



CAREER POINT

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Investor Update – 2Q and 1H FY2013-14

# Key Highlights



## Tutorial Services Division

- Tutorial services division has enrolled more than 6,500 new enrollments in the second quarter of current academic session, despite a changing market dynamics.
- Rolled out the launch of CP STAR (Scholarship Test for Admissions and Reward) for the next academic session and achieved a phenomenal response from the students.
- The first of its kind, CP Gurukul – a residential school cum coaching campus - has attracted more than 700 fresh enrollments in very first year of its operations.

## Formal Education Division

- Enrollment of close to 1,000 new enrollments at higher education institutions in their second year of operations demonstrates an academic excellence of these institutions.
- The launch of two new schools at Kota and Jodhpur in Rajasthan with 200+ enrollments each in the first academic session has created a benchmark in their respective regions.
- Delivered the results in accordance with the strategic outlook and provides a long-term sustainable growth to the company.

# Key Highlights



## Financials

- Total income for the period (1HFY14) is Rupees 37.9 Crores (y-o-y: -12.4%) at consolidate level with operating revenue of Rs 32.1 Crores (y-o-y: -9.9%).
- Operating EBITDA was reported Rupees 5.4 Crores (margin: 16.9%) for 1HFY14; declined against 1HFY13 primarily due to lower top-line at tutorial division.
- Net Income for the quarter and first half was Rupees 1.86 Crores and Rupees 3.5 Crores, respectively; represented a margin of 9.2% at consol basis.

## Subsidiary Operations

- Major projects of wholly owned subsidiary CP Infra Limited have started generating revenue for company. In the 1HFY14, Income of Rs 5.0 Crores was reported vs Rs 3.0 Crores in 1HFY13.
- Newly formed subsidiary, Career Point Accessories Pvt. Ltd. reported an income of Rs 68.1 Lacs and net profit of Rs 27 Lacs (net margin: 40%) in 1HFY14.
- CP Infra Ltd. has fixed assets of Rs 98.8 Crores in the balance sheet as of 30<sup>th</sup> September 2013.

# Business Update – Tutorial Services



Mode of Operations	
Company Operated Learning Centers	13
Franchisees Centers	13
CP Live Centers	21
Test Series Centers	60+

Enrollments	1Q FY13	1Q FY14	1H FY14
<b>Company Centers</b>	<b>19,421</b>	<b>8,083</b>	<b>12,025</b>
Branches - Long Term	16,443	6,914	10,856
Branches - Short Term	2,978	1,169	1,169
<b>Franchisees</b>	<b>1,907</b>	<b>771</b>	<b>1,418</b>
Franchisees - Long Term	1,526	748	1,395
Franchisees - Short Term	381	23	23
<b>Distance Learning</b>	<b>2,664</b>	<b>377</b>	<b>2,297</b>
<b>Total Enrollments</b>	<b>23,992</b>	<b>9,231</b>	<b>15,740</b>

# Business Update – Formal Education



Name of the Project / Institution	Services		Status
	AES	ISS	
Career Point University, Kota	Yes	Yes	<ul style="list-style-type: none"> <li>•Act was passed by Govt. of Rajasthan in April 2012</li> <li>•Running second academic session 2013-14</li> </ul>
Career Point University, Hamirpur	Yes	Yes	<ul style="list-style-type: none"> <li>•Approved by Govt. of Himachal Pradesh in May 2012</li> <li>•Running second academic session 2013-14</li> </ul>
Career Point Technical Campus, Rajsamand	Yes	Yes	<ul style="list-style-type: none"> <li>•Approved by AICTE and Raj. Technical University</li> <li>•Running second academic session 2013-14</li> </ul>
K-12 School at Jodhpur	Yes	Yes	<ul style="list-style-type: none"> <li>•Started the first year of operations 2013-14</li> </ul>
Residential K-12 School at Kota	Yes	Yes	<ul style="list-style-type: none"> <li>•Started the first year of operations 2013-14</li> </ul>
Residential K-12 School at Abu	Yes	Yes	<ul style="list-style-type: none"> <li>•Operations are not started yet</li> </ul>
ProSeed Business School	Yes	No	<ul style="list-style-type: none"> <li>•Operational (division of Career Point University, Kota)</li> </ul>
Global Public School (K-12), Kota	Yes	No	<ul style="list-style-type: none"> <li>•Operational since year 2003</li> </ul>

