EDUCOMP SOLUTIONS LIMITED

CIN No:-L74999DL1994PLC061353

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

PART 1 (Rupees In lacs)

STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2015

S.No.	Particulars	Quarter ended			Year ended
		Unaudited	Audited	Unaudited	Audited
		June 30, 2015	March 31, 2015	June 30, 2014	March 31, 2015
1	**Income from operations**				
(a)	Net sales/income from operations	14,322.55	11,941.95	14,364.10	51,820.23
(b)	Other operating income	-	-	-	-
	Total Income from operations (net)	**14,322.55**	**11,941.95**	**14,364.10**	**51,820.23**
2	**Expenses**				
(a)	Purchases of stock-in-trade	1,701.59	438.08	1,351.71	3,154.07
(b)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(7.50)	738.55	(64.99)	100.50
(c)	Employee benefit expenses	6,048.40	6,550.02	6,207.45	24,990.85
(d)	Depreciation and amortisation expenses	2,023.60	2,341.41	2,640.41	9,491.35
(e)	Other expenses	5,291.66	5,265.02	5,373.97	23,888.38
(f)	Foreign exchange fluctuation (Net)	637.93	1,610.72	321.80	4,566.89
	Total expenses	**15,695.68**	**16,943.80**	**15,830.35**	**66,192.04**
3	**Loss from operations before other income, finance costs and exceptional items (1-2)**	**(1,373.13)**	**(5,001.85)**	**(1,466.25)**	**(14,371.81)**
4	Other income (refer note 8)	2,879.33	2,144.85	345.77	7,599.45
5	**(Loss) /Profit from ordinary activities before finance costs and exceptional items (3+4)**	**1,506.20**	**(2,857.00)**	**(1,120.48)**	**(6,772.36)**
6	Finance costs	9,653.80	8,917.69	9,048.78	36,704.10
7	**(Loss) /Profit from ordinary activities after finance costs but before exceptional items (5-6)**	**(8,147.60)**	**(11,774.69)**	**(10,169.26)**	**(43,476.46)**
8	Exceptional items/Prior period items (net) (refer note 4)	2,839.19	4,562.52	25,030.10	126,504.04
9	**(Loss) /Profit from ordinary activities before tax (7-8)**	**(10,986.79)**	**(16,337.21)**	**(35,199.36)**	**(169,980.50)**
10	Tax expense				
	- Current tax including for earlier years (net) (refer note 9)	(1,825.54)	(391.59)	172.15	362.56
	- MAT Credit Entitlement / Reversal	-	294.85	(183.20)	-
	- Deferred tax (credit) / charge	-	41.23	(442.37)	(474.46)
11	**Net (Loss) /Profit from ordinary activities after tax (9-10)**	**(9,161.25)**	**(16,281.70)**	**(34,745.94)**	**(169,868.60)**
12	Extraordinary item (net of tax expense)	-	-	-	-
13	**Net (Loss) /Profit for the period (11-12)**	**(9,161.25)**	**(16,281.70)**	**(34,745.94)**	**(169,868.60)**
14	Share of (Loss) / profit of Associates	(32.20)	(20.55)	(18.79)	(100.30)
15	Minority Share in (Loss)/profit	(667.32)	(1,002.72)	(379.20)	(5,753.41)
16	Pre-Acquisition Loss/(profits)	-	-	-	-
17	**Net (Loss) / Profit after taxes, minority interest and share of profit/ (loss) of associates (13+14-15-16)**	**(8,526.13)**	**(15,299.53)**	**(34,385.53)**	**(164,215.49)**
18	Paid up Equity share capital (Face Value Rs.2/- each)	2,449.34	2,449.34	2,448.89	2,449.34
19	Reserve excluding revaluation reserves (As per Balance Sheet of previous accounting year)	-	-	-	55,322.44
20	**(Loss)/ Earning Per Share (EPS) (not annualized)**				
	(a) Basic	(6.96)	(12.49)	(28.08)	(134.10)
	(b) Diluted	(6.96)	(12.49)	(28.08)	(134.10)

PART II

SELECT INFORMATION FOR THE FINANCIAL RESULTS AS AT JUNE 30, 2015

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

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Educomp Solutions Limited New Delhi

Consolidated Segment wise Revenue, Results and Capital Employed

(Rupees in lacs)

