

Date: 22.02.2024

The Secretary Listing Department BSE Limited PJ Towers, Dalal Street, Mumbai - 400 001 Script Code: 532696	The Secretary Listing Department National Stock Exchange of India Limited Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East), Mumbai 400051 Script Code: EDUCOMP
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Sub: Intimation under Regulation 30 and 33 of Securities and Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 regarding submission of Unaudited Financial Results (Standalone) for the quarter and nine months ended December 31, 2023 of Educomp Solutions Limited.

Dear Sir / Madam,

Pursuant to Regulation 33 and 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, please find enclosed herewith the duly signed unaudited Quarterly Financial Statements (Standalone) for the quarter and nine month ended December 31, 2023.

The Quarterly Financial Statements (Standalone) of the Company for the quarter and nine months ended on December 31, 2023 have been prepared by the Company, RP and his team. The Standalone Financial Statements have been approved by the RP and presented to auditors for their report thereon and the Standalone Financial Statements for the quarter and nine month ended December 31, 2023 of the Company are closed by the RP with best of his knowledge and ability and with best available set of information that the RP and his team could gather, collate and present.

Furthermore, please take note that as the Company resolution plan of the company is not implemented yet accordingly, the regulation pertaining to calling and holding meeting of Board of Directors are not applicable to company. Moreover, no meeting were called, accordingly the company has not given any prior intimation for approval of accounts. Further, for the purpose of filing, we have taken the date of signing and approval by the caretaker RP as date of board meeting.

Kindly take the above on record and oblige.

Thanking You,
Yours Truly,

For Educomp Solutions Limited



Mahender Khandelwal

Caretaker Resolution Professional in the matter of Educomp Solutions Limited

Email: [mkpeducomp@bdo.in]

IBBI Registration No.: [IBBI/IPA-001/IP-P00033/2016-17/ 10086]

Educomp Solutions Limited

(CIN: L74999DL1994PLC061353)

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

Tel.: 91-124-4529000.

Registered Office: L-314 (Ground and First floor), Gali No.7, Mahipalpur, New Delhi-110037.

Web site www.educomp.com; email: investor.services@educomp.com

Note: As informed earlier also vide various communications, had ordered the commencement of CIRP in respect of the Company under the provisions of Code. Thereafter, in accordance with Section 17 of the Code, the powers of the Board stood suspended and Dr. Sanjeev Aggarwal was appointed as interim resolution professional of the Company. The IRP carried out his duties from May 30, 2017 till Mr. Mahender Khandelwal was appointed as Resolution Professional ("RP") vide the order of NCLT dated September 12, 2017 and took over the management of the affairs of the Company. On 9th October, 2023 the resolution plan is approved by the NCLT which is yet to be implemented. Thereafter, on November 23, 2023 the NCLT has ordered that the RP would act as caretaker qua the CD and in such capacity, he would discharge all those functions as are required to be discharged by an IP as RP.

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Independent Auditor's Review Report on the Quarterly Unaudited Standalone Financial Results of Educomp Solutions Limited

To,
The Caretaker Resolution Professional
Educomp Solutions Limited

We have reviewed the accompanying statement of unaudited standalone financial results of **Educomp Solutions Limited** (the "Company") for the quarter ended and nine-month ended December 31, 2023 (the "Statement") attached here with, being submitted by the Company pursuant to the requirement of regulation 33 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 as amended (the "Listing Regulations").

This statement which is the responsibility of the Company's Management has been approved by the Erstwhile Resolution Professional in his capacity as Caretaker Resolution Professional since the approved resolution plan has not been implemented and the plan approval order of Hon'ble NCLT has been challenged by the Successful Resolution Applicant and the Hon'ble NCLT vide its order dated 23.11.2023 has directed that the RP would act as caretaker RP and would discharge all those functions as are required to be discharged by an IP as RP. This statement has been prepared in accordance with the recognition and measurement principles laid down in the Indian Accounting Standard 34 "Interim Financial Reporting" (Ind AS34), prescribed under Section 133 of the Companies Act, 2013 read with relevant rules issued there under and other accounting principles generally accepted in India.

We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information performed by the Independent Auditors 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 from material mis-statement. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Basis of Adverse Conclusion

