EDUCOMP SOLUTIONS LIMITED CIN:L74999DL1994PLC061353

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

Consolidated Statement of Assets & Liabilites

(Rupees in Lacs)

Particulars	As at 30-09-14 Unaudited	As at 31-03-14 Audited
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share Capital	2,449.34	2,448.82
(c) Reserves and Surplus	127,649.24	220,070.52
(c) Money received against share warrants	-	-
Sub-total-Shareholder's funds	130,098.58	222,519.34
2 Share application money pending allotment	-	-
3 Minority Interest	20,909.66	24,624.48
4 Non-current liabilities		
(a) Long-term borrowings	322,130.47	294,938.79
(b) Trade payables	-	240.37
(c) Deferred tax liabilities (net)	-	528.04
(d) Other long term liabilities	2,544.64	1,209.16
(e) Long-term provisions	888.25	874.01
Sub-total - Non-current liabilities	325,563.36	297,790.37
5 Current liabilities		
(a) Short-term borrowings	21,039.58	19,308.59
(b) Trade payables	16,198.70	16,268.32
(c) Other current liabilities	48,337.21	33,112.33
(d) Short-term provisions	543.45	186.21
Sub-total - Current liabilities	86,118.94	68,875.45
TOTAL - EQUITY AND LIABILITIES	**562,690.54**	**613,809.64**
B ASSETS		
1 Non-current assets		
(a) Fixed assets	152,912.18	162,782.43
(b) Goodwill on consolidation	106,637.55	108,056.99
(c) Non-current investments	16,668.13	10,794.36
(d) Deferred tax assets (net)	36.40	22.40
(e) Long-term loans and advances	58,372.31	78,051.16
(f) Other non-current assets	222.17	198.64
Sub-total - Non -current assets	334,848.74	359,905.98
2 Current assets		
(a) Current investments	-	-
(b) Inventories	4,933.30	6,574.59
(c) Trade receivables	181,182.98	218,896.41
(d) Cash and cash equivalents	16,214.90	10,471.52
(e) Short-term loans and advances	21,895.06	16,060.06
(f) Other current assets	3,615.56	1,901.08
Sub-total - Current assets	227,841.80	253,903.66
TOTAL - ASSETS	**562,690.54**	**613,809.64**





EDUCOMP SOLUTIONS LIMITED CIN:L74999DL1994PLC061353

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

PART 1 (Rupees in lacs)

STATEMENT OF CONSOLIDATED UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED SEPTEMBER 30, 2014

S.No.	Particulars	Quarter ended Unaudited			Half Year Ended Unaudited		Year ended Audited
		September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013	March 31, 2014
1	**Income from operations**						
(a)	Net sales/income from operations	13,057.17	14,364.10	16,146.03	27,421.27	39,177.76	63,482.35
(b)	Other operating income	-	-	-	-		-
	Total Income from operations (net)	**13,057.17**	**14,364.10**	**16,146.03**	**27,421.27**	**39,177.76**	**63,482.35**
2	**Expenses**						
(a)	Purchases of stock-in-trade	660.03	1,351.71	3,520.23	2,011.74	10,287.44	11,483.12
(b)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(269.69)	(64.99)	(1,151.32)	(334.68)	(855.57)	950.25
(c)	Employee benefit expenses	6,287.73	6,207.45	7,099.76	12,495.18	14,463.37	27,177.89
(d)	Depreciation and amortisation expenses	2,414.14	2,640.41	2,773.08	5,054.55	5,354.85	10,835.16
(e)	Other expenses	7,914.73	5,373.97	6,415.73	13,288.70	12,093.28	25,655.17
(f)	Foreign exchange fluctuation (Net)	1,516.63	321.80	512.59	1,838.43	1,305.27	1,252.37
	Total expenses	**18,523.57**	**15,830.35**	**19,170.07**	**34,353.92**	**42,648.64**	**77,353.96**
3	**Loss from operations before other income, finance costs and exceptional items (1-2)**	**(5,466.40)**	**(1,466.25)**	**(3,024.04)**	**(6,932.65)**	**(3,470.88)**	**(13,871.61)**
4	Other income	2,097.98	345.77	1,052.08	2,443.75	5,846.88	8,987.34
5	**(Loss) /Profit from ordinary activities before finance costs and exceptional items (3+4)**	**(3,368.42)**	**(1,120.48)**	**(1,971.96)**	**(4,488.90)**	**2,376.00**	**(4,884.27)**
6	Finance costs	9,276.29	9,048.78	7,495.00	18,325.07	14,660.43	25,244.52
7	**(Loss) /Profit from ordinary activities after finance costs but before exceptional items (5-6)**	**(12,644.71)**	**(10,169.26)**	**(9,466.96)**	**(22,813.97)**	**(12,284.43)**	**(30,128.79)**
8	Exceptional Items/Prior period items (net) (refer note 3(b), 3(e), 4 & 5)	46,799.13	25,030.10	2.19	71,829.23	73.35	16,040.83
9	**(Loss) /Profit from ordinary activities before tax (7-8)**	**(59,443.84)**	**(35,199.36)**	**(9,469.15)**	**(94,643.20)**	**(12,357.78)**	**(46,169.62)**
10	Tax expense						
	- Current tax including for earlier years (net)	437.32	172.15	137.15	609.47	249.49	(2,692.61)
	- MAT Credit Entitlement / Reversal	(292.03)	(0.01)	(0.52)	(292.04)	(0.52)	(829.64)
	- Deferred tax (credit) / charge	91.66	(625.56)	(1,295.42)	(533.90)	(1,756.21)	(4,059.29)
11	**Net (Loss) /Profit from ordinary activities after**	**(59,680.79)**	**(34,745.94)**	**(8,310.36)**	**(94,426.73)**	**(10,850.54)**	**(38,588.08)**
12	Extraordinary Item (net of tax expense)	-	-	-		-	
13	**Net (Loss) /Profit for the period (11-12)**	**(59,680.79)**	**(34,745.94)**	**(8,310.36)**	**(94,426.73)**	**(10,850.54)**	**(38,588.08)**
14	Share of (Loss) / profit of Associates	(34.77)	(18.79)	0.42	(53.56)	(2.18)	31.32
15	Minority Share in (Loss)/profit	(2,995.17)	(379.20)	(44.08)	(3,374.37)	(184.90)	(2,543.78)
16	Pre-Acquisition Loss/(profits)	-	-	-	-	-	-
17	**Net (Loss) / Profit after taxes, minority Interest and share of profit/ (loss) of associates (13-14-15-16)**	**(56,720.39)**	**(34,385.53)**	**(8,266.70)**	**(91,105.92)**	**(10,663.46)**	**(36,075.62)**
18	Paid up Equity share capital (Face Value Rs.2/- each)	2,449.34	2,448.89	2,448.82	2,449.34	2,448.82	2,448.82
19	Reserve excluding revaluation reserves (As per Balance Sheet of previous accounting year)	-	-	-		-	220,070.52
20	**(Loss)/ Earning Per Share (EPS) (not annualized)**						
	(a) Basic	(46.32)	(28.08)	(6.75)	(74.40)	(8.71)	(29.46)
	(b) Diluted	(46.32)	(28.08)	(6.75)	(74.40)	(8.71)	(29.46)