Particulars	Quarter ended			Year ended
	Unaudited	Audited	Unaudited	Audited
	June 30, 2015	March 31, 2015	June 30, 2014	March 31, 2015
Segment Revenue				
Higher Learning Solutions	230.06	157.43	312.13	1,174.84
School Learning Solutions	5,526.80	3,745.65	5,815.20	19,323.35
K-12 Schools	2,117.18	1,737.24	2,415.23	7,581.82
Online Supplemental and Global	6,448.51	6,301.63	5,821.54	23,740.22
Total Net Sales/ Income from Operations	**14,322.55**	**11,941.95**	**14,364.10**	**51,820.23**
Segment Results ((Loss)/Profit before Interest and tax from each segments)				
Higher Learning Solutions	(60.45)	121.62	(16.91)	(22,302.94)
School Learning Solutions	(890.15)	(2,425.48)	(25,675.21)	(90,509.12)
K-12 Schools#	(2,040.82)	(1,763.64)	846.70	(15,968.24)
Online Supplemental & Global	502.81	(2,780.14)	(249.07)	(4,710.07)
	(2,488.61)	**(6,847.64)**	**(25,094.49)**	**(133,490.37)**
Less : Interest (Net)	9,653.80	8,917.69	9,048.78	36,704.10
: Other un-allocable expenses	1,723.71	2,716.73	1,401.86	7,385.48
Add : Un-allocable Income	2,879.33	2,144.85	345.77	7,599.45
Total (Loss)/Profit before Tax	**(10,986.79)**	**(16,337.21)**	**(35,199.36)**	**(169,980.50)**
Capital Employed (including minorty interest)				
(Segment Assets- Segment Liabilities)				
Higher Learning Solutions	13,947.12	8,212.07	41,187.55	8,212.07
School Learning Solutions	124,503.82	125,178.30	179,907.09	125,178.30
K-12 Schools	184,738.03	173,757.28	196,095.74	173,757.28
Online Supplemental and Global	(4,330.59)	2,022.37	395.15	2,022.37
Unallocated	(237,154.11)	(232,472.55)	(205,207.40)	(232,472.55)
Total	**81,704.27**	**76,697.47**	**212,378.13**	**76,697.47**

including impact of exceptional items as refer to note no. 4 to the unaudited consolidated financial results.

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Educomp Solutions Limited
New Delhi

Notes to the unaudited consolidated financial results of Educomp Solutions Limited

1. The above unaudited consolidated financial results for the quarter ended June 30, 2015 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 August 13, 2015.

2. **The auditors have qualified their limited review report on the unaudited consolidated financial results of the Company for the quarter ended June 30, 2015 and audit report for the year ended March 31, 2015 and limited review report for the quarter ended June 30, 2014 was also qualified in respect of the following matter:**

   As per the terms of Master Restructuring Agreement and approved Corporate Debt Restructuring Scheme (CDR) of Educomp Infrastructure and School Management Limited (EISML), a subsidiary company, there are certain assets amounting Rs. 32,075.33 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 and its step down subsidiaries, 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 assets.

3. **The auditors have drawn attention in their limited review report on the unaudited consolidated financial results of the Company for the quarter ended June 30, 2015 in respect of the following matters:**

   a) Due to inadequacy of the profits, managerial remuneration paid/payable, 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 ended June 30, 2015 and year ended March 31, 2015, 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/payable, 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.

      EISML has submitted an application to the Central Government for waiver of managerial remuneration pertaining to year ended March 31, 2014 and March 31, 2015 and also for current financial year.

      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/recorded in year ended March 31, 2014, March 31, 2015 and quarter ended June 30, 2015 in due course.

   b) Due to longer than expected gestation period of schools, recoverability of trade receivables amounting to Rs. 24,502 lacs from trusts, due to the subsidiary Company Educomp Infrastructure and School Management Limited (EISML) has been slow. The Management of 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.

   c) The Group has assessed the business projections of its six of its subsidiary companies, namely, Educomp Infrastructure and School Management Limited, Educomp Online Supplemental Service

