARTERED ACCOUNTANTS NEW DELHI

EDUCOMP SOLUTIONS LIMITED NEW DELHI

EDUCOMP SOLUTIONS LIMITED

Regd. Office: 1211, Padma Tower I, Rajendra Place, New Delhi-110008

Consolidated Segment wise Revenue, Results and Capital Employed

(Rupees in lacs)

Particulars	Quarter ended			Half Year Ended		Year Ended
	Unaudited			Unaudited		Audited
	30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.03.2012
Segment Revenue						
Higher Learning Solutions	2,265.21	1,414.17	888.09	3,679.38	3,248.81	6,269.25
School Learning Solutions	16,707.78	17,960.17	21867.15	34,667.95	39,934.15	105,696.54
K-12 Schools	4,819.47	5,104.53	4420.94	9,924.00	8,816.63	17,556.54
Online Supplemental & Global	6,417.72	8,050.50	4800.55	14,468.22	9,219.27	19,605.56
Total Net Sales/ Income from Operations	**30,210.18**	**32,529.37**	**31,976.74**	**62,739.55**	**61,218.86**	**149,127.89**
Segment Results (Profit before Interest & tax from each segments)						
Higher Learning Solutions	(656.74)	(906.26)	(1,066.62)	(1,563.00)	(1,556.93)	(3,747.59)
School Learning Solutions	4,030.37	6,193.57	10,224.31	10,223.94	18,678.47	42,985.63
K-12 Schools	2,141.54	2,007.83	1,363.66	4,149.37	2,986.04	5,381.48
Online Supplemental & Global	(950.38)	(172.37)	(850.38)	(1,122.75)	(752.06)	(2,471.02)
	4,564.79	**7,122.77**	**9,670.97**	**11,687.56**	**19,355.52**	**42,148.50**
Less: Interest (Net)	5,111.02	4,729.19	3187.09	9,840.21	6,598.09	14,325.30
: Other un-allocable expenses	461.55	3,068.46	5296.96	3,530.01	6,832.59	11,528.26
: Un-allocable Income	1,363.14	1,298.87	772.41	2,662.01	1,445.58	3,158.08
Total Profit before Tax	**355.36**	**623.99**	**1,959.33**	**979.35**	**7,370.42**	**19,453.02**
Capital Employed						
(Segment Assets- Segment Liabilities*)						
Higher Learning Solutions	40,180.55	41,052.22	41,729.87	40,180.55	41,729.87	40,792.35
School Learning Solutions	116,959.88	101,446.72	88,903.97	116,959.88	88,903.97	94,629.83
K-12 Schools	218,996.51	208,246.96	159,708.19	218,996.51	159,708.19	200,824.56
Online Supplemental & Global	21,134.60	20,444.37	22,134.15	21,134.60	22,134.15	18,642.05
Unallocated	(90,704.63)	(91,465.47)	(60,390.26)	(90,704.63)	(60,390.26)	(76,815.28)
Total	**306,566.91**	**279,724.80**	**252,085.92**	**306,566.91**	**252,085.92**	**278,073.51**
* segment liabilities excludes minority interest						

HARI BHAKTI & CO. CHARTERED ACCOUNTANTS NEW DELHI

EDUCOMP SOLUTIONS LIMITED NEW DELHI

EDUCOMP SOLUTIONS LIMITED

Regd. Office: 1211, Padma Tower I, Rajendra Place, New Delhi-110008

Standalone Statement of Assets & Liabilites

(Rupees in Lacs)

