



Synergy Brings New Energy

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Cautionary Statement Regarding Forward-Looking Statement

The statements contained in the report contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations. Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

Corporate Information

BOARD OF DIRECTORS*

Mr. Mahesh R. Shetty

- Chairman and Managing Director

Mr. Naarayanan Iyer

- Non Independent, Non Executive Director

Dr. Chhaya Shastri

- Non Independent, Non Executive Director

Ms. Drushti Desai

- Independent, Non Executive Director

Mr. Yatin Samant

- Independent, Non Executive Director

Mr. Uday Lajmi

- Independent, Non Executive Director

BOARD COMMITTEES

Audit Committee

Ms. Drushti Desai (Chairperson)

Mr. Uday Lajmi

Dr. Chhaya Shastri

Remuneration and Nomination Committee

Mr. Uday Lajmi (Chairman)

Mr. Yatin Samant

Ms. Drushti Desai

Stakeholders Relationship Committee

Mr. Yatin Samant (Chairman)

Mr. Drushti Desai

Dr. Chhaya Shastri

Corporate Social Responsibility Committee

Mr. Uday Lajmi (Chairman)

Mr. Mahesh Shetty

Dr. Chhaya Shastri

CHIEF FINANCIAL OFFICER

Mr. Sanjay Sethi

(upto May, 2017)

Mr. Sandesh Naik

(w.e.f. November 30, 2017)

COMPANY SECRETARY & COMPLIANCE OFFICER

Mr. Dinesh Darji

(upto November 30, 2017)

Mr. Raju Bamane

(w.e.f. November 30, 2017 to February 23, 2018)

BANKERS

Kotak Mahindra Bank Limited

ICICI Bank Limited

Axis Bank Limited

IndusInd Bank Limited

HDFC Bank Limited

STATUTORY AUDITORS

M/s. MSKA & Associates

(Formerly known as MZSK & Associates)

Chartered Accountants

Mumbai

INTERNAL AUDITORS

M/s. Mukund M. Chitale & Co.,

Chartered Accountants

Mumbai

SECRETARIAL AUDITORS

M/s. Manish Ghia & Associates

Company Secretaries

Mumbai

REGISTERED OFFICE

MT Educare Limited

(CIN:L80903MH2006PLC163888)

220, 2nd Floor, "FLYING COLORS"

Pandit Din Dayal Upadhyay Marg, L.B.S. Cross Road,

Mulund (West), Mumbai - 400080.

REGISTRAR & TRANSFER AGENTS

Link Intime India Private Limited


C-101, 247 Park, L.B.S. Marg,

Vikhroli (West),

Mumbai - 400 083

* Mr. Naarayanan Iyer, Dr. Chhaya Shastri, Ms. Drushti Desai, Mr. Yatin Samant and Mr. Uday Lajmi resigned from Board/Committees of the Company w.e.f. June 05, 2018. Mr. Himanshu Mody, Mr. Ajey Kumar, Dr. Manish Agarwal and Dr. Sangeeta Pandit were appointed on Board/Committees of the Company w.e.f. June 05, 2018. Further the Committees were reconstituted w.e.f. June 05, 2018.

Mr. Mahesh Shetty ceased to be Chairman and Managing Director of the Company w.e.f. June 05, 2018 but he continues to be a Director of the Company.



"The whole is
greater than
the sum of its
parts."
Aristotle

Synergy Brings New Energy

The education sector is one of the fastest growing sectors in the country. With the growing population and their ever-increasing aspirations, the demand for better quality education is rising. The world is becoming increasingly competitive and the education system demands enhanced skills and modern methods of learning & development, to enable students to excel in their lives and careers.

We, at MT Educare, have been serving and nurturing India's talent for 3 decades now. The year 2018 marks the 30th year of achieving our mission of reaching every home through our teachers by the use of technology and realizing our vision of GREAT – Global Reach in Education and Training. At MT Educare, we have worked hard with perseverance and have undertaken a lot of development activities that have helped train our teachers better. Through the application of these skills, our teachers have become adept at imparting the best-in-class education and are making the learning process much easier and more exciting for our students. In order to meet our goal of achieving excellence in knowledge dissemination, we have been running these trainings in tandem with technology for the last three decades. Our advancement in technology has taken us to uncharted territories, with Robomate+ ranking as the fastest growing education app in the market.

