

14<sup>th</sup> Aug, 2015

National Stock Exchange of India Ltd  
Exchange Plaza, 5<sup>th</sup> Floor  
Plot No.C/1, G Block  
Bandra-Kurla Complex  
Bandra (E)  
Mumbai 400 051

Bombay Stock Exchange Ltd  
1<sup>st</sup> Floor  
New Trading Ring, Rotunda Building  
P J Towers, Dalal Street  
Fort  
Mumbai 400 001

Dear Sirs,

**Sub: Outcome of Board Meeting held on 14<sup>th</sup> Aug 2015**

We wish to inform you that the meeting of the Board of Directors of our Company was held today (14<sup>th</sup> Aug 2015), as scheduled. The Board of Directors inter-alia among other things approved the following:

- Un-audited (Standalone Financial Results) for the Quarter ended on 30<sup>th</sup> June, 2015 (Copy of Results along with Limited Review Report Enclosed).
- The 15<sup>th</sup> Annual General Meeting of the Company is scheduled to be held on Friday the 29<sup>th</sup> September 2015.
- Register of Members and Share Transfer Books of the Company will remain closed from 22<sup>nd</sup> September 2015 to 29<sup>th</sup> September 2015, both days inclusive for the purpose of Annual General Meeting.

Kindly acknowledge receipt and update the same in your records.

For Everonn Education Limited

  
  
**N P MathiLingan**  
Company Secretary

[An ISO 9001 - 2008 Certified Company]

**Regd. Office : Everonn Education Limited, 1st Floor, "A" Block, "S.P.Infocity",  
Plot # 40, MGR Salai, Kandanchavadi, Perungudi, Chennai - 600 096. India.  
Tel : +91-44-6699 8400, Fax : +91-44-6699 8412  
E-mail : everonn@everonn.com, Website : www.everonn.com**

