

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors,
Greycells Education Limited,
Mumbai

We have reviewed the accompanying statement of unaudited financial results ('the Statement') of Greycells Education limited ('the Company') for the quarter ended 30th June, 2014, except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding" which have been traced from the disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company in its meeting held on 8th August, 2014. 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 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 statements are free of material misstatements. A review is limited primarily to the inquiries of company personnel and analytical procedures applied to the 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, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with the Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 which continue to apply under section 133 of the Companies Act, 2013 and other 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.



Mumbai: 8th August, 2014

For Ford, Rhodes, Parks & Co.
Chartered Accountants
Firm's Registration No. 102860W


Astha Kariya
Partner

Membership No. 122491

GREYCELLS EDUCATION LIMITED

Regd. Office : Forum Building, 1st Floor, 11/12, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai -400 013

CIN NO: L65910MH1983PLC030838 Website: www.greycells Ltd.com
Email ID: companysecretary@greycells Ltd.com Contact No.022-61479918

PART I

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH JUNE, 2014

(₹ in Lakhs)

Sr. No	Particulars	Quarter Ended			Year ended
		30th June, 2014	31st March, 2014	30th June, 2013	31st March, 2014
		Unaudited	Unaudited	Unaudited	Audited
1	(a) Net Sales / Income from Operations	56.95	108.02	61.23	319.59
	(b) Other Operating Income	18.64	1.81	1.61	7.71
	Total Income	75.59	109.83	62.84	327.29
2	Expenditure				
	(a) Direct Expenses	99.85	128.21	101.96	424.46
	(b) Employees cost	19.03	28.36	25.50	109.67
	(c) Depreciation and Amortization Expenses	17.63	15.25	13.54	58.73
	(d) Rent	5.67	1.75	4.32	9.62
	(e) Advertisements and Marketing Cost	13.74	24.79	18.40	85.46
	(f) Legal & Professional Fees	16.83	8.99	16.21	43.09
	(g) Other Administration Expenses	15.89	15.50	15.32	60.16
		10.06	33.57	8.67	57.74
3	Profit/(Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)	(24.26)	(18.38)	(39.12)	(97.16)
4	Other Income	15.03	2.08	17.97	36.04
5	Profit/(Loss) from Operations before Interest and Exceptional Items (3+4)	(9.23)	(16.30)	(21.15)	(61.13)
6	Finance Cost	-	-	-	-
7	Profit / (Loss) from Ordinary activities after finance cost but before exceptional items (5-6)	(9.23)	(16.30)	(21.15)	(61.13)
8	Exceptional item				
	Compensation for Loss of Earnings(Net of Related Expenses)	-	-	-	40.44
9	Profit / (Loss) from Ordinary activities before Tax (7-8)	(9.23)	(16.30)	(21.15)	(20.69)
10	Tax Expenses				
	Current	(2.23)	(5.99)	(0.98)	(5.35)
	Deferred	-	-	-	-
	Previous Period	(2.23)	(5.99)	(0.98)	(5.35)
11	Net Profit / (Loss) from Ordinary activities after tax	(7.00)	(10.31)	(20.17)	(15.34)
12	Extraordinary items	-	-	-	-
13	Net Profit / (Loss) for the Period	(7.00)	(10.31)	(20.17)	(15.34)
14	Paid up Equity Capital (Face Value of ₹ 10/- each)	790.77	600.77	600.77	600.77
15	Reserve Excluding Revaluation Reserve	-	-	-	1,875.89
16	Earning Per Share (after Extraordinary items)(of ₹ 10/- each) (not annualized)				
	a) Basic	(0.10)	(0.17)	(0.34)	(0.26)
	b) Diluted	(0.10)	(0.17)	(0.27)	(0.26)
	See Accompanying notes to financial results				

Part II

A	Particulars	Quarter Ended			Year ended
		30th June, 2014	31st March, 2014	30th June, 2013	31st March, 2014
1	Public Shareholding				
	-number of shares	4,513,124	4,515,148	4,515,148	4,515,148
	-percentage of shareholding	57.07%	75.16%	75.16%	75.16%
2	Promoters and promoter group shareholding **				
	a) Pledged/Encumbered				
	- Number of shares	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
	- Percentage of shares (as a% of the total share capital of the company)	-	-	-	-
	b) Non-encumbered				
	- Number of Shares	3,394,591	1,492,567	1,492,567	1,492,567
	- Percentage of shares (as a% of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	42.93%	24.84%	24.84%	24.84%