AES: Auxiliary Education Services, ISS: Infrastructure Support Services

# Financials – Income Statement (Standalone)



Income Statement	←----- Standalone -----→				
Rs Lakhs	2QFY14	2QFY13	1QFY14	1HFY14	1HFY13
<b>Income</b>					
Income from Operation	1,412.4	1,821.4	1,262.5	2,674.9	3,255.1
Other Income	232.8	272.7	134.3	367.1	473.0
<b>Total Income</b>	<b>1,645.2</b>	<b>2,094.0</b>	<b>1,396.8</b>	<b>3,041.9</b>	<b>3,728.2</b>
<b>Expenditure</b>					
Cost of Study Material	73.9	76.6	7.0	80.8	119.6
Employees Cost	880.7	873.7	730.8	1,611.5	1,623.5
G&A and other expenses	388.9	321.6	438.5	827.3	873.8
Dep. & Amort.	156.6	45.2	73.5	230.0	87.9
Finance Charges	69.9	7.4	70.2	140.1	8.4
<b>Total Expenditure</b>	<b>1,569.9</b>	<b>1,324.6</b>	<b>1,320.0</b>	<b>2,889.8</b>	<b>2,713.1</b>
<b>Operating EBITDA</b>	<b>69.0</b>	<b>549.4</b>	<b>86.2</b>	<b>155.2</b>	<b>638.3</b>
Op. EBITDA margin	4.9%	30.2%	6.8%	5.8%	19.6%
<b>EBITDA</b>	<b>301.8</b>	<b>822.1</b>	<b>220.5</b>	<b>522.3</b>	<b>1,111.3</b>
EBITDA Margin	18.3%	39.3%	15.8%	17.2%	29.8%
<b>Profit Before Tax</b>	<b>75.3</b>	<b>769.4</b>	<b>76.8</b>	<b>152.1</b>	<b>1,015.1</b>
PBT Margin	4.6%	36.7%	5.5%	5.0%	27.2%
<b>Profit After Tax</b>	<b>61.3</b>	<b>575.3</b>	<b>25.6</b>	<b>86.9</b>	<b>774.9</b>
PAT Margin	3.7%	27.5%	1.8%	2.9%	20.8%
<b>EPS (Rs)</b>	<b>0.3</b>	<b>3.2</b>	<b>0.1</b>	<b>0.5</b>	<b>4.3</b>

# Financials – Income Statement (Consolidated)



Income Statement	Consolidated				
Rs Lakhs	2QFY14	2QFY13	1QFY14	1HFY14	1HFY13
<b>Income</b>					
Income from Operation	1,695.6	1,987.1	1,514.6	3,210.2	3,563.4
Other Income	329.6	490.9	250.5	580.1	761.2
<b>Total Income</b>	<b>2,025.2</b>	<b>2,478.0</b>	<b>1,765.1</b>	<b>3,790.3</b>	<b>4,324.6</b>
<b>Expenditure</b>					
Cost of Study Material	90.7	76.6	17.2	107.9	119.6
Employees Cost	921.5	875.3	753.9	1,675.5	1,626.8
G&A and other expenses	420.3	321.6	463.0	883.4	873.9
Dep. & Amort.	190.9	64.8	102.8	293.7	123.5
Finance Charges	126.3	7.4	136.4	262.7	8.4
<b>Total Expenditure</b>	<b>1,749.7</b>	<b>1,345.7</b>	<b>1,473.4</b>	<b>3,223.1</b>	<b>2,752.1</b>
<b>Operating EBITDA</b>	<b>263.0</b>	<b>713.5</b>	<b>280.4</b>	<b>543.4</b>	<b>943.2</b>
Op. EBITDA margin	15.5%	35.9%	18.5%	16.9%	26.5%
<b>EBITDA</b>	<b>592.6</b>	<b>1,204.5</b>	<b>530.9</b>	<b>1,123.6</b>	<b>1,704.4</b>
EBITDA Margin	29.3%	48.6%	30.1%	29.6%	39.4%
<b>Profit Before Tax</b>	<b>275.5</b>	<b>1,132.2</b>	<b>291.7</b>	<b>567.2</b>	<b>1,572.5</b>
PBT Margin	13.6%	45.7%	16.5%	15.0%	36.4%
<b>Profit After Tax</b>	<b>186.3</b>	<b>779.2</b>	<b>164.0</b>	<b>350.3</b>	<b>1,091.1</b>
PAT Margin	9.2%	31.4%	9.3%	9.2%	25.2%
<b>EPS (Rs)</b>	<b>1.0</b>	<b>4.3</b>	<b>0.9</b>	<b>1.9</b>	<b>6.0</b>