1. As regards trade receivable amounting to Rs. 11,815.59 lakhs (net of provision of Rs. 48,980.90 lakhs), as on December 31, 2023, the management is of the view that the same are good and recoverable in due course and hence no further provision is required. In the absence of appropriate audit evidence including balance confirmations, correspondences from parties, and details of subsequent realization, we are unable to comment on the recoverability of balance outstanding trade receivables and the possible impact on the loss for the quarter ended and nine-month ended December 31, 2023, and on balance of trade receivables and equity as on that date.
2. The Company follows Expected Credit Loss (ECL) model for measuring impairment of its trade receivables. The ECL allowance or loss rate is computed based on a provision matrix which takes in to account historical credit loss experience. We have not been provided with the workings of such loss rate computed by the Company. Further, the Company has not taken effect of aforesaid loss rate in computation of impairment provision, if any on trade receivable over and above the existing provision in the books of account. In absence of relevant workings and other details, we are unable to comment on the appropriateness of the loss rate and the possible impact of not considering the effect of the loss rate in impairment provision on the trade receivables balances as at December 31, 2023 and the loss for the quarter ended and nine months ended December 31, 2023 and, on the equity, as on that date.
3. The company has received advance from its customers which includes amount received from non-corporate entities of Rs. 804.70 lakhs which is deemed to be deposit u/s 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposit) Rules 2014 and thereby in violation of section 73 to 76 of the Companies Act, 2013. The impact of the non-compliance on the accompanying unaudited standalone financial results Statements is presently not ascertainable.



4. The Company has fully amortized its intangible assets (which contains software and knowledge based content) as per its accounting policy but the same continues to generate revenue for the company. In absence of re-assessment of useful life of intangible assets, we are unable to comment on the resultant impact of amortization on the loss for the quarter and nine months ended on December 31, 2023 and on the carrying value of intangible assets and on the equity as on that date.
5. We have not been provided with the bank statements for borrowings from banks and financial institutions amounting to Rs.1,29,614.53 lakhs as at December 31, 2023. Further, in case of bank borrowings amounting to Rs.53,736.95 Lakhs wherein we have received the confirmations or bank statements, the amount recorded in the Standalone Financial Results is short by Rs.24,312.37 Lakhs in comparison to amounts reported in the confirmations or bank statements. In absence of sufficient appropriate audit evidence, we are unable to determine any possible impact thereof on the loss for the quarter ended and nine-month ended December 31, 2023 and on the balance of borrowings and equity as on that date.
6. Balance in borrowings other than bank borrowings mentioned in paragraph (5) above amounting to Rs. 81,739.99 lakhs as at December 31, 2023 are subject to confirmation. Borrowings other than bank borrowings amounting to Rs.300 lakhs wherein we have received the balance confirmations, the amount recorded in the Ind AS Financial Statements is short by Rs.40.49 lakhs. In the absence of any alternative audit evidence, we are unable to comment on any possible impact thereof on the loss for the quarter and nine month ended December 31, 2023 and on the balance of borrowings and equity as on that date.
7. The balance with banks in four current accounts having aggregate amount of Rs.74.78 lakhs is not reflected in the bank statements. As per the bank statement of these four current accounts, the banks have charged/recovered/transferred the said amount of Rs. 74.78 lakhs but the Company has not recorded the same in its books of accounts. It is informed that the Company has taken up the matter with the concerned banks for reversal/recovery of amount debited by banks. In the absence of any evidence to the contrary, the cash and bank balance as on December 31, 2023 is overstated by Rs.74.78 lakhs and of equity as on that date.
8. We have neither got the direct confirmation nor provided with the bank statements for balance with banks in current accounts, term deposit and margin money with aggregate amount of Rs. 1.05 Lakhs. In the absence of any alternative evidence, we are unable to comment on any possible impact thereof on the loss for the quarter and nine months ended December 31, 2023 and on the balance with banks as at December 31, 2023 and on equity as on that date.
9. As disclosed in Note 6 to the unaudited standalone financial results, the Company has not accrued interest on borrowing post May 30, 2017, being CIRP commencement date. The amount of such interest not accrued is estimated to be Rs.10,411.50 lakhs for the quarter ended December 31, 2023. This has resulted in understatement of financial liabilities by Rs.2,21,260.99 lakhs as at December 31, 2023 understatement of loss by Rs.10,411.50 lakhs for the quarter and nine month ended December 31, 2023 and over statement of equity by Rs.2,21,260.99 lakhs as on that date.
10. The Company has not determined the provision for penal interest for defaults on borrowings as per the contractual terms of the underlying agreements. In absence of such assessment, we are unable to comment on the possible impact thereof on the loss for quarter ended and nine month ended December 31, 2023.
11. The Company's investment in its subsidiary companies viz. Educomp Learning Private Limited, Educomp School Management Limited and Educomp Professional Education Limited aggregating to Rs.7,017.30 Lakhs (net of provision for impairment of Rs. 25,813.00 Lakhs) has not been evaluated for any further impairment during the year. These subsidiary companies have not furnished their audited financial statements nor latest valuation report of these companies have been made available. In absence of appropriate audit evidence, we are unable to comment upon appropriateness of carrying amount of investments and possible impact of the same on the loss for the quarter and nine months ended December 31, 2023 and equity as on that date.