**CIN : L65991TN2000PLC058466**



**EVERONN EDUCATION LIMITED**

**PART I Statement of Standalone Unaudited Results for the Quarter Ended 30-06-2015**

in Lakhs

| Particulars                                                                                                    | Three Months Ended Unaudited 30-Jun-15 | Preceding 3 months ended Unaudited 31-Mar-15 | Three Months Ended Unaudited 30-Jun-14 | Year Ended Audited 31-Mar-15 |
|----------------------------------------------------------------------------------------------------------------|----------------------------------------|----------------------------------------------|----------------------------------------|------------------------------|
| 1 Income from operations                                                                                       |                                        |                                              |                                        |                              |
| (a) Net sales/income from operations                                                                           | 607.24                                 | 585.24                                       | 862.74                                 | 2,832.54                     |
| (b) Other operating incomeTotal income from operations (net)                                                   |                                        |                                              |                                        |                              |
| <b>Total income from operations net</b>                                                                        | <b>607.24</b>                          | <b>585.24</b>                                | <b>862.74</b>                          | <b>2,832.54</b>              |
| 2 Expenses                                                                                                     |                                        |                                              |                                        |                              |
| (a) Cost of materials consumed                                                                                 |                                        |                                              |                                        |                              |
| (b) Purchases of stock-in-trade                                                                                |                                        |                                              |                                        |                              |
| (c) Changes in inventories of finished goods, work-in-progress and stock-in-trade                              |                                        |                                              |                                        |                              |
| (d) Employee benefits expense                                                                                  | 287.78                                 | 382.08                                       | 512.41                                 | 1,770.12                     |
| (e) Depreciation and amortisation expense                                                                      | 210.11                                 | 738.39                                       | 846.28                                 | 3,277.24                     |
| (f) Other expenses                                                                                             | 426.08                                 | 665.90                                       | 343.36                                 | 1,535.13                     |
| <b>Total expenses</b>                                                                                          | <b>923.97</b>                          | <b>1,786.37</b>                              | <b>1,702.05</b>                        | <b>6,582.49</b>              |
| Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)                 | (316.73)                               | (1,201.13)                                   | (839.31)                               | (3,749.95)                   |
| 4 Other income                                                                                                 | 7.55                                   | 4.57                                         | 1.75                                   | 28.62                        |
| Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)                    | (309.18)                               | (1,196.56)                                   | (837.56)                               | (3,721.33)                   |
| 6 Finance costs                                                                                                | 1,037.96                               | 1,043.07                                     | 982.35                                 | 4,083.29                     |
| Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)              | (1,347.14)                             | (2,239.63)                                   | (1,819.91)                             | (7,804.62)                   |
| 8 Exceptional items                                                                                            | -                                      | 634.39                                       | -                                      | 634.39                       |
| 9 Profit / (Loss) from ordinary activities before tax (7 + 8)                                                  | (1,347.14)                             | (2,874.02)                                   | (1,819.91)                             | (8,439.01)                   |
| 10 Tax expense                                                                                                 | -                                      | -                                            | -                                      | -                            |
| 11 Net Profit / (Loss) from ordinary activities after tax (9 - 10)                                             | (1,347.14)                             | (2,874.02)                                   | (1,819.91)                             | (8,439.01)                   |
| 12 Extraordinary items (net of tax expense ` Lakhs)                                                            | -                                      | -                                            | -                                      | -                            |
| 13 Net Profit / (Loss) for the period (11+12)                                                                  | (1,347.14)                             | (2,874.02)                                   | (1,819.91)                             | (8,439.01)                   |
| 14 Share of profit / (loss) of associates*                                                                     | -                                      | -                                            | -                                      | -                            |
| 15 Minority interest *                                                                                         | -                                      | -                                            | -                                      | -                            |
| Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 + 14 + 15) * | (1,347.14)                             | (2,874.02)                                   | (1,819.91)                             | (8,439.01)                   |
| Paid-up equity share capital (Face Value of the Share shall be indicated)                                      | 2,405.24                               | 2,405.24                                     | 2,405.24                               | 2,405.24                     |
| Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year                        | 9,505.67                               | 10,852.81                                    | 25,634.01                              | 10,852.81                    |
| Earnings per share (before extraordinary items) (of ` 10/- each) 19.i (not annualised):                        |                                        |                                              |                                        |                              |
| (a) Basic                                                                                                      | (5.60)                                 | (11.96)                                      | (7.57)                                 | (55.24)                      |
| (b) Diluted                                                                                                    | (5.60)                                 | (11.96)                                      | (7.57)                                 | (52.59)                      |
| Earnings per share (after extraordinary items) (of ` 10 /- each) 19.ii (not annualised):                       |                                        |                                              |                                        |                              |
| (a) Basic                                                                                                      | (5.60)                                 | (11.96)                                      | (7.57)                                 | (55.24)                      |
| (b) Diluted                                                                                                    | (5.60)                                 | (11.96)                                      | (7.57)                                 | (52.59)                      |
| See accompanying note to the financial results                                                                 |                                        |                                              |                                        |                              |



**PART II Select information of the Quarter and year ended 30.06.2015**

| <b>A</b> | <b>PARTICULARS OF SHAREHOLDING</b>                                                          |           |           |             |           |
|----------|---------------------------------------------------------------------------------------------|-----------|-----------|-------------|-----------|
| <b>1</b> | <b>Public shareholding</b>                                                                  |           |           |             |           |
|          | - Number of shares                                                                          | 91,54,064 | 91,04,064 | 84,60,655   | 91,04,064 |
|          | - Percentage of shareholding                                                                | 38.06     | 37.85     | 35.18       | 37.85     |
| <b>2</b> | <b>Promoters and Promoter Group Shareholding **</b>                                         |           |           |             |           |
|          | <b>a) Pledged / Encumbered</b>                                                              |           |           |             |           |
|          | -Number of shares                                                                           | 65,82,197 | 66,32,197 | 42,90,000   | 66,32,197 |
|          | -Percentage of shares (as a % of the total shareholding of promoter and promoter group)     | 44.18     | 44.37     | 27.51       | 44.37     |
|          | -Percentage of shares (as a % of the total share capital of the company)                    | 27.37     | 27.57     | 17.84       | 27.57     |
|          | <b>b) Non - encumbered</b>                                                                  |           |           |             |           |
|          | -Number of shares                                                                           | 83,16,153 | 83,16,153 | 1,13,01,759 | 83,16,153 |
|          | -Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group) | 55.82     | 55.63     | 72.49       | 55.63     |
|          | -Percentage of shares (as a % of the total share capital of the company)                    | 34.58     | 34.58     | 46.99       | 34.58     |

