

**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.greycellsld.com

Email ID:companysecretary@greycellsld.com Contact No.022-61479918

**PART I**

(₹ in Lakhs)

**STATEMENT OF UNAUDITED STANDALONE FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER, 2016**

| Sr.No | Particulars   | Quarter Ended       |                      |                     | Nine Months Ended   |                     | Year ended       |
|-------|---|---------------------|----------------------|---------------------|---------------------|---------------------|------------------|
|       |   | 31st December, 2016 | 30th September, 2016 | 31st December, 2015 | 31st December, 2016 | 31st December, 2015 | 31st March, 2016 |
|       |   | Unaudited           | Unaudited            | Unaudited           | Unaudited           | Unaudited           | Audited          |
| 1     | <b>Income from Operations</b>   |                     |                      |                     |                     |                     |                  |
|       | (a) Net Sales / Income from Operations  | 84.59               | 55.31                | 79.43               | 179.79              | 186.30              | 269.04           |
|       | (b) Other Operating Income  | 1.71                | 11.23                | 0.09                | 29.59               | 2.80                | 12.27            |
|       | <b>Total Income from operations (net)</b>   | <b>86.30</b>        | <b>66.54</b>         | <b>79.52</b>        | <b>209.38</b>       | <b>189.10</b>       | <b>281.31</b>    |
| 2     | <b>Expenditure</b>  |                     |                      |                     |                     |                     |                  |
|       | (a) Direct Expenses   | 33.71               | 16.75                | 20.34               | 59.92               | 50.79               | 64.77            |
|       | (b) Employees cost  | 15.12               | 15.36                | 18.03               | 46.18               | 51.73               | 69.14            |
|       | (c) Depreciation and Amortization Expenses  | 3.36                | 3.36                 | 3.15                | 9.77                | 9.44                | 12.55            |
|       | (d) Rent  | 11.01               | 11.02                | 11.70               | 33.04               | 34.68               | 46.14            |
|       | (e) Advertisements and Marketing Cost   | 0.99                | 13.21                | 0.16                | 39.28               | 35.53               | 35.98            |
|       | (f) Legal & Professional Fees   | 26.45               | 25.12                | 23.66               | 74.64               | 73.23               | 98.49            |
|       | (g) Other Administration Expenses   | 8.92                | 7.62                 | 11.67               | 25.59               | 32.59               | 39.25            |
|       | <b>Total Expenses</b>   | <b>99.56</b>        | <b>92.44</b>         | <b>88.71</b>        | <b>288.42</b>       | <b>287.99</b>       | <b>366.32</b>    |
| 3     | <b>Profit/(Loss) from operations before other income, finance cost and exceptional Items (1-2)</b>    | <b>(13.26)</b>      | <b>(25.90)</b>       | <b>(9.19)</b>       | <b>(79.04)</b>      | <b>(98.89)</b>      | <b>(85.01)</b>   |
| 4     | Other Income  | 15.77               | 14.25                | 20.49               | 47.59               | 61.62               | 92.18            |
| 5     | <b>Profit/(Loss) from ordinary activities before finance cost and exceptional Items (3+4)</b>         | <b>2.51</b>         | <b>(11.65)</b>       | <b>11.30</b>        | <b>(31.45)</b>      | <b>(37.27)</b>      | <b>7.17</b>      |
| 6     | Finance Cost  | -                   | -                    | -                   | -                   | -                   | -                |
| 7     | <b>Profit / (Loss) from ordinary activities after finance cost but before exceptional items (5-6)</b> | <b>2.51</b>         | <b>(11.65)</b>       | <b>11.30</b>        | <b>(31.45)</b>      | <b>(37.27)</b>      | <b>7.17</b>      |
| 8     | Exceptional Items:  | -                   | -                    | -                   | -                   | -                   | -                |
| 9     | <b>Profit / (Loss) from ordinary activities before tax (7+8)</b>                                      | <b>2.51</b>         | <b>(11.65)</b>       | <b>11.30</b>        | <b>(31.45)</b>      | <b>(37.27)</b>      | <b>7.17</b>      |
| 10    | <b>Tax Expenses</b>   | <b>0.21</b>         | <b>(0.19)</b>        | <b>(0.33)</b>       | <b>0.01</b>         | <b>(0.05)</b>       | <b>6.29</b>      |
|       | Current   | -                   | -                    | -                   | -                   | -                   | -                |
|       | Deferred  | 0.21                | (0.19)               | (0.33)              | 0.01                | (0.05)              | 6.10             |
|       | Previous Period   | -                   | -                    | -                   | -                   | -                   | 0.19             |
| 11    | <b>Net Profit / (Loss) from ordinary activities after tax (9-10)</b>                                  | <b>2.30</b>         | <b>(11.46)</b>       | <b>11.63</b>        | <b>(31.46)</b>      | <b>(37.22)</b>      | <b>0.88</b>      |
| 12    | Extraordinary items   | -                   | -                    | -                   | -                   | -                   | -                |
| 13    | <b>Net Profit / (Loss) for the Period</b>   | <b>2.30</b>         | <b>(11.46)</b>       | <b>11.63</b>        | <b>(31.46)</b>      | <b>(37.22)</b>      | <b>0.88</b>      |
| 14    | Paid up Equity Capital (Face Value of ₹10/- each)   | 790.77              | 790.77               | 790.77              | 790.77              | 790.77              | 790.77           |
| 15    | Reserve Excluding Revaluation Reserve (as per last audited Balance sheet)                             | -                   | -                    | -                   | -                   | -                   | 1,879.15         |
| 16.i  | <b>Earning Per Share (before Extraordinary items) (of ₹10/- each) (not annualized)</b>                |                     |                      |                     |                     |                     |                  |
|       | a) Basic  | 0.03                | (0.14)               | 0.15                | (0.40)              | (0.47)              | 0.01             |
|       | b) Diluted  | 0.03                | (0.14)               | 0.15                | (0.40)              | (0.47)              | 0.01             |
| 16.ii | <b>Earning Per Share (after Extraordinary items) (of ₹10/- each) (not annualized)</b>                 |                     |                      |                     |                     |                     |                  |
|       | a) Basic  | 0.03                | (0.14)               | 0.15                | (0.40)              | (0.47)              | 0.01             |
|       | b) Diluted  | 0.03                | (0.14)               | 0.15                | (0.40)              | (0.47)              | 0.01             |
|       | See Accompanying notes to financial results   |                     |                      |                     |                     |                     |                  |

