

February 21, 2016

<p>The Manager Listing Department National Stock Exchange of India Ltd Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex Bandra (E), Mumbai - 400 051.</p>	<p>The Manager Department of Corporate Services Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai - 400 001</p>
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Dear Sir/Madam,

Sub: Outcome of Adjourned Board Meeting held today the 21st Feb 2016

Ref: Outcome of the Board Meeting held on 12th Feb 2016

In reference to the captioned subject we wish to inform you that the adjourned Board Meeting held today as scheduled and the Board considered and approved the Unaudited Financial Results of the company for the Quarter and Nine months ended December 31, 2015.

Please find enclosed the Unaudited Financial Results of the company for the Quarter and Nine months ended December 31, 2015 along with the Limited Review Report of the statutory Auditors.

The Board Meeting commenced today at 11.00 AM and concluded at 6.35 PM.

For any queries please contact Mr. Andre Gomes from our Corporate Communication team in his mobile No. +91-7045554446.

Thanking you

Yours Faithfully

For Everonn Education Limited



N P MathiLingan
Company Secretary

Encl: As above

[An ISO 9001-2008 Certified Company]

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CIN No.: L65991TN2000PLC058466



EVERONN EDUCATION LIMITED

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PART I Statement of Standalone Unaudited Results for the Quarter and Nine Months Ended 31-12-2015


Rs. in Lakhs

Sl. No	Particulars	Three Months Ended			Year To Date		
		Unaudited 31-Dec-15	Unaudited 30-Sep-15	Unaudited 31-Dec-14	Unaudited 31-Dec-15	Unaudited 31-Dec-14	Audited 31-Mar-15
1	Income from operations						
	(a) Net sales/income from operations	302.51	551.18	616.09	1 460.93	2 247.30	2 832.54
	Total income from operations net	302.51	551.18	616.09	1 460.93	2 247.30	2 832.54
2	Expenses						
	(a) Employee benefits expense	235.26	298.32	411.28	821.36	1 388.90	1 770.11
	(b) Depreciation and amortisation expense	196.31	182.52	846.28	588.94	2 538.85	3 277.24
	(c) Rates & Taxes	135.19	2.22	18.57	146.06	50.42	64.92
	(d) Legal, professional and consultancy charges	339.36	93.04	37.49	647.08	144.64	326.17
	(e) Other expenses	256.73	343.55	162.82	803.03	673.31	1 144.00
	Total expenses	1 162.85	919.65	1 476.44	3 006.47	4 796.12	6 582.44
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(860.34)	(368.47)	(860.35)	(1 545.54)	(2 548.82)	(3 749.90)
4	Other income	0.77	74.56	16.80	82.88	24.05	28.59
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(859.57)	(293.91)	(843.55)	(1 462.66)	(2 524.77)	(3 721.31)
6	Finance costs	1 073.91	786.62	1 011.67	2 898.49	3 040.22	4 083.30
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(1 933.48)	(1 080.53)	(1 855.22)	(4 361.15)	(5 564.99)	(7 804.61)
8	Exceptional items	41 111.95	-	-	41 111.95	-	634.39
9	Profit / (Loss) from ordinary activities before tax (7 + 8)	(43 045.43)	(1 080.53)	(1 855.22)	(45 473.10)	(5 564.99)	(8 439.00)
10	Tax expense	14 163.47	3 283.61	-	17 447.08	-	-
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	(57 208.90)	(4 364.14)	(1 855.22)	(62 920.18)	(5 564.99)	(8 439.00)
12	Extraordinary items (net of tax expense Rs. _____ Lakhs)	-	-	-	-	-	-
13	Net Profit / (Loss) for the period	(57 208.90)	(4 364.14)	(1 855.22)	(62 920.18)	(5 564.99)	(8 439.00)
14	Share of profit / (loss) of associates	-	-	-	-	-	-
15	Minority interest	-	-	-	-	-	-
16	Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 + 14 + 15)	(57 208.90)	(4 364.14)	(1 855.22)	(62 920.18)	(5 564.99)	(8 439.00)
17	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	2 405.24	2 405.24
18	Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year						10 852.83
19.i	Earnings per share (before extraordinary items) (of Rs. 10/- each) (not annualised):						
	(a) Basic	(237.85)	(18.15)	(7.86)	(261.60)	(23.15)	(35.11)
	(b) Diluted	(237.85)	(18.15)	(7.86)	(261.60)	(23.15)	(35.11)
9.ii	Earnings per share (after extraordinary items) (of Rs.10 /- each) (not annualised):						
	(a) Basic	(237.85)	(18.14)	(7.86)	(261.60)	(23.15)	(35.11)
	(b) Diluted	(237.85)	(18.14)	(7.86)	(261.60)	(23.15)	(35.11)
	See accompanying note to the financial results						