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Limited, Educomp Child Care Private Limited, Educomp Professional Education Limited, Vidya Mandir Classes Limited, Educomp Intelliprop Ventures Pte Ltd.(Formerly known as Educomp Intelprop Ventures Pte Ltd.), in a Trust- India Education Fund and in one of its associate, Greycells18 Media Limited., for evaluating the recoverability of Group's share of net assets of Rs. 157,340.73 lacs and concluded that their business is sustainable on a going concern basis. The Company has evaluated the recoverability of its share of net assets held through these Companies, using business valuations performed by independent experts/ its own assessment, according to which the decline in value of net assets is considered to be temporary. The said evaluation is based on the long term business plans of its subsidiaries/associate as on March 31, 2015 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 ended June 30, 2015.

d) During earlier years, EISML, a subsidiary of the 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, till March 31, 2015 the Management had recorded a total provision of Rs. 20,175.48 lacs in the books of accounts towards such capital advances or portions thereof, which were 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, existing provision recorded in books is sufficient to cover any possible future losses on account of non recovery of such capital advances.

e) The Group's management has reviewed business plan of its joint venture, Educomp Raffles Higher Education Limited which has advanced loans amounting Rs. 5,147 lacs to Jai Radha Raman Education Society (Society) and its subsidiary Millennium Infra Developers Limited which has trade receivables of Rs. 6,021 lacs from the same Society under contractual obligations. The Group's management 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%.

f) The Group had evaluated the recoverability of intangible assets in form of Brand "Universal" in one of its step down subsidiary, by using valuations performed by an independent valuation expert. The said evaluation was based on long term business plans and underlying assumptions used for the purpose of valuation, which in view of the Management were realistic and achievable by the subsidiary. Based on recent business plans which entailed scaling down the operation of Universal brand of schools, the management had recorded an impairment of Rs. 4,527 lacs to this asset in year ended March 31, 2015.

g) Pursuant to implementation of approved CDR scheme, certain lenders have disbursed fresh corporate loans to the Company and corresponding trade receivables were bought from Edu Smart Services Private Limited (ESSPL) together with future business relating to these customers. Due to this restructuring, the remaining receivables in ESSPL may not yield adequate surplus to discharge its liability towards the Company for trade receivables and redemption of Redeemable non convertible preference shares. However, the approved CDR scheme has mandated merger of ESSPL with the Company and accordingly, the Company has initiated the process and has taken the approval of Board of Directors in the board meeting held on 13th January 2015. The impact for the amalgamation shall be given/recorded in the books of accounts upon obtaining approvals and implementation of the Scheme.

h) The Company has incurred substantial losses and its net worth has been significantly eroded. Based on Company's projected cash flows, it shall have sufficient funds to run its operations in foreseeable future. As regards availability of requisite funds to meet its debt related obligations including those falling due in year 2015-16 as per its CDR package executed with Company's

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lenders, the Company intends to monetize its identified investments, receivables and assets to meet the necessary obligations. The Company is also taking several measures to improve operational efficiencies and other avenues of raising funds.

The management is confident that with the above measures and continuous efforts to improve the business, it would be able to generate sustainable cash flow, discharge its short-term and long term liabilities and recover & recoup the erosion in its net worth through profitable operations and continue as a going concern. Accordingly, these unaudited consolidated financial results have been prepared on a going concern basis and do not include any adjustments relating to the recoverability and classification of recorded assets, or to amounts and classification of liabilities that may be necessary if the entity is unable to continue as a going concern.

i) The Company's subsidiary, Educomp Infrastructure & School Management Limited has incurred losses and the subsidiary debt related obligation in form of Funded Interest Term Loan is converted into 0.1% Cumulative Compulsory Convertible Preference Shares. Based on subsidiary projected cash flows, it shall have sufficient funds to run its operations in foreseeable future. As regards availability of requisite funds to meet its debt related obligations including those falling due in year 2015-16 as per the CDR package executed with subsidiary's lenders, the subsidiary intends to monetize its assets identified for sale to meet the necessary obligations. The subsidiary is also taking several measures to improve operational efficiencies and other avenues of raising funds.