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 9th February, 2017. The Statutory Auditors have carried out the "Limited Review" of the results.
- 2 Gross revenue for the academic year 2016-17 as on 31st December, 2016 stands at approximately ₹ 275.79 lacs. In terms of Accounting Standard 9- 'Revenue Recognition', revenue from student fees is recognized 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 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.
- 5 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

Date: 9th February, 2017

Place : Mumbai

Abbas Patel

Director

DIN:00547281

**GREYCELLS EDUCATION LIMITED**

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**PART I**

(₹ in Lakhs)

**STATEMENT OF UNAUDITED CONSOLIDATED FINANCIAL RESULTS FOR THE QUARTER ENDED 31ST DECEMBER, 2016**

| Sr.No | Particulars   | Quarter Ended       |                      |                     | Nine Months Ended   |                     | Year ended       |
|-------|---|---------------------|----------------------|---------------------|---------------------|---------------------|------------------|
|       |   | 31st December, 2016 | 30th September, 2016 | 31st December, 2015 | 31st December, 2016 | 31st December, 2015 | 31st March, 2016 |
|       |   | Unaudited           | Unaudited            | Unaudited           | Unaudited           | Unaudited           | Audited          |
| 1     | <b>Income from Operations</b>   |                     |                      |                     |                     |                     |                  |
|       | (a) Net Sales / Income from Operations  | 220.16              | 96.25                | 247.50              | 463.54              | 519.99              | 742.99           |
|       | (b) Other Operating Income  | 4.03                | 15.39                | 0.13                | 36.60               | 10.04               | 17.07            |
|       | <b>Total Income</b>   | <b>224.19</b>       | <b>111.64</b>        | <b>247.63</b>       | <b>500.14</b>       | <b>530.03</b>       | <b>760.06</b>    |
| 2     | <b>Expenses</b>   |                     |                      |                     |                     |                     |                  |
|       | (a) Direct Expenses   | 45.49               | 31.62                | 30.40               | 96.43               | 78.30               | 105.96           |
|       | (b) Employees cost  | 61.16               | 58.08                | 57.54               | 174.55              | 170.86              | 227.81           |
|       | (c) Depreciation and Amortization Expenses  | 4.06                | 4.06                 | 4.62                | 11.91               | 11.65               | 15.47            |
|       | (d) Rent  | 28.12               | 27.28                | 27.51               | 83.16               | 82.30               | 110.07           |
|       | (e) Legal & Professional fees   | 26.45               | 56.58                | 23.66               | 74.64               | 73.23               | 130.71           |
|       | (f) Advertisements and Marketing Cost   | 33.55               | 25.12                | 18.63               | 136.02              | 113.77              | 102.58           |
|       | (g) Other Administration Expenses   | 29.42               | 15.08                | 25.92               | 62.30               | 70.15               | 92.43            |
|       | <b>Total Expenses</b>   | <b>228.25</b>       | <b>217.82</b>        | <b>188.28</b>       | <b>639.01</b>       | <b>600.26</b>       | <b>785.03</b>    |
| 3     | <b>Profit/(Loss) from operations before other income, finance cost and exceptional items (1-2)</b>    | <b>(4.06)</b>       | <b>(106.18)</b>      | <b>59.35</b>        | <b>(138.87)</b>     | <b>(70.23)</b>      | <b>(24.97)</b>   |
| 4     | Other Income  | 15.16               | 13.58                | 20.81               | 46.21               | 57.14               | 87.34            |
| 5     | <b>Profit/(Loss) from ordinary activities before finance cost and exceptional items (3+4)</b>         | <b>11.10</b>        | <b>(92.60)</b>       | <b>80.16</b>        | <b>(92.66)</b>      | <b>(13.09)</b>      | <b>62.37</b>     |
