



Career Point Ltd.

Investor Update – 3Q and 9M FY 2014-15

Product Portfolio – KG to PhD



Informal Education

Tutorial Services



CAREER POINT
Pre-Engineering, Pre-Medical & Pre-Foundation

CAREER POINT
gurukul
Residential Coaching and School Campus

GATE ♦ IES ♦ PSU
GATE & Advanced Test Prep Division

E-Learning Solutions



e-Learning by CAREER POINT
ONLINEPADO II

CP LIVE
a CAREER POINT edu-venture

eCAREERPOINT
Online Test Series

Formal Education

School Education




GLOBAL KIDS


GLOBAL
PUBLIC SCHOOL


CAREER POINT
WORLD SCHOOL

Higher Education



CAREER POINT
UNIVERSITY
Kota (Rajasthan)

CAREER POINT
UNIVERSITY
Hamirpur (H.P.)

CAREER POINT
TECHNICAL CAMPUS
Rajsamand - Udaipur

Skillzone

Integrated Solution Provider across Education value chain throughout the Life Cycle of a Student.

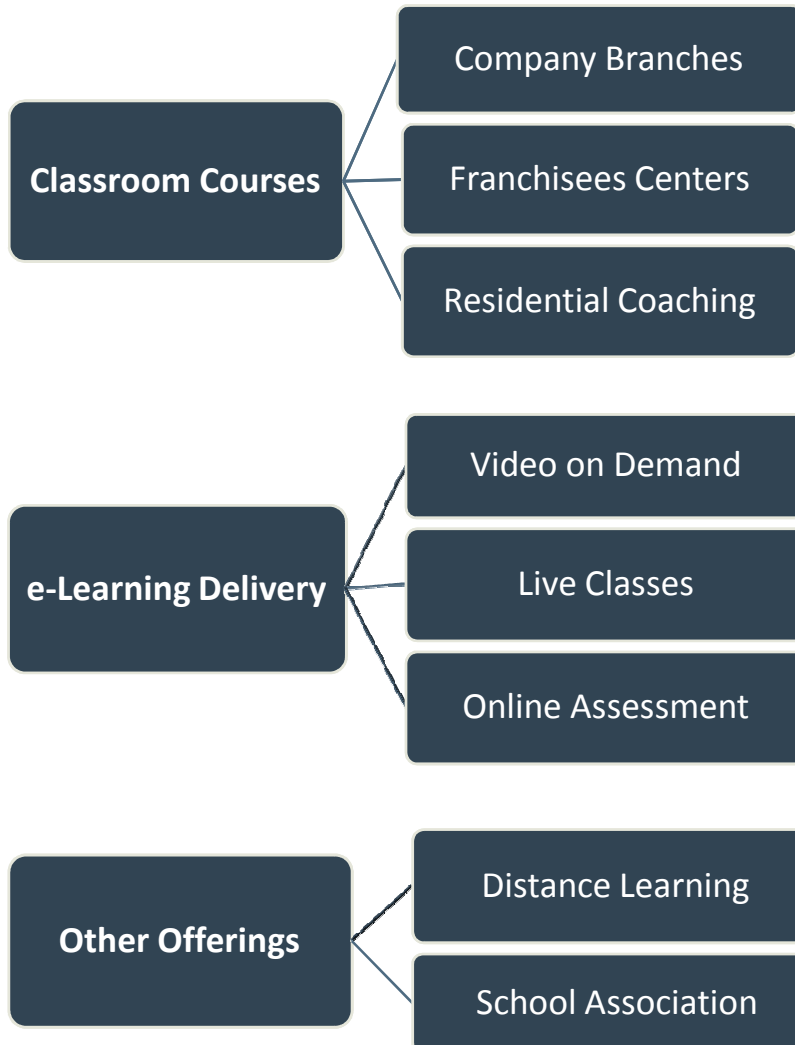


Informal Education Division

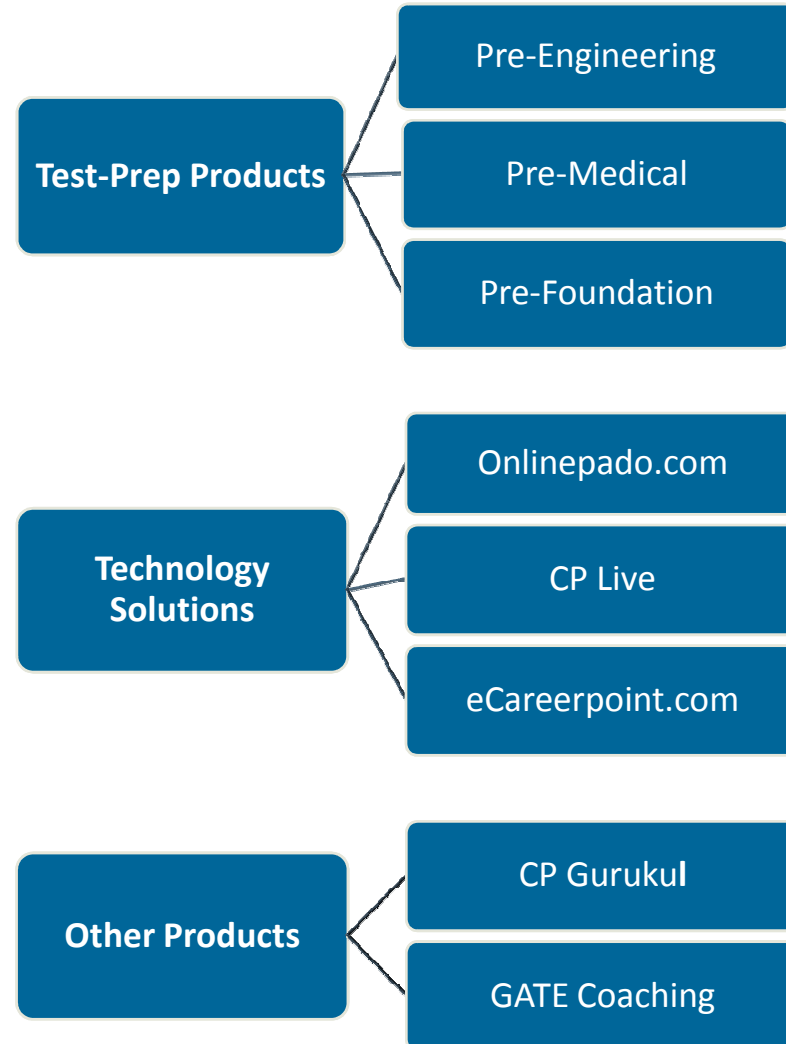
Tutorial Services - Delivery Model



Delivery Model



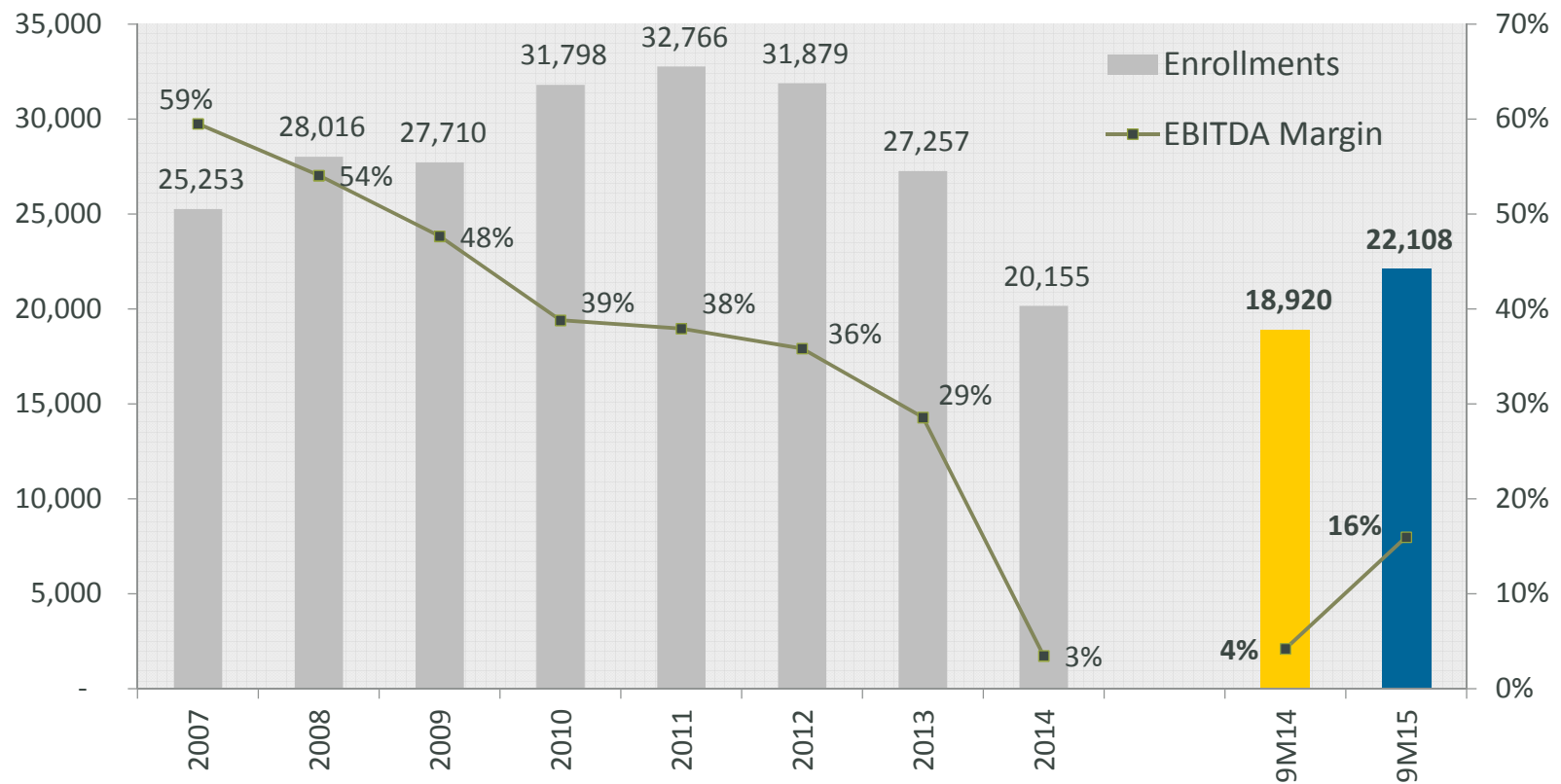
Key Products



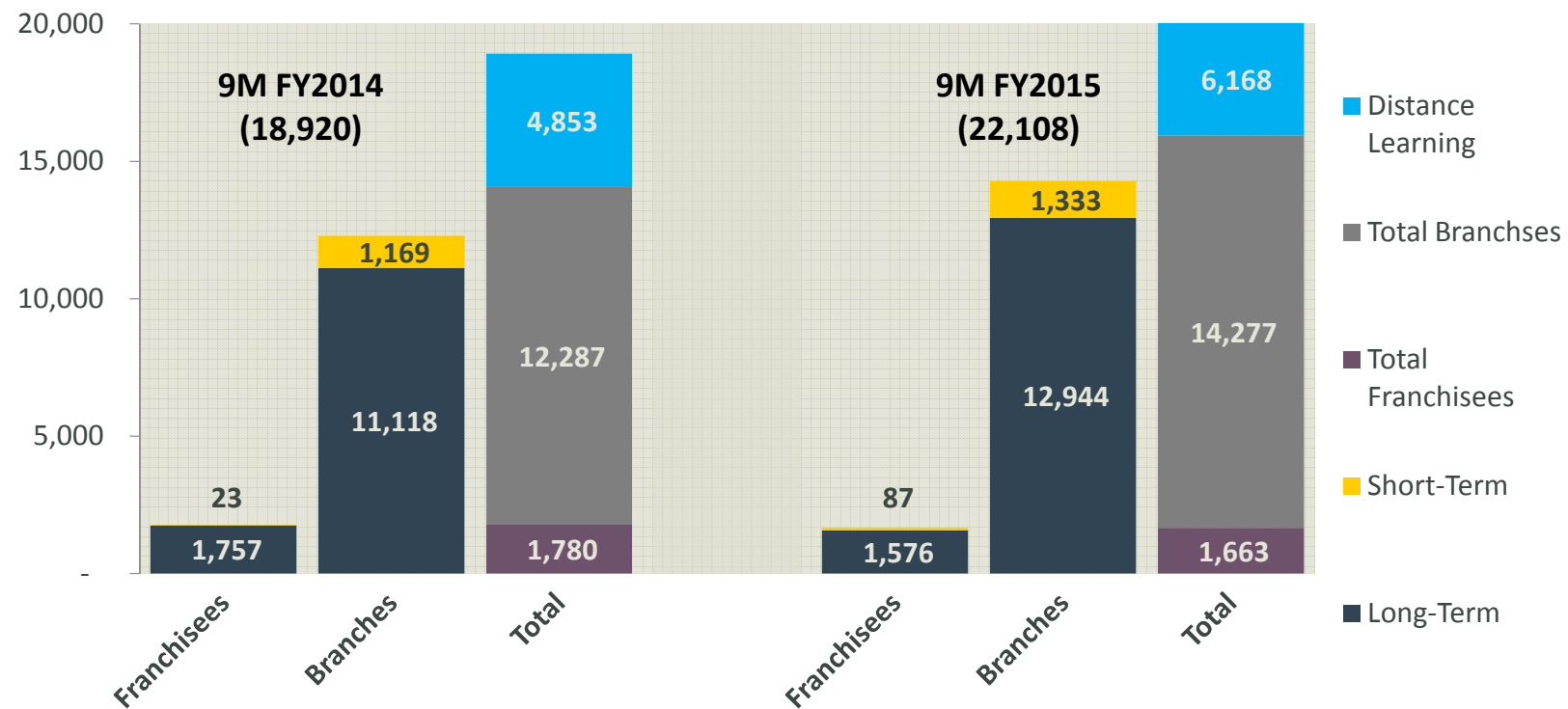
Tutorial Enrollments



9M14: 18,920 $\xrightarrow{17\% \text{ y-o-y}}$ **9M15: 22,108**



Enrollments Break-up



Key Highlights

- ❑ Significant rise in two-years long-term classroom programs sets a platform for next year's enrollment growth in advance
- ❑ Contribution in growth is a mix of all the verticals including Pre-engineering, Pre-medical and Pre-foundation

CP Gurukul - Residential Coaching and School Campus



Academic facilities

- Coaching Campus
- CBSE School up to 12th
- Library & Reading Rooms
- Practical Labs
- Academic Assistance