The management is confident that with the above measures and continuous efforts to improve the business, it would be able to generate sustainable cash flow to discharge its short-term and long term liabilities and recover & recoup the erosion in its net worth through profitable operations and continue as a going concern. Accordingly, these unaudited consolidated financial results have been prepared on a going concern basis and do not include any adjustments relating to the recoverability and classification of recorded assets, or to amounts and classification of liabilities that may be necessary if the entity is unable to continue as a going concern.

j) The Company's step down subsidiary, Knowledge Vistas Limited has taken land from Lavasa Corporation Limited on lease vide lease agreement dated June 30, 2009 for a period of 999 years to construct an international residential school. Further, this subsidiary has entered into a sub-lease agreement with Gyan Kunj Educational Trust (GKET) to sub lease the school building. As per the sub lease agreement, GKET shall be liable to pay lease rental to the subsidiary from the year in which it has cash surplus. GKET has started its operations in Academic Session 2011-12 but due to certain environment matters, GKET decided to suspend its operations and waiting for favourable business opportunities.

On the basis of the valuation reports from an independent valuer, the carrying cost of the said subsidiary's assets is not less that its net realisable value. Hence, the management doesn't anticipate any asset impairment. These unaudited consolidated financial results have been prepared on a going concern basis and do not include any adjustments relating to the recoverability and classification of recorded assets, or to amounts and classification of liabilities that may be necessary if the entity is unable to continue as a going concern.

4. **Exceptional Items**

The Company's subsidiary EISML as part of its regular recoverability evaluation process, has evaluated its outstanding trade receivables and loans. Accordingly, the Company has recorded a provision of Rs. 846.87 lacs and Rs. 2,063.12 lacs for doubtful trade receivables and loans respectively during the quarter ended June 30, 2015, which has been shown as exceptional item. The overall provision for doubtful trade receivables and loans as at June 30, 2015 stands at Rs. 1,033.62 lacs and Rs. 2,335.43 lacs respectively.

5. a) 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.

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b) Consolidation of 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.

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.

6. The Group is in the process of determining and identifying significant component of fixed assets as prescribed under Schedule II to the Companies Act 2013 and the resultant impact, if any, will be considered in due course during the financial year 2015-16.

7. During the quarter ended on June 30, 2015, the Company has granted 80,000 stock options under Employee Stock Option Schemes of the Company.

   During the quarter ended on June 30, 2015, the Company has not allotted any equity Shares.

   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.

8. During the quarter, the Company has entered into a settlement agreement with one of the vendor and recorded an amount of Rs. 1,382.92 lacs, which is no longer payable, as credit balance written back and shown under 'Other Income'.

9. During the year ended March 31, 2014, block assessment of the Company under Income Tax Act,1961 for Assessment Year 2007-08 to 2012-13 was completed by the Income Tax authorities and additional demand of Rs. 1,909.08 lacs was raised on account of certain disallowances.

   During the previous year, the Company has received a favourable order from the Income Tax Appellate Tribunal with respect to the AY 2007-08. On the basis of such favourable order, the Company has received a refund of Rs 457 lacs (including interest) during the previous year ended March 31, 2015 and Rs. 1,909.08 lacs during the quarter ended June 30, 2015. Accordingly, the Company has reversed the relevant provision amounting to Rs. 1,909.08 lacs.

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. Figures for the quarter ended March 31, 2015 represents the balancing figures between the audited figures for the full financial year and the published year to date figures upto the third quarter of the financial year ended March 31, 2015.

12. The unaudited consolidated financial results of the Company for the quarter ended June 30, 2015 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).

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Educomp Solutions Limited New Delhi

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

By order of the Board of Directors
For Educomp Solutions Limited

Educomp Solutions Limited
New Delhi

Shantanu Prakash
(Managing Director)

Place: Gurgaon
Date: August 13, 2015

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 Standalone Financial Results of Educomp Solutions Limited ('the Company') for the quarter ended June 30, 2015 ("the Statement") 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 the Statement 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 Statement 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, prepared in accordance with applicable accounting standards as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 and other recognised accounting practices and policies have 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.