| 6     | Finance Cost  | -                   | -                    | -                   | -                   | -                   | -                |
| 7     | <b>Profit / (Loss) from ordinary activities after finance cost but before exceptional items (5-6)</b> | <b>11.10</b>        | <b>(92.60)</b>       | <b>80.16</b>        | <b>(92.66)</b>      | <b>(13.09)</b>      | <b>62.37</b>     |
| 8     | Exceptional Items:  | -                   | -                    | -                   | -                   | -                   | -                |
| 9     | <b>Profit / (Loss) from ordinary activities before tax (7+8)</b>                                      | <b>11.10</b>        | <b>(92.60)</b>       | <b>80.16</b>        | <b>(92.66)</b>      | <b>(13.09)</b>      | <b>62.37</b>     |
| 10    | <b>Tax Expenses</b>   | <b>0.27</b>         | <b>(0.12)</b>        | <b>(0.27)</b>       | <b>0.19</b>         | <b>0.14</b>         | <b>6.51</b>      |
|       | Current   | 0.05                | 0.05                 | 0.06                | 0.15                | 0.19                | 0.22             |
|       | Deferred  | 0.21                | (0.19)               | (0.33)              | 0.01                | (0.05)              | 6.10             |
|       | Previous Period   | 0.01                | 0.02                 | -                   | 0.03                | -                   | 0.19             |
| 11    | <b>Net Profit / (Loss) from Ordinary activities after tax</b>   | <b>10.83</b>        | <b>(92.48)</b>       | <b>80.43</b>        | <b>(92.85)</b>      | <b>(13.23)</b>      | <b>55.86</b>     |
| 12    | Extraordinary items   | -                   | -                    | -                   | -                   | -                   | -                |
| 13    | <b>Net Profit / (Loss) for the Period</b>   | <b>10.83</b>        | <b>(92.48)</b>       | <b>80.43</b>        | <b>(92.85)</b>      | <b>(13.23)</b>      | <b>55.86</b>     |
| 14    | Less: Minority Interest   | -                   | -                    | -                   | -                   | -                   | -                |
| 15    | <b>Net Profit / (Loss) after taxes and minority interest</b>  | <b>10.83</b>        | <b>(92.48)</b>       | <b>80.43</b>        | <b>(92.85)</b>      | <b>(13.23)</b>      | <b>55.86</b>     |
| 16    | Paid up Equity Capital (Face Value of ₹10/- each)   | 790.77              | 790.77               | 790.77              | 790.77              | 790.77              | 790.77           |
| 17    | Reserve Excluding Revaluation Reserve   | -                   | -                    | -                   | -                   | -                   | 2,044.12         |
| 18.i  | <b>Earning Per Share (before Extraordinary items)(of ₹10/- each) (not annualized)</b>                 |                     |                      |                     |                     |                     |                  |
|       | a) Basic  | 0.14                | (1.17)               | 1.02                | (1.17)              | (0.17)              | 0.71             |
|       | b) Diluted  | 0.14                | (1.17)               | 1.02                | (1.17)              | (0.17)              | 0.71             |
| 18.ii | <b>Earning Per Share (after Extraordinary items)(of ₹10/- each) (not annualized)</b>                  |                     |                      |                     |                     |                     |                  |
|       | a) Basic  | 0.14                | (1.17)               | 1.02                | (1.17)              | (0.17)              | 0.71             |
|       | b) Diluted  | 0.14                | (1.17)               | 1.02                | (1.17)              | (0.17)              | 0.71             |
|       | See Accompanying notes to financial results   |                     |                      |                     |                     |                     |                  |

