

EVERONN EDUCATION LIMITED

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PART I Statement of Standalone Unaudited Results for the Quarter and Half Year Ended 30-09-2015

in Lakhs

Sl.No.	Particulars	Three Months Ended			Year To Date	
		Unaudited 30-Sep-15	Unaudited 30-Jun-15	Unaudited 30-Sep-14	Unaudited 30-Sep-15	Unaudited 30-Sep-14
1	Income from operations					
	(a) Net sales/income from operations	551.18	607.24	768.47	1,158.42	2,832.54
	Total income from operations net	551.18	607.24	768.47	1,158.42	2,832.54
2	Expenses					
	(a) Employee benefits expense	298.32	287.78	465.21	586.10	1,770.11
	(b) Depreciation and amortisation expense	182.52	210.11	846.29	392.63	3,277.24
	(c) Other expenses	438.81	426.08	306.13	864.89	1,535.09
	Total expenses	919.65	923.97	1,617.63	1,843.62	6,582.44
3	Profit / (Loss) from operations before other income, finance costs and exceptional items (1-2)	(368.47)	(316.73)	(849.16)	(685.20)	(3,749.90)
4	Other income	74.56	7.55	5.50	82.11	28.59
5	Profit / (Loss) from ordinary activities before finance costs and exceptional items (3 + 4)	(293.91)	(309.18)	(843.66)	(603.09)	(3,721.31)
6	Finance costs	786.62	1,037.96	1,046.20	1,824.58	4,083.30
7	Profit / (Loss) from ordinary activities after finance costs but before exceptional items (5 - 6)	(1,080.53)	(1,347.14)	(1,889.86)	(2,427.67)	(7,804.61)
8	Exceptional items	-	-	-	-	634.39
9	Profit / (Loss) from ordinary activities before tax (7 + 8)	(1,080.53)	(1,347.14)	(1,889.86)	(2,427.67)	(8,439.00)
10	Tax expense	3,283.61	-	-	3,283.61	-
11	Net Profit / (Loss) from ordinary activities after tax (9 - 10)	(4,364.14)	(1,347.14)	(1,889.86)	(5,711.28)	(8,439.00)
12	Extraordinary items (net of tax expense ` ____ Lakhs)	-	-	-	-	-
13	Net Profit / (Loss) for the period	(4,364.14)	(1,347.14)	(1,889.86)	(5,711.28)	(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)	(4,364.14)	(1,347.14)	(1,889.86)	(5,711.28)	(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
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 `10/- each) (not annualised):					
	(a) Basic	(18.15)	(5.60)	(7.86)	(23.75)	(35.11)
	(b) Diluted	(18.15)	(5.60)	(7.86)	(23.75)	(35.11)
19.ii	Earnings per share (after extraordinary items) (of `10 /- each) (not annualised):					
	(a) Basic	(18.14)	(5.60)	(7.86)	(23.75)	(35.11)
	(b) Diluted	(18.14)	(5.60)	(7.86)	(23.75)	(35.11)
	See accompanying note to the financial results					

For EVERONN EDUCATION LTD.



Director

PART II Select information of the Quarter and year ended 30.09.2015

PARTICULARS OF SHAREHOLDING							
A	PARTICULARS OF SHAREHOLDING						
1	Public shareholding						
	- Number of shares	91,54,064	91,54,064	84,60,655	91,54,064	84,60,655	91,04,064
	- Percentage of shareholding	38.06	38.06	35.18	38.06	35.18	37.85
2	Promoters and Promoter Group Shareholding						
	a) Pledged / Encumbered						
	-Number of shares	65,82,197	65,82,197	42,90,000	65,82,197	42,90,000	66,32,197
	-Percentage of shares (as a % of the total shareholding of promoter and promoter group)	44.18	44.18	27.51	44.18	27.51	44.37
	-Percentage of shares (as a % of the total share capital of the company)	27.37	27.37	17.84	27.37	17.84	27.57
	b) Non - encumbered						
	-Number of shares	83,16,153	83,16,153	1,13,01,759	83,16,153	1,13,01,759	83,16,153
	-Percentage of shares (as a % of the total shareholding of the Promoter and Promoter group)	55.82	55.82	72.48	55.82	72.48	55.63
	-Percentage of shares (as a % of the total share capital of the company)	34.58	34.58	46.99	34.58	46.99	34.58

Particulars	
B	INVESTOR COMPLAINTS
	3 months ended (30/09/2015)
Pending at the beginning of the quarter	Nil
Received during the quarter	2
Disposed of during the quarter	2
Remaining unresolved at the end of the quarter	Nil

For EVERONN EDUCATION LTD.