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B Investor Complaints	3 Months ended 30th June, 2014
Pending at the beginning of the quarter	NIL
Received during the quarter	1
Disposed of during the quarter	1
Remaining unresolved at the end of the quarter	NIL

NOTES

- 1 The above financial results were reviewed by the Audit Committee and have been approved by the Board of Directors at its meeting held on 8th August, 2014. The Statutory Auditors have carried out the "Limited Review" of the results.
- 2 Gross revenue for the academic year 2014-15 as on date stands at approximately ₹240.97 lacs. In terms of Accounting Standard 9 for Revenue Recognition, revenue from student fees is recognized over the period of instruction.
- 3 Since students intake is once a year, the results of any quarter may not be a truly indicative of quarter to quarter / annual performance.
- 4 The depreciation for the current quarter has been provided as per the useful lives of fixed assets in accordance with Schedule II to the Companies Act, 2013. As a result, the depreciation charged is higher by ₹0.93 lacs for the quarter ended 30th June 2014. An amount of ₹ 4.39 lacs has been charged to opening reserves towards the assets whose life has been completed, net of residual value, as at the beginning of the quarter.
- 5 The Company has issued and allotted 19,00,000 Equity shares of ₹10 each at par on 13th May, 2014 to Krisma Investments Private Limited (one of the Promoter's of the Company) on preferential allotment basis in accordance with the provisions of Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other applicable laws.
- 6 During the quarter, Krisma Investments Private Limited has acquired 2024 Equity shares from public shareholders in the Open Offer pursuant to regulation 3(1) of SEBI(SAST) Regulation 2011.
- 7 The Company is presently operating in a single segment of vocational education in Media, Entertainment and Sports Management and therefore reporting of segment wise information under Clause 41 of the Listing Agreement is not applicable.
- 8 Previous period figures have been regrouped / recast wherever necessary to make them comparable.

As per our Report on Limited Review of Even Date attached.

For Ford, Rhodes, Parks & Co.

Chartered Accountants

Firm's Registration No. 102860W



Astha Kanya

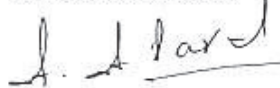
Partner

Membership No: 122491

Date: 8th August, 2014

Place : Mumbai

For and on behalf of the Board



Abbas Patel

Director

DIN:00547281

INDEPENDENT AUDITORS' REVIEW REPORT

The Board of Directors,
Greycells Education Limited,
Mumbai

We have reviewed the accompanying statement of unaudited financial results of consolidated financial statements of Greycells Education Limited ('the Company') for the quarter ended 30th June, 2014, except for the disclosures regarding "Public Shareholding" and "Promoter and Promoter Group Shareholding" which have been traced from the disclosures made by the management and have not been reviewed by us. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors of the Company in its meeting held on 8th August, 2014. 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 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 statements are free of material misstatements. A review is limited primarily to the inquiries of company personnel and analytical procedures applied to the 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.

The consolidated quarterly financial results of the Company include the quarterly results of the following entities:

1. EMDI Wedding LLP - Joint Venture
2. Eduhub Education Private Limited - Subsidiary
3. EMDI (Overseas) FZ LLC - Subsidiary

We did not review the financial statement of the above two subsidiaries, whose financial statements reflect total revenues of ₹ 155.11 lacs and total expenditure of ₹ 147.61 lacs for the quarter ended 30th June, 2014.

These financial statements of two subsidiaries have been reviewed by other auditors whose reports have been furnished to us and our opinion, in so far as it relates to the amounts included in respect of these subsidiaries, is based solely on the reports of the other auditors.

The partnership EMDI Wedding Academy LLP (jointly controlled entity) which have been consolidated on proportionate consolidation basis has not been subjected to limited review. The financial statement reflects proportionate revenue of ₹ 2.24 lacs and



expenditure of ₹ 1.45 lacs relating to the partnership LLP for the quarter ended 30th June, 2014.

We draw attention to note 10 to the financial results stating the consolidation of the subsidiary – EMDI (Overseas) FZ LLC ongoing concern basis for reasons stated in the said note.