NOTES:

- The above financial results were reviewed by the Audit Committee and have been approved by the Board of Directors at its meeting held on 9th February, 2017. The Statutory Auditors have carried out the "Limited Review" of the results.
- The standalone financial results for the quarter ended December 31, 2016 is available on the company's website www.greycellsitd.com and on the website of BSE www.bseindia.com.
- Gross revenue for the academic year 2016-17 as on 31st December, 2016 stands at approximately ₹ 649.46 lacs. In terms of Accounting Standard 9- 'Revenue Recognition', revenue from student fees is recognized over the period of instruction.
- Since students intake is once a year, the results of any quarter may not be a truly indicative of quarter to quarter / annual performance.
- Following are particulars of the Company (on standalone basis) :

| Particulars                       | Quarter Ended       |                      |                     | Nine Month Ended    |                     | Year ended       |
|-----------------------------------|---------------------|----------------------|---------------------|---------------------|---------------------|------------------|
|                                   | 31st December, 2016 | 30th September, 2016 | 31st December, 2015 | 31st December, 2016 | 31st December, 2015 | 31st March, 2016 |
| Net Sales /Income from Operations | 84.59               | 55.31                | 79.43               | 179.79              | 186.30              | 269.04           |
| Profit before tax                 | 2.51                | (11.65)              | 11.30               | (31.45)             | (37.27)             | 7.17             |
| Profit after tax                  | 2.30                | (11.46)              | 11.63               | (31.46)             | (37.22)             | 0.88             |

- 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 as below:

Geographical Segments are:

- India
- International

SEGMENT WISE REVENUE, RESULTS AND CAPITAL EMPLOYED

| Sr.No    | Particulars   | Quarter Ended       |                      |                     | Nine Months Ended   |                     | Year ended       |
|----------|---|---------------------|----------------------|---------------------|---------------------|---------------------|------------------|
|          |   | 31st December, 2016 | 30th September, 2016 | 31st December, 2015 | 31st December, 2016 | 31st December, 2015 | 31st March, 2016 |
| <b>1</b> | <b>Segment Revenue</b>  |                     |                      |                     |                     |                     |                  |
|          | a. India  | 87.56               | 67.09                | 82.54               | 215.12              | 198.76              | 290.43           |
|          | b. International  | 136.63              | 44.55                | 165.10              | 285.02              | 331.26              | 469.63           |
|          | Total   | 224.19              | 111.64               | 247.63              | 500.14              | 530.02              | 760.06           |
|          | Less: Inter Segment Revenue                                     | -                   | -                    | -                   | -                   | -                   | -                |
|          | <b>Net Sales / Income From Operations</b>                       | <b>224.19</b>       | <b>111.64</b>        | <b>247.63</b>       | <b>500.14</b>       | <b>530.02</b>       | <b>760.06</b>    |
| <b>2</b> | <b>Segment Result</b>   |                     |                      |                     |                     |                     |                  |
|          | a. India  | (13.43)             | (26.53)              | (7.67)              | (76.72)             | (94.47)             | (84.61)          |
|          | b. International  | 9.37                | (79.65)              | 67.02               | (62.15)             | 24.24               | 59.64            |
|          | Total   | (4.06)              | (106.18)             | 59.35               | (138.87)            | (70.23)             | (24.97)          |
|          | Add: Other Income   | 15.16               | 13.58                | 20.81               | 46.21               | 57.14               | 87.34            |
|          | Less: (i) Interest  | -                   | -                    | -                   | -                   | -                   | -                |
|          | (ii) other Un-allocable expenditure net off un-allocable income | -                   | -                    | -                   | -                   | -                   | -                |
|          | Add: Exceptional Items  | -                   | -                    | -                   | -                   | -                   | -                |
|          | Add: Prior Period Adjustments                                   | -                   | -                    | -                   | -                   | -                   | -                |
|          | <b>Total Profit before Tax</b>                                  | <b>11.10</b>        | <b>(92.60)</b>       | <b>80.16</b>        | <b>(92.66)</b>      | <b>(13.09)</b>      | <b>62.37</b>     |
| <b>3</b> | <b>Capital Employed</b>   |                     |                      |                     |                     |                     |                  |
|          | a. India  | 147.42              | 52.93                | 98.08               | 147.42              | 98.08               | 194.62           |
|          | b. International  | (10.93)             | (80.44)              | 29.39               | (10.93)             | 29.39               | 48.13            |
|          | Total   | 136.50              | (27.51)              | 127.47              | 136.50              | 127.47              | 242.75           |
|          | Add: Un-allocable corporate assets less liabilities             | 2,536.50            | 2,762.87             | 2,570.83            | 2,536.50            | 2,570.83            | 2,592.18         |
|          | <b>Total Capital Employed in Company</b>                        | <b>2,673.00</b>     | <b>2,735.36</b>      | <b>2,698.30</b>     | <b>2,673.00</b>     | <b>2,698.30</b>     | <b>2,834.93</b>  |

- The consolidated results include the 100% subsidiary - EMDI (Overseas) FZ LLC have been prepared in accordance with the AS 21 issued by the Institute of Chartered Accountants of India.
- The Company is one of the partners in EMDI Wedding Academy LLP (50% share). The consolidated results have been prepared in accordance with the AS 27 'Financial Reporting of Interests in Joint Venture' issued by the Institute of Chartered Accountants of India.
- The financial result of the 100% subsidiary - EMDI (Overseas) FZ LLC is consolidated in the above financial statement as a going concern basis as the management is expecting the positive trends in the results of the subsidiary.
- 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

Date: 9th February, 2017

Place : Mumbai

Abbas Patel

Director

DIN:00547281