Director

EVERONN EDUCATION LIMITED

Standalone Statement of Assets and Liabilities as at Sep 30,2015

in Lakhs

PARTICULARS	Unaudited as at 30.09.2015	Audited as at 31.03.2015
A EQUITY AND LIABILITIES Shareholders' funds		
1 (a) Share capital	2,405.24	2,405.24
(b) Reserves and surplus	5,141.53	10,852.83
Sub-total Shareholders' funds	7,546.77	13,258.07
2 Share application money pending allotment		
3 Non-current liabilities		
(a) Long-term borrowings	47,387.88	46,142.30
(b) Other long-term liabilities	228.01	229.35
(c) Long-term provisions	60.20	52.70
Sub-total - Non-current liabilities	47,676.09	46,424.35
4 Current liabilities		
(a) Short-term borrowings	32,422.92	31,149.91
(b) Trade payables	2,959.27	2,988.87
(c) Other current liabilities	1,973.77	1,921.16
(d) Short-term provisions	1,044.85	1,044.84
Sub-total - Current liabilities	38,400.81	37,104.78
TOTAL - EQUITY AND LIABILITIES	93,623.67	96,787.20
B ASSETS		
1 Non-current assets		
(a) Fixed assets	3,168.28	3,559.11
(b) Non-current investments	25,456.06	25,456.06
(c) Deferred tax assets (net)	10,551.75	17,056.36
(d) Long-term loans and advances	6,170.21	2,854.23
(e) Other non-current assets	1,866.06	2,799.08
Sub-total - Non-current assets	47,212.36	51,724.84
2 Current assets		
(a) Current investments	0.12	0.12
(b) Trade receivables	16,657.88	16,249.12
(c) Cash and cash equivalents	231.24	569.58
(d) Short-term loans and advances	29,522.07	28,243.54
Sub-total - Current assets	46,411.31	45,062.36
TOTAL - ASSETS	93,623.67	96,787.20

For EVERONN EDUCATION LTD.



Director

Everonn Education Limited , Chennai
Notes

1. The above Standalone results were reviewed by the Audit Committee and approved by the Board of Directors in their respective meeting held on November 13, 2015.
2. The Company is currently operating only in Education Segment.
3. Given the seasonal nature of the industry, the results of any quarter may not be true indicative of quarter to quarter / annual performance.
4. The auditors have qualified their limited review report on the unaudited financial results of the company for the quarter and half year ended September 30, 2015 and audit report for the year ended March 31, 2015 and the limited review report for the quarter ended June 30, 2015 was also qualified in respect of the following matters:
 - a. The company has received demand notices (inclusive of interest) of Rs.9783.39lakhs in respect of Income-tax from assessing authorities. The Company has disputed the demand by filing appeals before appellate authorities and the matter is pending disposal. Considering the nature of demands and issues involved, the management is of the view that no provision is required to be made at this stage.
 - b. Confirmations of balances from Sundry Debtors, Deposits Accounts, Loans and Advances, certain bank balances, sundry creditors have not been obtained. Pending receipt of confirmation of balances and consequential reconciliations / adjustments, if any, the resultant impact on the financial statements including the operating results is not ascertainable. As regards dues from Government Contracts, there is always a delay in realization of the dues and other advances, which is nevertheless is quite secure and 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.
 - c. Provisions in respect of overdue lease rentals and other dues to certain creditors are not made as the company has preferred certain counter claims against them which are under various stages of negotiation. Pending negotiations/ settlement, the company has not recognized a sum of Rs.376.46 lakhs of lease charges during the current quarter. The loss of the quarter is understated to the extent of 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.5468.27 lakhs.
 - d. The Company has an investment of Rs.25456 lakhs in subsidiaries / associates and has also extended loans and advances to the tune of Rs.15669 lakhs to those subsidiaries / associates as of September 30, 2015. The management is in the process of evaluating the future business opportunities which these entities can exploit gainfully. Hence, taking into consideration the future operational plans and projected cash flow as prepared by the management, no provision has been made in the financials towards diminution in the value of investments / advances.