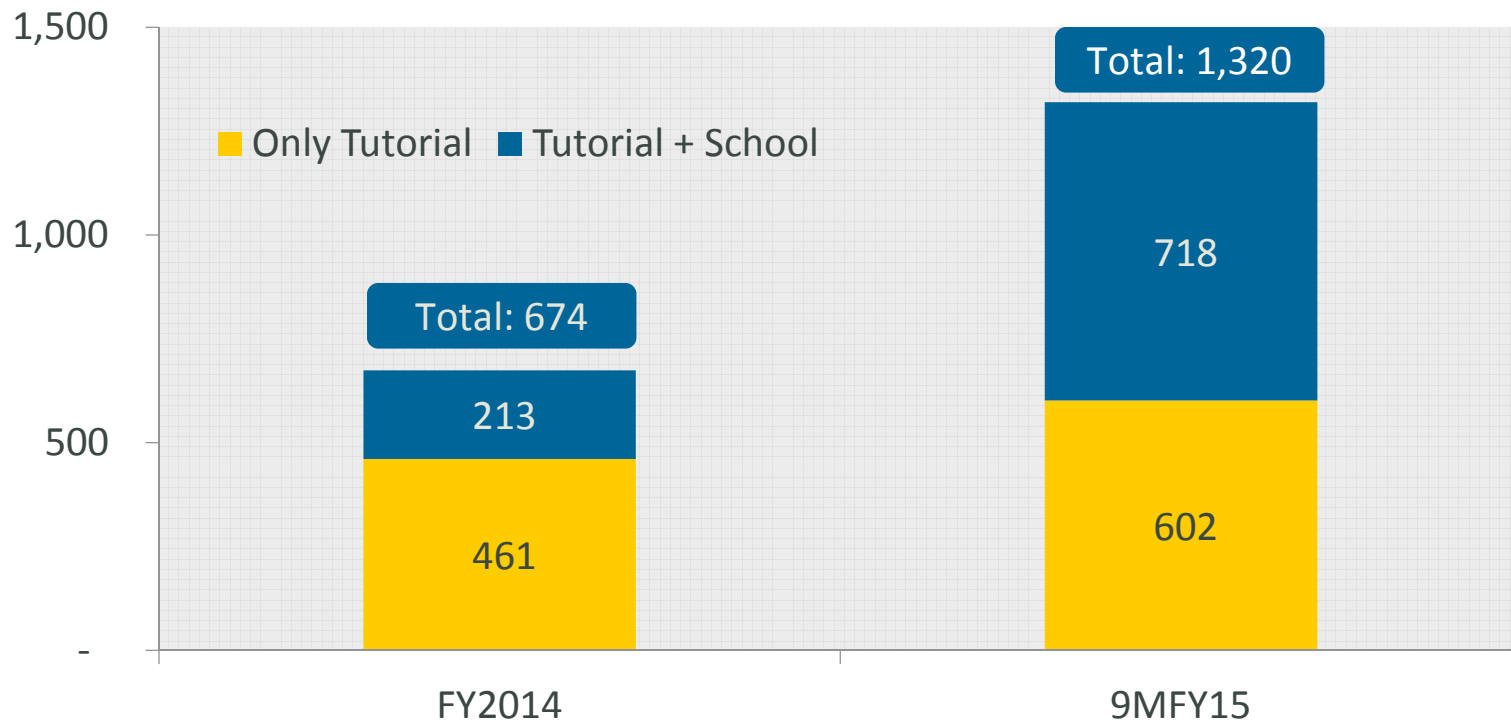
Living Experience

- Boys and Girls Hostels
- Guest house for relatives
- Apartments (1&2 BHK) for parents
- Staff residences
- Play Grounds

Student Welfare

- Mess, Cafeteria and Food Court
- Health care Services
- Departmental Stores
- 24 Hrs Security

CP Gurukul Campus Enrollments



Key Highlights

- ❑ Academic session 2014-15 is second year of operations.
- ❑ Enrollments are almost doubled with students from more than 22 states of the country.
- ❑ Higher growth in students who avail both - school and tutorial services - against only tutorial results in to higher price realization per student

e-Learning Solutions



OnlinePado.com

- Online marketplace with experts' videos on demand
- Choice to students for anytime, any topic and anyplace learning on multiple devices.
- Video on-demand



eCareerPoint.com

- Online assessment platform
- Provides personalized and relative feedback based on statistical techniques.



CPlive.in

- Internet based solution which allows students to access live classes from remote locations.
- Real-time two-way video-interactive classes.





Formal Education Division

Formal Education Institutions



Career Point University
Kota, Rajasthan



Career Point University
Hamirpur, Himachal Pradesh



Career Point Technical Campus
Rajsamand (Raj) & Mohali (Punjab)



Global Public School Kota (Rajasthan)
JBS (Kota) & JJPS (Jodhpur)



CP: Higher Education Institutions



Career Point University Kota, Rajasthan

School of Engineering & Technology

School of Management & Commerce Studies

School of Basic & Applied Sciences

School of Computer Application & Tech.

School of Legal Studies and Law Governance

School of Vocational Studies

Career Point University Hamirpur, H.P.

School of Engineering & Technology

School of Management & Commerce Studies

School of Basic & Applied Sciences

Career Point Technical Campus, Rajsamand & Mohali

Department of Engineering and Technology

Department of Computer Application and Technology

Department of Polytechnic Diploma

Courses offered

Engineering & Technology	B. Tech, M. Tech and PhD.
Computer Applications & Technology	BCA, MCA
Management and Commerce	BBA, MBA, B. Com, M. Com
Basic & Applied Sciences	B.Sc. and M.Sc.
Law and Governance	LLB, BA-LLB, BBA-LLB
Vocational Studies	Polytechnic Diploma etc.
Post PG	M.Phil, PhD