4. We draw attention to the notes to Statement in respect of matters stated below:

   a) Note 2(a) regarding managerial remuneration paid to one of the whole time director of the Company during the quarter ended June 30, 2015, year ended March 31, 2015 and in the year ended March 31, 2014, 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

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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 2(b) with respect to Management's assessment of recoverability of investment in 6 of its subsidiary companies namely, Educomp Infrastructure and School Management Limited, Educomp Online Supplemental Service Limited, Educomp Child Care Private Limited, Educomp Professional Education Limited, Vidya Mandir Classes Limited, Educomp Intelliprop Ventures Pte. Ltd. (formerly known as Educomp Intelprop Ventures Pte. Ltd.),in a Trust-India Education Fund and in one of its associate, Greycells18 Media Limited. The Company evaluated the recoverability of its investments, using business valuations performed by independent experts/ its own assessment, according to which the decline in the value of these long term investments has been considered to be temporary.

c) Note 2(c) wherein, the Company has not considered impairment of trade receivable and investment in Edu Smart Services Private Limited (ESSPL) in the intervening period, in view of proposed merger of ESSPL with the Company.

d) Note 2(d) wherein, in the opinion of the management, despite incurring substantial losses including during the quarter ended June 30, 2015 and erosion of net worth as at June 30, 2015, the unaudited standalone financial results have been prepared on a going concern basis in view of matters more fully explained in the said note.

Our report is not modified in respect of these matters.

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

Ghanshyam Daga
Partner
Membership No.: 079371

Place : Gurgaon

Date : August 13, 2015

EDUCOMP SOLUTIONS LIMITED

CIN No:-L74999DL1994PLC061353

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

PART 1

(Rupees in lacs)

STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2015

S.NO	Particulars	Quarter ended			Year ended
		Unaudited	Audited	Unaudited	Audited
		June 30, 2015	March 31, 2015	June 30, 2014	March 31, 2015
1	**Income from operations**				
(a)	Net sales/income from operations	5,539.69	3,684.23	5,973.81	19,817.45
(b)	Other operating income	-	-	-	-
	Total Income from operations (net)	5,539.69	3,684.23	5,973.81	19,817.45
2	**Expenses**				
(a)	Purchases of stock-in-trade	1,522.07	61.30	1,014.25	1,895.90
(b)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	(94.74)	447.34	(155.72)	440.55
(c)	Employee benefit expenses	3,031.96	3,285.80	3,286.64	12,885.74
(d)	Depreciation and amortisation expenses	1,008.22	1,242.63	1,302.91	4,783.26
(e)	Other expenses	1,725.77	2,269.92	2,075.17	7,159.54
(f)	Provision for doubtful trade receivables/advances	88.05	433.75	-	1,178.77
(g)	Foreign exchange fluctuation (Net)	637.93	212.45	323.18	1,731.95
	Total Expenses	7,919.26	7,953.19	7,846.43	30,075.71
3	**Loss from operations before other income , finance costs and exceptional items (1-2)**	(2,379.57)	(4,268.96)	(1,872.62)	(10,258.26)
4	Other income (refer note 5)	1,763.05	1,049.48	87.15	3,402.59
5	**Loss from ordinary activities before finance costs and exceptional items (3+4)**	(616.52)	(3,219.48)	(1,785.47)	(6,855.67)
6	Finance costs	6,164.13	5,391.58	5,720.34	22,954.43
7	**Loss from ordinary activities after finance costs but before exceptional items (5-6)**	(6,780.65)	(8,611.06)	(7,505.81)	(29,810.10)
8	Exceptional Items/Prior period items (refer note 6)	92.75	374.81	25,021.68	86,733.77
9	**(Loss) /Profit from ordinary activities before tax (7-8)**	(6,873.40)	(8,985.87)	(32,527.49)	(116,543.87)
10	Tax Expense				
	- Current tax including for earlier years (net) (refer note 7)	(1,909.08)	-	-	-
	- MAT Credit Entitlement / Reversal	-	-	-	-
	- Deferred tax (credit) / charge	-	-	-	-
11	**Net Loss from Ordinary activities after tax (9-10)**	(4,964.32)	(8,985.87)	(32,527.49)	(116,543.87)
12	Extraordinary Item (net of tax expense)	-	-	-	
13	**Net Loss for the period (11-12)**	(4,964.32)	(8,985.87)	(32,527.49)	(116,543.87)
14	Paid up Equity share capital (Face Value Rs.2/- each)	2,449.34	2,449.34	2,448.89	2,449.34
15	Reserve excluding revaluation reserves	-	-	-	46,475.69
16	**(Loss)/ Earning Per Share (EPS) (not annualized)**				
	(a) Basic	(4.05)	(7.34)	(26.57)	(95.17)
	(b) Diluted	(4.05)	(7.34)	(26.57)	(95.17)