Particulars	As at 30-09-12 Unaudited	As at 31-03-12 Audited
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share Capital	2,388.23	1,921.28
(c) Reserves and Surplus	197,618.67	180,425.30
(c) Money received against share warrants	5,559.90	-
Sub-total-Shareholder's funds	205,566.80	182,346.58
2 Share application money pending allotment	-	-
3 Non-current liabilities		
(a) Long-term borrowings	50,338.26	4,895.82
(b) Deferred tax liabilities (net)	-	-
(c) Other long term liabilities	1,534.24	1,695.74
(d) Long-term provisions	964.19	803.94
Sub-total - Non-current liabilities	52,836.69	7,395.50
4 Current liabilities		
(a) Short-term borrowings	34,236.60	28,889.88
(b) Trade payables	30,839.09	26,033.86
(c) Other current liabilities	31,433.49	67,306.31
(d) Short-term provisions	3,334.79	3,798.42
Sub-total - Current liabilities	99,843.97	126,028.47
TOTAL - EQUITY AND LIABILITES	**358,247.46**	**315,770.55**
B ASSETS		
1 Non-current assets		
(a) Fixed assets	13,648.47	13,986.32
(b) Non-current investments	169,930.57	162,210.95
(c) Deferred tax assets (net)	925.14	490.56
(d) Long-term loans and advances	1,825.90	373.55
(e) Other non-current assets	7,118.79	8,680.67
Sub-total - Non - current assets	193,448.87	185,742.05
2 Current assets		
(a) Current investments	15.00	15.00
(b) Inventories	6,818.34	7,714.63
(c) Trade receivables	118,293.59	86,504.71
(d) Cash and cash equivalents	4,374.57	11,561.57
(e) Short-term loans and advances	32,379.61	22,323.17
(f) Other current assets	666.76	596.71
(g) FCMITDA	2,250.72	1,312.71
Sub-total - Current assets	164,798.59	130,028.50
TOTAL - ASSETS	**358,247.46**	**315,770.55**

HARI BHAKTI & CO. CHARTERED ACCOUNTANTS NEW DELHI

EDUCOMP SOLUTIONS LIMITED NEW DELHI

EDUCOMP SOLUTIONS LIMITED

Regd. Office: 1211, Padma Tower I, Rajendra Place, New Delhi-110008

PART 1 (Rupees in lacs)

STATEMENT OF STANDALONE UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30th SEPTEMBER 2012

S.NO	Particulars	Quarter ended			Half Year Ended		Year Ended
		30.09.2012 Unaudited	30.06.2012 Unaudited	30.09.2011 Unaudited	30.09.2012 Unaudited	30.09.2011 Unaudited	31.03.2012 Audited
1	**Income from operations**						
	(a) Net Sales/Income from operations	17,608.61	20,768.34	21,926.72	38,376.95	40,494.57	107,651.20
	(b) Other Operating Income	-	-	-	-	-	-
	Total Income from operations (net)	**17,608.61**	**20,768.34**	**21,926.72**	**38,376.95**	**40,494.57**	**107,651.20**
2	**Expenses**						
	(a) Purchases of stock-in-trade	8,076.23	6,775.16	6,671.87	14,851.39	13,903.52	42,733.00
	(b) Changes in inventories of finished goods,wip & stock-in-trade	(856.13)	1,636.41	(866.35)	780.28	(3,924.74)	(4,100.38)
	(c) Employee benefit expenses	4,738.48	4,313.48	4,227.00	9,051.96	8,014.80	17,692.05
	(d) Depreciation & amortisation expenses	1,266.86	1,281.53	1,126.26	2,550.39	2,309.82	4,735.01
	(e) Other expenses	2,149.26	1,818.84	1,830.04	3,968.11	3,717.44	10,460.83
	(f) Foreign Exchange Fluctuation (Net)	(1,227.83)	1,635.86	3,741.53	408.02	3,795.35	4,531.20
	Total Expenses	**14,148.87**	**17,461.28**	**16,930.34**	**31,610.16**	**28,416.19**	**76,051.71**
3	**Profit/ (Loss) from Operations before other income , finance costs & exceptional items (1-2)**	**3,469.74**	**3,307.07**	**4,996.38**	**6,766.80**	**12,078.38**	**31,599.49**
4	Other Income	340.78	345.62	242.43	686.41	986.38	1,872.27
5	**Profit/ (loss) from ordinary activities before finance costs & exceptional items (3+4)**	**3,800.52**	**3,652.69**	**5,238.81**	**7,453.21**	**13,064.76**	**33,471.76**
6	Finance costs	3,140.64	2,672.70	1,867.00	5,813.64	4,019.80	9,023.78
7	**Profit/ (loss) from ordinary activities after finance costs but before exceptional items (5-6)**	**659.58**	**979.99**	**3,371.81**	**1,639.57**	**9,044.96**	**24,447.98**
8	Exceptional Items	-	-	-	-	-	-
9	**Profit / (Loss) from ordinary Activities before tax (7+8)**	**659.58**	**979.99**	**3,371.81**	**1,639.57**	**9,044.96**	**24,447.98**
10	Tax Expense						
	- Current tax including for earlier years (net)	230.52	227.62	846.97	458.14	2,173.33	6,045.90
	- MAT Credit Entitlement / Reversal	(230.52)	(227.62)	-	(458.14)	-	-
	- Deferred tax	(266.86)	(167.72)	(86.00)	(434.57)	(93.62)	(488.21)
11	**Net Profit / (Loss) from Ordinary activities after tax (9-10)**	**926.44**	**1,147.71**	**2,610.84**	**2,074.14**	**6,965.25**	**18,890.29**
12	Extraordinary Item (net of tax expense)	-	-	-	-	-	-
13	**Net Profit / (Loss) for the period (11-12)**	**926.44**	**1,147.71**	**2,610.84**	**2,074.14**	**6,965.25**	**18,890.29**
14	Paid up Equity share capital (Face Value Rs 2/- each)	2,388.23	1,931.95	1,920.19	2,388.23	1,920.19	1,921.26
15	Reserve excluding revaluation reserves	-	-	-	-	-	180,425.30
16	**Earning Per Share (EPS) (not to be annualized)**						
	(a) Basic	0.82	1.19	2.72	1.97	7.26	19.68
	(b) Diluted	0.81	1.19	2.70	1.97	7.21	19.59
17	Debt Equity Ratio	0.50	0.57	0.56	0.50	0.56	0.52
18	Debt Service Coverage Ratio				1.05	3.86	1.54
19	Interest Service Coverage Ratio				3.90	9.83	10.50