# Financials – Balance Sheet



Balance Sheet	<----- Standalone ----->			<----- Consolidated ----->		
Rs Lakhs	30-Sep-2013	30-Jun-2013	31-Mar-2013	30-Sep-2013	30-Jun-2013	31-Mar-2013
<b><u>Liabilities</u></b>						
<b>Shareholders' fund</b>	<b>32,124</b>	<b>32,062</b>	<b>32,037</b>	<b>32,895</b>	<b>32,707</b>	<b>32,559</b>
(a) Share Capital	1,813	1,813	1,813	1,813	1,813	1,813
(b) Reserve and Surplus	30,310	30,249	30,224	31,082	30,893	30,745
<b>Non-current Liabilities</b>	<b>186</b>	<b>163</b>	<b>125</b>	<b>395</b>	<b>357</b>	<b>279</b>
(a) Def. Tax Liabilities	137	116	79	346	309	233
(b) Long Term Provisions	49	47	46	49	47	46
<b>Current Liabilities</b>	<b>2,748</b>	<b>2,488</b>	<b>1,160</b>	<b>2,964</b>	<b>2,709</b>	<b>1,384</b>
(a) Current Liabilities	2,670	2,259	1,047	2,886	2,475	1,265
(b) Provisions	78	228	112	78	235	119
<b>Short-term borrowings</b>	<b>1,720</b>	<b>2,721</b>	<b>2,715</b>	<b>4,210</b>	<b>4,767</b>	<b>5,316</b>
<b>Total Liabilities</b>	<b>36,778</b>	<b>37,435</b>	<b>36,037</b>	<b>40,464</b>	<b>40,540</b>	<b>39,537</b>
<b><u>Assets</u></b>						
<b>Fixed Assets (inc. WIP)</b>	<b>11,903</b>	<b>11,503</b>	<b>10,778</b>	<b>21,394</b>	<b>20,749</b>	<b>19,834</b>
<b>Non-current Assets</b>	<b>14,099</b>	<b>15,419</b>	<b>14,503</b>	<b>6,804</b>	<b>6,924</b>	<b>6,790</b>
(a) Loans and Advances	463	1,806	891	6,760	6,880	6,747
(b) Investments	13,636	13,612	13,612	42	42	42
(c) Other Assets	-	-	-	2	1	1
<b>Current Assets</b>	<b>10,775</b>	<b>10,513</b>	<b>10,756</b>	<b>12,266</b>	<b>12,867</b>	<b>12,912</b>
(a) Inventories	254	307	196	304	338	196
(b) Sundry Debtors	287	196	112	1,329	1,020	752
(c) Cash & Bank Balances	484	844	681	643	895	727
(d) Current Investments	6,319	7,288	9,158	7,789	8,755	10,635
(e) Loans and Advances	3,431	1,876	608	2,201	1,860	602
<b>Total Assets</b>	<b>36,778</b>	<b>37,435</b>	<b>36,037</b>	<b>40,464</b>	<b>40,540</b>	<b>39,537</b>



Thank You



## Career Point Limited

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