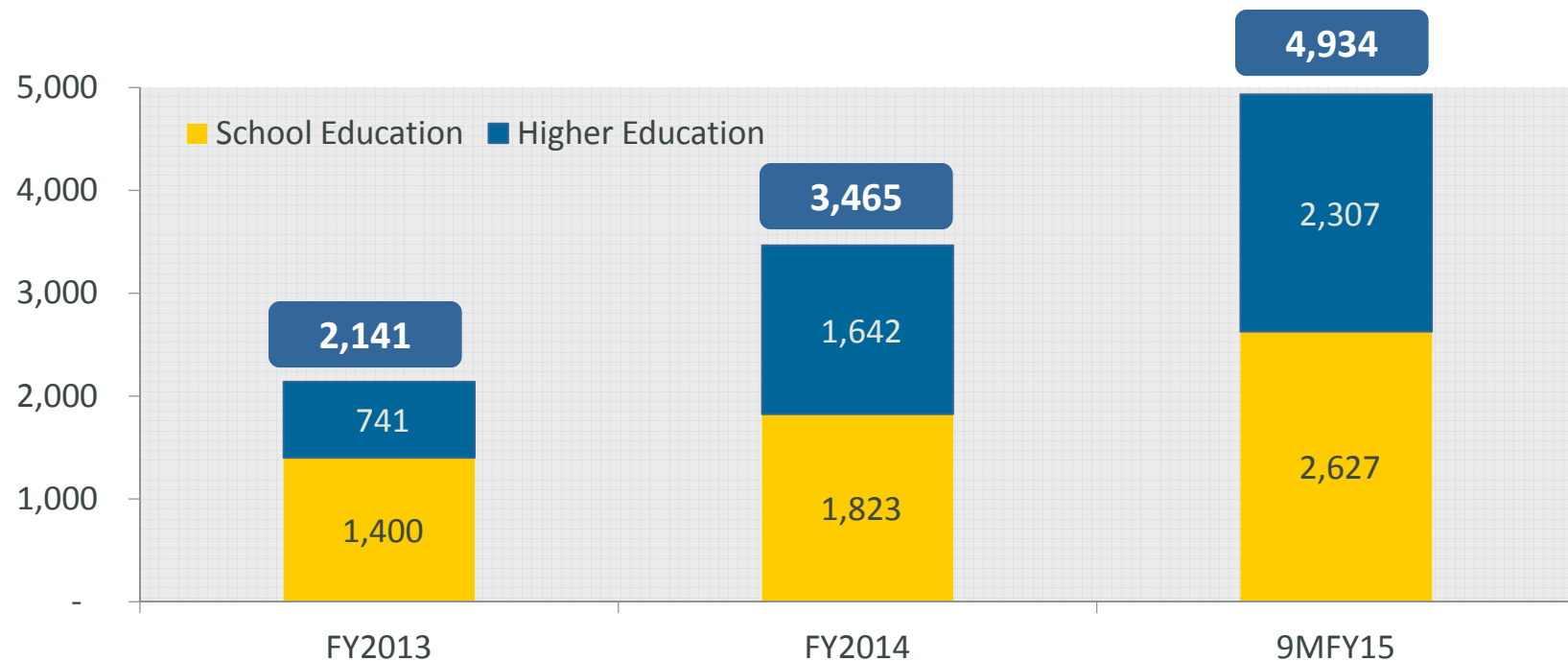
CP: School Education



	Global Public School, Kota	JBS Childrens' Paradise, Kota	Jeevan Jyoti Public School, Jodhpur
Operational Since	Year 2003	July 2012	July 2012
Location	Kota	Kota	Jodhpur
Affiliation	CBSE	CBSE	CBSE
Category	Day-School	Residential	Day-School



Formal Education Enrollments



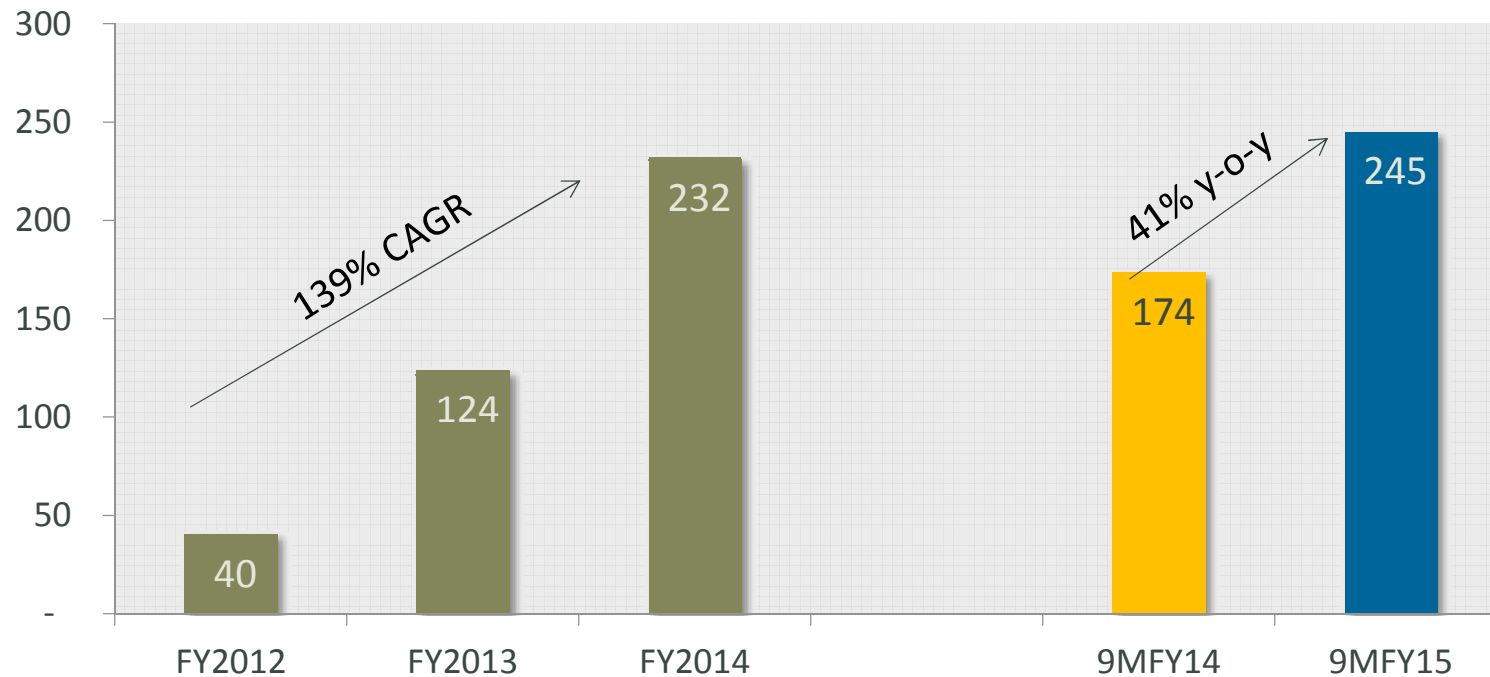
Key Highlights

- ❑ Enrollment CAGR of over 50% for last two years (by end of 9M FY2015)
- ❑ Universities & other Higher education institution are in just 3rd Year of operation. Two schools are in 2nd year of operation. Hence growth momentum will continue in subsequent years.

Formal Education Income



Auxiliary Education Fee (Rs Lacs)



Key Highlights

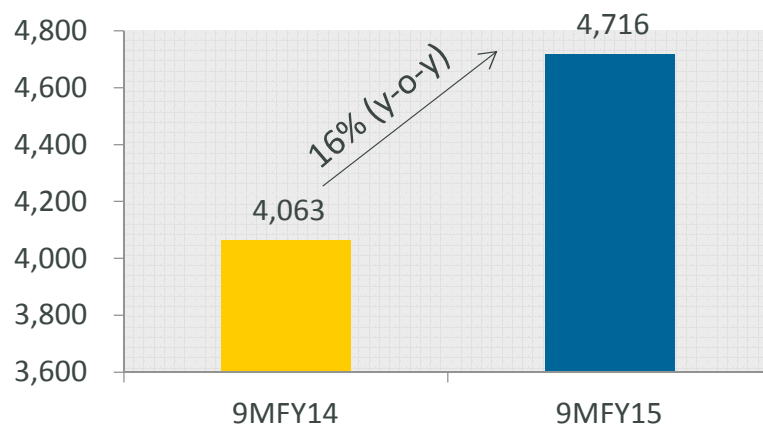
- ❑ New enrollments are resulted an increase of over 40% (y-o-y) in auxiliary education fee in Nine months of fiscal 2014-15
- ❑ University projects are already out of gestation in their 3rd year of operations against industry trend of 5 to 7 years.