PART II

SELECT INFORMATION FOR THE FINANCIAL RESULTS AS AT SEPTEMBER 30, 2014

A	PARTICULAR OF SHAREHOLDING						
1	**Public shareholding:**						
	. - Numbers of shares (Nos.)	67,628,923	67,606,423	67,602,823	67,628,923	67,602,823	67,602,823
	. - Percentage of shareholding	55.22%	55.21%	55.21%	55.22%	55.21%	55.21%
2	**Promoters and Promoter Group Shareholding**						
	a) Pledged / Encumbered						
	- Number of shares	47,553,645	47,553,645	28,990,855	47,553,645	28,990,855	28,990,855
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	86.72%	86.72%	52.87%	86.72%	52.87%	52.87%
	- Percentage of shares (as a % of the total share capital of the company)	38.83%	38.84%	23.68%	38.83%	23.68%	23.68%
	b) Non – encumbered						
	- Number of shares	7,284,600	7,284,600	25,847,390	7,284,600	25,847,390	25,847,390
	- Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	13.28%	13.28%	47.13%	13.28%	47.13%	47.13%
	- Percentage of shares (as a % of the total share capital of the company)	5.95%	5.95%	21.11%	5.95%	21.11%	21.11%





Consolidated Segment wise Revenue, Results and Capital Employed

(Rupees in lacs)

Particulars	Quarter ended Unaudited			Half year ended Unaudited		Year ended Audited
	September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013	March 31, 2014
Segment Revenue						
Higher Learning Solutions	375.35	312.13	505.13	687.48	829.27	1,824.11
School Learning Solutions	5,578.87	5,815.20	4,635.15	11,394.07	13,530.39	21,458.42
K-12 Schools	1,702.81	2,415.23	3,398.82	4,118.04	7,215.00	9,508.46
Online Supplemental and Global	5,400.14	5,821.54	7,606.93	11,221.68	17,603.10	30,691.36
Total Net Sales/ Income from Operations	**13,057.17**	**14,364.10**	**16,146.03**	**27,421.27**	**39,177.76**	**63,482.35**
Segment Results ((Loss)/Profit before Interest and tax from each segments)						
Higher Learning Solutions#	(11,053.22)	(16.91)	(185.46)	(11,070.13)	(525.75)	(231.57)
School Learning Solutions#	(29,570.03)	(25,675.21)	(3,247.43)	(55,245.24)	(3,119.30)	(17,032.39)
K-12 Schools#	(8,304.27)	846.70	2,208.12	(7,457.57)	4,643.59	2,898.47
Online Supplemental & Global	(1,431.57)	(249.07)	90.68	(1,680.64)	(310.58)	(418.96)
	(50,359.09)	**(25,094.49)**	**(1,134.09)**	**(75,453.58)**	**687.96**	**(14,784.45)**
Less : Interest (Net)	9,276.29	9,048.78	7,495.00	18,325.07	14,660.43	25,244.52
: Other un-allocable expenses	1,906.44	1,401.86	1,892.14	3,308.30	4,232.19	15,127.99
Add : Un-allocable Income	2,097.98	345.77	1,052.08	2,443.75	5,846.88	8,987.34
Total (Loss)/Profit before Tax	**(59,443.84)**	**(35,199.36)**	**(9,469.15)**	**(94,643.20)**	**(12,357.78)**	**(46,169.62)**
Capital Employed (including minorty interest)						
(Segment Assets- Segment Liabilities)						
Higher Learning Solutions	29,378.43	41,187.55	40,943.75	29,378.43	40,943.75	40,674.90
School Learning Solutions	156,202.51	179,907.09	140,340.11	156,202.51	140,340.11	190,731.44
K-12 Schools	185,793.29	196,095.74	212,612.00	185,793.29	212,612.00	197,751.15
Online Supplemental and Global	(3,207.44)	395.15	4,770.17	(3,207.44)	4,770.17	6,881.63
Unallocated	(217,158.55)	(205,207.40)	(120,804.15)	(217,158.55)	(120,804.15)	(188,895.30)
Total	**151,008.24**	**212,378.13**	**277,861.88**	**151,008.24**	**277,861.88**	**247,143.82**

including impact of exceptional items as refer to note no. 3(b), 3(e), 4 & 5 to the unaudited consolidated financial results.





Notes to the unaudited consolidated financial results for the quarter and half year ended September 30, 2014

1. The above unaudited consolidated financial results for the quarter and half year ended September 30, 2014 have been reviewed by the Audit Committee and on the recommendation of the audit committee adopted and approved by the Board of Directors at their meeting held on November 14, 2014.