PART II

SELECT INFORMATION FOR THE FINANCIAL RESULTS FOR THE QUARTER ENDED 30th SEPTEMBER 2012

A	PARTICULAR OF SHAREHOLDING						
1	**Public Shareholding:**						
	- Numbers of Shares (Nos.)	67,553,248	49,044,179	48,455,685	67,553,248	48,455,685	48,510,285
	- Percentage of shareholding	56.57%	50.77%	50.47%	56.57%	50.47%	50.59%
2	**Promoters and Promoter Group Shareholding**						
	a) Pledged / Encumbered						
	- Number of shares	13,283,000	-	-	13,283,000		-
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	25.61%	-	-	25.61%		-
	Percentage of shares (as a % of the total share capital of the company)	11.12%	-	-	11.12%		-
	b) Non – encumbered						
	- Number of shares	38,575,306	47,553,645	47,553,645	38,575,306	47,553,645	47,553,645
	-Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	74.39%	100%	100%	74.39%	100%	100%
	Percentage of shares (as a % of the total share capital of the company)	32.30%	49.23%	49.53%	32.30%	49.53%	49.50%

B	PARTICULARS	3 MONTHS ENDED 30 SEPTEMBER 2012
	INVESTORS COMPLAINTS	
	Pending at the beginning of the quarter	0
	Received during the quarter	6
	Disposed of during the quarter	6
	Remaining unresolved at the end of the Quarter	0

EDUCOMP SOLUTIONS LIMITED NEW DELHI

HARI BHAKTI & CO. CHARTERED ACCOUNTANTS NEW DELHI

EDUCOMP SOLUTIONS LIMITED

Regd. Office: 1211, Padma Tower I, Rajendra Place, New Delhi-110008

Standalone Segment wise Revenue, Results and Capital Employed

(Rupees in lacs)