Key Financial Update

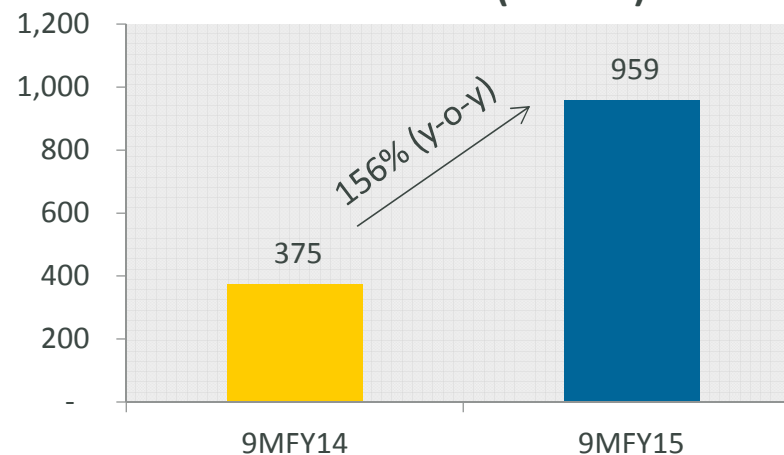
Financial Update – Standalone (reported)



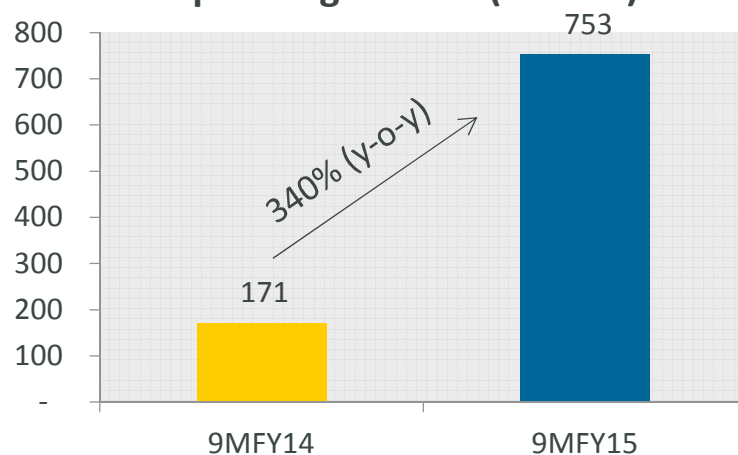
Income from Operations (Rs Lacs)



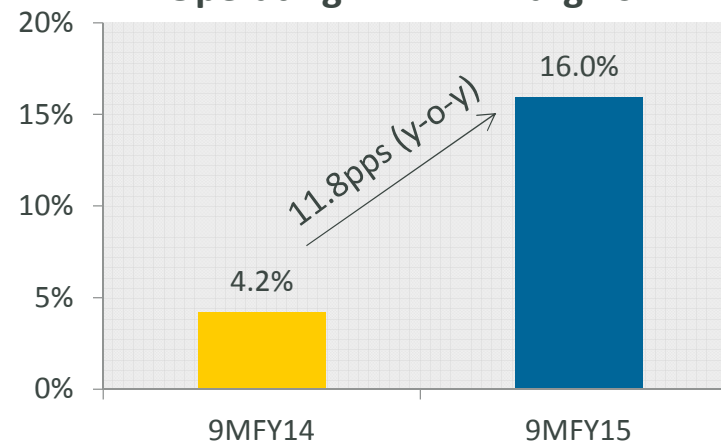
Profit Before Tax (Rs Lacs)



Operating EBITDA (Rs Lacs)



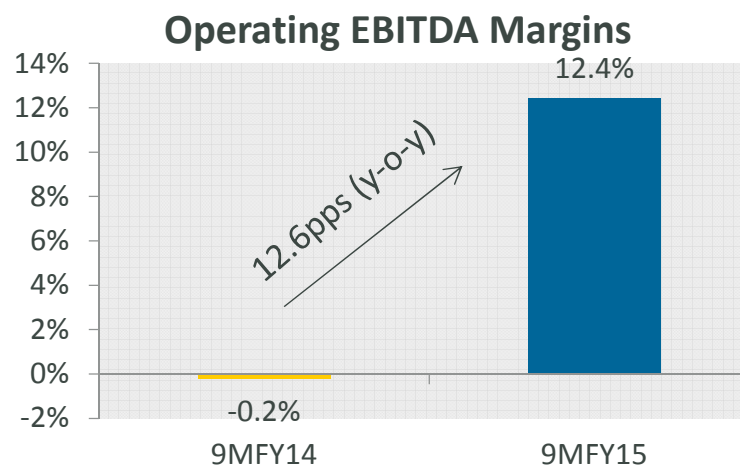
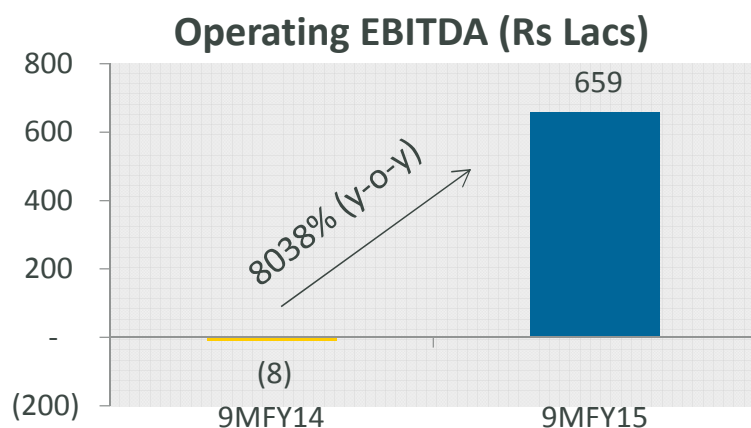
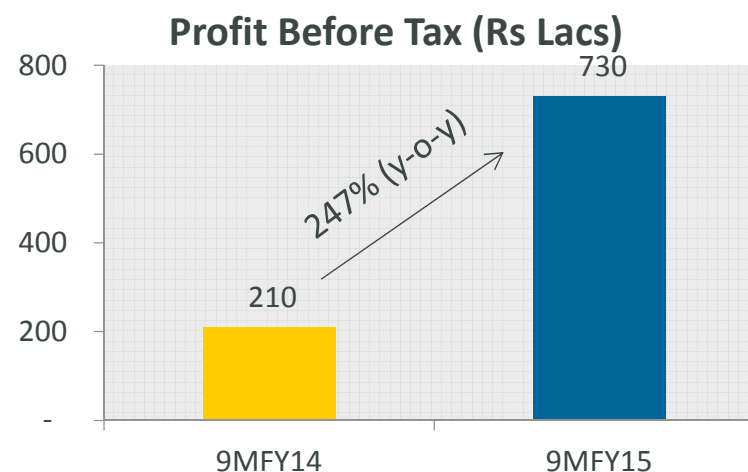
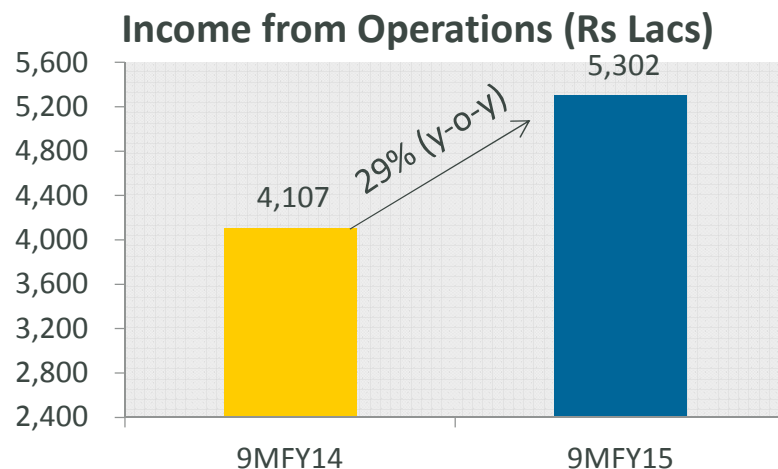
Operating EBITDA Margins