2. **The auditors have qualified their limited review report on the unaudited consolidated financial results of the Company for the quarter and half year ended September 30, 2014 and for the quarter ended June 30, 2014 and audit report for the year ended March 31, 2014 was also qualified in respect of the following matter:**

   As per the terms of Master Restructuring Agreement and approved Corporate Debt Restructuring scheme of Educomp Infrastructure and School Management Limited, a subsidiary Company (EISML), there are certain assets amounting Rs. 14,243 lacs (at cost) which have been identified for sale in a time bound manner. The lead bank carried out a valuation of these assets which are indicative in nature. Market valuations have not been carried out by EISML as some of these assets are not ready for sale due to pending regulatory approvals/permissions.

   Based on recent firm offers and latest valuation reports, the Management believes that the market value of these investments is higher than as considered under the indicative valuation reports and differences, if any, are temporary only. Therefore, no adjustment is required to the carrying value of these investments.

3. **The auditors have drawn attention in their limited review report on the unaudited consolidated financial results of the Company in respect of the following matters:**

   a) Due to inadequacy of the profits during the current quarter and half year ended September 30, 2014, managerial remuneration paid/recorded, by the Company to one of its Whole Time Director and by one of its subsidiary Educomp Infrastructure and School Management Limited (EISML) to its whole-time director during the quarter and half year ended September 30, 2014, is in excess of limits prescribed under Section 197 and Section 198 read with schedule V to the Companies Act, 2013.

      Further, due to inadequacy of the profits in the previous financial year, managerial remuneration paid, by the Company to one of its Whole Time Director and by one of its subsidiary Educomp Infrastructure and School Management Limited (EISML) to its whole-time director/ Managing Directors during financial year ended March 31, 2014, was in excess of limits prescribed under Section 198, Section 269, Section 309 read with Schedule XIII of the Companies Act, 1956.

      The Management of the Company and EISML are in the process of making necessary applications to the Central Government to obtain its approval for the waiver/approval of the remuneration so paid, in due course.





b) **Exceptional item**

The Company as part of its regular recoverability evaluation process has evaluated its long outstanding trade receivables including dues from Government companies/agencies. Required provision for possible non recovery has been made for doubtful receivables and the balance receivables including dues which more than one year are fully recoverable.

The Management has recorded a provision of Rs. 27,195 lacs for doubtful trade receivables during the quarter ended September 30, 2014. The overall provision for doubtful trade receivables as at September 30, 2014 stands at Rs. 64,603 lacs.

The Management is continuously monitoring the recoverability of these trade receivables and is regularly following up with them. Based on the present evaluation of the Management, the provision recorded in the books of accounts is reasonable having regard to the anticipated losses on account of non-recovery of trade receivables.

c) Due to longer than expected gestation period of schools, recoverability of trade receivables amounting to Rs. 22,889 lacs from trusts, due to the subsidiary Company EISML has been slow. The Management of the EISML, is regularly monitoring the growth in schools and their future projections, based on which, the Management believes that the trade receivables from the trusts are fully recoverable.

d) During the year ended March 31, 2014, the Company had assessed the business projections of its 2 subsidiaries, Educomp Online Supplemental Services Limited and Educomp Child Care Private Limited and its associate - Greycells18 Media Limited, for evaluating the recoverability of Group's share of net assets of Rs. 8,381.93 lacs and concluded that their business is sustainable on a going concern basis. The Company evaluated the recoverability of its share of net assets held through these Companies, using business valuations performed by independent experts. The said evaluation is based on the long term business plans of its subsidiaries/associate and concluded that no adjustments to the carrying value of its share in net assets is required to be recorded in the unaudited consolidated financial results of the Company for the quarter and half year ended September 30, 2014.

e) **Exceptional item**

During earlier years, EISML, a subsidiary of Company had given capital advances amounting Rs 25,329 lacs to various parties for acquisition of fixed assets. The Management of EISML as part of its regular recoverability evaluation process had identified certain portions of capital advances which were doubtful of recovery or did not have recoverable value equivalent to the book value. Accordingly, on a prudent basis in earlier years, the Management had recorded a total provision of Rs. 18,736 lacs in the books of account towards such capital advances or portions thereof, which were doubtful of recovery out of which Rs. 5,189 Lacs have been provided during the quarter ended September 30, 2014.

The Management is continuously monitoring the settlement of these balances and is regularly following up with respective parties for recovery of the said capital advances. The Management believes that other capital advances, which have not been provided for, although have been long outstanding but are fully recoverable and hence, existing provision recorded in books is sufficient to cover any possible future losses on account of non recovery of such capital advances.

f) The Company has evaluated the recoverability of intangible assets in the form of Brand "Universal" in one of its subsidiary, by using valuations performed by an independent valuation expert. The said evaluation is based on long term business plans and underlying assumptions used for the purpose of valuation, which in view of the Management are realistic and achievable by the subsidiary. Accordingly, the Management has concluded that no adjustments to the carrying value of the intangible assets aggregating to Rs. 9,268 lacs is required to be recorded in the unaudited consolidated financial results for the quarter and half year ended September 30, 2014.

g) During the period, the Company has reviewed business plan of its joint venture, Educomp Raffles Higher Education Limited which has advanced loans amounting Rs. 5,089.55 lacs to Jai Radha Raman Education Society (Society) and its subsidiary Millennium Infra Developers Limited which has trade receivables of Rs. 6,449.77 lacs from the same society under contractual obligations. The Company has also considered the business plan of the society and estimated market value of its net assets, based on which no adjustment is required in carrying value of its share of net assets in such joint venture. The Group's holding in the joint venture is 41.82%.

h) One Company falls under the definition of "subsidiary" as per the Companies Act, 2013 by virtue of the subsidiary's investment in the convertible preference shares of that Company. However, in conformity with definition of 'Subsidiary' in Accounting Standard - 21 on "Consolidated Financial Statements", the financial results of the same has not been included in the unaudited consolidated financial results for the quarter and half year ended September 30, 2014.