12. As disclosed in Note 12 to the unaudited standalone financial results, as per the Insolvency and Bankruptcy Code, 2016, the RP has received, verified, and admitted the claims submitted by the creditors (Operational and Financial), employees and workmen of the Company aggregating to Rs.3,04,377.23 lakhs. These claims have been taken into cognizance by CoC in its 12th meeting held on February 17, 2018, while approving the Resolution Plan of the Company. The details of such claims have been disclosed in the said note. As represented by the Management/RP, a reconciliation of the admitted claims vis-à-vis liabilities outstanding in the books of accounts has not been prepared and any impact thereof has not been considered in the preparation of these unaudited standalone financial results for the nine months ended and quarter ended December 31, 2022. In the absence of the above, we are unable to comment on the possible impact thereof on the loss for the quarter ended and nine months ended December 31, 2023.
13. The company has issued financial guarantees aggregating Rs.1,33,687.10 lakhs to banks on behalf of its subsidiaries. As per Ind AS 109 "Financial Instruments", the said financial guarantees are required to be initially measured at fair value and subsequently measured at the higher of (i) the amount of loss allowance in accordance with Expected Credit Loss ("ECL") method and (ii) amount initially recognized less cumulative amount of income recognized in income statement. However, no measurement of financial guarantees at fair value and estimation of loss allowances in accordance with ECL method were performed during the quarter. In absence of such measurement, we are unable to comment on the resultant impact thereof on the loss for the quarter and nine months ended December 31, 2023 and corresponding liability and equity as on that date.
14. As explained in Note 11 to the unaudited standalone financial results regarding managerial remuneration paid to one of the whole time directors of the Company during the quarter ended June 30, 2015 and during the year ended March 31, 2015 in non-compliance with the requirements of Section 197 and Section 198 read with Schedule V to the Companies Act, 2013, and paid during the year ended March 31, 2014 in non-compliance with the requirements of Section 198, Section 269 and Section 309 read with Schedule XIII to the Companies Act, 1956, for which the Central Government's approval is yet to be obtained.
15. As disclosed in Note 14 to the unaudited standalone financial results and based on the information and explanations provided to us by the Management, the Company is currently subjected to the investigations by Serious Fraud Investigation Office (SFIO) and the Central Bureau of Investigation (CBI). As further explained to us, certain information has been requested by them from the Company and the investigations are currently underway and the Company is yet to get any orders or directions in this respect from the said Authorities till the date of signing this review report. In absence of pending final outcome of the investigations, we are unable to comment on the consequential impact of these matters on these Standalone Un- Audited Financial Results as at and for the quarter ended and nine month ended December 31, 2023.
16. As disclosed in Note 13 to the unaudited standalone financial results, the Company did not have any internal audit conducted during the quarter as required under sections 138 of the Act. The impact of the non-compliance on the accompanying unaudited standalone financial results is presently not ascertainable.
17. As disclosed in Note 20 to the unaudited standalone financial results, the Company has not been in compliance with various other provisions of the Companies Act 2013, SEBI (LODR) Regulations, 2015, Foreign Exchange Management Act, 1999 and Goods & Services Tax Act, 2017. The financial or other impact of these non-compliances on these unaudited standalone financial results is presently not ascertainable.
18. As disclosed in Note No.7, the Company has made 100% provision for impairment on its newly allotted Preference Shares with aggregate amount of Rs.97,727.49 lakhs by Edu Smart Services Private Limited (ESSPL) which was undergoing liquidation process as part of the settlement envisaged in the Revival Plan approved by Hon'ble NCLT. These Preference Shares have been allotted in lieu of earlier investment held in Preference Shares of ESSPL with aggregate amount of Rs.Nil (Rs.5,159.07 lakhs with 100% provision) and trade receivables of Rs. Nil (Rs.97,845.54 lakhs with 100% provision). The Management has



represented that newly allotted preference shares have zero value for the Company and accordingly been fully provided for. In the absence of clarification on the basis of valuation and future recoverability, if any, of these preference shares, we are unable to comment on the possible impact thereof on the loss for the quarter and nine months ended December 31, 2023 and equity as on that date.

19. As disclosed in Note 21 of unaudited standalone financial results, the company has not got the actuarial valuation done for provision for gratuity and leave encashment which has been provided for on estimated basis for the quarter ended December 31, 2023. In absence of actuarial valuation, we are unable to comment on the possible impact thereof on the loss for the quarter and nine months ended December 31, 2023 and equity as on that date.

Adverse Conclusion

Based on our review conducted and the matters described in the basis of adverse opinion, the unaudited standalone financial results, for the quarter ended and nine month ended December 31, 2023, have not been prepared in accordance with the accounting principles generally accepted in India including the Indian Accounting Standards ("Ind AS"), as prescribed under section 133 of the Companies Act, 2013 as amended.