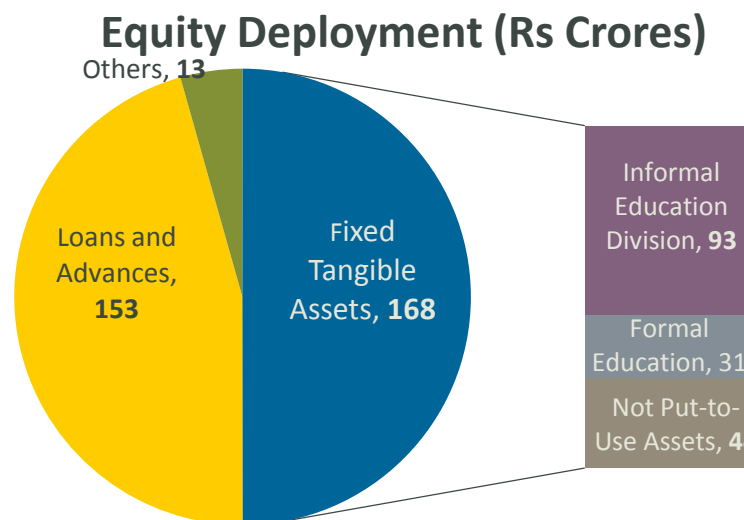
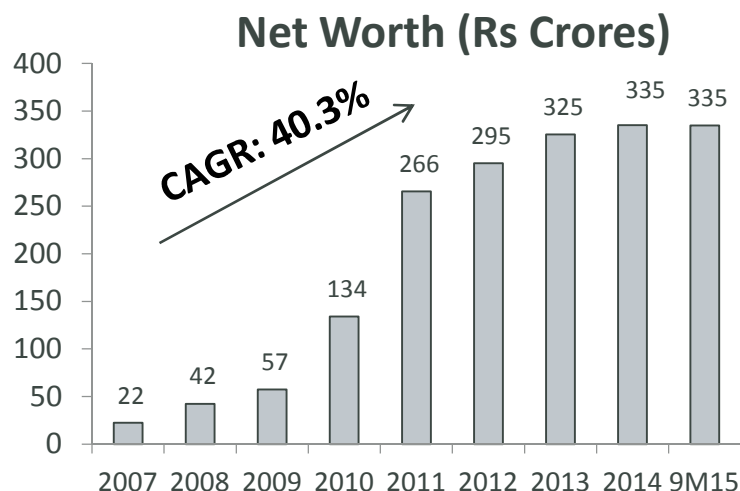
Financial Update – Consolidate (Adjusted*)



Adjusted for like to like comparison



Balance Sheet Highlights



Unleveraged: The balance sheet is debt free. The borrowing of Rs 49 Crores essentially leveraged against the liquid investments of Rs 53 Crores by 31 December 2014.

Assets Appreciation: The company holds tangible fixed assets of Rs 168 Cr including 'Not Put-to-Use assets' of Rs 44 Cr. The market value of these assets is significantly higher.

Business Advances: Second biggest component of balance sheet as Loans and Advances. These are incidental to formal education business division.

Asset Sale Transaction (2QFY15)



Overview

- Career Point Infra Ltd. , a wholly owned subsidiary of Career Point Limited, has executed the transaction to sell the fixed assets of higher education institutions.
- The transaction will simplify the overall structure and will be more financially efficient, for the company point of view with asset-light business model .
- The financial performance at consolidate level for FY2014-15 is impacted by extraordinary items as outcome of said transaction.

Transaction Details

- Sale Price of Assets: Rs 7,029.19 Lacs
- BV as per Company Act: Rs 7,834.00 Lacs
- Extraordinary loss on BV: Rs 622.40 Lacs

Related Information

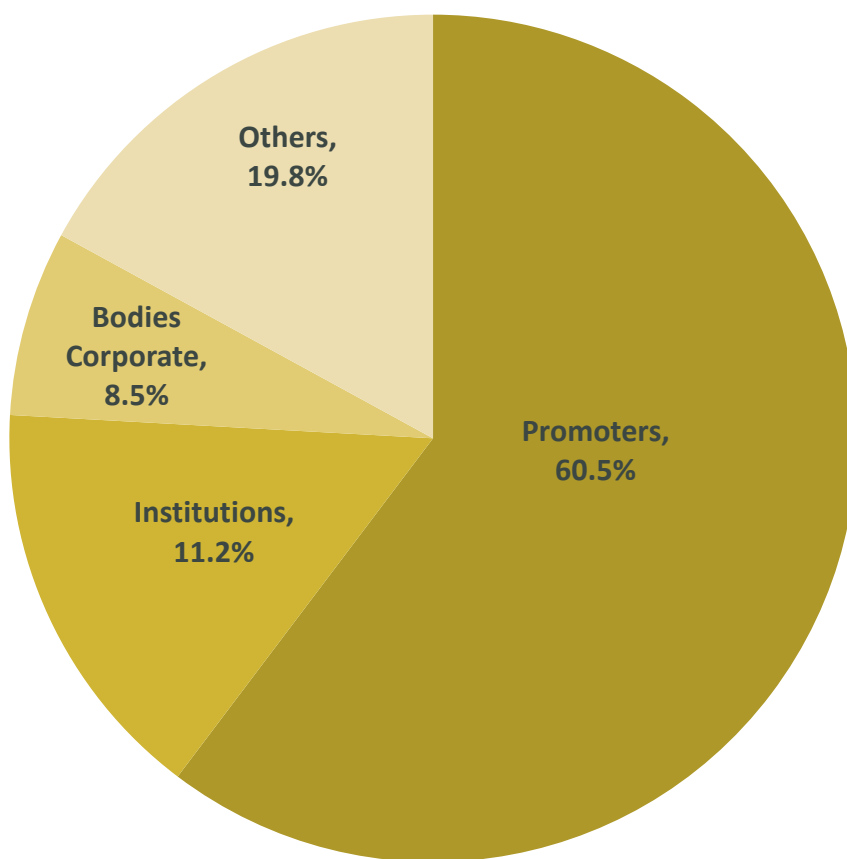
- Lease Income earned in past: Rs 1,700 Lacs
- Value as per Income Tax : Rs 6,890 Lacs
- Certified Registered MV: Rs 6,950 Lacs

Investment Prospect

Shareholding Pattern



Stock exchange	Symbol
National Stock Exchange	CAREERP
Bombay Stock Exchange	533260



Key Non-Promoters Ownership

ICICI Prudential	5.97%
Fidelity	3.58%
Franklin Templeton	2.96%
Akash Bhanshali	2.49%
Nadathur Estates	1.88%
DSP Blackrock	1.57%
Enam Investments	1.12%
Vikas Singhi	1.10%
Total	20.67%