4. **Exceptional item:**

Subsequent to the half year end, EISML, a subsidiary of the Company has entered into an agreement to sell one of its land at Dasna, Ghaziabad which was held for sale as at September 30, 2014. The book value of the land parcel is Rs 4,580.83 lacs and the price under agreement to sell is Rs 1,330 lacs. Accordingly, on a prudent basis, the expected loss on the sale of the said land parcel amounting Rs 3,250.83 lacs has been recorded in the unaudited consolidated financial results for the quarter and half year ended September 30, 2014.

5. **Exceptional item:**

During earlier years, Educomp Professional Education Limited (EPEL), a subsidiary of Company had given capital advances amounting Rs 22,378 lacs to various parties for acquisition of fixed assets. The Management of EPEL as part of its regular recoverability evaluation process had identified certain portions of capital advances which were doubtful of recovery or did not have recoverable value equivalent to the book value. Accordingly, during quarter ended September 30, 2014, on a prudent basis, the management has recorded a provision of Rs.11,050 lacs in the books of account towards such doubtful capital advances or portions thereof, which are doubtful of recovery.

The management is continuously monitoring the settlement of these balances and is regularly following up with respective parties for recovery of the said capital advances. The management believes that other capital advances, which have not been provided for, although have been long outstanding but are fully recoverable and hence, the existing provision recorded in books is sufficient to cover any possible future losses on account of non recovery of such capital advances.

6. a) Consolidation of unaudited financial results has been done in accordance with the Accounting Standard-21 "Consolidated 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 read with Rule 7 of Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013.

b) The unaudited consolidated financial results have been prepared to comply with the Accounting Standards referred to in the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013.





c) The segment wise revenue, results and capital employed have been prepared in accordance with the Accounting Standard-17 "Segment Reporting" as notified in the Companies (Accounting Standards) Rules 2006 read with Rule 7 of Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013.

d) 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 read with Rule 7 of Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013.

7. During the quarter, post fulfillment of necessary conditions precedents, the Company has recorded the sale of its entire 55.41% shareholding in Gateforum Educational Services Private Limited held through Educomp Online Supplemental Services Limited for a consideration of Rs. 3,500 Lacs. The said entity was sold to ASK Pravi Private Equity Opportunities Fund (**"Ask Pravi"**) acting through its trustee IL & FS Trust Company Limited.

8. a) Effective April 1, 2014, the Company has revised the useful life of fixed assets in accordance with schedule II to the Companies Act, 2013 for the purposes of providing depreciation on fixed assets, except for buildings which continue to be depreciated at rates prevailing in the previous financial year. In case of buildings, the Company has decided to carry out a technical assessment of building for identification of components with different useful lives, as required by schedule II to the Companies Act, 2013, which shall be completed in due course. The impact on the depreciation, if any after completion of the technical assessment shall be taken in the period, in which this exercise is completed..

b) The carrying amount of the assets (except buildings) as on April 1, 2014 has been depreciated over the remaining revised useful life of the fixed assets. Consequently, the depreciation for the half year ended September 30, 2014 is higher and the loss before tax is higher to the extent of Rs. 500.15 lacs. Further, an amount of Rs. 526.99 lacs (net of taxes) representing the carrying amount of the assets with revised useful life as nil, has been adjusted from the opening reserves as on April 1, 2014 pursuant to the Companies Act, 2013.

9. During the quarter ended on September 30, 2014, the Company has not granted any stock options under any Employee Stock Option Schemes of the Company.

During the quarter ended on September 30, 2014, the Company has allotted 22,500 equity Shares of face value of Rs. 2 each at a premium of Rs. 23 per share pursuant to exercise of Stock Options by eligible employees of the company under ESOP Scheme 2006.

Paid up Capital of the Company as on date is Rs. 244,934,336 consisting of 122,467,168 Equity Shares of the face value of Rs. 2 each.

10. In respect of 350, 13.50% Secured Redeemable Non Convertible Debentures of Rs. 10,00,000 each aggregating Rs. 3,500 lacs, the Company has created partial security on the assets of the Company and is taking necessary steps to create security in respect of these debentures.

11. The unaudited standalone and consolidated financial results of the Company for the quarter and half ended on September 30, 2014 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).

HARIBHAKTI & CO. LLP NEW DELHI CHARTERED ACCOUNTANTS

EDUCOMP SOLUTIONS LIMITED NEW DELHI

12. Previous period/year figures have been regrouped and rearranged, wherever considered necessary to conform to the classification in current year.

By order of the Board of Directors

For Educomp Solutions Limited

Shantanu Prakash
(Managing Director)
Din No:- 00983057
Address:-C-11/1, DLF CITY,
PHASE-1, GURGAON-122002

Place: Gurgaon
Date: November 14, 2014

Consolidated Limited Review Report

Review Report to
The Board of Directors
Educomp Solutions Limited

1. We have reviewed the accompanying statement of unaudited consolidated financial results of Educomp Solutions Limited ('the Company'), its subsidiaries and associate (collectively referred to as 'the Group') for the quarter and six months ended September 30, 2014 except for the disclosures in Part II with respect to 'Particulars of Shareholding' and 'Investor Complaints' which have been traced from the details furnished by the Management. 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.

2. 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 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.

3. Financial results includes figures in respect of 3 subsidiary companies (including step down subsidiaries), a joint venture and an associate, which are as presented by the management and have not been subject to limited review. Aggregate amount of revenue of these subsidiary companies (including step down subsidiaries) and the joint venture is Rs. 415.85 lacs for the quarter and Rs. 618.79 lacs for the six months ended on September 30, 2014 respectively and total assets is Rs. 6,927.66 lacs and Rs. 14,807.35 lacs respectively as at September 30, 2014, (before adjusting minority interest) and Group's share of loss in the associate company is Rs. 34.77 lacs and Rs. 53.56 lacs for the quarter and six months ended on September 30, 2014 respectively.

