

PART II – STATEMENT OF PROFIT AND LOSS
GREYCELLS EDUCATION LIMITED

Regd. Office : Forum Building, 1st Floor, 11/12, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai -400 013

CIN NO: L65910MH1983PLC030838 Website: www.greycellsLtd.com
Email ID:companysecretary@greycellsLtd.com Contact No.022-61479918

UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2017 UNDER IND AS

₹ In lakhs

Sr No.	Particulars	Quarter ended			Year ended
		30th June, 2017	31st March, 2017	30th June, 2016	31st March, 2017
		Unaudited	Audited	Unaudited	Audited
1	Revenue from operations	51.50	86.54	44.15	278.66
2	Other income	8.40	15.08	16.71	64.12
3	Total Income (1+2)	59.90	101.62	60.86	342.78
4	EXPENSES				
	Direct expenses	17.24	27.48	9.46	87.39
	Employee benefit expenses	24.62	19.94	15.67	65.92
	Depreciation and amortization expense	0.80	3.50	3.05	13.27
	Rent	11.56	11.20	11.01	44.24
	Advertisements and marketing cost	33.13	1.34	25.08	40.62
	Legal and professional fees	28.51	29.21	23.07	103.85
	Other Administration Expenses	12.62	21.91	9.54	48.94
	Total expenses	128.48	114.58	96.88	404.23
5	Profit/(loss) before items and tax (3-4)	(68.58)	(12.96)	(36.02)	(61.45)
6	Tax expense:				
	(1) Current tax	-	-	-	-
	(2) Deferred tax	0.51	(0.30)	-	(0.23)
7	Net Profit / (Loss) from ordinary activities after tax (5-6)	(69.09)	(12.66)	(36.02)	(61.22)
8	Extraordinary items (net of taxes)	-	-	-	-
9	Net Profit / (Loss) for the period (7-8)	(69.09)	(12.66)	(36.02)	(61.22)
10	Other Comprehensive Income/(Loss)				
	<i>A Items that will not be reclassified to profit or loss</i>				
	(1) actuarial gains and losses on defined benefit plans(net of taxes)	(0.13)	(0.36)	(0.02)	(0.50)
	(2) Net changes in fair values of investments(net of taxes)	3.78	7.25	6.23	18.30
11	Total Comprehensive Income/(Loss) for the period (9+10)	(65.44)	(5.77)	(29.81)	(43.42)
12	Paid-up Equity Capital (Face Value of ₹10 per share)	790.77	790.77	790.77	790.77
13	Reserve Excluding Revaluation Reserve	-	-	-	1,868.68
14	Earning Per Share (before Extraordinary items)(of ₹10/- each) (not annualized)				
	(1) Basic	(0.87)	(0.16)	(0.46)	(0.77)
	(2) Diluted	(0.87)	(0.16)	(0.46)	(0.77)
15	Earning Per Share (after Extraordinary items)(of ₹10/- each) (not annualized)				
	(1) Basic	(0.87)	(0.16)	(0.46)	(0.77)
	(2) Diluted	(0.87)	(0.16)	(0.46)	(0.77)

See accompanying notes to the financial statements

Notes:

- 1 The above financial results were reviewed by the Audit Committee and have been approved by the Board of Directors at its meeting held on 13th September, 2017. The statutory auditors have carried out the limited review of the results.
- 2 Since students intake is once a year, the results of any quarter may not be a truly indicative of quarter to quarter / annual performance.
- 3 The Company is presently operating in a single segment of vocational education in Media, Entertainment, Digital Marketing and Sports Management therefore reporting of segment wise information as per As -17 Segment Reporting is not applicable.
- 4 The Company Adopted the Indian Accounting Standard ("Ind AS") and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 -"Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013. These financial results have been prepared in accordance with the Companies (Indian Accounting Standard) Rules 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013. The date of transition to Ind AS is 1st April, 2016. The Figures for the quarter ended 30th June 2016 are also Ind AS Compliant. They have not been subject to limited Review or audit. However, the management has exercised the necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs. The Company will provide a reconciliation of its equity for the previous year ended 31st March, 2017 at the time of submitting the audited financial statements for the year ended 31st March,2018. These results have been prepared in accordance with regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) regulation, 2015 read with SEBI circular dated 5th July, 2016.

Reconciliations between Previous GAAP and Ind AS

Net profit/(Loss)

	Note	31st March, 2017	30th June, 2016	31st March, 2017
Net Profit/(Loss) under Previous GAAP		5.00	(22.30)	(26.47)

Ind AS Adjustments

Actuarial gains and losses on defined benefit plans(net of taxes)	1	0.36	0.02	0.50
Change in fair valuation of investments	2	(20.01)	-	(20.01)
Impact of Deferred revenue recognised in current period		2.00	(13.75)	(15.25)
Impact of interest on security deposit & deferred rent		(0.01)	0.01	0.01

Net Profit/(Loss) under Ind As

(12.66) (36.02) (61.22)

Notes on Net Income/(Loss) between previous GAAP and Ind AS

1.Employee benefits: Under previous GAAP, actuarial gains and losses were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains and losses is recognised in other comprehensive income in the respective periods.