| <b>Particulars</b>                                         |                                    |
|------------------------------------------------------------|------------------------------------|
| <b>B INVESTOR COMPLAINTS</b>                               | <b>3 months ended (30/06/2015)</b> |
| Pending at the beginning of the quarter                    | Nil                                |
| Received during the quarter Disposed of during the quarter |                                    |
| Disposed of during the quarter                             |                                    |
| Remaining unresolved at the end of the quarter             | Nil                                |



Note:

1. The above Standalone Un Audited Financials results were reviewed by the Audit Committee and approved by the Board of Directors in their respective meeting held on Aug,14, 2015.
2. The Company is currently operating only in Education Segment.
3. Provisions / Adjustments, if any arising on account of revised AS-15 on employee benefits issued by the Institute of Chartered Accountants of India towards Leave Encashment has not been considered by the management.
4. The weighted average number of equity shares outstanding at the year-end has been considered for calculating the earning per share as per Accounting Standard-20.
5. Given the seasonal nature of the industry, the results of any quarter may not be true indicative of quarter to quarter / annual performance.
6. The Company has received various demand notices of Income tax, Service Tax, VAT from various authorities together with interest. The company has disputed all the issues and has filed appeals before various appellate authorities and the matters are pending for adjudication. In respect of delayed remittance of Service Tax, show cause notice was issued to the company and the company has approached the settlement commission to drop/waive the proposed penalty. The management is of the view that the appropriate adjustments/provisions will be made on the final outcome of these matters and hence no provision has been made at present.
7. Given the nature of operations of the company which are inextricably linked to the financial resources of the various state government agencies and others operating in the field of education, there is always a delay in realization of these dues and other advances, which nevertheless are quite secure and some of them are currently under arbitration. The company is of the view that any provision that is required for unrealized dues and other advances can only be arrived at after the completion of the entire tenure of the contracts. Decisions regarding the unrealized dues and others advance from these agencies and others will be considered at the appropriate time, upon the completion/termination of contracts.
8. In the absence of Taxable Income , no provision for income tax has been made for the period, and the provision for deferred tax assets/ liabilities shall be considered at the end of the accounting year.
9. The Company has an investment of Rs 254.56 Crores in its subsidiaries and in other associates and has also extended loans and advances of Rs.150.66 Crores to these subsidiaries/associates as of 30<sup>th</sup> June 2015. The management is in the process of making judicious evaluation of businesses carried on by each of the entities in their respective sphere of operations. The Company is at present contemplating to appoint consultants to advise regarding the future business opportunities which these entities can exploit gainfully or whether the operation of these entities need to be scaled



down/revamped/wound up. The company is carefully monitoring the losses if any that may arise which is to be kept at bare minimum on account of this proposed restructuring. Pending the above no provision towards diminution in value of the investments and advances have been made in the books.

10. Additional provisions in respect of overdue lease rentals and other dues to certain creditors are not made as the company has certain counter claims against them and are under various stages of negotiation. Pending litigation / renegotiations, the company has not recognized a sum of Rs.498.17 lakhs of lease charges during the current financial year. The loss of the quarter is understated to the extent of Rs.498.17 lakhs on account of non-provision of such lease rentals thereby resulting in overall overstatement of Reserves and Surplus to the extent of Rs. 5127.73 lakhs.
11. The Company has received notices from certain parties alleging defaults in respect of services/payments due to them by the company. The management is discussing with its legal team for evaluating the financial impact of these claims. Any adjustments/disclosures, if required, would be made, upon the claims being settled
12. The balances due from and due by the company towards debtors and creditors including debit balances in creditor accounts and credit balance of debtor accounts, in respect of which confirmations have not been received. Pending receipt of confirmation of balances and consequent reconciliations if any and the resultant impact on the financial statements including the operating results is not ascertainable.
13. One of the creditors for a sum of Rs.15 lacs has obtained an ex parte order against the company for winding up which is being contested.
14. The company has filed complaints with certain regulatory authorities with regards to various transactions done by erstwhile promoters with various third parties under which advances were paid by the Company and / or its associated, affiliated entities / subsidiaries. However no provision has been made for such advances in the books, since the legal actions has been initiated by the Company and same may be recovered.
15. Previous period /year's figures have been regrouped / rearranged wherever necessary.