   We have not reviewed the financial statements of these subsidiaries, joint venture and associate and have relied on unaudited financial statements approved by such management.

   In respect of unaudited quarterly and six months consolidated financial results, we did not review the statement of unaudited financial results of 43 subsidiaries, whose unaudited quarterly financial results reflect total revenue of Rs. 6,408.59 lacs and Rs. 13,341.40 lacs for the quarter and six months ended September 30, 2014 respectively and total assets of

Rs. 1,60,518.01 lacs as at September 30, 2014. The financial information for these subsidiaries have been reviewed by the other auditors whose reports have been furnished to us, and our opinion on the quarterly and half yearly unaudited consolidated financial results is based solely on the reports of the other auditors.

Our report is not qualified in respect of this matter.

4. *QUALIFICATION*

Our audit report on the consolidated financial statements for the year ended March 31, 2014 and our limited review report on the unaudited consolidated financial results for the quarter ended June 30, 2014 was qualified in respect of the matter stated below:

As per the terms of Master Restructuring Agreement (MRA) dated December 28, 2013 entered into pursuant to approved Corporate Debt Restructuring Scheme to restructure debt of Educomp Infrastructure and School Management Limited (EISML), a subsidiary of the Company, certain tangible fixed assets of EISML's subsidiaries have been identified for sale in a time bound manner. As per the valuation of such tangible assets as evaluated and disclosed in the approved Corporate Debt Restructuring Package, some of these assets are expected to have lower realizable value than their carrying values. Such tangible assets are included in the tangible assets in the consolidated financial statements. The Management has not carried out any evaluation of impairment of these assets on the Balance Sheet date and no provision for impairment has been recorded, as required by Accounting Standard 28 'Impairment of Assets.'

As we are unable to obtain sufficient appropriate audit evidence about the extent of recoverability of carrying value of these assets, we are unable to determine whether any adjustments to these amounts are necessary.

This qualification has not been addressed by the management of the Company in the unaudited consolidated financial results for the quarter ended September 30, 2014.

5. Based on our review conducted as above, *subject to the effects of our observation given in para 4 above, the consequential effects, if any, of which is not ascertainable,* 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, as specified under Section 133 of the Companies Act, 2013 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.

6. We draw attention to the following matters:

   a. Note 3(a) to the statement of unaudited consolidated financial results regarding managerial remuneration paid to one of the whole time directors of the Company and one of its subsidiary company, Educomp Infrastructure and School Management Limited during the current and previous financial year, in non-compliance with the requirements of section 197 and section 198 read with schedule V to the Companies Act, 2013 and Section 198, Section 269 and Section 309 read with Schedule XIII to the Companies Act, 1956 respectively, for which Central Government's approval has not been obtained.

   b. Note 3(b) to the statement of unaudited consolidated financial results wherein the Management of the Company has considered its long outstanding Trade Receivables including dues from Government Companies/Agencies, which are due for more than one year as good and full recoverable.

   c. Note 3(c) to the statement of unaudited consolidated financial results wherein a subsidiary company, Educomp Infrastructure and School Management Limited has considered its long outstanding Trade Receivables due from certain Trusts which are due for more than one year, as good and fully recoverable.

   d. Note 3(d) to the statement of unaudited consolidated financial results with respect to Management's assessment of recoverability of Group's share of net assets as regards investment in 2 of its subsidiary companies namely, Educomp Online Supplemental Service Limited and Educomp Child Care Private Limited and in one of its associate, Greycells18 Media Limited.

   e. Note 3(e) to the statement of unaudited consolidated financial results, which explains Management's view on recoverability of certain significant amount of capital advances given by the Group and which have been outstanding for a long period of time.

   f. Note 3(f) to the statement of unaudited consolidated financial results, with respect to Management's assessment, based on valuation performed by an independent expert, of recoverability of intangible assets in form of brand 'Universal' in one of its step down subsidiary named Educomp APAC Services Limited. The recoverability of the intangible assets is significantly dependent on the step down subsidiary's ability to achieve long term futuristic growth plan envisaged in the related assumptions used for the purpose of valuation.

   g. Note 3(g) to the statement of unaudited consolidated financial results, which explains Management's view on recoverability of, certain loans advanced to Jai Radha Raman Education Society (the society) by Educomp Raffles Higher Education Limited, a joint venture (JV), and trade receivables due to JV's subsidiary Millennium Infra Developers Limited from the society under contractual obligations.

Continuation Sheet

h. Note 3(h) to the statement of unaudited consolidated financial results, regarding non-consolidation of financial results of one Company.

Our report is not qualified in respect of these matters.

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

Raj Kumar Agarwal
Partner
Membership No.: 074715

Place: Gurgaon
Date: November 14, 2014

EDUCOMP SOLUTIONS LIMITED CIN:L74899DL1994PLC061353

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

Standalone Statement of Assets & Liabilites

(Rupees in Lacs)