Emphasis of Matter

We draw attention to the following matters in the notes to the unaudited standalone financial results:

- a. As disclosed in Note 3 of unaudited standalone financial results, wherein it is stated that the Hon'ble NCLT has approved the resolution plan but the same has not been implemented by the Successful Resolution Applicant (SRA) and in view of the order dated 23.11.2023 of the NCLT, these unaudited standalone financial results have been prepared and approved by the Caretaker Resolution Professional.
- b. As disclosed in Note 5 of unaudited standalone financial results, which indicates that the Company has incurred substantial losses during the quarter, its net worth has been completely eroded, has defaulted in repayment of its loans and related interest, and has negative working capital. The Company has undergone Corporate Insolvency Resolution Process under the IBC, 2016 and the resolution plan approved by Hon'ble NCLT has been challenged by the Successful Resolution Applicant. These conditions indicate that a material uncertainty exists that may cast significant doubt about the Company's ability to continue as a going concern. However, these unaudited standalone financial results have been prepared on a going concern basis as the management is of the view that the Company has been able to discharge its operational liabilities from its internal accrual of funds till the date of these financial results and is also confident that the Company is having sufficient fund balance to continue as going concern as stated in the said note.
- c. The Company has not made further provision of interest for the period after commencement of CIRP, i.e. May 30, 2017 on unpaid dues of the MSME's as these dues would be settled in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016.

Our opinion is not modified in respect of these matters.

For Kumar Vijay Gupta & Co.

Chartered Accountants

ICAI Firm Registration No.: 007814N


Rajneesh Ghei

Partner

Membership No.: 086329



Place: New Delhi

Date: 22-02-2024

UDIN: 24086329BKFXSX1268

EDUCOMP SOLUTIONS LIMITED

CIN No:-L74999DL1994PLC061353

Regd. Office: L - 314 (Ground and First floor), Gali No. - 7, Mahipalpur (Near Mata Chowk), New Delhi-110037

PART 1		STATEMENT OF FINANCIAL RESULTS FOR THE QUARTER AND NINE MONTH ENDED DECEMBER 31, 2023					(Rupees in lacs)
S.NO	Particulars	Quarter ended			Nine month ended		Year ended
		Unaudited December 31, 2023	Unaudited September 30, 2023	Unaudited December 31, 2022	Unaudited December 31, 2023	Unaudited December 31, 2022	Audited March 31, 2023
1	Income from operations						
(a)	Net sales/income from operations	88.37	129.29	100.26	356.13	268.94	398.23
(b)	Other operating income	-	-	-	-	-	-
	Total Income from operations (net)	88.37	129.29	100.26	356.13	268.94	398.23
2	Expenses						
(a)	Purchases of stock-in-trade	-	-	-	-	-	-
(b)	Changes in inventories of finished goods, work-in-progress and stock-in-trade	-	-	-	-	0.09	0.09
(c)	Employee benefit expenses	59.17	58.65	61.19	175.42	174.77	241.19
(d)	Depreciation and amortisation expenses	6.96	6.95	8.02	20.69	23.11	31.17
(e)	Other expenses	98.52	170.69	150.63	406.46	441.79	722.05
(f)	Provision for doubtful trade receivables/advances/ bad debts written off	11.03	16.20	153.62	81.50	154.94	187.81
(g)	Foreign exchange fluctuation (Net) (Refer note 1)	111.27	1,131.98	1,434.41	1,185.40	7,283.28	6,840.00
	Total Expenses	286.95	1,384.47	1,807.87	1,869.47	8,077.98	8,022.31
3	Profit/(Loss) from operations before other income , finance costs and exceptional items (1-2)	(198.58)	(1,255.18)	(1,707.61)	(1,513.34)	(7,809.04)	(7,624.08)
4	Other income (Refer note 2)	39.06	44.61	16.30	163.05	52.58	110.67
5	Profit/(Loss) from ordinary activities before finance costs and exceptional items (3+4)	(159.52)	(1,210.57)	(1,691.31)	(1,350.29)	(7,756.46)	(7,513.41)
6	Finance costs	145.32	145.01	127.20	435.43	381.80	509.96
7	Profit/(Loss) from ordinary activities after finance costs but before exceptional items (5-6)	(304.84)	(1,355.58)	(1,818.51)	(1,785.72)	(8,138.26)	(8,023.37)
8	Exceptional Items/Prior period items	-	-	-	-	-	-
9	Profit/(Loss) from ordinary activities before tax (7-8)	(304.84)	(1,355.58)	(1,818.51)	(1,785.72)	(8,138.26)	(8,023.37)
10	Tax Expense	-	-	-	-	-	-
11	Net Profit/(Loss) from Ordinary activities after tax (9-10)	(304.84)	(1,355.58)	(1,818.51)	(1,785.72)	(8,138.26)	(8,023.37)
12	Extraordinary Item (net of tax expense)	-	-	-	-	-	-
13	Net Profit/(Loss) for the period (11-12)	(304.84)	(1,355.58)	(1,818.51)	(1,785.72)	(8,138.26)	(8,023.37)
14	Other Comprehensive income	-	-	-	-	-	(0.13)
15	Total Comprehensive income (13+14)	(304.84)	(1,355.58)	(1,818.51)	(1,785.72)	(8,138.26)	(8,023.50)
16	Paid up Equity share capital (Face Value Rs.2/- each)	2,449.34	2,449.34	2,449.34	2,449.34	2,449.34	2,449.34
17	Reserve excluding revaluation reserves	-	-	-	-	-	-
18	(Loss)/ Earning Per Share (before and after extraordinary items) (not annualized)						
(a)	Basic	(0.25)	(1.11)	(1.48)	(1.46)	(6.65)	(6.55)
(b)	Diluted	(0.25)	(1.11)	(1.48)	(1.46)	(6.65)	(6.55)

