

**GREYCELLS EDUCATION LIMITED**

Regd. Office : D-2,1st Floor, Poddar Chambers, 126 Mathuradas Compound, N.M. Joshi Marg, Lower Parel (West), Mumbai -400 013

**UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER , 2010**

S.No.	Particulars	Standalone				
		(Rs. In lacs except per share data)				
		Unaudited Three Months ended 30.09.2010	Unaudited Three Months ended 30.09.2009	Unaudited Six Months ended 30.09.2010	Unaudited Six Months ended 30.09.2009	Audited Year ended 31.03.2010
1	(a) Net Sales / Income from Operations	108.54	104.79	201.97	151.96	465.73
	(b) Other Operating Income	6.10	4.09	25.65	13.73	18.60
	<b>Total Income</b>	<b>114.64</b>	<b>108.88</b>	<b>227.62</b>	<b>165.69</b>	<b>484.33</b>
2	<b>Expenditure</b>	<b>229.22</b>	<b>72.29</b>	<b>396.90</b>	<b>177.38</b>	<b>418.11</b>
	(a) Increase/decrease in stock in trade and work in progress	-	-	-	-	-
	(b) Consumption of raw materials	-	-	-	-	-
	(c) Purchase of traded Goods	-	-	-	-	-
	(d) Direct Expenses	39.19	10.13	74.51	31.24	166.65
	(e) Rent	25.14	8.49	44.09	16.93	41.31
	(f) Employees cost	14.40	13.87	30.43	25.07	57.42
	(g) Advertisement & Marketing Cost	100.59	16.53	153.61	58.48	57.72
	(h) Other Administration expenses	36.13	15.62	73.60	30.83	63.14
	(i) Provision for doubtful debts	-	-	-	-	2.31
	(j) Depreciation	13.77	7.65	20.67	14.83	29.56
3	<b>Profit/(Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)</b>	<b>(114.58)</b>	<b>36.59</b>	<b>(169.28)</b>	<b>(11.69)</b>	<b>66.22</b>
4	Other Income	2.07	-	3.73	-	1.79
5	<b>Profit/(Loss) from Operations before Interest and Exceptional Items (3+4)</b>	<b>(112.51)</b>	<b>36.59</b>	<b>(165.55)</b>	<b>(11.69)</b>	<b>68.01</b>
6	Interest	0.38	0.40	0.38	1.87	1.87
7	<b>Profit/(Loss) after Interest but before Exceptional Items (5-6)</b>	<b>(112.89)</b>	<b>36.19</b>	<b>(165.93)</b>	<b>(13.56)</b>	<b>66.13</b>
8	<b>Exceptional items</b>	-	-	<b>(280.00)</b>	-	<b>(34.11)</b>
	Right Issue Expenses	-	-	-	-	(34.11)
	Loss on Sale of Strategic Investments	-	-	(280.00)	-	-
9	<b>Profit / (Loss) from Ordinary activities before tax (7+8)</b>	<b>(112.89)</b>	<b>36.19</b>	<b>(445.93)</b>	<b>(13.56)</b>	<b>32.03</b>
10	<b>Tax Expenses</b>	<b>1.55</b>	-	<b>1.65</b>	<b>(0.26)</b>	<b>9.56</b>
	Current	-	-	-	-	0.03
	Deferred	1.55	-	1.65	(0.26)	9.53
	Fringe Benefit Tax	-	-	-	-	-
11	<b>Net Profit / (Loss) from Ordinary activities after tax</b>	<b>(111.35)</b>	<b>36.19</b>	<b>(444.28)</b>	<b>(13.82)</b>	<b>41.59</b>
12	<b>Extra Ordinary items</b>	-	-	-	-	-
13	<b>Net Profit / (Loss) for the Period</b>	<b>(111.35)</b>	<b>36.19</b>	<b>(444.28)</b>	<b>(13.82)</b>	<b>41.59</b>
14	Paid up Equity Capital (Face Value of Rs.10/- each)	600.77	373.15	600.77	373.15	600.77
15	Reserve Excluding Revaluation Reserve	-	-	-	-	2,864.60
16	Earning Per Share - Basic & Diluted					
	a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(1.85)	0.97	(7.40)	(0.37)	0.90
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(1.85)	0.97	(7.40)	(0.37)	0.90
17	Public Shareholding					
	-number of shares	4695148	3085300	4695148	3085300	4733848
	-percentage of share holding	78.15%	82.68%	78.15%	82.68%	78.80%
18	Promoters and promoter group Shareholding **					
	a) Pledged/Encumbered					
	- Number of shares	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
	b) Non-encumbered					
	- Number of Shares	1312567	646200	1312567	646200	1273867
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	21.85%	17.32%	21.85%	17.32%	21.20%