Particulars	As at 30-09-14 Unaudited	As at 31-03-14 Audited
A EQUITY AND LIABILITIES		
1 Shareholders' funds		
(a) Share Capital	2,449.34	2,448.82
(c) Reserves and Surplus	94,934.23	165,203.93
(c) Money received against share warrants	-	-
Sub-total-Shareholder's funds	97,383.57	167,652.75
2 Share application money pending allotment	-	-
3 Non-current liabilities		
(a) Long-term borrowings	210,316.09	173,155.83
(b) Trade payables	-	240.37
(c) Deferred tax liabilities (net)	-	-
(d) Other long term liabilities	888.25	1,049.74
(e) Long-term provisions	733.21	719.02
Sub-total - Non-current liabilities	211,937.55	175,164.96
4 Current liabilities		
(a) Short-term borrowings	20,390.74	19,658.26
(b) Trade payables	15,150.84	15,651.56
(c) Other current liabilities	19,306.62	20,607.68
(d) Short-term provisions	218.53	133.51
Sub-total - Current liabilities	55,066.73	56,051.01
TOTAL - EQUITY AND LIABILITIES	**364,387.85**	**398,868.72**
B ASSETS		
1 Non-current assets		
(a) Fixed assets	9,197.65	11,410.74
(b) Non-current investments	169,383.88	169,383.88
(c) Deferred tax assets (net)	-	-
(d) Long-term loans and advances	6,951.08	7,405.22
(e) Other non-current assets	198.83	175.99
Sub-total - Non - current assets	185,731.44	188,375.83
2 Current assets		
(a) Current investments	-	-
(b) Inventories	4,077.86	5,662.79
(c) Trade receivables	153,597.97	184,683.11
(d) Cash and cash equivalents	3,290.04	1,891.94
(e) Short-term loans and advances	16,921.60	18,017.92
(f) Other current assets	768.94	237.13
Sub-total - Current assets	178,656.41	210,492.89
TOTAL - ASSETS	**364,387.85**	**398,868.72**

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CIN:L74999DL1994PLC061353

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 SEPTEMBER 30, 2014

S.NO	Particulars	Quarter ended (Unaudited)			Half Year Ended (Unaudited)		Year ended (Audited)
		September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013	March 31, 2014
1	**Income from operations**						
(a)	Net sales/income from operations	5,807.24	5,973.81	6,017.53	11,781.05	19,504.36	28,229.46
(b)	Other operating income	-	-	-			-
	Total Income from operations (net)	**5,807.24**	**5,973.81**	**6,017.53**	**11,781.05**	**19,504.36**	**28,229.46**
2	**Expenses**						
(a)	Purchases of stock-in-trade	489.49	1,014.25	3,148.73	1,503.74	9,668.68	10,769.24
(b)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(50.67)	(155.72)	(1,045.48)	(206.39)	(756.05)	996.52
(c)	Employee benefit expenses	3,232.96	3,286.64	3,728.01	6,519.60	7,956.89	14,241.67
(d)	Depreciation and amortisation expenses	1,273.70	1,302.91	1,398.80	2,576.61	2,747.65	5,408.15
(e)	Other expenses	4,187.59	2,075.17	1,448.78	6,262.76	2,613.23	6,014.20
(f)	Provision for doubtful trade receivables/advances	297.07	-	1,711.63	297.07	2,849.80	4,654.32
(g)	Foreign exchange fluctuation (Net)	568.39	323.18	795.63	891.57	1,665.15	1,957.60
	Total Expenses	**9,998.53**	**7,846.43**	**11,186.10**	**17,844.96**	**26,745.35**	**44,041.70**
3	**Loss from operations before other income , finance costs and exceptional items (1-2)**	**(4,191.29)**	**(1,872.62)**	**(5,168.57)**	**(6,063.91)**	**(7,240.99)**	**(15,812.24)**
4	Other income	559.14	87.15	344.61	646.29	680.78	3,488.17
5	**Loss from ordinary activities before finance costs and exceptional items (3+4)**	**(3,632.15)**	**(1,785.47)**	**(4,823.96)**	**(5,417.62)**	**(6,560.21)**	**(12,324.07)**
6	Finance costs	5,848.39	5,720.34	3,850.81	11,568.73	7,552.33	13,816.76
7	**Loss from ordinary activities after finance costs but before exceptional items (5-6)**	**(9,480.54)**	**(7,505.81)**	**(8,674.77)**	**(16,986.35)**	**(14,112.54)**	**(26,140.83)**
8	Exceptional Items/Prior period items (refer note 2(b))	27,211.88	25,021.68	-	52,233.56	52.08	7,052.08
9	**(Loss) /Profit from ordinary activities before tax (7-8)**	**(36,692.42)**	**(32,527.49)**	**(8,674.77)**	**(69,219.91)**	**(14,164.62)**	**(33,192.91)**
10	Tax Expense						
	- Current tax including for earlier years (net)	-	-	-	-	-	(3,286.04)
	- MAT Credit Entitlement / Reversal	-	-	-	-	-	-
	- Deferred tax (credit) / charge	-	-	(893.89)	-	(1,132.61)	1,316.15
11	**Net Loss from Ordinary activities after tax (9-10)**	**(36,692.42)**	**(32,527.49)**	**(7,780.88)**	**(69,219.91)**	**(13,032.01)**	**(31,223.02)**
12	Extraordinary Item (net of tax expense)	-	-	-		-	
13	**Net Loss for the period (11-12)**	**(36,692.42)**	**(32,527.49)**	**(7,780.88)**	**(69,219.91)**	**(13,032.01)**	**(31,223.02)**
14	Paid up Equity share capital (Face Value Rs.2/- each)	2,449.34	2,448.89	2,448.82	2,449.34	2,448.82	2,448.82
15	Reserve excluding revaluation reserves	-	-	-	-		165,203.93
16	**(Loss)/ Earning Per Share (EPS) (not annualized)**						
	(a) Basic	(29.96)	(26.57)	(6.35)	(56.53)	(10.64)	(25.50)
	(b) Diluted	(29.96)	(26.57)	(6.35)	(56.53)	(10.64)	(25.50)
17	Debt Equity Ratio	-	-	-	2.43	0.70	1.18
18	Debt Service Coverage Ratio	-	-	-	(0.34)	(0.21)	(0.52)
19	Interest Service Coverage Ratio	-	-	-	(0.52)	(0.59)	(0.81)