Note:- 1. Figure for the nine month ended December 31, 2023 is the adjusted amount after setting off foreign exchange gain of Rs. 57.85 lacs in quarter 1 with foreign exchange loss of Rs. 1243.25 lacs in quarter 2 & 3.

2. Figure for the nine month ended December 31, 2023 is the adjusted amount after exclusion of foreign exchange gain of Rs. 57.85 lacs in quarter 1.



Segment wise Revenue, Results and Capital Employed

Particulars	(Rupees in lacs)					
	Quarter ended			Nine month ended		Year ended
	Unaudited December 31, 2023	Unaudited September 30, 2023	Unaudited December 31, 2022	Unaudited December 31, 2023	Unaudited December 31, 2022	Audited March 31, 2023
Segment Revenue						
Higher Learning Solutions	-	-	-	-	-	-
School Learning Solutions	88.37	129.29	100.26	356.13	268.94	398.23
K-12 Schools	-	-	-	-	-	-
Online Supplemental & Global	-	-	-	-	-	-
Total Net Sales/ Income from Operations	88.37	129.29	100.26	356.13	268.94	398.23
Segment Results ((Loss)/Profit before Interest and tax from each segments)						
Higher Learning Solutions	-	-	-	-	-	-
School Learning Solutions	38.27	66.52	57.48	145.56	136.90	173.08
K-12 Schools	-	-	-	-	-	-
Online Supplemental & Global	-	-	-	-	-	-
	38.27	66.52	57.48	145.56	136.90	173.08
Less : Interest	145.32	145.01	127.20	435.43	381.80	509.96
: Other un-allocable expenses	236.85	1,321.70	1,765.09	1,658.90	7,945.94	7,797.16
Add : Un-allocable Income	39.06	44.61	16.30	163.05	52.58	110.67
Total Profit/(Loss) before Tax	(304.84)	(1,355.58)	(1,818.51)	(1,785.72)	(8,138.26)	(8,023.37)
Segment Assets						
Higher Learning Solutions	0.26	0.26	0.26	0.26	0.26	0.26
School Learning Solutions	12,435.69	12,331.86	12,348.39	12,435.69	12,348.39	12,230.62
K-12 Schools	-	-	-	-	-	-
Online Supplemental & Global	378.23	376.07	372.20	378.23	372.20	372.20
Unallocated	10,124.05	10,253.33	10,601.56	10,124.05	10,601.56	10,454.01
Total Segment Assets	22,938.23	22,961.52	23,322.41	22,938.23	23,322.41	23,057.09
Segment Liabilities						
Higher Learning Solutions	0.06	0.06	0.06	0.06	0.06	0.06
School Learning Solutions	12,630.40	12,593.18	12,780.83	12,630.40	12,780.83	12,471.96
K-12 Schools	1,109.50	1,109.50	1,109.50	1,109.50	1,109.50	1,109.50
Online Supplemental & Global	437.40	437.40	437.40	437.40	437.40	437.40
Unallocated	3,13,250.00	3,13,005.67	3,11,812.79	3,13,250.00	3,11,812.79	3,11,741.58
Total Segment Liabilities	3,27,427.36	3,27,145.81	3,26,140.58	3,27,427.36	3,26,140.58	3,25,760.50
Capital Employed						
(Segment Assets- Segment Liabilities)						
Higher Learning Solutions	0.20	0.20	0.20	0.20	0.20	0.20
School Learning Solutions	(194.71)	(261.32)	(432.44)	(194.71)	(432.44)	(241.34)
K-12 Schools	(1,109.50)	(1,109.50)	(1,109.50)	(1,109.50)	(1,109.50)	(1,109.50)
Online Supplemental & Global	(59.17)	(61.33)	(65.20)	(59.17)	(65.20)	(65.20)
Unallocated	(3,03,125.95)	(3,02,752.34)	(3,01,211.23)	(3,03,125.95)	(3,01,211.23)	(3,01,287.57)
Total	(3,04,489.13)	(3,04,184.29)	(3,02,818.17)	(3,04,489.13)	(3,02,818.17)	(3,02,703.41)