Today, we feel much closer to achieving our objectives, as we synergise our capabilities with Zee Learn – the flagship company of the renowned Essel Group. The scale that we have achieved over the last 30 years will further be catapulted by this collaboration. With this association, our education offerings on a consolidated basis would reach around 3.50 lakh students, making us one of the biggest education companies globally in terms of the number of students served. With this brand new association, we will create high-value content and enrich the student experience by leveraging the strong experience of the academic teams of both the companies. The synergies that we'll be achieving by sharing the infrastructure and repository of knowledge will significantly strengthen MT Educare in the education sector in India and also open new avenues of growth, as together we will achieve more not only for our students, but also for all our stakeholders including employees, vendors, the Government, the community as a whole and above all – our valued shareholders.

The World of MT Educare

LEARN. GROW. EVOLVE.



These are the three fundamental principles of Team MT Educare. From a small localised coaching class set-up to a corporate education conglomerate, MTEL has indeed achieved unprecedented echelons of growth and evolution in the field of learning / education to one and all.

Making education simpler for the most average students, thereby reaching out to the masses as well as preparing ALL INDIA TOPPERS from the top class students through its extremely talented pool of teachers with complete elan has been the forte of MT Educare since its inception.

Established in the year 1988, MT Educare is India's leading educational institutes and is headquartered at Mumbai. Mahesh Tutorials is a flagship brand of the Company with a strong presence in 136 locations across 12 states and union territories of India currently.

The Company's service offering is spread across four verticals – School, Science, 'Commerce & UVA' as well as Robomate+. Our diversified product offerings cater to students right from Std. VIII to students appearing for Engineering Entrance (JEE Mains, JEE Advanced & State level engineering entrance exams) and Medical Entrance (NEET) as well as all 3 levels of exams for CA course and MBA Entrance (CAT).

We continue to focus on result oriented quality coaching with technology enabled classrooms and digitized content and emphasis on teacher training through intensive workshops. We have an experienced management team, consisting of senior professionals, having a strong background in academics and administration.

Today, MT Educare is truly a national player with multi-city presence and a diverse product portfolio, standing a class apart due to technology enabled business processes, digital content delivery and 24 x 7 online support for the courses offered.



VISION

Global Reach in Education And Training (GREAT)

MISSION

We are committed to take Education to every home through our teachers by using technology in the following areas of the education eco-system.

1. Digital content for Learning, Teaching and Assessment
2. Innovative learning and teaching methodologies such as blended learning and flipped classrooms
3. Flexible delivery models of education on different technology & end-user platforms

Our Offerings



MAHESH TUTORIALS SCHOOL SECTION

SCHOOL COURSES

Secondary Education | Class VII, IX & X | National Boards | CBSE | ICSE | State Boards - Maharashtra | Gujarat | Karnataka | Foundation Courses for Competitive Exams



Lakshya Forum for Competitions

SCIENCE COURSES

Higher Secondary Education | Class XI & Class XII | Engineering Entrance | JEE- Main | JEE- Advanced | State Level Entrance | Medical Entrance | NEET



MAHESH TUTORIALS COMMERCE

COMMERCE COURSES

Higher Secondary & Professional Education | Class XI & Class XII | Chartered Accountancy | CA Foundation | Inter CA | Final CA



ROBOMATE + Learning Made Simple

| School Courses | Science Courses | Commerce Courses | Test Prep Courses



MT EDUCARE'S CPLC

Empowering Minds. Building Careers.

TEST PREP | Management | Entrance | Common Admission Test (CAT) | CMAT & other Management Entrance | Tests XAT | SNAP | NMAT, CET | Bank PO, Civil Services