2.Change in fair valuation of Investments: Under previous GAAP, current investments were measured at lower of cost or fair value and long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS Financial assets other than amortized cost are subsequently measured at fair value. Fair value of investments are presented through other comprehensive income.

3.Tax impact: Tax adjustments include deferred tax impact on account of differences between Previous GAAP and Ind AS.

- 6 Previous period figures have been regrouped / recast wherever necessary to make them comparable.

As per our Report on Limited Review of Even Date attached.

For Ford Rhodes Parks & Co. LLP

Chartered Accountants

Firm's Registration No. 102860W/W100089

For and on behalf of the Board

Astha Kariya

Partner

Membership No: 122491

Abbas Patel

Director

DIN:00547281

PART II – STATEMENT OF PROFIT AND LOSS

GREYCELLS EDUCATION LIMITED

Regd. Office : Forum Building, 1st Floor, 11/12, Raghuvanshi Mills Compound, Senapati Bapat Marg, Lower Parel (West), Mumbai -400 013

CIN NO: L65910MH1983PLC030838 Website: www.greycellsltd.com

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UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED JUNE 30, 2017 UNDER IND AS

₹ In lakhs

Sr No.	Particulars	Quarter ended			Year ended
		30th June, 2017	31st March, 2017	30th June, 2016	31st March, 2017
		Unaudited	Audited	Unaudited	Audited
1	Revenue from operations	166.65	232.71	147.98	709.87
2	Other income	8.30	15.08	17.16	62.49
3	Total Income (1+2)	174.95	247.79	165.14	772.36
	EXPENSES				
	Direct expenses	26.32	42.69	19.18	138.73
	Employee benefit expenses	64.75	68.58	54.72	241.37
	Depreciation and amortization expense	1.80	4.16	3.79	16.06
	Rent	27.60	27.65	27.76	110.81
	Advertisements and marketing cost	44.42	18.04	45.89	153.20
	Legal and professional fees	28.51	34.23	23.07	108.88
	Other Administration Expenses	30.98	36.02	18.18	99.13
4	Total expenses	224.38	231.37	192.59	868.18
5	Profit/(Loss) before share of Profit/(Loss) of joint ventures, exceptional item and tax (3-4)	(49.43)	16.42	(27.45)	(95.82)
6	Exceptional Items	-	-	-	-
7	Profit/(Loss) before share of profit/(Loss) of joint ventures and before extraordinary items and tax (5+6)	(49.43)	16.42	(27.45)	(95.82)
8	Tax expense:				
	(1) Current tax	-	-	-	-
	(2) Deferred tax	0.51	(0.30)	-	(0.23)
9	Net Profit / (Loss) from ordinary activities after tax (7-8)	(49.94)	16.72	(27.45)	(95.59)
10	Share of profit/(loss) of associates and joint ventures	1.51	(2.41)	2.52	(0.03)
11	Extraordinary items (net of taxes)	-	-	-	-
12	Net Profit / (Loss) for the period (9-10-11)	(48.43)	14.31	(24.93)	(95.62)
13	Other Comprehensive (Loss)/Income				
	<i>A Items that will not be reclassified to profit or loss</i>				
	(1) actuarial gains and losses on defined benefit plans(net of taxes)	(0.13)	(0.36)	(0.02)	(0.50)
	(2) Net changes in fair values of investments(net of taxes)	3.78	7.25	6.23	18.30
	<i>B Items that will be reclassified to profit or loss</i>				
	(1) Exchange differences on translation of foreign operations	2.02	3.83	1.66	7.83
14	Total Comprehensive Income for the period (12+13)	(42.76)	25.03	(17.06)	(69.99)
15	Paid-up Equity Capital (Face Value of ₹10 per share)	790.77	790.77	790.77	790.77
16	Reserve Excluding Revaluation Reserve				1,868.68
17	Earning Per Share (before Extraordinary items)(of ₹10/- each) (not annualized)				
	(1) Basic	(0.63)	0.21	(0.35)	(1.21)
	(2) Diluted	(0.61)	0.18	(0.32)	(1.21)
18	Earning Per Share (after Extraordinary items)(of ₹10/- each) (not annualized)				
	(1) Basic	(0.61)	0.18	(0.32)	(1.21)
	(2) Diluted	(0.61)	0.18	(0.32)	(1.21)

See accompanying notes to the financial statements

Notes:

- 1 The above financial results were reviewed by the Audit Committee and have been approved by the Board of Directors at its meeting held on 13th September, 2017. The statutory auditors have carried out the limited review of the results.
- 2 Since students intake is once a year, the results of any quarter may not be a truly indicative of quarter to quarter / annual performance.
- 3 The consolidated results include the wholly owned subsidiary - EMDI (Overseas) FZ LLC, whose result have been consolidated as per IND AS 110
- 4 The Company is one of the partners in EMDI Wedding Academy LLP (50% share), whose result have been accounted for using the equity method as defined under IND AS 28 in accordance with the Companies (Indian Accounting Standard) Rules 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013.
- 5 The Company Adopted the Indian Accounting Standard (" Ind AS") and accordingly these financial results have been prepared in accordance with the recognition and measurement principles laid down in Ind AS 34 -" Interim Financial Reporting" prescribed under section 133 of the Companies Act, 2013. These financial results have been prepared in accordance with the Companies (Indian Accounting Standard) Rules 2015 (Ind AS) prescribed under section 133 of the Companies Act, 2013. The date of transition to Ind AS is 1st April, 2016. The Figures for the quarter ended 30th June 2016 are also Ind AS Compliant. They have not been subject to limited Review or audit. However, the management has exercised the necessary due diligence to ensure that the financial results provide a true and fair view of the Company's affairs. The Company will provide a reconciliation of its equity for the previous year ended 31st March, 2017 at the time of submitting the audited financial statements for the year ended 31st March,2018. These results have been prepared in accordance with regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) regulation, 2015 read with SEBI circular dated 5th July, 2016.

Reconciliations between Previous GAAP and Ind AS

Net profit/(Loss)		₹ In lakhs		
	Note	31st March, 2017	30th June, 2016	31st March, 2017
Net Profit/(Loss) under Previous GAAP		31.98	(10.97)	(60.87)
<u>Ind AS Adjustments</u>				
Actuarial gains and losses on defined benefit plans(net of taxes)	1	0.36	0.02	0.50
Change in fair valuation of investments	2	(20.01)	-	(20.01)
Impact of Deferred revenue recognised in current period		2.00	(13.75)	(15.25)
Impact of interest on security deposit & deferred rent		(0.01)	(0.22)	0.01
Net Profit/(Loss) under Ind As		14.32	(24.92)	(95.62)

Notes on Net Income between previous GAAP and Ind AS

1. **Employee benefits:** Under previous GAAP, actuarial gains and losses were recognised in the statement of profit and loss. Under Ind AS, the actuarial gains and losses is recognised in other comprehensive income in the respective periods.
2. **Change in fair valuation of Investments:** Under previous GAAP, current investments were measured at lower of cost or fair value and long term investments were measured at cost less diminution in value which is other than temporary. Under Ind AS Financial assets other than amortized cost are subsequently measured at fair value. Fair value of investments are presented through other comprehensive income.
3. **Tax impact:** Tax adjustments include deferred tax impact on account of differences between Previous GAAP and Ind AS.

- 6 Following are particulars of the Company (on standalone basis) :

Particulars	Quarter Ended			Year Ended
	30th June, 2017	31st March 2017	30th June, 2016	31st March, 2017
Net Sales /Income from Operations	59.90	101.62	60.86	342.78
Profit/(Loss) before tax	(68.58)	(12.96)	(36.02)	(61.45)
Profit/(Loss) after tax	(69.09)	(12.66)	(36.02)	(61.22)
Total Comprehensive Income/(Loss)	(65.44)	(5.77)	(29.81)	(43.42)

7 The Group is presently engaged in the business of vocational education in Media, Entertainment, Digital Marketing and Sports Management. The Geographical segments has been identified as primary segment and reported as per AS-17- Segment Reporting as below:

Geographical Segments are:

- a. India
- b. International

		Segment reporting (Ind-AS Consolidated)			(₹ in Lakhs)
Sr.No		Quarter Ended		Year ended	
		30th June, 2017	31st March, 2017	30th June, 2016	31st March, 2017
		Unaudited	Audited	Unaudited	Audited
1	Segment Revenue				
	a. India	51.50	86.54	44.15	278.66
	b. International	115.15	146.17	103.83	431.21
	Total	166.65	232.71	147.98	709.87
	Less: Inter Segment Revenue	-	-	-	-
	Net Sales / Income From Operations	166.65	232.71	147.98	709.87
2	Segment Result				
	a. India	(76.88)	(28.04)	(53.18)	(123.94)
	b. International	19.15	29.38	8.57	(34.37)
	Total	(57.73)	1.34	(44.61)	(158.31)
	Add: Other Income	8.30	15.08	17.16	62.49
	Less: (i) Interest	-	-	-	-
	(ii) other Un-allocable expenditure net off un-allocable income	-	-	-	-
	Add: Exceptional Items	-	-	-	-
	Share of profit/(loss) of associates and joint ventures	1.51	(2.41)	2.52	(0.03)
	Total Profit before Tax	(47.92)	14.01	(24.93)	(95.85)
	Capital Employed				
	a. India	(54.98)	(5.61)	89.37	(5.61)
	b. International	32.75	10.59	60.33	10.59
	Total	(22.23)	4.98	149.70	4.98
	Add: Un-allocable corporate assets less liabilities	2,758.72	2,757.88	2,549.79	2,757.88
	Total Capital Employed in Company	2,736.49	2,762.86	2,699.49	2,762.86

8 Previous period figures have been regrouped / recast wherever necessary to make them comparable.

As per our Report on Limited Review of Even Date attached.

For and on behalf of the Board

For Ford Rhodes Parks & Co. LLP

Chartered Accountants

Firm's Registration No. 102860W/W100089

Astha Kariya

Partner

Membership No: 122491

Abbas Patel

Director

DIN:00547281