

**EVERONN EDUCATION LIMITED**

**PART I Statement of Standalone Unaudited Results for the Quarter and Half Year Ended 30-09-2014**

₹ in Lakhs

Particulars	Three Months Ended			Year To Date		
	Unaudited 30-Sep-14	Unaudited 30-Jun-14	Unaudited 30-Sep-13	Unaudited 30-Sep-14	Unaudited 30-Sep-13	Audited 31-Mar-14
1 Income from operations						
(a) Net sales/income from operations	768.47	862.74	1,130.25	1,631.21	2,176.72	4,322.99
(b) Other operating income						
Total income from operations (net)						
<b>Total income from operations net</b>	<b>768.47</b>	<b>862.74</b>	<b>1,130.25</b>	<b>1,631.21</b>	<b>2,176.72</b>	<b>4,322.99</b>
2 Expenses						
(a) Cost of materials consumed						
(b) Purchases of stock-in-trade						
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade						
(d) Employee benefits expense	465.21	512.41	593.69	977.62	1,188.41	2,344.31
(e) Depreciation and amortisation expense	846.29	846.28	1,465.49	1,692.57	2,562.98	4,618.51
(f) Other expenses	306.13	343.36	436.11	649.49	787.57	1,471.51
<b>Total expenses</b>	<b>1,617.63</b>	<b>1,702.05</b>	<b>2,495.29</b>	<b>3,319.68</b>	<b>4,538.96</b>	<b>8,434.33</b>
Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(849.16)	(839.31)	(1,365.04)	(1,688.47)	(2,362.24)	(4,111.34)
3 Other income	5.50	1.75	3.47	7.25	25.62	33.89
4 Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(843.66)	(837.56)	(1,361.57)	(1,681.22)	(2,336.62)	(4,077.45)
5 Finance costs	1,046.20	982.35	948.57	2,028.55	2,268.01	4,943.42
6 Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(1,889.86)	(1,819.91)	(2,310.14)	(3,709.77)	(4,604.63)	(9,020.87)
7 Exceptional items	-	-	-	-	-	6,495.50
8 Profit / (Loss) from ordinary activities before tax (7 + 8)	(1,889.86)	(1,819.91)	(2,310.14)	(3,709.77)	(4,604.63)	(15,516.37)
9 Tax expense	-	-	-	-	-	(3,434.43)
10 Net Profit / (Loss) from ordinary activities after tax (9 - 10)	(1,889.86)	(1,819.91)	(2,310.14)	(3,709.77)	(4,604.63)	(12,081.94)
11 Extraordinary items (net of tax expense ₹ Lakhs)	-	-	-	-	-	-
12 Net Profit / (Loss) for the period	(1,889.86)	(1,819.91)	(2,310.14)	(3,709.77)	(4,604.63)	(12,081.94)
13 Share of profit / (loss) of associates*	-	-	-	-	-	-
14 Minority interest *	-	-	-	-	-	-
15 Net Profit / (Loss) after taxes, minority interest and share of profit / (loss) of associates (13 + 14 + 15) *	(1,889.86)	(1,819.91)	(2,310.14)	(3,709.77)	(4,604.63)	(12,081.94)
16 Paid-up equity share capital (Face Value of the Share shall be Indicated)	2,405.24	2,405.24	2,186.98	2,405.24	2,186.98	2,296.11
17 Reserve excluding Revaluation Reserves as per balance sheet of previous accounting year	23,744.16	25,634.01	34,436.78	23,744.16	34,436.78	27,283.49
18 Earnings per share (before extraordinary items) (of ₹ 10/- each) (not annualised):						
(a) Basic	(7.86)	(7.57)	(10.54)	(15.43)	(21.05)	(55.24)
(b) Diluted	(7.86)	(7.57)	(10.54)	(15.43)	(21.05)	(52.59)
19 Earnings per share (after extraordinary items) (of ₹ 10/- each) (not annualised):						
(a) Basic	(7.86)	(7.57)	(10.54)	(15.43)	(21.05)	(55.24)
(b) Diluted	(7.86)	(7.57)	(10.54)	(15.43)	(21.05)	(52.59)
See accompanying note to the financial results						

For EVERONN EDUCATION LIMITED

*[Signature]*  
Managing Director



**EVERONN EDUCATION LIMITED**

Particulars	Three Months Ended			Year To Date		
	Unaudited 30-Sep-14	Unaudited 30-Jun-14	Unaudited 30-Sep-13	Unaudited 30-Sep-14	Unaudited 30-Sep-13	Audited 31-Mar-14
<b>PART II Select information of the Quarter and year ended 30.09.2014</b>						
<b>A PARTICULARS OF SHAREHOLDING</b>						
<b>1 Public shareholding</b>						
- Number of shares	8,460,655	8,460,655	8,460,655	8,460,655	8,460,655	8,460,655
- Percentage of shareholding	35.18	35.18	38.69	35.18	38.69	36.85
<b>2 Promoters and Promoter Group Shareholding **</b>						
<b>a) Pledged / Encumbered</b>						
-Number of shares	4,290,000	4,290,000	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	27.51	31.99	27.51	31.99	29.59
-Percentage of shares (as a % of the total share capital of the company)	17.84	17.84	19.62	17.84	19.62	18.68
<b>b) Non - encumbered</b>						
-Number of shares	11,301,759	11,301,759	9,119,153	11,301,759	9,119,153	10,210,456
-Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	72.49	72.49	68.01	72.49	68.01	70.41
-Percentage of shares (as a % of the total share capital of the company)	46.99	46.99	41.70	46.99	41.70	44.47