PART II

SELECT INFORMATION FOR THE FINANCIAL RESULTS AS AT SEPTEMBER 30, 2014

A	**PARTICULAR OF SHAREHOLDING**						
1	**Public shareholding:**						
	. - Numbers of shares (Nos.)	67,628,923	67,606,423	67,602,823	67,628,923	67,602,823	67,602,823
	. - Percentage of shareholding	55.22%	55.21%	55.21%	55.22%	55.21%	55.21%
2	**Promoters and Promoter Group Shareholding**						
	a) Pledged / Encumbered						
	- Number of shares	47,553,645	47,553,645	28,990,855	47,553,645	28,990,855	28,990,855
	Percentage of shares (as a % of the total shareholding of promoter and promoter group)	86.72%	86.72%	52.87%	86.72%	52.87%	52.87%
	Percentage of shares (as a % of the total share capital of the company)	38.83%	38.84%	23.68%	38.83%	23.68%	23.68%
	b) Non – encumbered						
	- Number of shares	7,284,600	7,284,600	25,847,390	7,284,600	25,847,390	25,847,390
	-Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	13.28%	13.28%	47.13%	13.28%	47.13%	47.13%
	Percentage of shares (as a % of the total share capital of the company)	5.95%	5.95%	21.11%	5.95%	21.11%	21.11%

	PARTICULARS	3 MONTHS ENDED SEPTEMBER 30, 2014
B	INVESTORS COMPLAINTS	
	Pending at the beginning of the quarter	1
	Received during the quarter	1
	Disposed of during the quarter	2
	Remaining unresolved at the end of the Quarter	-

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Standalone Segment wise Revenue, Results and Capital Employed

(Rupees in lacs)

Particulars	Quarter ended Unaudited			Half year ended Unaudited		Year ended Audited
	September 30, 2014	June 30, 2014	September 30, 2013	September 30, 2014	September 30, 2013	March 31, 2014
Segment Revenue						
Higher Learning Solutions	143.25	135.86	80.75	279.11	161.50	762.71
School Learning Solutions	5,578.87	5,815.20	4,395.79	11,394.07	13,033.98	20,335.98
K-12 Schools	-	-	37.30	-	69.51	70.76
Online Supplemental & Global	85.12	22.75	1,503.69	107.87	6,239.37	7,060.01
Total Net Sales/ Income from Operations	**5,807.24**	**5,973.81**	**6,017.53**	**11,781.05**	**19,504.36**	**28,229.46**
Segment Results ((Loss)/Profit before Interest and tax from each segments)						
Higher Learning Solutions	103.86	106.88	3.12	210.74	(29.45)	387.34
School Learning Solutions#	(29,570.67)	(25,600.13)	(3,282.81)	(55,170.80)	(3,156.33)	(16,986.26)
K-12 Schools	-	-	28.29	-	59.66	32.73
Online Supplemental & Global	(21.50)	(7.62)	(27.22)	(29.12)	43.98	(158.88)
	(29,488.31)	**(25,500.87)**	**(3,278.62)**	**(54,989.18)**	**(3,082.14)**	**(16,725.07)**
Less : Interest (Net)	5,848.39	5,720.34	3,850.81	11,568.73	7,552.33	13,816.76
: Other un-allocable expenses	1,914.86	1,393.43	1,889.95	3,308.29	4,210.93	6,139.25
Add : Un-allocable Income	559.14	87.15	344.61	646.29	680.78	3,488.17
Total (Loss)/Profit before Tax	**(36,692.42)**	**(32,527.49)**	**(8,674.77)**	**(69,219.91)**	**(14,164.62)**	**(33,192.91)**
Capital Employed						
(Segment Assets- Segment Liabilities)						
Higher Learning Solutions	(769.34)	(945.46)	(1,251.38)	(769.34)	(1,251.38)	(887.18)
School Learning Solutions	154,751.48	178,501.41	138,793.96	154,751.48	138,793.96	189,260.65
K-12 Schools	333.28	(948.58)	(1,780.68)	333.28	(1,780.68)	(1,503.19)
Online Supplemental & Global	(3,000.63)	(3,778.49)	(4,421.36)	(3,000.63)	(4,421.36)	(3,745.77)
Unallocated	(53,931.23)	(37,874.53)	52,463.50	(53,931.23)	52,463.50	(15,471.76)
Total	**97,383.56**	**134,954.35**	**183,804.04**	**97,383.56**	**183,804.04**	**167,652.75**

including impact of exceptional items as refer to note no. 2(b) to the unaudited standalone financial results.

EDUCOMP SOLUTIONS LIMITED NEW DELHI

HARIBHAKTI & CO. LLP CHARTERED ACCOUNTANTS NEW DELHI

Notes to the unaudited standalone financial results for the quarter and half ended September 30, 2014

1. The above unaudited standalone financial results for the quarter and half year ended September 30, 2014 have been reviewed by the Audit Committee and on the recommendation of the audit committee adopted and approved by the Board of Directors at their meeting held on November 14, 2014.

2. The auditors have drawn attention in their limited review report on the unaudited standalone financial results of the Company for the quarter and half year ended September 30, 2014 and for the quarter ended June 30, 2014 and in their audit report on the financial statements of the Company for the year ended March 31, 2014 in respect of the following matters:

   a) Due to inadequacy of the profits, managerial remuneration paid, by the Company to one of its Whole Time Director during the quarter and half year ended September 30, 2014, is in excess of limits prescribed under Section 197 and 198 read with schedule V to the Companies Act 2013.

   Similarly, the managerial remuneration paid in the financial year ended March 31, 2014 to one of its Whole Time Director was also in excess of limits prescribed under Section 198, 269 and 309 read with Schedule XIII of the Companies Act, 1956.

   The management of the Company is in the process of making necessary applications to the Central Government to obtain its approval for the waiver/approval of the remuneration so paid, in due course.

   b) **Exceptional item**

   The Company as part of its regular recoverability evaluation process has evaluated its long outstanding trade receivables including dues from Government companies/agencies. Required provision for possible non recovery has been made for doubtful receivables and the balance receivables including dues which are outstanding for a period more than one year are fully recoverable.

   The Company has recorded a provision of Rs. 27,195.80 lacs for doubtful trade receivables during the quarter ended September 30, 2014. The overall provision for doubtful trade receivables as at September 30, 2014 stands at Rs. 64,603.48 lacs.