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 the Accounting Standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 which continue to apply under section 133 of the Companies Act, 2013 and other 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.



Mumbai: 8th August, 2014

For Ford, Rhodes, Parks & Co.
Chartered Accountants
Firm's Registration No. 102860W

Astha Kariya
Partner
Membership No. 122491

GREYCELLS EDUCATION LIMITED

Regd. Office : Forum Building, 1st Floor, 11/12, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai -400 013

CIN NO: L65910MH1983PLC030838 Website: www.greycellsld.com

Email ID: companysecretary@greycellsld.com Contact No 022-61479918

PART I (₹ in Lakhs)

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

Sr. No	Particulars	Quarter Ended			Year ended
		30th June, 2014	31st March, 2014	30th June, 2013	31st March, 2014
		Unaudited	Unaudited	Unaudited	Audited
1	(a) Net Sales / Income from Operations	211.73	272.95	197.45	890.85
	(b) Other Operating Income	18.70	3.04	61.43	78.13
	Total Income	230.43	275.99	258.88	968.98
2	Expenditure	242.77	233.06	292.70	992.49
	(a) Direct Expenses	43.18	35.42	104.63	201.91
	(b) Employees cost	56.49	50.85	48.83	211.91
	(c) Depreciation and Amortisation Expenses	7.10	3.31	5.97	16.29
	(d) Rent	31.96	36.11	35.47	150.87
	(e) Advertisements and Marketing Cost	64.55	18.21	62.63	174.85
	(f) Other Administration Expenses	39.49	89.16	35.17	236.66
3	Profit(Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)	(12.33)	42.93	(33.82)	(23.51)
4	Other Income	11.45	22.89	0.94	26.46
5	Profit(Loss) from Operations before Interest and Exceptional Items (3+4)	(0.88)	65.82	(32.87)	2.95
6	Finance Cost	-	-	-	-
7	Profit / (Loss) from Ordinary activities after finance cost but before exceptional items (5-6)	(0.88)	65.82	(32.87)	2.95
8	Exceptional Items:	-	-	-	40.44
	Compensation for Loss of Earning (Net of Related Expenses)	-	-	-	40.44
9	Profit / (Loss) from Ordinary activities before Prior Period Items (7+8)	(0.88)	65.82	(32.87)	43.39
10	Prior Period Income - Depreciation Reversal	-	13.66	-	13.66
11	Profit / (Loss) from Ordinary activities before tax (9+10)	(0.88)	79.48	(32.87)	57.05
12	Tax Expenses	(2.23)	(7.51)	(0.98)	(6.88)
	Current	-	-	-	-
	Deferred	(2.23)	(7.51)	(0.98)	(6.88)
	Previous Period	-	-	-	-
11	Net Profit / (Loss) for the Period	1.35	86.99	(31.89)	63.93
12	Less: Minority Interest	(7.43)	5.17	(7.25)	6.25
13	Net Profit / (Loss) after taxes and minority interest	8.78	81.82	(24.65)	57.68
14	Paid up Equity Capital (Face Value of ₹10/- each)	790.77	600.77	600.77	600.77
15	Reserve Excluding Revaluation Reserve	-	-	-	1,858.57
16	Earning Per Share (after Extraordinary items)(of ₹10/- each) (not annualized)				
	a) Basic	0.02	1.36	(0.41)	0.96
	b) Diluted	0.02	1.36	(0.32)	0.95
	See Accompanying notes to financial results				

Part II

A	Particulars of Shareholding	Quarter Ended			Year ended
		30th June, 2014	31st March, 2014	30th June, 2013	31st March, 2014
1	Public Shareholding				
	-number of shares	4,513,124	4,515,148	4,515,148	4,515,148
	-percentage of shareholding	57.07%	75.16%	75.16%	75.16%
2	Promoters and promoter group shareholding **				
	a) Pledged/Encumbered				
	- Number of shares	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-
	b) Non-encumbered				
	- Number of Shares	3,394,591	1,492,567	1,492,567	1,462,567
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100.00%	100.00%	100.00%	100.00%
	- Percentage of shares (as a % of the total share capital of the company)	42.93%	24.84%	24.84%	24.84%