**By order of the Board of Directors**

**For Everonn Education Limited**



**Sandeep Maniyar**

**CFO & Whole Time Director**

**Date: 14<sup>th</sup> August, 2015**

**Place: Chennai**

M/s P.Chandrasekar,  
Chartered Accountants  
S 512-514, Manipal Centre, 47, Dikenson Road, Bangalore 560042

**Limited Review Report of the Unaudited Financial Results**  
**for the quarter ended 30<sup>th</sup> June ,2015**

We have reviewed the accompanying statement of unaudited financial results of M/s. Everonn Education Limited for the quarter ended 30<sup>th</sup> June, 2015 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been made by the Management but have neither been reviewed nor have been audited by us. The statement has been prepared by the company pursuant to clause 41 of the listing agreement with stock exchanges in India. 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.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Informations 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.

We have placed reliance on the technical/commercial evaluation by the management of the company, in respect of the knowledge content development and allocation of costs incurred on them.

Without qualifying our opinion, attention is drawn to the existence of certain liabilities including banks, and other commitments, which are due for payment during the subsequent financial year and the management plan /action for meeting the same. The company's ability to continue as a going concern is dependent on the successful outcome of the management plans and rescheduling of debts/ other liabilities.

We draw your attention to,

- i) *Note No 6, the company has received various demand notices of income tax and interest thereon in respect of earlier years. The matter pertains to various additions made by the department. The company has disputed the issue and has filed appeal against the above demand by the tax authorities. The company is of the view that the outcome of the litigation will not have significant impact on the financial results. Company has also received notices from service tax departments and has made representations towards the same. Hence no provision has been made for the penalties and interests for non/delayed payments of these dues as these amounts are not determined.*

M/s P.Chandrasekar,  
Chartered Accountants  
S 512-514, Manipal Centre, 47,Dikenson Road, Bangalore 560042

- ii) *Note No.12 with regard to receivables, loans and advances and ultimate realization thereof.*
- iii) *Note No.10 Lease charges amounting to Rs.498.17 Lakhs for the quarter and cumulatively Rs 5127.73 Lakhs as of June,2015 has not been provided in the books for some parties as required by the contractual terms, had this been considered in the unaudited results for the three months period ended June,2015, the loss for the quarter would have been higher to that extent and retained earning would have been lower by such amount.*
- iv) *Note No.9 The Company is in the process of evaluating the carrying value of investment in subsidiaries and advances to subsidiaries taking into account the future operational plans and cash flows as prepared by the management and accordingly no impairment loss has been recognized at this stage.*
- v) *Note No. 14. The company has filed complaints with certain regulatory authorities with regards to various transactions done by erstwhile promoters with various third parties under which advances were paid by the Company and / or its associated, affiliated entities / subsidiaries. No provision has been made for such advances in the books. We are unable to comment on the possible financial impact of the outcome of such legal proceedings, in the absence of full information and documents towards the same.*

*No confirmation of balances is received from Sundry Debtors, loans and advances, other debit balances, Sundry Creditors and other outstanding liabilities and credit balances as on 30<sup>th</sup> June,2015 have been received.*

*We are not aware of any material adjustments/ financial impacts which may arise on account of adjustments relating to issues set out in the above paragraphs and subsequent to receipt of such confirmation / reconciliation on other matters.*

*Based on our review conducted as above, subject to our observations mentioned in paragraphs mentioned above, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited 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 M/s P.Chandrasekar  
Chartered Accountants

Partner



Place: Chennai  
Date: 14<sup>th</sup> Aug,2015