As on 31 Dec 2014

Highlights



Established Player with Integrated Solutions

With two decades history of providing quality education, Career Point enjoys a strong brand equity in the education sector;
Leveraging on its established brand, Career Point now offering multiple product offering across Test-Prep, Schools, Colleges and Universities

Strong Management Team

Career Point has a strong Promoter and rich experienced Management Team who continually explore new ventures to create shareholder value with Corporate Governance intact and accomplish Social Responsibilities

Career Point Investment Proposition

Philosophy of Excellence

Career Point shares the vision to become global leader in providing exemplary education for betterment and empowerment of individuals through excellence in quality, methodologies and systems

Strong R&D and Technology focus

Expansion through fast and cost-effective technology based solutions with maintaining a strong focus on R&D and content development, has allowed Career Point to cater to the challenges of ever-evolving world and emerge as a leader in its business domain

With pyramid of strengths and deep-rooted foundation, Career Point is focused on creating a brighter future and delivering great value for each of the stakeholder

Key Business Indicators



Enrollments are increased with double digit growth rate; significant rise in two-years long course programs

Formal education division is growing fast; offers impressive margin and return on investment

Increased enrollments results in to improved margins; further scope to improve capacity utilization

Response to e-Learning solution is quite exciting; specially the repeat customers

Investment Rationale



Presence in evergreen education business with diversified verticals across the industry value chain

New initiatives i.e. e-Learning, Vocational are fuelling growth without any significant capex

Major formal education projects are out of gestation and have start yielding returns

Ongoing restructuring efforts aiming for a asset-light business model and improved ROI

The value of tangible assets ensures significant value appreciation from current level

Annexure 1: Latest Financials

Financials – Income Statement (Standalone)



CAREER POINT

Income Statement	Standalone				
Rs Lakhs	3QFY15	3QFY14	2QFY15	9MFY15	9MFY14
Income					
Income from Operation	1,610.3	1,388.1	1,589.6	4,716.4	4,063.0
Other Income	218.1	324.9	294.1	639.7	692.0
Total Income	1,828.4	1,713.0	1,883.7	5,356.1	4,755.0
Expenditure					
Cost of Material	19.5	38.7	104.0	141.2	119.5
Employees Cost	818.6	1,017.6	869.3	2,555.2	2,629.2
G&A and other expenses	324.8	316.0	410.1	1,267.1	1,143.3
Dep. & Amort.	115.3	73.3	117.0	352.4	303.3
Finance Charges	25.8	44.4	27.6	81.4	184.5
Total Expenditure	1,304.0	1,490.0	1,528.0	4,397.3	4,379.8
EBITDA	665.6	340.7	500.3	1,392.6	863.0
EBITDA Margin	36.4%	19.9%	26.6%	26.0%	18.1%
Operating EBITDA	447.4	15.8	206.2	752.9	171.0
Op. EBITDA margin	27.8%	1.1%	13.0%	16.0%	4.2%
Profit Before Tax	524.5	223.1	355.7	958.7	375.2
PBT Margin	28.7%	13.0%	18.9%	17.9%	7.9%
Profit After Tax	209.0	263.0	293.8	567.7	349.9
PAT Margin	11.4%	15.4%	15.6%	10.6%	7.4%
EPS (Rs)	1.15	1.5	1.6	3.13	1.9

Financials – Income Statement (Consolidated) – 1/2



Income Statement	Consolidated				
Rs Lakhs	3QFY15	3QFY14	2QFY15	9MFY15	9MFY14
Income					
Income from Operation	2,030.3	1,662.7	1,669.6	5,301.9	4,872.9
Other Income	296.3	425.1	202.9	836.9	1,005.2
Total Income	2,326.6	2,087.9	1,872.5	6,138.8	5,878.1
Expenditure					
Cost of Material	367.8	49.8	128.0	551.2	157.7
Employees Cost	888.1	1,065.6	927.9	2,729.5	2,741.1
G&A and other expenses	361.7	333.6	437.5	1,362.5	1,217.0
Dep. & Amort.	38.2	107.6	180.7	402.3	401.3
Finance Charges	124.3	122.9	120.0	363.4	385.6
Total Expenditure	1,780.0	1,679.5	1,794.1	5,408.9	4,902.6
EBITDA *	709.1	638.9	379.1	1,495.6	1,762.4
EBITDA Margin	30.5%	30.6%	20.2%	24.4%	30.0%
Operating EBITDA	412.8	213.7	176.2	658.7	757.2
Op. EBITDA margin	20.3%	12.9%	10.6%	12.4%	15.5%
PBT before Extraordinary items	546.6	408.3	78.4	729.9	975.5
PBT Margin	23.5%	19.6%	4.2%	11.9%	16.6%
Profit After Tax#	178.6	446.5	(205.6)	219.4	796.8
PAT Margin	7.7%	21.4%	-11.0%	3.6%	13.6%
EPS (Rs)	1.0	2.5	(1.1)	1.2	4.4

* EBITDA at 9MF15 declined against last year due to removal of Lease Rent income this year.

PAT at 9MF15 declined against last year due to Extraordinary loss booked against asset sale.

Financials – Income Statement (Consolidated) – 2/2



Consolidate Financials (Comparable Business Performance) – 9M FY2014-15

Revenue : +29% | EBITDA margins : +12.6 pps | Profit before tax : +247%

Income Statement	Consolidated (Like to Like Comparison)					
Rs Lakhs	3QFY15	3QFY14 (Adj.)	Change	9MFY15	9MFY14 (Adj.)	Change
Income from Operations	2,030.3	1,405.9	44%	5,301.9	4,107.4	29%
Operating Expenses	1,617.5	1,449.0	12%	4,643.2	4,115.7	13%
EBITDA	412.8	(43.1)	1057%	658.7	(8.3)	8038%
EBITDA Margin	20.3%	-3.1%	23.4 pps	12.4%	-0.2%	12.6 pps
PBT before E/O items	546.6	151.5	261%	729.9	210.1	247%
PBT Margin	26.9%	10.8%	16.1 pps	13.8%	5.1%	8.7 pps

Business Performance Comparison (Like to like):

1. Adjustment of Lease rent income Rs 257 Lacs in 3QFY2014 and Rs 765 Lacs in 9MFY2014
2. Extraordinary item Rs 622.4 Lacs set-off in 9MFY2014
3. Adjustment of deferred taxes from the transaction of asset sales in 2Q/9M FY2014