MAHESH PU COLLEGE

EDUCATION AT ITS BEST

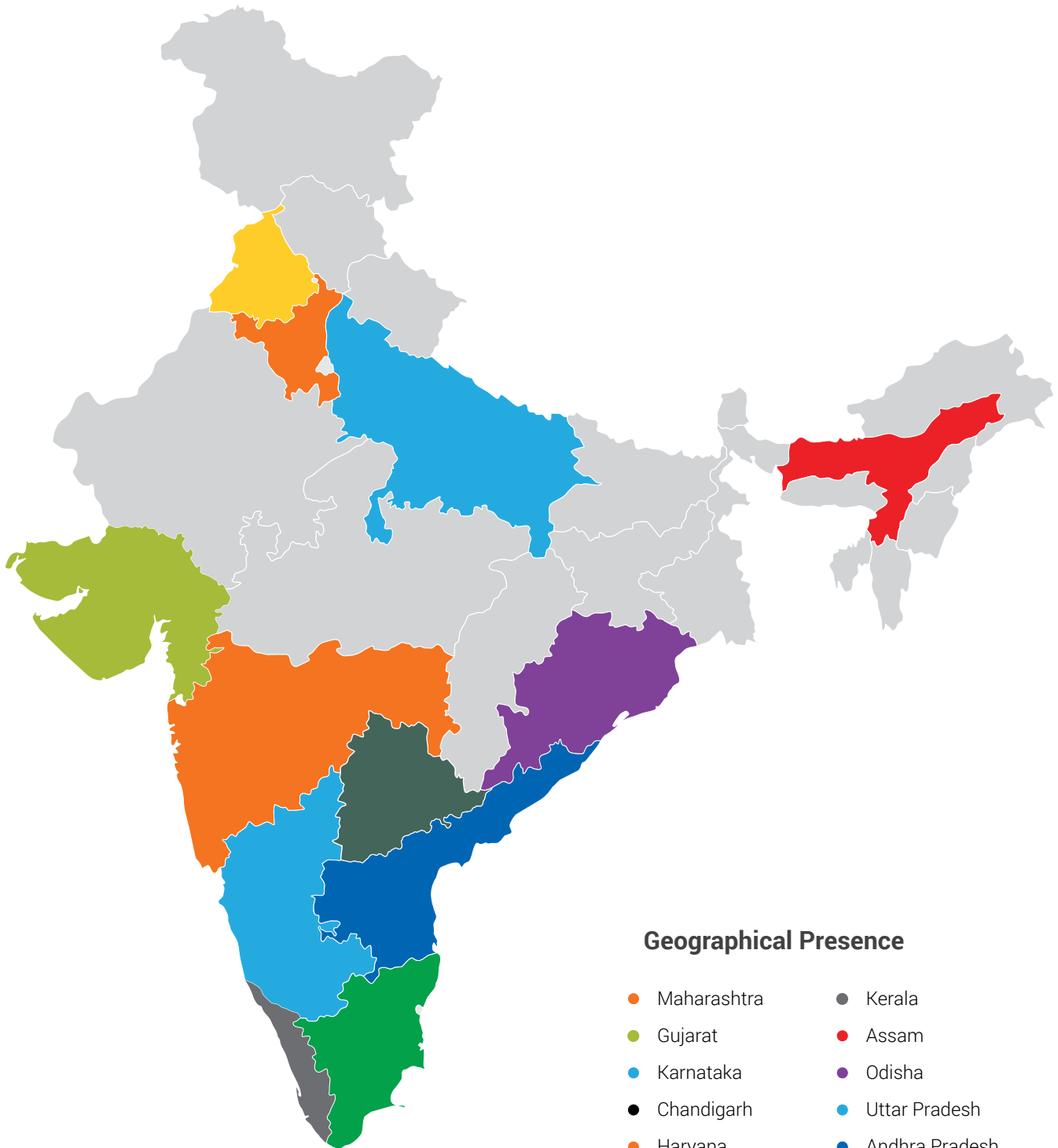
PRE-UNIVERSITY COURSES | Science | PU 1 & PU 2 | Engineering Entrance | Medical Entrance

OUR STRENGTHS

- Well Recognized Brand & Experience
- Organized and Diversified Player
- Digitized Learning (Robomate+)
- Large Pool of Quality Faculty Members
- Corporatized Structure and Experienced Management Team
- Unique Teaching Methodology



Geographical Presence



Geographical Presence

- | | |
|---------------|------------------|
| ● Maharashtra | ● Kerala |
| ● Gujarat | ● Assam |
| ● Karnataka | ● Odisha |
| ● Chandigarh | ● Uttar Pradesh |
| ● Haryana | ● Andhra Pradesh |
| ● Punjab | ● Telangana |
| ● Tamil Nadu | |