PART II

SELECT INFORMATION FOR THE FINANCIAL RESULTS AS AT JUNE 30, 2015

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

	PARTICULARS	
B	INVESTORS COMPLAINTS	3 MONTHS ENDED JUNE 30, 2015
	Pending at the beginning of the quarter	1
	Received during the quarter	6
	Disposed of during the quarter	3
	Remaining unresolved at the end of the Quarter	4

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Educomp Solutions Limited New Delhi

Standalone Segment wise Revenue, Results and Capital Employed

(Rupees in lacs)

Particulars	Quarter ended Unaudited June 30, 2015	Quarter ended Audited March 31, 2015	Quarter ended Unaudited June 30, 2014	Year ended Audited March 31, 2015
Segment Revenue				
Higher Learning Solutions	53.60	149.15	135.86	575.50
School Learning Solutions	5,433.28	3,481.79	5,815.20	19,059.49
K-12 Schools	-	-	-	-
Online Supplemental & Global	52.81	53.29	22.75	182.46
Total Net Sales/ Income from Operations	**5,539.69**	**3,684.23**	**5,973.81**	**19,817.45**
Segment Results ((Loss)/Profit before Interest and tax from each segments)				
Higher Learning Solutions	32.79	127.38	106.88	479.86
School Learning Solutions	(802.50)	(2,065.18)	(25,600.13)	(90,073.68)
K-12 Schools	-	-	-	-
Online Supplemental & Global	21.10	10.75	(7.62)	(12.74)
	(748.61)	**(1,927.05)**	**(25,500.87)**	**(89,606.56)**
Less : Interest (Net)	6,164.13	5,391.58	5,720.34	22,954.43
: Other un-allocable expenses	1,723.71	2,716.72	1,393.43	7,385.47
Add : Un-allocable Income	1,763.05	1,049.48	87.15	3,402.59
Total (Loss)/Profit before Tax	**(6,873.40)**	**(8,985.87)**	**(32,527.49)**	**(116,543.87)**
Capital Employed				
(Segment Assets- Segment Liabilities)				
Higher Learning Solutions	(523.19)	(578.16)	(945.46)	(578.16)
School Learning Solutions	123,484.80	124,035.96	178,501.41	124,035.96
K-12 Schools	134.12	134.43	(948.58)	134.43
Online Supplemental & Global	(1,400.22)	(1,139.03)	(3,778.49)	(1,139.03)
Unallocated	(78,257.32)	(73,528.17)	(37,874.53)	(73,528.17)
Total	**43,438.19**	**48,925.03**	**134,954.35**	**48,925.03**

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Educomp Solutions Limited
New Delhi

Notes to the unaudited standalone financial results of Educomp Solutions Limited

1. The above unaudited standalone financial results for the quarter ended June 30, 2015 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 August 13, 2015.

2. The auditors have drawn attention in their limited review report on the unaudited standalone financial results of the Company for the quarter ended June 30, 2015 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 ended June 30, 2015 and year ended March 31, 2015, is in excess of limits prescribed under Section 197 and 198 read with schedule V to the Companies Act 2013.

   Similarly, 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 year ended March 31, 2014, March 31, 2015 and quarter ended June 30, 2015 in due course.

   b) The Company has assessed the business projections of six of its subsidiary companies, namely Educomp Infrastructure and School Management Limited, Educomp Online Supplemental Services Limited, Educomp Child Care Private Limited, Educomp Professional Education Limited, Vidya Mandir Classes Limited, Educomp Intelliprop Ventures Pte Ltd.(Formerly known as Educomp Intelprop Ventures Pte Ltd.), in a Trust- India Education Fund and one of its associates Greycells18 Media Limited, having a total investment of Rs. 157,340.73 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/ its own assessment, 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, trust and associate as on March 31, 2015 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 ended June 30, 2015.

   c) Pursuant to implementation of approved Corporate Debt Restructuring Scheme (CDR scheme), certain lenders have disbursed fresh corporate loans to the Company and corresponding trade receivables were bought from Edu Smart Services Private Limited (ESSPL) together with future business relating to these customers. Due to this restructuring, the remaining receivables in ESSPL may not yield adequate surplus to discharge its liability towards the Company for trade receivables and redemption of redeemable non convertible preference shares. However, the approved CDR scheme has mandated merger of ESSPL with the Company and accordingly, the Company has initiated the process and has taken the approval of Board of Directors in the board meeting held on 13th January 2015. The impact for the amalgamation shall be given/recorded in the books of accounts upon obtaining approvals and implementation of the Scheme.