Notes

1. The Company was put under Corporate Insolvency Resolution Process ("CIRP") under the provisions of Insolvency & Bankruptcy Code, 2016 ("IBC") by Hon'ble National Company Law Tribunal (NCLT) vide its Order dated May 30, 2017. During the CIRP, Ebix Singapore Pte. Ltd. ("Ebix"), submitted the resolution plan which was approved by the Committee of Creditors ("CoC") consisting of all bankers of the Company on February 17, 2018 and accordingly, an application for the approval of Resolution Plan was filed before Hon'ble NCLT on February 23, 2018.

In the meantime, Ebix has filed three Applications before the Hon'ble NCLT, for the withdrawal of the Resolution Plan. The Hon'ble NCLT was pleased to dismiss the First and Second Withdrawal Application, however, has allowed the third one vide its order dated January 02, 2020. As a result, on January 03, 2020, the plan approval application was also dismissed as infructuous.

The CoC had filed an appeal before the Hon'ble NCLAT against the order dated January 02, 2020, The NCLAT was pleased to set aside the said order on July 29, 2020. The order of Hon'ble NCLAT was assailed by Successful Resolution Applicant i.e. Ebix (SRA) before the Hon'ble Supreme Court and the same was dismissed by the Hon'ble Supreme Court vide its order dated September 13, 2021.

On November 29, 2021, an application for the restoration of Plan Approval Application was filed before the NCLT, Principal Bench at New Delhi and after various hearings, the Hon'ble NCLT approved the Resolution Plan vide its order dated October 09, 2023 and directed the Successful Resolution Applicant i.e., Ebix to furnish bank guarantee equivalent to 10% of the plan amount. However, the SRA has not complied with directions given and the matter came up before Hon'ble NCLT on November 23, 2023 wherein the counsel of SRA sought adjournment by stating that SRA has assailed the plan approval Order and has filed an appeal before Hon'ble NCLAT on November 03, 2023. According to the submission made on behalf of the SRA, the hearing was adjourned to the next date on January 03, 2024. After various hearing the matter could not be taken up due to paucity of time and now got listed on March 06, 2024.

During the course of proceedings on November 23, 2023, the counsels appearing for CoC informed the Court that role of RP has ceased to exist on approval of Resolution Plan and there is no one to look after the affairs of the Corporate Debtor (CD) during this period. The Court then directed that the RP would act as caretaker qua the CD and in such capacity, he would discharge all those functions as are required to be discharged by an IP as RP and the cost of the caretaker RP would be borne by the SRA.

In the meantime, the appeal filed by the SRA against the plan approval order dated October 09, 2023 of the Hon'ble NCLT got listed before the Hon'ble NCLAT on January 24, 2024. It was submitted by the counsel for COC that despite having filed a caveat, they had not been served with a copy of the Appeal. Accordingly, directions were given to implead COC as one of the Respondents in the Appeal and to file an Amended Memo within three days. Upon hearing the parties in the matter, NCLAT permitted the application filed by SRA seeking condonation of re-filing delay and listed the matter on January 31, 2024. After hearing the parties NCLAT reserved the judgement on February 05, 2024.

2. Moratorium period

The moratorium period declared by Hon'ble NCLT on initiation of CIRP on May 30, 2017 as per provisions of section 13(1)(a) of the Insolvency and Bankruptcy Code, 2016 ("Insolvency Code") has come to an end on approval of the Resolution Plan by Hon'ble NCLT vide its order dated October 09, 2023.

3. The Hon'ble NCLT has approved the resolution plan but the same has not been implemented by the Successful Resolution Applicant (SRA) and therefore in view of the order dated November 23, 2023 of the NCLT, the above unaudited standalone financial results for the quarter and nine month ended December 31, 2023 have been reviewed and approved by the Caretaker Resolution Professional.
4. The unaudited standalone financial results for the quarter and nine month ended December 31, 2023 have been prepared in accordance with the accounting principles generally accepted in India, including Ind AS specified u/s 133 of the Companies Act, 2013, read with the relevant rules issued thereunder



5. The Company has incurred substantial losses, its net worth has been completely eroded, has defaulted in repayment of its loans and related interest, has negative working capital. The company has undergone Corporate Insolvency Resolution Process under IBC 2016 and the resolution plan approved by Hon'ble NCLT has been challenged by the Successful Resolution Applicant. All these conditions has raised substantial doubt about the Company's ability to continue as a going concern.

The management is of the view that the Company has been able to fund its operational liabilities from its internal accrual of funds and is also confident that the Company would have sufficient fund balance to continue as a going concern. Further, a resolution plan has been approved during the course of CIRP and accordingly, the financial statements have been prepared on a going concern basis and do not include any adjustment relating to the recoverability and classification of recorded assets, or to amounts and classification of liabilities that may be necessary if the entity is unable to continue as a going concern.