Financial Highlights



OPERATING RESULTS

₹ in Lakhs

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Total Operating Income	22,262.41	30,461.06	28,708.31	22,698.54	20,180.27
EBITDA	(17,186.33)	3,052.65	5,787.83	4,658.64	4,234.83
EBITDA Margins (%)	(77.20)	10.02	20.16	20.52	21.00
Profit Before Tax	(20,170.47)	1,074.85	4,749.28	4,073.61	3,189.23
PBT Margin (%)	(90.60)	3.53	16.54	17.95	15.80
Profit After Tax	(13,182.56)	583.96	3,234.61	2,972.47	2,103.28
PAT Margins (%)	(59.21)	1.92	11.27	13.10	10.40
Dividend Payout (inclusive of dividend distribution tax)	0	0	961.51	1,267.11	1,047.41
Retained Profit	(13,182.56)	583.96	2,273.09	1,705.36	1,055.87

FINANCIAL POSITION

₹ in Lakhs

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Paid up Capital	7,178.50	3,982.08	3,982.08	3,979.41	3,978.22
Reserves	13,308.61	10,193.58	10,874.51	8,593.77	7,217.52
Shareholders Fund	20,487.11	14,175.66	14,856.59	12,573.18	11,195.74
Short-term Investments (Liquid)	0	-	-	12.70	1,127.99
Cash & Cash Equivalents and bank balance other than cash and cash equivalents	20,252.28	1,643.57	1,112.94	1,427.99	979.94
Capital Employed	34,390.13	16,673.68	18,360.00	13,070.00	11200.00

PERFORMANCE INDICATORS

₹ in Lakhs

Particulars	2017-18	2016-17	2015-16	2014-15	2013-14
Earnings Per Share (₹)	(32.74)	1.47	8.12	7.47	5.29
Dividend Per Share (₹)	0	0	2.00	2.65	2.25
Book Value Per Equity Share (₹)	28.54	35.60	37.31	31.60	28.14
Total Number of Students Serviced	96,502	1,59,162	1,53,646	83,972	80,829
Students Serviced Under School Section (Nos.)	24,406	27,661	36,544	34,431	34,841
Students Serviced Under Science Section (Nos.)	32,232	28,318	24,436	22,461	18,595
Students Serviced Under Commerce Section/ UVA Skill Development (Nos.)	29,504	80,293	40,338	25,218	27,393
Students Serviced Under Robomate+ (Nos.)	10,360	22,890	52,328	1,862	-



“
We truly believe that this investment with the extensive network of Zee Learn and strong management team will help us to further enhance our growth momentum.

From the desk
of Chairman and
Managing Director

Dear Shareholders,

As we march towards creating a NEW INDIA of 2022, our country has gradually moved on from being a global labour provider to being rechristened as a global capital for providing exceptional talent and skill. India's higher education system has reached a level where it is being providing globally competitive talent. The aspirations of young India are now boundary less and the onus now is on the knowledge providers to shape them to meet their dreams. At MT Educare over the last 3 decades, we have been working relentlessly to empower our each & every student with the right capabilities. We have been taking a number of steps to provide to our students the right environment needed for learning and also for increasing the desire to walk an extra mile.

Globally education industry is also being confronted by a new challenge of adapting to the era of connectivity. With smartphones becoming a necessity from a luxury, connectivity has reached a point without which lives today are unimaginable. The younger generation is amongst the first acceptors of the technology, creating a new generation of tech savvy students. This has bought a paradigm shift in the education industry disrupting the modes of learning and teaching. Education no more is limited within the four walls of the classroom and within fixed hours. The era of connectivity has bought in anytime & anywhere learning. At MT Educare, as always, we have been a pioneer in understanding and bring in the best to our students. To seize this new opportunity of anytime & anywhere learning we have been providing online learning to our students under our brand Robomate+. This has revolutionized the way education was imparted, significantly enhancing the practicality part of the knowledge with focus on making students understand the applicability of the knowledge. Through our tech-driven teaching modules, we have provided students with uninterrupted access to learning by using their computers, laptops, mobiles, tabs, and other hand-held devices anytime, anywhere, enabling self-paced learning.

To significantly enhance our service offering and also enhance the reach of our services, we have decided to associate with Zee Learn, a flagship company of the Essel Group. Hence, during the year we have allotted 3.20cr equity shares on preferential basis to Zee Learn Limited for their investment of Rs. 200 cr

in our Company. With this investment, Zee Learn has become the largest shareholder of MT Educare, with total holding of 44.53%. We truly believe that this investment with the extensive network of Zee Learn and strong management team will help us to further enhance our growth momentum.