   The Management is continuously monitoring the recoverability of its trade receivables which have been classified as good for recovery and is regularly following up with them. Based on the present evaluation of the Management, the provision recorded in the books of accounts is reasonable having regard to the anticipated losses on account of non-recovery of trade receivables.

   c) During the last year, the Company assessed the business projections of its 2 subsidiaries, Educomp Online Supplemental Services Limited and Educomp Child Care Private Limited and one of its associates Greycells18 Media Limited, having a total investment of Rs. 8,381 lacs and concluded that their business is sustainable on a going concern basis. The Company evaluated the recoverability of its investments, using business valuations performed by independent experts, according to which the decline in the value of these long term investments has been considered to be temporary. The said evaluation is based on the long term business plans of its subsidiaries/associates and concluded that no adjustments to the carrying value of its long term investments is required to be recorded in these unaudited standalone financial results of the Company for the quarter and half year ended September 30, 2014.





3. a) Effective April 1, 2014, the Company has revised the useful life of fixed assets in accordance with schedule II to the Companies Act, 2013 for the purposes of providing depreciation on fixed assets, except for buildings which continue to be depreciated at rates prevailing in the previous financial year. In case of buildings, the Company has decided to carry out a technical assessment of building for identification of components with different useful lives, as required by schedule II to the Companies Act, 2013, which shall be completed in due course. The impact on the depreciation, if any after completion of the technical assessment shall be taken in the period, in which this exercise is completed.

   b) The carrying amount of the assets (except buildings) as on April 1, 2014 has been depreciated over the remaining revised useful life of the fixed assets as per schedule II to Companies Act 2013. Consequently, the depreciation for the half year ended September 30, 2014 is higher and the loss before tax is higher to the extent of Rs 220.25 lacs. Further, an amount of Rs. 465 lacs representing the carrying amount of the assets having revised useful life as nil as at April 1, 2014, has been adjusted from the opening reserves as on April 1, 2014 pursuant to the Companies Act, 2013.

4. During the quarter ended on September 30, 2014, the Company has not granted any stock options under any Employee Stock Option Schemes of the Company.

   During the quarter ended on September 30, 2014, the Company has allotted 22,500 equity Shares of face value of Rs. 2 each at a premium of Rs. 23 per share pursuant to exercise of Stock Options by eligible employees of the Company under ESOP Scheme 2006.

   Paid up capital of the Company as on date is Rs. 244,934,336 which consists of 122,467,168 Equity Shares of the face value of Rs. 2 each.

5. In respect of 350, 13.50% Secured Redeemable Non Convertible Debentures of Rs. 10,00,000 each aggregating Rs. 3,500 lacs, the Company has created partial security on the assets of the Company and is taking necessary steps to create security in respect of these debentures.

6. The segment wise revenue, results and capital employed have been prepared in accordance with the Accounting Standard -17 "Segment Reporting" as notified in the Companies (Accounting Standards) Rules 2006 read with Rule 7 of Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013.

7. The basic and diluted earnings per share has been calculated in accordance with the Accounting Standard-20 "Earning Per Share" as notified in the Companies (Accounting Standards) Rules 2006 read with Rule 7 of Companies (Accounts) Rules, 2014 in respect of Section 133 of the Companies Act, 2013.

8. The unaudited standalone financial results of the Company for the quarter and half year ended on September 30, 2014 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).

9. The ratios given at serial no. 17, 18 & 19 above have been computed as below:

   a) Interest service coverage ratio = Earnings before interest, exceptional item, tax and depreciation/ Finance cost
   b) Debt equity ratio = Debt fund / net worth
      Debt fund includes long term borrowings+ short term borrowings + current maturities of long term borrowings
   c) Debt service coverage ratio : Earnings before interest, exceptional items, tax and depreciation/ (Finance cost + Principal repayment of term loan)





10. Previous period/year figures have been regrouped and rearranged, wherever considered necessary to conform to the classification in current year.

By order of the Board of Directors

For Educomp Solutions Limited

Shantanu Prakash
(Managing Director)
Din No:- 00983057
Address:-C-11/1, DLF CITY,
PHASE-1, GURGAON-122002

Place: Gurgaon
Date: November 14, 2014

HARIBHAKTI & CO. LLP
NEW DELHI
CHARTERED ACCOUNTANTS

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, 2014 except for the disclosures in Part II with respect to 'Particulars of Shareholding' and 'Investor Complaints' which have been traced from the details furnished by the Management. 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.

2. 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 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.

3. Based on our review conducted as above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited standalone financial results prepared in accordance with applicable accounting standards, as specified under Section 133 of the Companies Act, 2013 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 for equity and Clause 29 of the Listing Agreement for debt securities including the manner in which it is to be disclosed, or that it contains any material misstatement.



4. We draw attention on following matters:

a) Note 2(a) to the statement of unaudited standalone financial results regarding managerial remuneration paid to one of the whole time director of the Company during the quarter and half year ended September 30, 2014 and previous financial year, in non-compliance with the requirements of Section 197 and Section 198 read with schedule V to the Companies Act, 2013 and Section 198 and Section 269 read with Schedule XIII to the Companies Act, 1956 respectively, for which Central Government's approval has not been obtained.

b) Note 2(b) to the statement of unaudited standalone financial results wherein the Management of the Company has considered its long outstanding Trade Receivables including dues from Government Companies/Agencies, which are due for more than one year as good and full recoverable.

c) Note 2(c) to the statement of unaudited standalone financial results with respect to Management's assessment of recoverability of investment in 2 of its subsidiary companies namely, Educomp Online Supplemental Service Limited and Educomp Child Care Private Limited and in one of its associate, Greycells18 Media Limited.

Our report is not qualified in respect of these matters.

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

Raj Kumar Agarwal
Partner
Membership No.: 074715

HARIBHAKTI & CO. LLP NEW DELHI CHARTERED ACCOUNTANTS

Place: Gurgaon
Date : November 14, 2014