

**Educomp Learning Hour Pvt. Ltd.**

(Amount in Rupees)

**Balance Sheet as at 31st March 2010**

	Schedule	As at	
		31st March 2010	31st March 2009
<b>Sources of Funds</b>			
<b>Shareholders' Funds</b>			
Share Capital	1	937,280	657,890
Share Application Money			51,500,000
Reserves and Surplus	2	40,796,723	(6,025,236)
Deferred Tax Liabilities		73,605	40,670
		<b>41,807,609</b>	<b>46,173,324</b>
<b>Application of Funds</b>			
<b>Fixed Assets</b>			
	3		
Gross Block		47,265,363	15,913,096
Less: Accumulated Depreciation/Amortisation		7,047,375	4,331,137
Net Block		40,217,988	11,581,959
Capital Work in Progress			31,399,224
		40,217,988	42,981,184
<b>Current assets, loans and advances</b>			
	4		
Inventories		748,308	595,079
Sundry Debtors		18,815	500,000
Cash and Bank Balances		5,686,975	2,814,279
Loans and Advances		1,000,500	3,429,585
Other Current Assets		273,527	32,624
		7,728,125	7,371,567
<b>Less : Current Liabilities and Provisions</b>			
	5		
Liabilities		6,138,506	4,179,429
Provisions			-
		6,138,506	4,179,429
<b>Net Current Assets</b>		1,589,619	3,192,138
		<b>41,807,609</b>	<b>46,173,324</b>

**Educomp Learning Hour Pvt. Ltd.**

(Amount in Rupees)

**Profit and Loss Account for the year ended 31st March 2010**

	Schedule	Year Ended	
		31st March 2010	31st March 2009
<b>Income</b>			
Professional Receipts	6	11,606,048	10,018,344
Other income	7	1,431,001	775,531
		<b>13,037,049</b>	<b>10,793,875</b>
<b>Expenditure</b>			
Cost of Goods Sold	8	104,511	
Personnel expenses	9	18,075,514	10,907,942
Administration and other expenses	10	25,084,712	19,723,259
Miscellaneous expenses written off		-	13,356
Depreciation		2,716,238	3,759,694
		<b>45,980,975</b>	<b>34,404,251</b>
<b>Profit before tax</b>		(32,943,926)	(23,610,376)
Provision for tax			
- Current tax		-	-
- Deferred tax		32,935	(116,804)
- Fringe benefit tax		-	200,000
<b>Profit after tax</b>		<b>(32,976,861)</b>	(23,693,572)
Balance brought forward from earlier years		(30,726,821)	(7,033,249)
<b>Amount available for appropriations</b>		<b>(63,703,682)</b>	<b>(30,726,821)</b>
<b>Earning per share (Rs.)</b>	11		
Basic		(501)	(360)
Diluted		(501)	(360)

**Educomp Learning Hour Pvt. Ltd.**

(Amount in Rupees)

**Cash Flows Statement for the year ended 31st March 2010**

Particulars	Year Ended	
	31st March 2010	31st March 2009

<b>Cash flows from operating activities</b>		
<b>Net profit before taxation and after prior period items as per Profit and Loss Account</b>	(32,943,926.00)	(23,610,376.24)
Adjusted for:		
Misscellaneous expenses written off	-	13,356.00
Depreciation	2,716,238.00	3,759,694.00
Dividend income	-	(564,045.00)
Interest / other income	(758,897.00)	(62,295.00)
Loss / (Profit) on Sale of Fixed Assets	-	1,889,118.00
<b>Operating profit before working capital changes</b>	<b>(30,986,585.00)</b>	<b>(18,574,548.24)</b>
Adjusted for:		
Trade & Other Receivables	481,185.00	(426,438.36)
Inventory	(153,229.00)	(595,079.00)
Loans & Advances	2,188,182.00	748,223.13
Trade & Other Payables	1,959,077.00	2,306,399.00
<b>Cash generated from operations</b>	<b>(26,511,370.00)</b>	<b>(16,541,443.47)</b>
Net prior period adjustments	-	-
Taxes Paid	-	(238,444.00)
<b>Net cash from operating activities</b>	<b>(26,511,369.99)</b>	<b>(16,779,887.46)</b>
<b>Cash flows from investing activities</b>		
Purchase of fixed assets (including capital work-in-progress)	16,960.61	(34,630,079.43)
Proceeds from Sale of fixed assets	30,000.00	(1,638,828.00)
Dividend income	-	564,045.00
Interest income	758,897.00	62,295.00
Payment of Preliminary expenses	-	13,356.00
<b>Net cash used in investing activities</b>	<b>805,857.61</b>	<b>(35,629,211.43)</b>
<b>Cash flows from financing activities</b>		
Issued Share Capital	279,390.00	-
Share Premium	28,298,819.00	-

Share Application Money	-	51,500,000.00
<b>Net cash from financing activities</b>	<hr/>	
	<b>28,578,209.00</b>	<b>51,500,000.00</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>	<hr/>	
	<b>2,872,696.62</b>	<b>(909,098.89)</b>
Opening cash and cash equivalents	2,814,278.00	3,723,376.99
Exchange difference on translation of foreign currency cash and cash equivalents	-	-
<b>Closing cash and cash equivalents</b>	<hr/>	
	<b>5,686,974.52</b>	<b>2,814,278.00</b>