During the year, we have consolidated our participation with the government for public-private-partnership projects due to a longer payment cycle leading to higher working capital cost. We intend to be more cautious in taking PPP projects and would prefer only those projects having easier payment cycles with precise deliverables. Our focus shall be more on undertaking coaching projects which are our forte. Hence, we have consciously allowed our revenues to come down, which stood at Rs. 222.6 cr in FY18, down by 26% YoY. During the year, we have also moved to the new IndAS accounting policy which has led to an expected credit loss of Rs. 62.94cr for the year FY18. This one time charge has significantly impacted our profitability in FY18.

At MT Educare Ltd, we always endeavor towards extending our hand towards the unprivileged students and also other sections of society. Our philosophy is to serve the society in the fields of education and women empowerment. With this approach we have been teaching students of many schools belonging to the Municipal Corporation of Greater Mumbai (MCGM). We have coached almost 25,000+ underprivileged students through our CSR initiatives for FY18.

I would like to take this opportunity to thank all our stakeholders for their unhindered support to your Company. I would also like to thank our employees for their passion and dedication towards enabling your Company to continuously evolve and grow through different phases of our growth life-cycle. As the aspirations of young India are touching new highs, we take the onus on us to create strong pillars of growth for the nation as well as for our stakeholders. Let us all march together towards creating a NEW INDIA which has 100% literacy & 100% employability of the youth of our country.

Regards,
Mahesh Raghu Shetty



Learning Made Simple

The fastest growing curriculum-based study app of India: Robomate+

2017-18: the year gone by...

Robomate+ e-commerce has achieved an unprecedented growth in the year 2017-18. However, the year 2017-18 has been a year of consolidation for the study app as we have been focused on better customer experience and thereby better customer retention. The increase in the product's price as well as the change in the subscription period from monthly to annually was well accepted, given our differentiated value added services offering.

Our well strategized approach of 3 'R's

Customer retention and acquisition has been driven by 3 'R's strategy i.e. Regionalization, Referral and Renewal.

Regionalization

To deliver **Robomate+** throughout the length and breadth of the country, we have started offering customized content for higher secondary boards of different states. These states include Jammu and Kashmir, Haryana, Himachal Pradesh, Kerala, Punjab, Andhra Pradesh, and Karnataka. We are in the process of adding more states.

Referrals

Educational services are largely dependent on referrals. People trust the word-of-mouth more than advertisement. The strong growth in subscriber base was largely driven by direct referrals and to further strengthen our growth we are driving a referral marketing program through staff and existing customers. Currently, we are at over 2 million successful installs.

Renewals

To drive the customer retention, we offer attractive discounts and add-ons for existing customers. We offer continuous and regular feedback to the student about his/her progress in studies. We have also introduced the weekend doubt solving sessions where teachers are on standby for answering questions over the phone.

Reaping rich results through Robomate+

All our efforts have led to a great result in matriculation and higher secondary exams by students using **Robomate+**. 3 stories stand out particularly for their special circumstances and contribution by exclusive dependence on **Robomate+**...

Success stories of the Toppers of Life



Aishwarya Subramanian,

a student diagnosed with cerebral palsy and spastic diplegia scored 94.2%. Since her condition did not allow her to travel to coaching classes, her only source of learning other than her school teachers was **Robomate+**.

Kavita Bahira,

a housewife with children decided to finish her schooling. Embarrassed by the prospect of going back to school or attending coaching classes at her age she resorted to learning from **Robomate+** and achieved 87% in the board exam.



Tanvi Bhogal,

a student living in a small room in a chawl in Mulund (Mumbai) was unable to afford a quality coaching classes. She was gifted **Robomate+** by her cousin. The only time she got to study in her tiny house was late in the night. Thankfully she could refer to **Robomate+** anytime and achieved 97.60%. There are more such stories of students who have dedicated their success to **Robomate+**.



FOUR ALL INDIA RANK -1 IN 2018



**AIIMS
2018**
ALL INDIA RANK

1



ELIZA BANSAL

AIR

1

AIIMS | JEE - ADVANCED

KVPY | B. ARCH

2018

**IIT - JEE
(ADVANCED) 2018**
ALL INDIA RANK

1



VRINDA JINDAL (B-ARCH)

Roorkee Zone, Girls Topper in JEE-Advanced (AIR 137)

**IIT - JEE
(ADVANCED) 2018**
ALL INDIA RANK

1



PRANAV GOYAL

WE ARE PROUD THAT A SOLID FOUNDATION OF PRANAV'S SUCCESS WAS LAID AT LAKSHYA. HE WAS A STUDENT WITH US FROM 2016.