For EVERONN EDUCATION LTD.,



Director

Everonn Education Limited , Chennai
Notes

- e. The company has filed criminal and other complaints with law enforcement authorities with regard to transactions of earlier years done by erstwhile promoters and their associates. No provision has been made for the debit balances in books, the impact of which is not ascertainable at this stage. The company is taking necessary steps for recovery of long outstanding advances by filing an application with the Ministry of Corporate Affairs seeking detailed investigation by the Serious Fraud Investigation Office (SFIO).
 - f. The Company has reviewed the balances in Deferred Tax Account as at the reporting period and taking into consideration the forecast transaction of the company in the immediate future, adjusted the same in line with the claims lodged and considered with tax authorities. During this process, the company has derecognized Rs.3283.61lakhs in deferred tax assets after taking into account the deferred tax asset for the financial year 2014 - 15. There is a virtual certainty and the company has the ability to continue as a going concern as detailed in Note No:6 below.
 - g. Provisions / Adjustments, if any, towards Leave Encashment as required under revised AS-15 - Employee Benefits has not been considered by the management.
 - h. 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.
5. The auditors have drawn attention in their limited review report on the unaudited financial results of the company for the quarter ended September 30, 2015, with regard to the ability of the company to continue as a going concern which is dependent on the successful outcome of management plans and proposals being made by the management to the bankers for further rescheduling or restructuring of the existing debts and other liabilities.
6. Previous period /year's figures have been regrouped / rearranged wherever necessary.

For EVERONN EDUCATION LTD.



Director

Limited Review Report

Review Report to

The Board of Directors of Everonn Education Limited, Chennai

1. We have reviewed the accompanying Statement of Unaudited Financial Results of Everonn Education Limited ('the Company') for the quarter ended September 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 draw attention to the notes to the Statement in respect of matters stated below:
 - i. Note No.5 (a) regarding Tax demands of Rs.9783.39 lakhs relating to earlier years for which the assessments are under dispute. The company's management is of the view that there is no requirement of any provision at this stage.
 - ii. Note No.5 (b) regarding non receipt of confirmation, non-completion of reconciliation of balances of sundry debtors (including dues from government companies), loans and advances, banks, sundry creditors & other liabilities and their consequent adjustments. These accounts are subject to such adjustments, if any, which are not ascertainable at this stage.
 - iii. Note No. 5 (c) regarding Lease charges amounting to Rs.376.46 lakhs for the quarter and cumulatively Rs.5469.27 lakhs as of September 2015 has not been provided in the books for some parties. Had this been considered in the unaudited results for the three months ended September 2015, the loss for the quarter would have been higher to the extent and retained earnings would have been lower by such amounts respectively.
 - iv. As stated in Note No. 5(d), the company is in the process of evaluating the carrying value of investments in subsidiaries - Rs.25456 lakhs and advances to subsidiaries - Rs.15669 lakhs, aggregating to Rs.41125 lakhs, taking into account the future operational plans and cash flows as prepared by the management no impairment loss has been recognized at this stage.
 - v. As stated in Note No. 5(e), the company has filed criminal and other complaints with law enforcement authorities with regard to transactions of earlier years done by certain parties. No provision has been made for the debit balances in books, the impact of which is not ascertainable at this stage.



HARIBHAKTI & CO. LLP

Chartered Accountants

- vi. Note No. 5 (f) regarding the balance on deferred tax asset as at September 30, 2015 amounting to Rs. 10551.75 lakhs is carried over as in the opinion of the management, there exists a virtual certainty and the company has ability to continue as a going concern based on the successful outcome of the management plan and as such no adjustment is required at this stage.
- vii. Note No. 5 (g) regarding non provision for leave encashment based on actuarial valuation as specified under AS 15 - Employee Benefits. In the absence of Actuarial valuation we are unable to ascertain the impact of the same on the financial statement.
- viii. Note No. 5(h) 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.

The audit opinion on the financial statements of the Company for the year ended March 31, 2015 and the limited review report for the quarter ended June 30, 2015 was also qualified in respect of above matter.

4. Based on our review conducted as above and subject to the possible effects of the matter described in paragraph 3 above, the impact of which is not ascertainable, 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 recognized 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.
5. We draw attention to Note 6, to the Statement with regard to the preparation of financial statements on a going concern basis, which is dependent on the successful adherence and outcome of the management plans & envisaged proposals to bankers and projected cash flows.
Our report is not modified in respect of this matter.
6. 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 statements on May 30, 2015.

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


G N Ramaswami

Partner
Membership No.: 202363

Chennai
November 13, 2015