**NOTES**

- 1 The Company is presently operating in a single segment of vocational education in media , entertainment , Finance and Sports Management.
- 2 Gross revenue for the academic year as on date stands at approx Rs. 513.37 lacs for the academic year 2010-11. In terms of Accounting Standard 9 for Revenue Recognition, revenue from student fees is recognised over the period of instruction.
- 3 Since students intake is once a year, the results of any quarter may not be a truly indicative of quarter to quarter / annual performance.
- 4 All the courses delivered by the Company are certified by City & Guilds, London Institute as a UK Higher National Diploma Qualification.
- 5 The above financial results were reviewed by the Audit Committee and have been approved by the Board of Directors at its meeting held on 12th November ,2010. The Statutory Auditors have carried out the "Limited review" of the results.
- 6 During the quarter , the Company has not received any complaint from investors. There were no complaints remaining unresolved at the beginning and end of the quarter.
- 7 The Company is in only one business segment and therefore reporting of segmentwise information under Clause 41 of the Listing Agreement is not applicable.
- 8 The loss of Rs. 280 lacs shown under exceptional item in the six monthly results represents loss on disinvestment of the entire share holding (held for strategic purposes) in Concept Commuication Ltd to demonstrate non alliance with a particular agency.

9 **Deployment of funds collected through rights issue (Rs. In lacs) :**

<b>Particulars</b>	<b>Proposed Deployment (Rs.)</b>	<b>Amount Deployed till 30.09.10 (Rs.)</b>
Investment in Subsidiary	164.04	164.04
Setting up of New Centre	205.00	170.86
Repayment of Borrowings	435.00	435.00
Issue Expenses	35.50	34.11
General Corporate Purposes	298.57	298.57
<b>Total</b>	<b>1,138.11</b>	<b>1,102.58</b>
<b>Balance Unutilized</b>		<b>35.53</b>

Unutilized balance of Rs. 35.53 lacs remains invested in liquid fund. The liquid fund also has an additional amount of Rs.1.41 lacs which represents dividend earned on the amount invested.

- 10 The previous period figures for six monthly results of Balance Sheet Abstract are unreviewed figures, as the Balance Sheet Abstract has been presented for the first time as per the SEBI requirement.
- 11 Previous year figures have been regrouped / recast wherever necessary to make them comparable.

For and on behalf of the Board

Deepak Choudhary  
Managing Director- Indian Operations

## GREYCELLS EDUCATION LIMITED

Regd. Office : D-2,1st Floor, Poddar Chambers, 126 Mathuradas Compound, N.M. Joshi  
Marg, Lower Parel (West), Mumbai -400 013

### Statement of Assets and Liabilities

(Rs. In lacs )

Particulars	<b>STANDALONE</b>	
	Unaudited	Unaudited
	Six Months ended 30.09.2010	Six Months ended 30.09.2009
<b>SHAREHOLDERS' FUNDS:</b>		
(a) Capital	600.81	373.19
(a) Share Application	-	435.00
(c) Reserves and Surplus	2,864.60	1,954.11
<b>LOAN FUNDS</b>	67.10	361.60
<b>DEFERRED TAX LIABILITY (NET)</b>	-	4.32
<b>TOTAL</b>	<b>3,532.51</b>	<b>3,128.22</b>
<b>FIXED ASSETS</b>	159.09	113.75
<b>INVESTMENTS</b>	2,297.09	2,430.18
<b>DEFERRED TAX ASSET (NET)</b>	3.82	-
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>	-	-
(a) Inventories	-	-
(b) Sundry Debtors	184.70	133.30
(c) Cash and Bank balances	89.10	27.06
(d) Other Current Assets	42.25	11.80
(e) Loans and Advances	189.63	135.68
<b>Less: Current Liabilities and Provisions</b>	-	-
(a) Liabilities	421.23	320.42
(b) Provisions	7.56	7.24
<b>MISCELLANEOUS EXPENDITURE (NOT WRITTEN OFF OR ADJUSTED)</b>	0.61	1.02
<b>PROFIT AND LOSS ACCOUNT</b>	995.00	603.09
<b>TOTAL</b>	<b>3,532.51</b>	<b>3,128.22</b>

For and on behalf of the Board

Deepak Choudhary  
Managing Director- Indian Operations

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**UN-AUDITED FINANCIAL RESULTS FOR THE QUARTER ENDED 30TH SEPTEMBER , 2010**