WE GROOMED HIM OVER A PERIOD OF 15 MONTHS!

OUR TOP RANKS IN ENGINEERING & MEDICAL

AIR 1 JEE- ADV. 2018 (PwD) MANAN GOYAL	AIR 10 AIIMS 2018 EISHVAUK AGGARWAL	AIR 14 AIIMS 2018 ABHINAV GUPTA	AIR 16 JEE- ADV. 2018 TARUSH GOYAL	AIR 21 JEE- ADV. 2018 (PwD) MAITREY RANADE	AIR 52 JEE- ADV. 2018 ANEESH GARG
AIR 60 AIIMS 2018 ISHAAN GARG	AIR 114 JEE- ADV. 2018 MANAV BANSAL	AIR 136 JEE- ADV. 2018 HARMANJOT SINGH	AIR 163 JEE- ADV. 2018 RITIKA GOYAL	AIR 232 JEE- ADV. 2018 CHIRAG SINGLA	AIR 257 JEE- ADV. 2018 RUTAV SHAH



SCIENCE: Lakshya, Mahesh PU College Lakshya

Creation of Lakshya

LAKSHYA was started with a dream to create a learning program for students that differentiates themselves from the herd and promotes talent the way it should be. It started as a small organization with a purpose of glamorizing the teaching profession and attracting the most talented teachers towards education. Over the years, many professionals, who have left their stereotypical corporate jobs in search for a purpose in life, have joined LAKSHYA.

Theme of Lakshya

At LAKSHYA, we started out with a unique idea - if we are not learning something new every day, we are not moving forward. Lakshya was founded to attain following objectives:

- To change the educational landscape of the region and then of the country, and eventually deliver education in the real sense of it
- To make learning more interesting in all the spheres of education
- To create a culture which breeds talent and provides a platform to the young generation to explore themselves for a better future
- To promote teaching as one of the most satisfying career options and create teachers who are thought leaders for an entire generation of the students

Courses at Lakshya

Lakshya offers coaching for 11th and 12th Standard students. It also prepares them for entrance exams like JEE Main/, JEE Advanced (IIT Entrance) and Medical Entrance. With experienced faculty, result-oriented content and intensive test-series (Boards + IIT JEE Main / Advanced / Medical Entrance), Lakshya aims to create a profound impact on students' learning and achievements in the field of Science.

Lakshya has created tailored courses for students who aspire to get into IIT or any other prestigious Engineering or Medical college in India. The course aims to guide students to understand the concepts and their applications in detail. Intensive testing results in high scores in competitive exams. Along with academics and entrance exams, Lakshya also prepares students for other competitive exams like NTSE, KVPY and International Olympiads.

If education is all about intellectual and mental evolution, then LAKSHYA is about raising the pace and scale of that evolution and achieving new echelons of success.

Unprecedented Results of Lakshya

In all the competitive exams that Lakshya teaches for, it has by far produced the best results in the industry with constant single digit ranks in JEE Advanced and AIIMS. In the year 2018, Lakshya produced AIIMS All India Rank -1, 10 and 14 and in year 2017 Lakshya student bagged the All India Rank-1, 7 & 32 in IIT JEE Advanced. This achievement is the crowning glory that has made the institution stand tall in the country. We have consistently produced top results among very few students and maintained the ratio of 1 out of 4 IIT selections and the ratio stands at 1 doctor out of 3 students in MBBS entrance too. We have time and again produced highest selections in NTSE, KVPY and Olympiads in the region.

Impact of Lakshya

In more than a decade of our service to the cause of education, we have grown from strength to strength, in not only producing results of the highest merit, but also spreading a new culture among the student community where they learn to balance the intellectual & psychological aspects of their personality to garnish their talent to become the shining stars on the competitive horizon.

Our presence in the industry is marked with technology-enabled products, experienced faculties, structured processes and entrepreneurial leadership that come together to deliver unmatched value. Our bouquet of online and supplemental education solutions is consistently reaching out to students with innovative solutions leveraging the best of technology. If education is all about intellectual and mental evolution, then LAKSHYA is about raising the pace and scale of that evolution and achieving new echelons of success. The making of LAKSHYA is a story of building equity across the education value chain; of being the change that is needed in the world of education, to ignite a fire of learning and the desire to teach, impacting communities and changing lives of millions of students and teachers.