6. The company has not accrued interest on borrowings post May 30, 2017, being Corporate Insolvency Resolution Process (CIRP) commencement date. The amount of such interest not accrued is estimated to be Rs. 10,411.50 lacs for the quarter. The cumulative amount of interest not accrued as at December 31, 2023 is estimated to be Rs. 221,260.99 lacs.
7. The Company has been allotted 9,77,27,495 0.1% Non Cumulative, Redeemable Non Convertible Preference Shares (New Shares) of Rs.100 each by Edu Smart Services Private Limited (ESSPL) which was undergoing liquidation proceedings, as part of the settlement envisaged in the Revival Plan approved by the Hon'ble NCLT.

Out of the total new shares, 10,000 shares have been allotted in lieu of investment held in 8% cumulative Redeemable Non Convertible Preference Shares shown at Nil value after setting off provision for impairment of Rs.5159.07 lacs. The balance 9,77,17,495 new shares have been allotted against Trade Receivables of Rs.97,845.54 lacs which were also fully provided for through provision for bad and doubtful debts.

As per the approved Revival Plan, assets and liabilities of ESSPL have been divided into two Undertakings A & B. Undertaking A has been taken over by the Revival Applicant and Undertaking B is continuing as ESSPL and will be liquidated as per law. The allotment of New Shares to the Company forms part of Undertaking B which has hardly any realizable assets. Hence the management is of the view that allotment of New Shares has zero value for the Company and has accordingly made 100% provision for impairment.

8. The segment wise revenue, results and capital employed have been prepared in accordance with the IND AS - 108 "Operating Segments".
9. The basic and diluted earnings per share has been calculated in accordance with the IND AS - 33 "Earnings Per Share".
10. As per regulation 33(3)(d) of SEBI (LODR) Regulation, 2015, if the Listed entity has subsidiaries, it shall, while submitting quarterly and year to date Financial Results, shall also submit quarterly and year to date Consolidated Financial Results. It is to be noted that, the erstwhile Resolution Professional in his powers had control over the management of the company only and not on its subsidiaries, associate, or group companies.

The quarterly Financials of the subsidiaries have not been made available and therefore, only standalone unaudited Financial Results are submitted to the Stock Exchange.

11. Due to inadequacy of the profits, managerial remuneration paid by the Company to one of its Whole Time Director during the quarter ended June 30, 2015 and year ended March 31, 2015, was in excess of limits prescribed under Section 197 and 198 read with Schedule V to the Companies Act, 2013. Similarly, managerial remuneration paid during the financial year ended March 31, 2014 to one of its Whole Time Director was also in excess of limits prescribed under Section 198, 269 and 309 read with Schedule XIII of the Companies Act, 1956. The management of the Company had filed an applications to the Central Government to obtain its approval for the waiver/approval of the remuneration so paid in years ended March 31, 2014, March 31, 2015 and quarter ended June 30, 2015. Since the Company had not received any response from the Central Government approving or granting any waiver for the said excess remuneration, pursuant to the



provisions of Section 197(9) of the Companies Act, 2013, the Company (through its erstwhile resolution professional) has sought a refund via email dated December 28, 2020, for the entire excess remuneration paid. The amount is however, yet to be refunded by the Whole Time Director.

12. In accordance with the provisions of the Insolvency and Bankruptcy Code (Insolvency Code), public announcement was made for submission of proof of claims against the Company from financial creditors, operational creditors and employees and workmen.

The following claims were filed against the Company by its creditors (financial and operational), workmen and employees, and taken into cognizance by the committee of the creditors in its meeting dated February 17, 2018:

(Rs. in lacs)

Particulars	Claimed Amount	Admitted Amount	Not Admitted
Creditors (financial)	3,10,808.93	3,02,426.61	8,382.32
Creditors (operational)	2,198.37	1,641.33	557.05
Workmen and employees	773.99	309.29	464.70
Total	3,13,781.29	3,04,377.23	9,404.07

A reconciliation of the claims admitted viz-a-viz liabilities outstanding in the books of accounts is yet to be prepared.

13. The company did not have any internal audit conducted during the quarter ended December 31, 2023 as required under section 138 of the Act.
14. The Company is currently subjected to the investigations by Serious Fraud Investigation Office (SFIO) and the Central Bureau of Investigation (CBI). Certain information have been requested by them from the Company and the investigations are currently underway. The Company is yet to get any orders or directions in this respect from the said Authorities till the date of signing these standalone Ind AS Financial Statements.
15. Disclosures under Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the quarter and nine month ended December 31, 2023 are given in Annexure A.
16. Credit Rating:- The Company was put under CIRP w.e.f May 30, 2017 and the Company has not obtained any credit rating since then. However, the last credit ratings allocated to the company is given hereunder.

