

**UNAUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 31<sup>ST</sup>  
MARCH 2007**

S. No.	Particulars	(Rupees in lacs)			
		Quarter ended		Year ended	
		Un-audited		Un-audited	Audited
		31.03.2007	31.03.2006	31.03.2007	31.03.2006
1	Net Sales/Income from operations	4985.66	2537.08	10651.04	5230.45
2	Other Income	200.85	28.47	489.99	146.81
	<b>Total Revenue</b>	<b>5186.51</b>	<b>2565.55</b>	<b>11141.03</b>	<b>5377.26</b>
3	Total Expenditure:				
	(Increase)/ Decrease in stock	-145.78	-97.73	-151.59	-73.28
	Purchases	1945.83	822.10	3192.34	1027.56
	Personnel expenses	302.17	224.15	1047.95	750.29
	Administration & Other expenses	549.49	436.73	1532.98	944.42
	<b>Total Expenditure</b>	<b>2651.71</b>	<b>1385.25</b>	<b>5621.68</b>	<b>2648.99</b>
4	Interest	70.04	9.20	132.70	50.35
5	Depreciation	344.30	125.42	965.92	530.52
<b>6</b>	<b>Profit Before Tax (1+2-3-4-5)</b>	<b>2120.46</b>	<b>1045.68</b>	<b>4420.73</b>	<b>2147.40</b>
7	Provision for taxation:				
	. - Current tax	635.34	360.38	1145.62	759.70
	. - Deferred tax	163.44	-2.20	420.08	-34.62
	. - Fringe benefit tax	8.51	20.93	26.91	32.02
<b>8</b>	<b>Net Profit (6-7)</b>	<b>1313.17</b>	<b>666.57</b>	<b>2828.12</b>	<b>1390.30</b>
9	Paid up Equity share capital (Face Value Rs.10/- each)	15,98,51,040	15,95,97,830	15,98,51,040	15,95,97,830
10	Reserve excluding revaluation reserves (As per Balance Sheet) of previous financial year		-	-	7434.98
11	Basic and Diluted Earning per share (not to be annualized) in Rupees	8.22	4.24	17.72	11.15
12	<b>Aggregate of non-Promoters Share Holding:</b>				
	. - Numbers of Shares (Nos.)	5,956,875	5,145,211	5,956,875	5,602,411
	. - Percentage of shareholding	37.27%	32.24%	37.27%	35.10%

**SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED**

S. No.	Particulars	(Rupees in lacs)			
		Quarter ended		Year ended	
		Un-audited		Un-audited	Audited
		31.03.2007	31.03.2006	31.03.2007	31.03.2006
<b>1</b>	<b>Segment Revenue</b>				
	Professional Development	416.91	464.61	1753.78	1,229.53
	Smart Class	2,493.07	961.55	4656.96	2,007.92
	Instructional & Computing Technology (ICT)	1239.22	1065.84	3012.33	1,586.16
	Retail and Consulting	836.46	45.08	1227.97	406.84
	<b>Total Net Sales/ Income from Operations</b>	<b>4985.66</b>	<b>2537.08</b>	<b>10651.04</b>	<b>5230.45</b>
<b>2</b>	<b>Segment Results (Profit before Interest &amp; tax from each segments)</b>				
	Professional Development	246.93	247.59	1050.40	746.18
	Smart Class	1434.16	394.83	2705.80	1200.31
	Instructional & Computing Technology (ICT)	380.95	521.59	977.19	601.73
	Retail and Consulting	471.39	28.36	579.98	114.94
		<b>2533.43</b>	<b>1192.37</b>	<b>5313.37</b>	<b>2663.16</b>
	Less: Interest	70.04	9.20	132.70	50.35
	:Other un-allocable expenses (net of un- allocable income)	342.93	137.49	759.94	465.41
	<b>Total Profit before Tax</b>	<b>2120.46</b>	<b>1045.68</b>	<b>4420.73</b>	<b>2147.40</b>
<b>3</b>	<b>Capital Employed (Segment Assets- Segment Liabilities)</b>				
	Professional Development	19.1	292.94	19.10	288.91
	Smart Class	6371.64	996.97	6371.64	1001.42
	Instructional & Computing Technology (ICT)	2644.16	1354.78	2644.16	1354.68
	Retail and Consulting	579.11	221.93	579.11	222.53
	<b>Total</b>	<b>9614.01</b>	<b>2866.62</b>	<b>9614.01</b>	<b>2867.54</b>

**Notes:**

1. The Un audited Financial Results for the Quarter ended on 31<sup>st</sup> March 2007 have been reviewed by the Audit Committee and taken on record by the Board of Directors at their meeting held on 27<sup>th</sup> April 2007

**2. Utilization of IPO Proceeds:**

Particulars	Rs. in lacs	
	Projected Utilization as per the Prospectus dated 29.12.2005	Actual as on 31.03.2007
Capital Expenditure	5940.10	3762.22
Investment in U.S Subsidiary	805.14	97.06
M & A Activity	1000.00	0.00
Public Issue Expenses	380.46	525.91
<b>Total</b>	<b>8125.70</b>	<b>4385.19</b>
Pending utilization as at 31 <sup>st</sup> March 2007 balance funds have been either invested in liquid mutual funds /fixed deposits with Banks or lying with Cash credit/ Current account of the company.		

Note : The figure of Rs 8125.70 lacs includes the forthcoming two years internal accruals of the company & Rs 50 Crores raised through Initial Public offering on 13<sup>th</sup> January, 2006 .

3. Status of Investor complaints received by the Company is as follows:

Particulars	Pending as on January 1, 2007	Received during the Quarter	Disposed during the Quarter	Pending as on March 31,2007
No of Complaints	0	8	6	2

4. Given the seasonal nature the industry, the results of any quarter may not be a true indicative of annual performance. Quarter I amounts to approximate 10 to 12% of the total revenue , Quarter II amounts to approximate 18 to 20% of the total revenue , Quarter III amounts to approximate 25 to 30% of the total revenue , Quarter IV amounts to approximate 38 to 47% of the total revenue .

5. The segment report is prepared in accordance with the Accounting Standard-17"segment reporting" Issued by the Institute of Chartered Accountants of India.
6. During the quarter, Paid-up Share Capital of the Company has been increased by Rs. 2,53,210/- from Rs. 15,95,97,830/- to Rs. 15,98,51,040/- due to allotment of 25,321 equity shares by Board of Directors on 23<sup>rd</sup> January 2007 upon conversion of 50 Foreign Currency Convertible Bonds.
7. Previous year/period figures have been reclassified/regrouped wherever necessary.

**By order of the Board of Directors**

**For Educomp Solutions Ltd**

**Sd/-**

**Place: Delhi**

**Date: April 27, 2007**

**Shantanu Prakash**

**Managing Director**