Particulars	3 months ended (30/09/2014)
<b>B INVESTOR COMPLAINTS</b>	
Pending at the beginning of the quarter	Nil
Received during the quarter	Nil
Disposed of during the quarter	Nil
Remaining unresolved at the end of the quarter	Nil

For EVERONN EDUCATION LIMITED

  
Managing Director



Notes to accounts:

1. The above financial results for the quarter ended Sep 30, 2014 have been reviewed by the audit committee and were approved by the Board of Directors in their meeting held on November 13, 2014.
2. The company is currently operating only in Education Segment.
3. 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
4. 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.
5. Given the seasonal nature of the industry, the results of any quarter may not be true indicative of quarter to quarter/annual performance.
6. 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.
7. 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 .
8. 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 FY 2014-15.
9. 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. 6.53 Crores of lease charges during the current quarter.
10. 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.
11. 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 need to be recognised in respect of the deferred tax asset carried in the books.

For EVERONN EDUCATION LIMITED

Managing Director



12. The Networth of the certain subsidiary companies of the company has completely eroded. The above factors indicate existence of potential impairment of Companies investment in certain subsidiaries. Management is in the process of making a detailed assessment of recoverable amount of Investment in equity instruments, unsecured loans and other receivables. However, based on the long- term business strategy and plans, the management believes that there is no "other than temporary" dilution in the carrying value of the aforesaid assets. Accordingly, no provision has been made as at 30<sup>th</sup> Sept, 2014.
13. 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.
14. Previous period /year's figures have been regrouped / rearranged wherever necessary.

For EVERONN EDUCATION LIMITED

  
Managing Director





EVERONN EDUCATION LIMITED  
Standalone Statement of Assets and Liabilities as at Sep 30,2014

₹ in Lakhs

Particulars	Unaudited As at 30.09.2014	Audited As at 31.03.2014
<b>A EQUITY AND LIABILITIES Shareholders' funds</b>		
1 (a) Share capital	2,405.24	2,296.11
(b) Reserves and surplus	23,744.16	27,283.49
<b>Sub-total Shareholders' funds</b>	<b>26,149.40</b>	<b>29,579.60</b>
2 Share application money pending allotment		
<b>3 Non-current liabilities</b>		
(a) Long-term borrowings	42,660.49	42,143.74
(b) Deferred tax liabilities (net)	-	-
(c) Other long-term liabilities	338.32	358.71
(d) Long-term provisions		
<b>Sub-total - Non-current liabilities</b>	<b>42,998.81</b>	<b>42,502.45</b>
<b>4 Current liabilities</b>		
(a) Short-term borrowings	33,040.93	34,016.36
(b) Trade payables	3,264.50	3,162.86
(c) Other current liabilities	1,580.70	1,536.22
(d) Short-term provisions	1,170.53	1,168.03
<b>Sub-total - Current liabilities</b>	<b>39,056.66</b>	<b>39,883.47</b>
<b>TOTAL - EQUITY AND LIABILITIES</b>	<b>108,204.87</b>	<b>111,965.52</b>
<b>B ASSETS</b>		
<b>1 Non-current assets</b>		
(a) Fixed assets	12,697.98	14,540.20
(b) Non-current investments	25,466.06	25,466.06
(c) Deferred tax assets (net)	17,056.36	17,056.36
(d) Long-term loans and advances	740.00	748.37
(e) Other non-current assets	3,265.60	3,732.11
<b>Sub-total - Non-current assets</b>	<b>59,226.00</b>	<b>61,543.10</b>
<b>2 Current assets</b>		
(a) Current investments	0.12	0.12
(b) Inventories	-	-
(c) Trade receivables	17,996.40	20,780.59
(d) Cash and cash equivalents	705.87	1,640.63
(e) Short-term loans and advances	30,276.48	28,001.08
(f) Other current assets	-	-
<b>Sub-total - Current assets</b>	<b>48,978.87</b>	<b>50,422.42</b>
<b>TOTAL - ASSETS</b>	<b>108,204.87</b>	<b>111,965.52</b>

For EVERONN EDUCATION LIMITED

  
Managing Director



M/s P.Chandrasekar,  
Chartered Accountants  
S 512-514, Manipal Centre, 47,Dikenson Road, Bangalore 560042

**Limited Review Report of the Unaudited Financial Results**  
**for the quarter ended 30<sup>th</sup> Sept, 2014**

We have reviewed the accompanying statement of unaudited financial results of M/s. Everonn Education Limited for the quarter ended 30<sup>th</sup> Sept,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.*



**M/s P.Chandrasekar,**  
Chartered Accountants  
S 512-514, Manipal Centre, 47,Dikenson Road, Bangalore 560042

- ii) *Note No.7 with regard to receivables, loans and advances and ultimate realization thereof.*
- iii) *Note No.9 Lease charges amounting to Rs.653.85 Lakhs for the quarter, Rs 1322.82 Lakhs for the half year ended Sept2014 and cumulative figure of Rs 3609.03 Lakhs from the year 2013-14 upto date has not been provided in the books for some parties as required by the contractual terms, had this been considered in the unaudited results for the half year ended Sept, 2014, the loss for the quarter would have been higher to that extent and retained earning would have been lower by such amount.*
- iv) *Note No10, 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.11 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 30.09.2014 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.Chandrasekaran  
Partner  
Firm No.:000580S  
M.No.26037  
Date: 13<sup>th</sup> Nov,2014