

PART I Statement of Standalone Unaudited Results for the Quarter Ended 30-06-2014

₹ in lakhs

Particulars	3 Months Ended Unaudited 30-Jun-14	Preceding 3 months ended Unaudited 31-Mar-14	Corresponding 3 months ended Unaudited 30-Jun-13	Year Ended Audited 31-Mar-14
1) Income from operations				
(a) Net sales/income from operations (Net of excise duty)	862.74	1,023.81	1,046.47	4,322.99
(b) Other operating income Total income from operations(net)	-	-	-	-
Total income from operations net	862.74	1,023.81	1,046.47	4,322.99
2) Expenses				
(a) Cost of materials consumed				
(b) Purchases of stock-in-trade				
(c) Changes in inventories of finished goods, work - in - progress & stock-in-trade				
(d) Employee benefits expense	512.41	520.82	594.72	2,344.31
(e) Depreciation and amortization expense	846.28	1,001.72	1,097.49	4,618.51
(f) Other expenses	343.36	323.94	351.46	1,471.51
Total expenses	1,702.05	1,846.48	2,043.67	8,434.33
3) Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(839.31)	(822.67)	(997.20)	(4,111.34)
4) Other income	1.75	5.64	22.15	33.89
5) Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(837.56)	(817.03)	(975.05)	(4,077.45)
6) Finance costs	982.35	1,434.95	1,319.44	4,943.42
7) Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(1,819.91)	(2,251.98)	(2,294.49)	(9,020.87)
8) Exceptional items	-	6,495.50	-	6,495.50
9) Profit / (Loss) from ordinary activities before tax (7 + 8)	(1,819.91)	(8,747.48)	(2,294.49)	(15,516.37)
10) Tax expense	-	(3,434.43)	-	(3,434.43)
11) Net Profit / (Loss) from ordinary activities after tax (9 - 10)	(1,819.91)	(5,313.05)	(2,294.49)	(12,081.94)
12) Extraordinary items (net of tax expense ₹ _ in Lakhs)	-	-	-	-
13) Net Profit / (Loss) for the period	(1,819.91)	(5,313.05)	(2,294.49)	(12,081.94)
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)*	(1,819.91)	(5,313.05)	(2,294.49)	(12,081.94)
17) Paid-up equity share capital (Face Value of the Share shall be indicated)	2,405.24	2,296.11	2,186.98	2,296.11
18) Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	25,634.01	27,283.49	36,746.93	27,283.49
19.i) Earnings per share (before extraordinary items) (of ₹ 10/- each (not annualised):				
(a) Basic	(7.57)	(24.29)	(10.49)	(55.24)
(b) Diluted	(7.57)	(21.64)	(10.49)	(52.59)
19.ii) Earnings per share (after extraordinary items) (of ₹ 10/- each) (not annualised):				
(a) Basic	(7.57)	(24.29)	(10.49)	(55.24)
(b) Diluted	(7.57)	(21.64)	(10.49)	(52.59)

See accompanying note to the financial results

PART II Select information of the Quarter ended 30.06.2014

PARTICULARS OF SHAREHOLDING				
Public shareholding				
- Number of shares	8,460,655	8,460,655	8,460,655	8,460,655
- Percentage of shareholding	35.18	36.85	38.69	36.85
Promoters and Promoter Group Shareholding**				
a) Pledged / Encumbered				
-Number of shares	4,290,000	4,290,000	4,290,000	4,290,000
-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	27.51	29.59	32.00	29.59
-Percentage of shares (as a % of the total share capital of the company)	17.84	18.68	19.62	18.68
b) Non - encumbered				
-Number of shares	11,301,759	10,210,456	9,119,153	10,210,456
-Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	72.49	70.41	68.01	70.41
-Percentage of shares (as a % of the total share capital of the company)	46.99	44.47	41.70	44.47

PARTICULARS	3 Months ended (30/06/2014)
INVESTOR COMPLAINTS	
• Pending at the beginning of the quarter	Nil
• Received during the quarter	Nil
• Disposed off during the quarter	Nil
• Remaining unresolved at the end of the quarter	Nil

NOTE:

- The above financial results for the quarter ended June 30, 2014 have been reviewed by the audit committee and were approved by the Board of Directors in their meeting held on August 12, 2014.
- The company is currently operating only in Education Segment.
- Provisions/Adjustments, if any arising on account of revised AS-15 on employee benefits issued by the Institute of Chartered Accountants of India will be considered at the year end.
- The weighted average number of equity shares outstanding at the year end has been considered for calculating the earning per share as per Accounting Standard-20.
- Given the seasonal nature of the industry, the results of any quarter may not be true indicative of quarter to quarter / annual performance.
- There has been no change in the disputed demands under the Income tax, Service Tax, VAT during this quarter, as the appeals filed are pending and hence no provisions are made.
- For the purpose of providing depreciation on tangible assets, the Company has adopted the "useful lives" specified in Schedule II of the Companies Act, 2013 which has become applicable from 1st April 2014. Consequently, profit for the quarter is lower by Rs. 311.95 lakh and fixed assets are lower by Rs. 465.53 lakh. Further, an amount of Rs.153 lakh has been recognized in the opening balance of the retained earnings in respect of the assets where the remaining useful life of such assets are Nil as at 1st April 2014 in line with provision of Schedule-II to the Companies Act 2013.
- In respect of contracts with the State governments and their related agencies and others, the provision for shortfall in the realization of dues and other unforeseen losses, if any will be recognised in the accounts after completion of the entire contract.
- In terms of approval obtained from the High Court of Madras the company has carved out a sum of Rs 150 Crores from the share premium account as on 31.03.2014 which will be utilized in terms of the resolutions passed by the shareholders and approved by the Honorable High Court of Madras for adjusting certain impairment/ doubtful/ old advances and debts including diminution in value of investments in its subsidiaries along with the advances given to them. The evaluation and progress of this exercise is in the advanced stage and is expected to be completed during the finalization of second quarter results of FY 2014-15.
- Additional provisions in respect of overdue lease rentals and other dues to certain creditors are not made as the company has certain counter claims against them and are under various stages of negotiation. Pending renegotiations, the company has not recognized a sum of Rs. 6.68 Crores of lease charges during the current quarter.
- One of the creditors for a sum of Rs 15 lacs has obtained an ex parte order against the company for winding up which is being contested.
- In view of the future business plans and the general buoyancy in the economy coupled with the thrust indicated in the Budget for massive spending by the government in the field of education field, the management is of the view that no impairment loss needs to be recognized in respect of the deferred tax asset carried in the books.
- The company has twelve subsidiaries and three step down subsidiaries all established in the prior years and barring a few , these companies have outlived their utility and their future business potential is being evaluated to arrive at a final conclusion.
- Previous period /year's figures have been regrouped / rearranged wherever necessary.

By order of the Board of Directors
For Everonn Education Limited



A. Srinivasan
Managing Director

Limited Review Report of the Unaudited Financial Results
for the quarter ended 30th June, 2014

We have reviewed the accompanying statement of unaudited financial results of M/s. Everonn Education Limited for the quarter ended 30th June, 2014 except for the disclosures regarding 'Public Shareholding' and 'Promoter and Promoter Group Shareholding' which have been made by the Management but have neither been reviewed nor have been audited by us. The statement has been prepared by the company pursuant to clause 41 of the listing agreement with stock exchanges in India. This statement is the responsibility of the Company's Management and has been approved by the Board of Directors. Our responsibility is to issue a report on these financial statements based on our review.

We conducted our review in accordance with the Standard on Review Engagement (SRE) 2410, Review of Interim Financial Informations performed by the independent auditor of the entity, issued by the Institute of Chartered Accountants of India. This standard requires that we plan and perform the review to obtain moderate assurance as to whether the financial statements are free of material misstatement. A review is limited primarily to inquiries of Company personnel and analytical procedures applied to financial data and thus provide less assurance than an audit. We have not performed an audit and accordingly, we do not express an audit opinion.

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

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

We draw your attention to,

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



- ii) *Note No.8 with regard to receivables, loans and advances and ultimate realization thereof.*
- iii) *Note No.10 Lease charges amounting to Rs. 668.97 Lakhs has not been provided in the books during the financials year for some parties as required by the contractual terms. Had this been considered in the unaudited results for the quarter ended June, 2014, the loss for the quarter would have been higher to that extent.*
- iv) *Note No.12, with regard to review of usefulness of the assets under AS 28, for which provision towards impairment/loss has not been ascertained.*
- v) *Note No.13 The Company is in the process of evaluating the carrying value of investment in subsidiaries and advances to subsidiaries taking into account the future operational plans and cash flows as prepared by the management and accordingly no impairment loss has been recognized at this stage.*

No confirmation of balances is received from Sundry Debtors, loans and advances, other debit balances, Sundry Creditors and other outstanding liabilities and credit balances as on 30.06.2014 have been received.

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

Based on our review conducted as above, *subject to our observations mentioned in paragraphs mentioned above*, nothing has come to our attention that causes us to believe that the accompanying statement of unaudited financial results prepared in accordance with applicable accounting standards and other recognized accounting practices and policies has not disclosed the information required to be disclosed in terms of Clause 41 of the Listing Agreement including the manner in which it is to be disclosed, or that it contains any material misstatement.

For M/S P. Chandrasekar
Chartered Accountants

P. Chandrasekar
Partner
Firm No. 0103105
M. No 26837
Date 12 Aug 2014