		CONSOLIDATED				
		(Rs. In lacs except per share data )				
S.No.	Particulars	Unaudited	Unaudited	Unaudited	Unaudited	Audited
		Three Months ended 30.09.2010	Three Months ended 30.09.2009	Six Months ended 30.09.2010	Six Months ended 30.09.2009	Year ended 31.03.2010
1	(a) Net Sales / Income from Operations	135.73	107.68	318.80	248.25	768.26
	(b) Other Operating Income	13.25	7.89	34.09	22.89	23.04
	<b>Total Income</b>	<b>148.99</b>	<b>115.56</b>	<b>352.90</b>	<b>271.13</b>	<b>791.30</b>
2	<b>Expenditure</b>	<b>327.91</b>	<b>154.31</b>	<b>585.90</b>	<b>355.05</b>	<b>765.29</b>
	(a) Increase/decrease in stock in trade and work in progress	-	-	-	-	-
	(b) Consumption of raw materials	-	-	-	-	-
	(c) Purchase of traded Goods	-	-	-	-	-
	(d) Direct Expenses	46.96	12.31	90.36	41.26	194.91
	(e) Rent	44.75	32.79	93.24	66.95	140.03
	(f) Employees cost	36.61	38.17	73.26	75.66	147.83
	(g) Advertisements and Marketing Cost	141.53	35.11	213.01	99.30	128.19
	(h) Other Administration Expenses	41.65	27.96	90.69	55.18	109.33
	(i) Provision for Doubtful Debts	-	-	-	-	11.59
	(j) Depreciation	16.40	7.97	25.34	16.70	33.42
3	<b>Profit/(Loss) from Operations before Other Income, Interest and Exceptional Items (1-2)</b>	<b>(178.92)</b>	<b>(38.75)</b>	<b>(233.01)</b>	<b>(83.92)</b>	<b>26.01</b>
4	Other Income	2.07	0.41	3.73	1.95	-
5	<b>Profit/(Loss) from Operations before Interest and Exceptional Items (3+4)</b>	<b>(176.85)</b>	<b>(38.33)</b>	<b>(229.28)</b>	<b>(81.96)</b>	<b>26.01</b>
6	Interest	(0.10)	0.40	2.75	1.87	1.87
7	<b>Profit/(Loss) after Interest but before Exceptional Items (5-6)</b>	<b>(176.75)</b>	<b>(38.73)</b>	<b>(232.03)</b>	<b>(83.83)</b>	<b>24.13</b>
8	Exceptional items	-	-	(280.00)	-	(34.11)
	Right Issue Expenses	-	-	-	-	(34.11)
	Loss on Sale of strategic Investments	-	-	(280.00)	-	-
9	<b>Profit / (Loss) from Ordinary activities before tax (7+8)</b>	<b>(176.75)</b>	<b>(38.73)</b>	<b>(512.03)</b>	<b>(83.83)</b>	<b>(9.97)</b>
10	<b>Tax Expenses</b>	<b>1.55</b>	<b>(0.26)</b>	<b>1.65</b>	<b>(0.26)</b>	<b>9.56</b>
	Current	-	-	-	-	0.03
	Deferred	1.55	(0.26)	1.65	(0.26)	9.53
	Fringe Benefit Tax	-	-	-	-	-
11	<b>Net Profit / (Loss) from Ordinary activities after tax</b>	<b>(175.20)</b>	<b>(38.99)</b>	<b>(510.38)</b>	<b>(84.09)</b>	<b>(0.41)</b>
12	Extra Ordinary items	-	-	-	-	-
13	<b>Net Profit / (Loss) for the Period</b>	<b>(175.20)</b>	<b>(38.99)</b>	<b>(510.38)</b>	<b>(84.09)</b>	<b>(0.41)</b>
14	Less: Minority Interest	(15.23)	-	(15.23)	-	-
15	<b>Net Profit / (Loss) for the Period</b>	<b>(159.98)</b>	<b>(38.99)</b>	<b>(495.15)</b>	<b>(84.09)</b>	<b>(0.41)</b>
16	Paid up Equity Capital (Face Value of Rs.10/- each)	600.77	373.15	600.77	373.15	600.77
17	Reserve Excluding Revaluation Reserve	-	-	-	-	-
18	Earning Per Share - Basic & Diluted					
	a) Basic and diluted EPS before Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(2.66)	(1.04)	(8.24)	(2.25)	(0.01)
	b) Basic and diluted EPS after Extraordinary items for the period, for the year to date and for the previous year (not to be annualized)	(2.66)	(1.04)	(8.24)	(2.25)	(0.01)
19	Public Shareholding					
	-number of shares	4695148	3085300	4695148	3085300	4733848
	-percentage of share holding	78.15%	82.68%	78.15%	82.68%	78.80%
20	Promoters and promoter group Shareholding **					
	a) Pledged/Encumbered					
	- Number of shares	-	-	-	-	-
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	-	-	-	-	-
	- Percentage of shares (as a % of the total share capital of the company)	-	-	-	-	-
	b) Non-encumbered					
	- Number of Shares	1312567	646200	1312567	646200	1273867
	- Percentage of shares (as a % of the total shareholding of promoter and promoter group)	100%	100%	100%	100%	100%
	- Percentage of shares (as a % of the total share capital of the company)	21.85%	17.32%	21.85%	17.32%	21.20%