Particulars	Quarter ended			Half Year Ended		Year Ended
	Unaudited			Unaudited		Audited
	30.09.2012	30.06.2012	30.09.2011	30.09.2012	30.09.2011	31.03.2012
Segment Revenue						
Higher Learning Solutions	237.14	232.06	279.45	469.20	697.68	1,357.42
School Learning Solutions	16,292.32	17,792.42	21,533.23	34,084.74	39,529.71	104,763.84
K-12 Schools	42.35	41.16	70.04	83.51	138.73	141.11
Online Supplemental & Global	1,036.80	2,702.70	44.00	3,739.50	128.45	1,388.83
Total Net Sales/ Income from Operations	**17,608.61**	**20,768.34**	**21,926.72**	**38,376.95**	**40,494.57**	**107,651.20**
Segment Results (Profit before Interest & tax from each segments)						
Higher Learning Solutions	23.75	45.18	55.29	68.93	252.47	434.83
School Learning Solutions	3,933.50	6,220.18	10,174.99	10,153.68	18,602.07	42,753.82
K-12 Schools	42.35	30.48	68.45	72.83	137.08	138.08
Online Supplemental & Global	(78.76)	56.53	(33.39)	(22.23)	(108.68)	(190.11)
	3,920.84	**6,352.37**	**10,265.34**	**10,273.21**	**18,882.94**	**43,136.62**
Less: Interest (Net)	3,140.94	2,672.70	1,867.00	5,813.64	4,019.80	9,023.78
: Other un-allocable expenses	461.10	3,045.30	5,268.96	3,506.41	6,804.56	11,537.13
: Un-allocable Income	340.78	345.62	242.43	686.41	986.38	1,872.27
Total Profit before Tax	**659.58**	**979.99**	**3,371.81**	**1,639.57**	**9,044.96**	**24,447.98**
Capital Employed						
(Segment Assets- Segment Liabilities)						
Higher Learning Solutions	(1,308.73)	(1,382.71)	(1,805.18)	(1,308.73)	(1,805.18)	(1,576.44)
School Learning Solutions	114,990.72	99,518.21	87,172.36	114,990.72	87,172.36	92,721.19
K-12 Schools	149.19	103.68	67.50	149.19	67.50	62.51
Online Supplemental & Global	1,698.67	22.78	166.39	1,698.67	166.39	430.76
Unallocated	90,036.95	85,467.61	84,723.49	90,036.95	84,723.49	90,708.56
Total	**205,566.80**	**183,729.57**	**170,324.56**	**205,566.80**	**170,324.56**	**182,346.58**

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Notes:

1. The Un-audited standalone and consolidated Financial Results for the Quarter ended on 30th September 2012 have been reviewed by the Audit Committee and adopted and approved by the Board of Directors at their meeting held on 9th November 2012 and these have been subjected to Limited Review by the Statutory Auditors.

2. (a) During the quarter ended 30th September 2012, Company has allotted 5,650 equity shares of face value of Rs.2/- each pursuant to exercise of Stock options by eligible employees of the Company/ its subsidiaries under ESOP Scheme 2006.

   (b) During the quarter company has allotted following Equity Shares and Warrants as per the provisions of Chapter VII of SEBI (ICDR) Regulations, 2009;

   (i) 43,04,661 Equity Shares of the face value of Rs.2/- each at premium of Rs.191.74 to Promoter Group Entity.

   (ii) 1,85,03,419 Equity Shares of the face value of Rs.2/- each at premium of Rs.147.16 to Non Promoter Group.

   (iii) 1,14,79,096 Warrants at Issue price of Rs.193.74 convertible in to equal number of Equity Shares of the Face Value of Rs.2/- each to Promoter Group Entity. 25% of the Warrant price have been received and the balance 75% of the Warrant Price will be payable within a period of 18 months from the date of allotment.

   (c) The proceeds of the aforesaid preferential issue of equity shares/warrants have been utilized for the purposes of FCCB redemption Rs. 19,474.36 Lacs and for general corporate purpose Rs. 22,025.09 Lacs.

3. During the Quarter ended 30th September 2012, the Company has redeemed its outstanding US$ 78.5 Million FCCB along with redemption premium of US$ 32.25 million.

   Company has raised US$ 10 million, Zero Coupon Foreign Currency Convertible Bonds for redemption of outstanding FCCB. The Bond holders, as per the agreement, have the option to convert these bonds into equity shares, at a price of Rs.188.62 per share with in 5 years from the date of disbursement. The FCCB is redeemable at a premium of 34.07 % on principal after 5 year.

   For redemption of the outstanding FCCB, the Company has raised US$ 70 million through External Commercial Borrowing (ECB) comprising US$ 30 million from International Financial Corporation (IFC) a member of the World Bank Group and US$ 40 million from Société De Promotion Et De Participation Pour La Coopération Économique (PROPARCO), a French development financial

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institution. The ECB has a term of 8.5 years with a 3 years moratorium and the coupon rate is LIBOR + 4.5%.