1. The above Stand-alone results were approved by the Board of Directors in the meeting held on February 21, 2016.
2. The Company is currently operating only in the Education Segment.
3. The auditors have qualified their limited review report on the unaudited financial results of the Company for the quarter ended December 31, 2015 and audit report for the year ended March 31, 2015 and the limited review report for the quarters ended September 30, 2015 and December 31, 2014 was also qualified in respect of the following matters:
 - a. Confirmations of balances from Sundry Debtors, Deposits Accounts, Loans and Advances, certain bank balances, sundry creditors have not been obtained. The Company has initiated appropriate steps for obtaining the confirmation from the above for the year ending 31st March, 2016, however pending receipt of confirmation of balances and consequential reconciliations / adjustments, if any, the resultant impact on the Statement is not ascertainable. As regards dues from Government Contracts, there is always a delay in realization of the dues and other advances, some of them are currently under arbitration. The management is of the view that provision, if any, required will be made on completion of contracts / review / reconciliation / identification of doubtful advances / debts, the impact of which is not ascertainable. With regard to loan and advances, the management has made provision for doubtful advances where ever considered necessary.
 - b. Provisions in respect of overdue lease rentals and other dues to certain creditors, who are directly / indirectly connected to erstwhile promoters, have not been made as the Company has preferred certain counter claims against them which are under various stages of litigations. The Company is confident of favourable outcome, pending this, the Company has not recognized a sum of Rs. Nil (PQ – Rs. 376.46 lakhs) of lease charges during the current quarter. The loss of the quarter is understated to the extent of Rs. Nil (PQ- Rs. 376.46 lakhs) on account of non-provision of such lease rentals thereby resulting in overall overstatement of Reserves and Surplus to the extent of Rs.5,468.27 lakhs (PQ - Rs.5,468.27 lakhs).
 - c. The Company has filed criminal and other complaints with various authorities, including a complaint filed with Ministry of Corporate Affairs seeking investigation by Serious Fraud Investigation Office (SFIO) in detail, with regard to transactions done by Company including its subsidiaries, under which advances were paid to third parties. All such transactions were orchestrated by the erstwhile promoters through their associated, affiliated entities / persons, while the Company was being controlled and managed by them. In view of the above, as a matter of prudence the Company has made a provision of Rs. 12,889 lakhs towards “advances to suppliers” for the aforesaid transactions.

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- d. Pending actuarial valuation, no provision, if any, has been made in the books of account towards leave encashment as required under revised AS-15 – Employee Benefits.
- e. The interest, if any, payable on dues to Sundry Creditors to whom the provision of MSMED Act is applicable, will be accounted on receipt of required details from them.
4. The lending banks failed to disburse the facilities as agreed in the debt restructuring agreement (DRA) and due to such failure on part of the lending banks the business operations and plans of the Company and its subsidiaries are seriously impacted. The management is of the view that it will not be possible to successfully execute the operational plan and achieve the projected cash flows as envisaged during the execution of DRA. Since the Company has an invested amounts of Rs. 25,456.06 lakhs in its subsidiaries / associates and has also extended loans and advances of Rs.16,000.92 lakhs and received loans and advances of Rs. 12,039.73 lakhs from those subsidiaries / associates as of December 31, 2015 hence as a matter of prudence, the Company is making a provision of Rs. 20,263.49 lakhs for the investment in subsidiaries/associates and a provision of Rs. 7,841.23 lakhs on account of loans and advances from its subsidiaries / associates.
5. The Company has a carrying value of deferred tax assets to the tune of Rs. 10,551.75 lakhs. Due to the failure on the part of the bankers/lenders to disburse the additional facilities agreed in DRA, the successful implementation of the business plan of the Company is no longer feasible. In view of this, the management is of the view that as required under AS-22 – Accounting for Taxes on Income, there is no certainty supported by convincing evidence that sufficient future taxable income will be available against which such deferred tax assets can be realized. Accordingly the Company has derecognized the Deferred Tax Asset of Rs. 10,551.75 lakhs during the quarter ended December 31, 2015.
6. The amounts charged to Profit & Loss account under exceptional items are as below