**NOTES**

- 1 The Company is presently operating in a single segment of vocational education in media , entertainment, Finance and Sports Management.
- 2 Gross revenue for the academic year as on date stands at approx Rs 630.15 lacs for the academic year 2010-11. In terms of Accounting Standard 9 for Revenue Recognition, revenue from student fees is recognised over the period of instruction.
- 3 Since students intake is once a year, the results of any quarter may not be a truly indicative of quarter to quarter / annual performance.
- 4 The consolidated results include the 100% subsidiary - EMDI (Overseas) FZ LLC and also the Joint Venture Subsidiary Company (51% holding) - Eduhub Education Pvt. Ltd and have been prepared in accordance with the AS 21 issued by the Institute of Chartered Accountants of India.
- 5 The Company's two years Post Graduate Diploma in Advertising and Communication course delivered under the EMDI trade name has been conferred accreditation by International Advertising Association (IAA).
- 6 The above financial results were reviewed by the Audit Committee and have been approved by the Board of Directors at its meeting held on 12th November, 2010. The Statutory Auditors have carried out the "Limited review" of the results.
- 7 During the quarter , the Company has not received any complaint from investors. There were no complaints remaining unresolved at the beginning and end of the quarter.
- 8 The Company is in only one business segment and therefore reporting of segmentwise information under Clause 41 of the Listing Agreement is not applicable.
- 9 The loss of Rs. 280 lacs shown under exceptional item in the six monthly results represents loss on disinvestment of the entire share holding (held for strategic purposes) in Concept Communication Ltd to demonstrate non alliance with a particular agency.

**10 Deployment of funds collected through rights issue (Rs. In lacs) :**

<b>Particulars</b>	<b>Proposed Deployment (Rs.)</b>	<b>Amount Deployed till 30.09.10 (Rs.)</b>
Investment in Subsidiary	164.04	164.04
Setting up of New Centre	205.00	170.86
Repayment of Borrowings	435.00	435.00
Issue Expenses	35.50	34.11
General Corporate Purposes	298.57	298.57
Total	1,138.11	1,102.58
<b>Balance Unutilized</b>		<b>35.53</b>

Unutilized balance of Rs. 35.53 lacs remains invested in liquid fund. The liquid fund also has an additional amount of Rs.1.41 lacs which represents dividend earned on the amount invested..

- 11 The previous period figures for six monthly results of Balance sheet abstract are unrevised figures, as the balance sheet abstract has been presented for the first time as per the SEBI requirement.
- 12 Previous year figures have been regrouped / recast wherever necessary to make them comparable.

For and on behalf of the Board

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Managing Director- Indian Operations

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### Statement of Assets and Liabilities

(Rs. In lacs )

Particulars	<b>CONSOLIDATED</b>	
	Unaudited	Unaudited
	Six Months ended	Six Months ended
	30.09.2010	30.09.2009
<b>SHAREHOLDERS' FUNDS:</b>		
(a) Capital	600.81	373.19
(a) Share Application	-	435.00
(c) Reserves and Surplus	2,864.60	1,954.11
<b>LOAN FUNDS</b>	194.55	530.47
<b>DEFERRED TAX LIABILITY (NET)</b>	-	4.32
<b>TOTAL</b>	<b>3,659.96</b>	<b>3,297</b>
<b>FIXED ASSETS</b>	1,936.34	1,697.23
<b>INVESTMENTS</b>	670.94	984.19
<b>DEFERRED TAX ASSET (NET)</b>	3.82	-
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>	-	-
(a) Inventories	-	-
(b) Sundry Debtors	387.13	142.77
(c) Cash and Bank balances	174.61	40.46
(d) Other Current Assets	56.74	24.95
(e) Loans and Advances	72.91	135.68
<b>Less: Current Liabilities and Provisions</b>	-	-
(a) Liabilities	773.99	458.54
(b) Provisions	15.04	12.75
<b>MISCELLANEOUS EXPENDITURE (NOT WRITTEN OFF OR ADJUSTED)</b>	0.61	1.02
Foreign Currency Translation Account - Debit Balance	7.53	25.39
Minority Interest - Debit Balance	7.17	-
<b>PROFIT AND LOSS ACCOUNT</b>	1,131.18	716.69
<b>TOTAL</b>	<b>3,659.96</b>	<b>3,297.09</b>

The debit balance in the Minority Interest represents minority share of losses in the joint venture subsidiary to the extent the minority have a binding obligation to make good the same.

For and on behalf of the Board

Deepak Choudhary  
Managing Director- Indian Operations