   d) The Company has incurred substantial losses and its net worth has been significantly eroded. Based on Company's projected cash flows, it shall have sufficient funds to run its operations in foreseeable future. As regards availability of requisite funds to meet its debt related obligations including those falling due in financial year 2015-16 as per its CDR package executed with Company's lenders, the Company intends to monetize its identified investments, receivables and assets to meet the necessary obligations. The Company is also taking several measures to improve operational efficiencies and other avenues of raising funds.

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Educomp Solutions Limited New Delhi

The management is confident that with the above measures and continuous efforts to improve the business, it would be able to generate sustainable cash flow, discharge its short-term and long term liabilities and recover and recoup the erosion in its net worth through profitable operations and continue as a going concern. Accordingly, these unaudited standalone financial results have been prepared on a going concern basis and do not include any adjustments relating to the recoverability and classification of recorded assets, or to amounts and classification of liabilities that may be necessary, if the entity is unable to continue as a going concern.

3. The Company is in the process of determining and identifying significant component of fixed assets as prescribed under Schedule II to the Companies Act 2013 and the resultant impact, if any, will be considered in due course during the financial year 2015-16.

4. During the quarter ended on June 30, 2015, the Company has granted 80,000 stock options under Employee Stock Option Scheme of the Company.

   During the quarter ended on June 30, 2015, the Company has not allotted any equity Shares.

   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.

5. During the quarter, the Company has entered into a settlement agreement with one of the vendor and has recorded an amount of Rs. 1,382.92 lacs, which is no longer payable, as credit balance written back and shown under 'Other Income'.

6. During the quarter, the Company has recorded prior period expense amounting to Rs. 92.75 lacs.

7. During the year ended March 31, 2014, block assessment of the Company under Income Tax Act,1961 for Assessment Year 2007-08 to 2012-13 was completed by the Income Tax authorities and additional demand of Rs. 1,909.08 lacs was raised on account of certain disallowances.

   During the previous year, the Company has received a favourable order from the Income Tax Appellate Tribunal with respect to the AY 2007-08. On the basis of such favourable order, the Company has received a refund of Rs 457 lacs (including interest) during the previous year ended March 31, 2015 and Rs. 1,909.08 lacs during the quarter ended June 30, 2015. Accordingly, the Company has reversed the relevant provision amounting to Rs. 1,909.08 lacs.

8. 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.

9. 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.

10. 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.

11. Figures for the quarter ended March 31, 2015 represents the balancing figures between the audited figures for the full financial year and the published year to date figures upto the third quarter of the financial year ended March 31, 2015.

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12. The unaudited standalone financial results of the Company for the quarter ended on June 30, 2015 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).

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

By order of the Board of Directors

For Educomp Solutions Limited

Educomp Solutions Limited New Delhi

Shantanu Prakash
(Managing Director)

Place: Gurgaon
Date: August 13, 2015

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Limited Review Report

Review Report to
The Board of Directors
Educomp Solutions Limited

1. We have reviewed the accompanying Statement of Unaudited Consolidated Financial Results of Educomp Solutions Limited ('the Holding Company') and its subsidiaries (the Holding Company and its subsidiaries together referred to as 'the Group'), its associate and jointly controlled entity for the quarter ended June 30, 2015 ("the Statement") 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 the Statement 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 Statement 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. We believe that the review procedures performed by us and performed by the other auditors in terms of their report referred to in paragraph 7 below, is sufficient and appropriate to provide a basis for our reporting on the Statement.

4. 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 and EISML's subsidiaries have been identified for sale in a time bound manner. As per the valuation of such tangible fixed assets as evaluated and disclosed in the approved Corporate Debt Restructuring Package, some of these

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assets are expected to have lower realizable value than their carrying values. Such tangible fixed assets for the quarter ended June 30, 2015 and year ended March 31, 2015 having total carrying value of Rs. 32,075.33 lacs (Quarter ended June 30, 2014 Rs. 14,273 lacs) are included in the tangible fixed assets.