B Investor Complaints		3 Months ended 30 June, 2014
Pending at the beginning of the quarter		NIL
Received during the quarter		1
Disposed of during the quarter		1
Remaining unresolved at the end of the quarter		NIL

NOTES

- The above financial results were reviewed by the Audit Committee and have been approved by the Board of Directors at its meeting held on 8th August, 2014. The Statutory Auditors have carried out the "Limited Review" of the results.
- Gross revenue for the academic year 2014-15 as on date stands at approximately ₹506.86 lacs. In terms of Accounting Standard 9 for Revenue Recognition, revenue from student fees is recognized over the period of instruction.
- Since students intake is once a year, the results of any quarter may not be a truly indicative of quarter to quarter / annual performance.
- The depreciation for the current quarter has been provided as per the useful lives of fixed assets in accordance with Schedule II to the Companies Act, 2013. As a result, the depreciation charged is higher by ₹0.93 lacs for the quarter ended 30th June 2014. An amount of ₹ 4.39 lacs has been charged to opening reserves towards the assets whose life has been completed, net of residual value, as at the beginning of the quarter.
- The Company has issued and allotted 19,00,000 Equity shares of ₹10 each at par on 13th May, 2014 to Krisma Investments Private Limited (one of the Promoter's of the Company) on preferential allotment basis in accordance with the provisions of Chapter VII of Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and other applicable laws.
- During the quarter, Krisma Investments Private Limited has acquired 2024 Equity shares from public shareholders in the Open Offer pursuant to regulation 3(1) of SEBI(SAST) Regulation 2011.
- The Group is presently engaged in the business of vocational education in Media, Entertainment and Sports Management. The geographical segments have been identified as primary segment and reported as per AS-17 as below.

Geographical Segments are:

- India
- International

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

₹ in Lakhs

Sr.No	Particulars	Quarter Ended			Year ended
		30th June, 2014	31st March, 2014	30th June, 2013	31st March, 2014
1	Segment Revenue				
a.	India	99.17	142.75	80.04	433.85
b.	International	131.26	133.24	178.84	535.14
	Total	230.43	275.98	258.88	968.99
	Less: Inter Segment Revenue	-	-	-	-
	Net Sales / Income From Operations	230.43	275.98	258.88	968.99
2	Segment Result				
a.	India	(38.14)	(98.19)	(53.17)	(173.83)
b.	International	25.81	141.14	19.35	150.33
	Total	(12.33)	42.95	(33.82)	(23.50)
	Add: Other Income	11.45	22.89	0.94	26.46
	Less: (i) Interest	-	-	-	-
	(ii) other Un-allocable expenditure net off un-allocable income	-	-	-	-
	Add: Exceptional Items	-	-	-	40.44
	Add: Prior Period Adjustments	-	13.66	-	13.66
	Total Profit before Tax	(0.88)	79.50	(32.87)	57.06
3	Capital Employed				
a.	India	(96.79)	20.58	(51.37)	20.58
b.	International	31.63	2.54	(42.88)	2.54
	Total	(65.16)	23.12	(94.25)	23.12
	Add: Un-allocable corporate assets less liabilities	2,547.79	2,376.47	2,395.87	2,376.47
	Total Capital Employed in Company	2,482.63	2,399.59	2,301.62	2,399.59

- The consolidated results include the 100% subsidiary - EMDI (Overseas) FZ LLC and the Joint Venture Subsidiary Company (51% holding) - Eduhub Education Pvt. Ltd and have been prepared in accordance with the AS 21 issued by the Institute of Chartered Accountants of India.
- The Company is one of the partners in EMDI Wedding Academy LLP (50% share). The consolidated results have been prepared in accordance with the AS 27 issued by the Institute of Chartered Accountants of India.
- The financial results of one of the subsidiary - EMDI (Overseas) FZ LLC are consolidated in the above financial statement as a going concern basis as the management is expecting the positive trends in the results of the subsidiary.
- Previous period figures have been regrouped / recast wherever necessary to make them comparable.

As per our Report on Limited Review of Even Date attached

For Ford, Rhodes, Parks & Co.

Chartered Accountants

Firm's Registration No. 102860W

Astha Pariya
Partner

Membership No: 122491

Date: 8th August, 2014

Place: Mumbai

For and on behalf of the Board

Abbas Patel

Director

DIN:00547281