Particulars	Amount Rs. Lakhs
Diminution in value of Investments in Subsidiaries /Associates (Note No.4)	20,263.49
Provision for doubtful advances to subsidiaries (Note No.4)	7,841.23
Provision for doubtful advances to Suppliers (Note No. 3 (c))	12,889.00
Impairment of Fixed Assets	118.23
Subtotal	41,111.95

7. Previous period /year's figures have been regrouped / rearranged wherever necessary.

M. Jayakumar



Limited Review Report

Review Report

The Board of Directors

Everonn Education Limited

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Everonn Education Limited ('the Company') for the quarter ended December 31, 2015 ("the Statement"). 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 is 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. The audit report on the financial statements for the year ended March 31, 2015 and our limited review report for the quarter ended September 30, 2015 and the limited review report for the quarter ended December 31, 2014 were also qualified in respect of the matters (ii) to (vi) stated below:
 - i. Refer Note No.4 & 5 the disbursal of a part of the agreed facilities under debt restructuring agreement (DRA) with banks has failed to happen, based on which the management is of the view that it will not be possible to successfully execute the operational plan to achieve projected cash flow envisaged during DRA execution. These events indicate a material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern and therefore it may be unable to realise its assets and discharge its liabilities in the normal course of business. The statement and notes thereto do not disclose this fact. The additional provision for shortfall, if any, had the statement been prepared on realization basis, is not ascertainable, though the company has, as a matter of prudence, made a provision of Rs.20,263.49 lakhs towards diminution in value of investments, Rs.20,730.23 lakhs towards provision for bad and doubtful advances (including Rs.7,841.23 lakhs to subsidiaries/associates), Rs.118.23 lakhs towards impairment of intangible assets aggregating to Rs.41,111.95 lakhs under Exceptional Items and Rs.14,163.47 lakhs towards de-recognition of deferred tax/prepaid taxes which is shown as Tax Expense.
 - ii. Note No.3(a) with regard to non receipt of confirmation and consequential reconciliation of balances from sundry debtors including dues from government companies, loans and advances, investments, sundry creditors, banks and other liabilities. Pending receipt of confirmation of these balances and consequential reconciliations / adjustments, if any, the resultant impact on the Statement is not ascertainable.

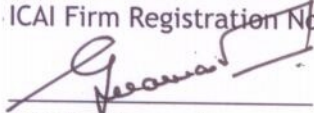


HARIBHAKTI & CO. LLP

Chartered Accountants

- iii. Note No.3(b) lease charges amounting to Rs. Nil (PQ - Rs. 376.46 lakhs) for the quarter ended December 31, 2015 and cumulatively Rs.5,468.27 lakhs (PQ - Rs. 5,468.27 lakhs) as of December 31, 2015 has not been provided in the books of account as required in para 14 of Accounting Standard 29 'Provisions, Contingent Liabilities and Contingent Assets for some parties as the counter claims against those parties are under litigation. Accordingly, loss for the quarter is understated by Rs. Nil and Reserves and Surplus are overstated by Rs. 5,468.27 lakhs.
 - iv. Note No.3(c), the Company has filed complaints with certain regulatory authorities with regard to various transactions done by erstwhile promoters and their associates with various third parties under which advances were paid by the Company and/or its associated, affiliated entities/ subsidiaries. Hence, no identified provision other than those mentioned in para 3(i) has been made for such advances in the books of account. We are unable to comment on the possible financial impact of the outcome of such legal proceedings.
 - v. Note No.3(d) regarding non provision for leave encashment based on actuarial valuation which is not in conformity with Accounting Standard 15 'Employee Benefits (Revised)'. In the absence of actuarial valuation, we are unable to ascertain the impact of the same on the Statement.
 - vi. Note No.3(e) regarding non provision of interest, if any, payable to Sundry Creditors to whom the provisions of MSMED Act is applicable, the impact of which is not ascertainable, which is not in conformity with para 14 of Accounting Standard 29 'Provisions, Contingent Liabilities and Contingent Assets'.
4. Based on our review conducted as above and except to the effects, if any, of the matters described in paragraph 3 above, no other matter 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 Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including the manner in which it is to be disclosed, or that it contains any material misstatement.
5. The financial statements of the Company for the year ended March 31, 2015 were audited by another auditor who expressed a modified opinion on those financial statements on May 30, 2015.

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


G N Ramaswami
Partner
Membership No.: 202363
Chennai
February 21, 2016