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.

Our audit opinion on the consolidated financial statements for the year ended March 31, 2015 and our limited review report for the quarter ended June 30, 2014 was also qualified in respect of aforesaid matter.

5. Based on our review conducted as above, and on consideration of the reports of the other auditors and subject to the possible effects of the matter described in paragraph 4 above, nothing has come to our attention that causes us to believe that the accompanying Statement, prepared in accordance with applicable accounting standards as specified under Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Account) Rules, 2014 and other recognised accounting practices and policies have 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 notes to the Statement in respect of matters stated below:

   a) Note 3(a) regarding managerial remuneration paid/payable to one of the whole time director of the Holding Company and one of its subsidiary Company, Educomp Infrastructure and School Management Limited during the quarter ended June 30, 2015, year ended March 31, 2015 and in the year ended March 31, 2014, 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

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XIII to the Companies Act, 1956 respectively, for which Central Government's approval has not been obtained.

b) Note 3(b) 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.

c) Note 3(c) with respect to Management's assessment of recoverability of Group's share of net assets as regards investment in six of its subsidiary companies, namely, Educomp Infrastructure and School Management Limited, Educomp Online Supplemental Service Limited, Educomp Child Care Private Limited, Educomp Professional Education Limited, Vidya Mandir Classes Limited, Educomp Intelliprop Ventures Pte. Ltd. (formerly known as Educomp Intelprop Ventures Pte. Ltd.), in a Trust- India Education Fund and in one of its associate, Greycells18 Media Limited. The Group evaluated the recoverability of its net assets, using business valuations performed by independent experts/ its own assessment, according to which the decline in the value of these net assets has been considered to be temporary.

d) Note 3(d) 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.

e) Note 3(e) 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.

f) Note 3(f) 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.

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g) Note 3(g) wherein the Holding Company has not considered impairment of trade receivable and investment in Edu Smart Services Private Limited (ESSPL) in the intervening period, in view of proposed merger of ESSPL with the Holding Company.

h) Note 3(h) in respect of the Holding Company, in the opinion of the management, despite incurring net losses, including during the quarter ended June 30, 2015 and erosion of net worth as at June 30, 2015, the unaudited consolidated financial results have been prepared on a going concern basis in view of matters more fully explained in the said note.

i) Note 3(i) in respect of one of Holding Company's subsidiary, Educomp Infrastructure & School Management Limited, in the opinion of the management, despite incurring losses, including during the quarter ended June 30, 2015 and erosion of net worth as at June 30, 2015, the unaudited consolidated financial results have been prepared on a going concern basis in view of matters more fully explained in the said note.

j) Note 3(j) in respect of one of Holding Company's step down subsidiary, Knowledge Vistas Limited, which indicates that the company has suspended its operation and is waiting for favourable business opportunities. Despite existence of these conditions, along with other matters more fully explained in the said note, the unaudited consolidated financial results have been prepared on going concern basis.

Our report is not modified in respect of these matters.

7. We did not review the financial results of 44 subsidiaries included in the Statement, whose financial results reflects total revenue of Rs. 9,544.97 lacs and total profit after tax of Rs. 1,388.69 lacs for the quarter ended June 30, 2015, as considered in the Statement. These financial results have been reviewed by the other auditors whose reports have been furnished to us by the Management and our opinion on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries is based solely on the reports of the other auditors.

8. We did not review the financial results of 2 subsidiaries and a jointly controlled entity included in the Statement, whose financial results reflects total revenue of Rs. 176.48 lacs

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and total loss after tax of Rs. 143.06 lacs for the quarter ended June 30, 2015, as considered in the Statement. The Statement also includes Group's share of loss after tax of Rs. 32.20 lacs for the quarter ended June 30, 2015, as considered in the Statement, in respect of an associate, whose financial results have not been reviewed by us. These financial results are not reviewed by their auditors and have been furnished to us by the Management and our reporting on the Statement, in so far as it relates to the amounts and disclosures included in respect of these subsidiaries, jointly controlled entity and the associate, is based solely on such unreviewed financial results. According to the information and explanations given to us by the Management, these financial results are not material to the Group.

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

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Ghanshyam Daga
Partner
Membership No.: 079371

Place : Gurgaon
Date : August 13, 2015