4. During the Quarter ended 30th September 2012, Company has issued 100, 13.25% Secured Redeemable Non Convertible Debentures (NCD) of the face value of Rs.10,00,000 each.
5. As per terms of the issue of Secured Redeemable Non Convertible Debentures, the company is in process of creating security within due course of time.
6. Debt Service Coverage Ratio (DSCR) = EBIDTA/(Loan Repayment excluding FCCB + Loan Interest)

   Interest Service Coverage Ratio (ISCR) = EBIDTA/ Loan Interest
7. The Segment Result has been prepared in accordance with the Accounting Standard-17 "Segment Reporting" as notified in the Companies (Accounting Standards) Rules 2006.
8. The Basic and Diluted Earning per Share has been calculated in accordance with the Accounting Standard -20 "Earning per Share" as notified in the Companies (Accounting Standards) Rules 2006.
9. Consolidation of Accounts has been done in accordance with the Accounting Standard -21 "Consolidation of Financial Statements", Accounting Standard -23 "Accounting for Investments in Associates in Consolidated Financial statements" and Accounting Standard -27 "Financial Reporting of Interests in Joint Ventures" as notified in the Companies (Accounting Standards) Rules 2006.
10. Previous year/period figures have been regrouped and rearranged, wherever considered necessary for comparison purposes.
11. The Standalone and Consolidated Financial results of the Company for the the Quarter ended on 30th September 2012 are also available on website of the Company (www.educomp.com), National Stock Exchange of India Limited(www.nseindia.com) and Bombay Stock Exchange Limited(www.bseindia.com).

By order of the Board of Directors
For Educomp Solutions Ltd.

EDUCOMP SOLUTIONS LIMITED NEW DELHI

Shantanu Prakash
Chairman & Managing Director

Place: Gurgaon
Date: November 9, 2012

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HARIBHAKTI & CO.
Chartered Accountants

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Limited Review Report

Review Report to
The Board of Directors of
Educomp Solutions Limited

We have reviewed the accompanying statement of unaudited consolidated financial results of Educomp Solutions Limited ("the Company"), its subsidiaries, Joint Ventures and Associates, together referred to as 'the Group' for the quarter and half year ended September 30, 2012 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been traced from disclosures made by the management and have not been audited by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial results based on our review.

Results for the quarters ended June 30, 2012, September 30, 2011, six months ended September 30, 2011 were reviewed and results for the year ended March 31, 2012 were audited, by us jointly with another firm of chartered accountants.

We did not review the financial results of 28 entities included in the consolidated quarterly financial results and consolidated year to date results, whose consolidated financial results reflect total revenues (income from operations) of Rs. 7,196.59 Lakhs for the quarter ended September 30, 2012, Rs. 14,457.45 Lakhs for the half year ended on September 30, 2012 and total assets of Rs. 15,106.57 Lakhs as at September 30, 2012. These financial results have been reviewed by other auditors whose reports have been furnished to us and our report on the quarterly financial results and the year to date results, to the extent they have been derived from such financial results is based solely on the report of such other auditors.

The consolidated financial results include the financial results of 25 entities reflecting total revenues (net sales/ income from operations)) of Rs. 1,681.07 Lakhs for the quarter ended September 30, 2012, Rs. 2,601.02 Lakhs for the half year ended on September 30, 2012 and total assets of Rs. 34,120.48 Lakhs as at September 30, 2012. These financial results have been confirmed by the management and not been subjected to any review by any other auditor.

The consolidated financial results also include financial results of 5 entities (including Educomp Solutions Limited) reflecting total revenues (income from operations) of Rs. 21,332.52 Lakhs for the quarter ended September 30, 2012, Rs. 45,681.08 Lakhs for the half year ended on September 30, 2012 and total assets of Rs. 530,336.69 Lakhs as at September 30, 2012 which have been reviewed by us.

The consolidated financial results also includes financial result of 1 entity reflecting share in gain of associate of Rs. 7.21 Lakhs for the quarter ended September 30, 2012 and loss of Rs. 14.83 Lakhs for the half year ended on September 30, 2012, which have been confirmed by the management and not been subjected to any review by any other auditor.

We conducted our review in accordance with the Standard on Review Engagements (SRE) 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial results are free of material misstatement. A review is limited primarily to inquiries of company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.



Based on our review conducted as above and on consideration of the reports of other auditors referred to in paragraph above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited consolidated financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For **Haribhakti & Co.**
Chartered Accountants
Firm Registration No.: 103523W

HARI BHAKTI & CO. NEW DELHI CHARTERED ACCOUNTANTS

Raj Kumar Agarwal
Partner
Membership No.: 074715

Place: Gurgaon
Date: November 9, 2012