

July 8, 2013

Corporate Services Department
The Bombay Stock Exchange Ltd
Rotunda Building, I Floor
Samachar Marg
Mumbai – 1

Listing Department
National Stock Exchange of India Limited
Exchange Plaza , Bandra Kurla Complex,
Mumbai-51

Dear Sir/Madam,

Sub: - Corporate Debt Restructuring (CDR) through CDR Mechanism

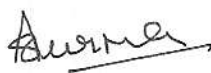
This is to inform you that company has initiated the process of Corporate Debt Restructuring (CDR) through CDR Mechanism envisaged under the Reserve Bank of India (RBI) guidelines and has made reference to the Corporate Debt Restructuring Cell (CDR Cell) through State Bank of Patiala.

Please find enclosed copy of the press release in this regard.

This is for your information and record.

Thanking you

For Educomp Solutions Ltd



Anil Sharma
Company Secretary



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FOR IMMEDIATE RELEASE

Educomp plans long term debt restructuring

Gurgaon, India, July 8, 2013 – Educomp Solutions Ltd. ('Educomp' or the 'Company'). India's leading education company, has initiated discussions with its lenders and has approached Corporate Debt Restructuring (CDR) forum to restructure its rupee debt to correct the asset liability mismatch on its Balance Sheet. The Company has also approached CDR forum for restructuring of debt in its K-12 business (2nd major business, operated through its Subsidiary – Educomp Infrastructure and School Management Limited). The debt-restructuring exercise will enable the Company to comprehensively address the liquidity issues by matching the maturity profile of debt with the relatively long-term nature of its investments. The restructuring exercise will also allow the company to focus on and strengthen its core operations.

Shantanu Prakash, Chairman and MD, Educomp Solutions Ltd, said,

"Educomp has over the years, built high quality Intellectual Property/Physical Infrastructure in K-12 and Higher education segments, which involves significant capital investments. The Company operates a fundamentally sound business with sustainable value creation opportunity. The Company, in consultation with its lenders, has taken the decision to undertake a debt restructuring exercise under the CDR mechanism to address the asset-liability mismatch in the businesses. Our lenders are supportive of our efforts to reach an optimal debt structure. With the proposed asset-liability mismatch correction in both our key businesses, we hope to find a sustainable capital structure to finance our businesses over medium to long-term"

"This is an important step towards stabilizing our business by enhancing liquidity and putting capital to optimal use. We believe this will help us to safeguard the interests of all our key stakeholders, including all our customers and vendors."

Adding further, he said, "We remain cautiously optimistic in the near term, considering liquidity constraints and a volatile market environment, despite strong business fundamentals and unprecedented market opportunity. However, by leveraging (a) our extremely valuable IP based smart learning solutions and (b) an enviable customer reach of 34,500 schools and ~23 million learners, over the mid-term, we remain confident of returning the business to a position of strength."

Notes to editors:

CDR, or Corporate Debt Restructuring, is a mechanism used in India which, under certain conditions, allows viable companies additional time to meet debt obligations. For further information please visit <http://www.cdrindia.org/>

About Educomp:

Founded in 1994, Educomp Solutions is a globally diversified education solutions provider and the largest education company in India. Over the years, Educomp has been at the forefront of pioneering initiatives in the education space and reaches out to 34,500 schools





and ~23 million learners and educators. The company works closely with schools to implement innovative models to create and deliver content to enhance student learning. Educomp's long undiluted focus on the K-12, curriculum design and teacher education space, in developing applications and products, has revolutionized leverage of information technology and Internet for education. Educomp has also embarked upon innovative IP-driven projects to set up pre-schools, high schools and professional education institutions. For more information, visit www.educomp.com