Financials – Balance Sheet



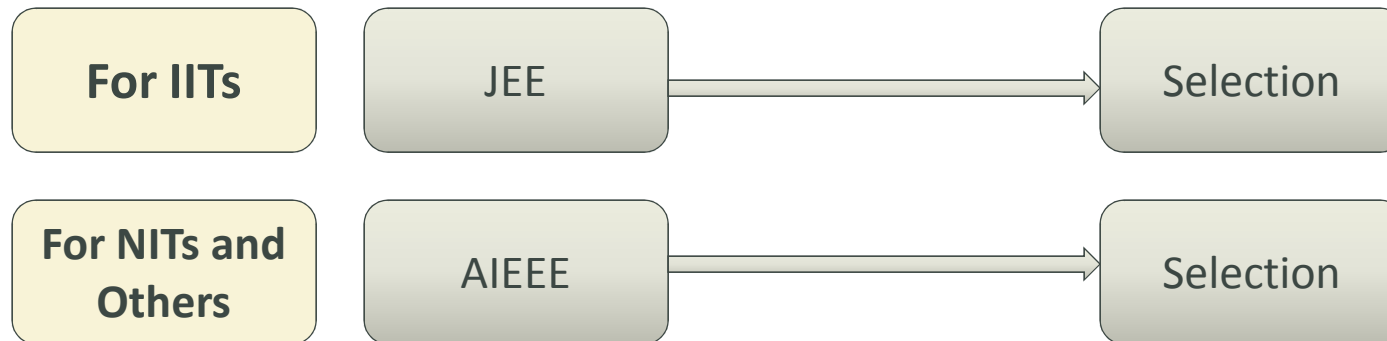
Balance Sheet	Standalone			Consolidated		
Rs Lakhs	30-Dec-2014	30-Sep-2014	31-Mar-2014	30-Dec-2014	30-Sep-2014	31-Mar-2014
Liabilities						
Shareholders' fund	32,816	32,607	32,458	33,628	33,343	33,566
(a) Share Capital	1,813	1,813	1,813	1,813	1,813	1,813
(b) Reserve and Surplus	31,003	30,794	30,645	31,815	31,530	31,753
Non-current Liabilities	374	195	122	158	(20)	370
(a) Def. Tax Liabilities	326	148	80	110	(67)	328
(b) Long Term Provisions	48	47	42	48	47	42
Current Liabilities	2,133	3,061	1,200	2,612	3,295	1,436
(a) Current Liabilities	2,007	2,962	1,102	2,470	3,180	1,321
(b) Provisions	126	100	98	141	115	115
Borrowings	1,031	985	992	4,956	4,543	4,322
Total Liabilities	36,354	36,849	34,771	41,354	41,161	39,695
Assets						
Fixed Assets (inc. WIP)	12,645	12,406	12,190	16,813	16,390	22,985
Non-current Assets	20,798	20,792	15,954	11,457	11,664	7,202
(a) Loans and Advances	3,360	3,038	2,098	6,654	6,556	7,141
(b) Investments	17,437	17,754	13,856	4,782	5,098	42
(c) Other Assets	-	-	-	21	10	19
Current Assets	3,047	3,650	6,628	13,084	13,107	9,507
(a) Inventories	233	180	238	853	360	301
(b) Sundry Debtors	361	288	144	8,684	8,671	1,498
(c) Cash & Bank Balances	148	545	398	499	859	668
(d) Current Investments	553	1,171	4,198	553	1,171	5,356
(e) Loans and Advances	1,752	1,467	1,650	2,496	2,046	1,685
Total Assets	36,490	36,849	34,771	41,354	41,161	39,695

Annexure 2: JEE Pattern Change

About the change



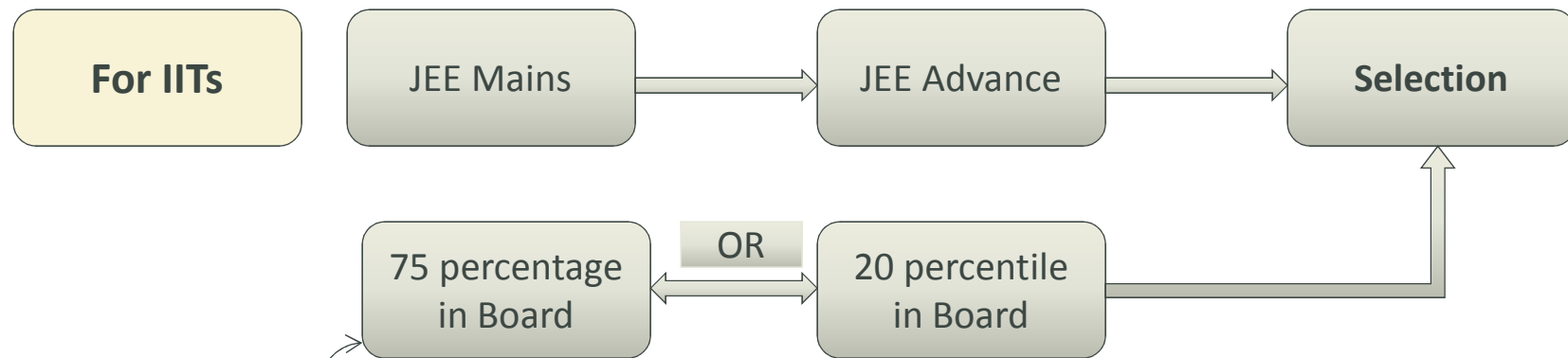
Old Selection Procedure



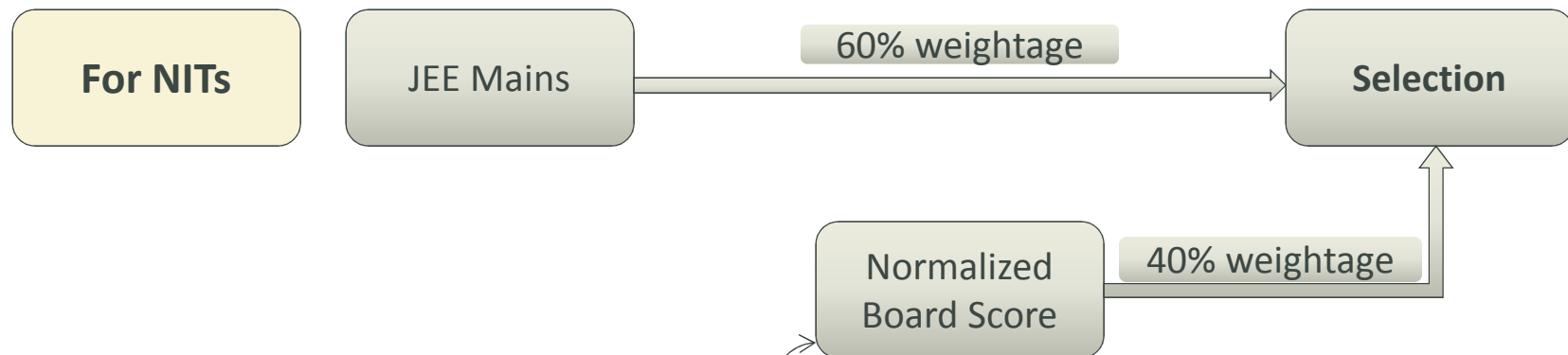
New Selection Procedure

- **Introduction of board score:** Class 12 board score has also factored in for final selections in to IITs and NITs in different modes
- **Admission in IITs:** Screening based on JEE-Main score and selection based on JEE-Advance; subject to criterion of top 20 percentile in respective board
- **NITs and others:** Weight age of 60% to JEE-Mains score and 40% to Board percentile marks normalized against all boards set against JEE-Main score

New Selection Procedure



New update announced on 22 Sep 2014 to ease the admission norms



Normalized among different board and set against JEE-Main Score

Impact



- **Initial confusion:** The percentile measure of board marks and setting against JEE score was not clearly implicit initially in absence of any historical data and explanations by regulator.
- **Board Criterion:** In the new format, Board marks as filtering criterion for engineering admissions resulted in to decline of aspirants who used to take a drop after class XII examination.
- **Divisional shift:** A divisional shift is witnessed in students enrollments from only AIEEE focused preparation to JEE-Main + JEE-Advanced course studies.

Thank You



Career Point Limited

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