

30.05.2017

<b>The Manager Listing Department National Stock Exchange of India Limited Exchange Plaza, Bandra Kurla Complex Bandra (East), Mumbai-51</b>	<b>Corporate Service Department Bombay Stock Exchange Ltd. Rotunda Building, I Floor Samachar Marg Mumbai – 1</b>
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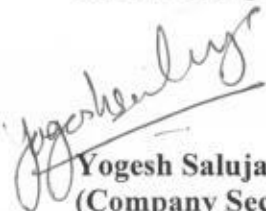
Dear Sirs,

**SUB:-Intimation under Regulation 30 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 for initiation of Corporate Insolvency Resolution Process**

In terms of Regulation 30 of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015, please find attached herewith the detailed press release in **Annexure-A**

This is for your information and records.

**For Educomp Solutions Limited**



**Yogesh Saluja  
(Company Secretary)**

**MemberShip No:- A21916**

**Address:-3/206, Subhash Nagar, New Delhi-110027**



**Educomp Solutions Limited**

**CIN:-L74999DL1994PLC061353**

**Corporate office: 514, Udyog Vihar, Phase III, Gurgaon – 122001, Haryana (INDIA).**

**Tel.: 91-124-4529000. Fax: 91-124-4529039.**

**Registered Office: 1211, Padma Tower I, 5, Rajendra Place, New Delhi-110008.**

**Tel.: 91-11-25755920. Fax: 91-11-25766775.**

Web site [www.educomp.com](http://www.educomp.com)

Bangalore, Mumbai, Chennai, Hyderabad.

## **Educomp takes IBC route to restructuring and revival**

- *Application under section 10 of Insolvency Code , accepted for admission by NCLT*
- *Aims at revival and restructuring strategy under the legislative framework of the new IBC policy*

**New Delhi:** Educomp 's application under the 2016 Insolvency and Bankruptcy code (IBC) was admitted today by the National Companies Law Tribunal , to ensure that the revival of the company is undertaken within the latest legal framework that exists in the country. The decision to file the application was taken after inordinate delays on the restructuring proposal that had been pending since early 2016.

ESL had submitted a restructuring proposal to the consortium of bankers which is led by State Bank of India , whereafter the bankers appointed PricewaterhouseCoopers (PwC) to conduct a detailed techno-economic viability study (TEV study) of the company. After several rounds of discussions with PwC, the final report was submitted in September 2016. The report submitted by PwC was emphatic about the underlying viability of the business subject to the correction of balance sheet of the company.

Educomp feels that any more delays will compromise its restructuring proposal and set back its revival plans and has thus proceeded to under the IBC policy to maintain its directional commitment. *"We feel that the new IBC framework, which is designed fundamentally to address issues of company revival where the basic business of the company is deemed to be viable will give the bankers the comfort to be able to conduct the restructuring that they need to do in order to revive the company"*, said a company statement.

There are several factors which support the case for Educomp's restructuring and revival, starting with the fact that it is the leading company in its vertical with a commanding market share in the area of digital classroom education. Educomp has pioneered several innovations in this particular field and has incubated a series of path breaking technologies, content and school management systems that have consistently led the entire industry.

Facing challenges due to large scale delinquencies from its underlined schools between the years 2010-2014, which led to financial challenges and forced it to undertake a deep financial and organizational restructuring, the company nevertheless retains its leadership of the market. There are about 75,000 classrooms in the country that are Educomp enabled. Educomp modules are currently, directly benefitting over 4 Million students across the country and Educomp has over 3000 employees in the

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group. Educomp remains the most prominent player in the educational ecosystem in the country and a social impact company with a large footprint and a fundamentally viable business

Appreciating the initiative taken by the Modi Government for improving the legislative infrastructure for doing business, the company in a statement said, *"We take great encouragement from the new IBC policy introduced by the government, intended to help distressed companies with strong fundamentals get relief and support under this particular legislative framework. This filing under IBC gives Educomp a window of opportunity to reconfigure its growth and revival strategies in line with the overall view of the consortium of Banks, and the PwC report for remodeling of the company balance sheet is support of their general consensus on its long term sustainability"*



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