Particulars	Rating Agency	Rating
Non Convertible Debenture Issue	CARE Rating	CARE - D (Single D)

17. Asset Cover Available:- The Company had created partial security in respect of these debentures.
18. Previous Due date for payment of Principal/interest:- The company was put under CIRP w.e.f. May 30, 2017 before the due date of repayment of principal and has also defaulted in payment of interest due till the date of CIRP. The redemption of debentures including interest due thereon will be made in accordance with the approved resolution plan under the provisions of the Insolvency and Bankruptcy code 2016 and regulation issued there under.
19. Debenture Redemption Reserve:- Debenture Redemption Reserve was not created by the company due to unavailability of the profits of the company. Since the company has undergone CIRP the debentures and other



liabilities will be settled in accordance with the approved resolution plan under the provisions of the Insolvency and Bankruptcy code 2016 and regulation issued there under.

20. The Company has not been in compliance with various other provisions of the Companies Act 2013, SEBI (LODR) Regulations, 2015, Foreign Exchange Management Act, 1999 and Goods & Service tax Act, 2017.
21. The Company has not got the Actuarial Valuation done for making provision for Gratuity and Leave Encashment for quarter ended December 31, 2023. However, provision for Gratuity and Leave Encashment has been made on estimated basis.
22. The financial results of the Company for the quarter and nine month ended December 31, 2023 will be published on website of the Company (www.educomp.com), National Stock Exchange of India Limited (www.nseindia.com) and Bombay Stock Exchange Limited (www.bseindia.com).
23. Previous period/year figures have been regrouped and rearranged, wherever considered necessary to conform to the classification in current period.

By order of the Board of Directors
For Educomp Solutions Limited



Mahender Kumar Khandelwal
Caretaker Resolution Professional
Regn.No IBBI/PA-001/IP-P00033/2016-17/10086



Place: New Delhi
Date : 22-02-2024



Annexure -A

Disclosures pursuant to Regulation 52(4) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, given below are the details pertaining to the company:

Particulars	Quarter ended			Nine month ended		Year ended
	December 31, 2023	September 30, 2023	December 31, 2022	December 31, 2023	December 31, 2022	March 31, 2023
Debt equity ratio (debt fund/Net worth)	(0.87)	(0.87)	(0.87)	(0.87)	(0.87)	(0.87)
Debt service coverage ratio (DSCR)	(1.05)	(8.30)	(13.23)	(3.05)	(20.26)	(14.67)
Interest service coverage ratio	(1.10)	(8.35)	(13.30)	(3.10)	(20.32)	(14.73)
Outstanding redeemable preference shares (quantity and Value)	NIL	NIL	NIL	NIL	NIL	NIL
Capital redemption reserve/ debenture redemption reserve	NIL	NIL	NIL	NIL	NIL	NIL
Net worth (Rs. in lacs)	(3,04,499.53)	(3,04,184.29)	(3,02,818.17)	(3,04,499.53)	(3,02,818.17)	(3,02,703.41)
Net profit after tax (Rs. in lacs)	(304.84)	(1,355.58)	(1,818.51)	(1,785.72)	(8,138.26)	(8,023.37)
Earning per share (in Rs.)	(0.25)	(1.11)	(1.48)	(1.46)	(6.65)	(6.55)
Current ratio (Current assets/Current liabilities)	0.04	0.04	0.05	0.04	0.05	0.04
Long term debt to working capital	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)	(0.01)
Bad debts to account receivable ratio (Bad debts/Total sale)	0.12	0.13	-	0.23	-	0.09
Current liability ratio (Current liabilities/Total liabilities)	0.99	0.99	0.99	0.99	0.99	0.99
Total debts to total assets (Borrowings/ Total assets)	11.57	11.55	11.34	11.57	11.34	11.45
Debtors turnover (Revenue/ Average Debtors)	0.01	0.01	0.01	0.03	0.02	0.03
Inventory turnover (Sale of finished goods/Average inventory)	-	-	-	-	0.04	0.04
Operating margin % (EBIT and exceptional item less other income/revenue from operation)	(224.70)	(970.86)	(1,703.32)	(441.18)	(2,903.68)	(1,914.48)
Net profit margin % (Net profit for the period/Total Revenue)	(239.22)	(779.53)	(1,560.29)	(309.47)	(2,531.23)	(1,576.62)

Formula:

Debt equity ratio = Debt fund / net worth

Debt fund includes long term borrowings+ short term borrowings + current maturities of long term borrowings

Debt service coverage ratio = Earnings before interest, depreciation, exceptional items and tax / (Finance cost + Principal repayment of term loan)

Interest service coverage ratio = Earnings before interest, exceptional item and tax/ Finance cost