Mahesh PU College (MPUC)

MPUC is spread across the state of Karnataka with 21 pre university colleges affiliated to the Karnataka State Board for PU 1 & PU 2. MPUC has an enormous student count of around 8,000 during FY 2017-18. These students are coached for not just their Class XI (PU 1) & Class XII (PU 2) curriculum but also honing their skills for JEE - mains/ K-CET / NEET for securing admissions into the top notch Engineering & Medical colleges of the country.

The pedagogy and the ethos of LAKSHYA are meticulously planned for the students of MPUC delivering exceptional outcomes / results. Some of the stark achievements by students of MPUC for the year 2017-18 is as follows:

- ★ 501 Students Secured Distinction
- ★ 1553 Students Secured First Class
- ★ 14 Students Scored 100/100 in Physics
- ★ 25 Students Scored 100/100 in Chemistry
- ★ 41 Students Scored 100/100 in Mathematics

Indeed, Lakshya and Mahesh PU College put together is surely one of the top education conglomerates in the stream of Science for CLASS XI & Class XII along with Engineering & Medical Entrance preparation across our country.

Commerce & UVA

One of the fastest growing verticals of MT Educare Ltd. over the past few years, 'Commerce & UVA' simply symbolizes the youth in true sense.

Commerce

900+ students in a single classroom with absolute attention of every single student aspiring to qualify one of the toughest exams in Commerce - Chartered Accountancy (CA Final). This is the magic and power of nationally renowned core faculty members of MT Educare coaching team for CA.

Students from across southern India through the MTEL Chennai center to gain knowledge from the epitome of perfectionists in CA coaching.

AIR 1 at CA Final, not just once but twice in recent years needs no more description about the MTEL team for CA in Chennai as well as in Mumbai. Dozens of other rankers at all 3 levels of CA shows the team work of professionals teaching the CA aspirants at MTEL.

Not just for the CA exams, MT Commerce team has been consistently producing top ranking students at Class XII Board exams year after year, FY18 being no exception.

Commerce & CA is also equally well supported by our niche 'MBA Entrance' / CAT coaching team in terms of exceptional results to complete the entire bouquet. Whether it is IIM A / IIM B / IIM C, alumni of CPLC will be seen at practically all top notch MBA colleges of India.

MT UVA

Coaching & Skill Development Projects (Funded by the Government)

The Government of India has been actively promoting Public-Private-Partnerships in the field of Education in the recent times.

Encouraged by the various landmark reforms in the field of Education such as Skill India, Digital India, BetiBachao – BetiPadhao, Sakshar Bharat; we at MT Educare Ltd. have also been actively participating in the creation of New India marching towards 2022 as envisaged by the Government.

MT Educare Ltd. & its subsidiaries have been actively participating in two important spheres of Education – Coaching & Skill Development training. Coaching students for Class IX to Class XII along with various competitive exam training for JEE, NEET, CA & MBA Entrance has been our forte for the past almost three decades. Capitalizing on our immense strength of creating top rankers as well as ensure that all students across the spectrum perform to the best of their potential, we have been effectively implementing certain key coaching projects for the Central & State Governments through our in-house & well-established academic team.

We have been successfully partnering on an ongoing basis with certain social sector Ministries of the Central Government as well as certain social sector departments of various State Governments across the country since the past few years.

Our aim is to ensure that quality entrance exam coaching reaches the most downtrodden sections of the society, across the remotest rural parts of India spread across Kutch to Kamrup. We have coached almost 10,000+ students during the financial year 2017-18 for various competitive entrance exams like JEE, NEET, CET, CA-CPT, MBA Entrance, Bank PO & allied Civil services across more than 10 states of India.

Skill Development training has been another area of focus for the UVA team of MT Educare Ltd. Self-Employment oriented courses with special focus on Entrepreneurship in the sectors of Accounting, IT & ITES & Apparels has been our work area over the past few years. MT Educare Ltd. & its subsidiaries have trained almost 15000+ trainees / beneficiaries across various states of India including the remotest parts of North East during the financial year 2017-18 in the spectrum of Skill Development. In totality we have trained 27,233 student in the year 2017-18, making it one of the fastest growing vertical of MT Educare Limited

We resolutely support the reformation and progressive intents of the Government in the field of Education through our MT - UVA initiative.

OUR HSC COMMERCE 2018 TOPPERS

KEVIN F.
95.69%

SIMONE D.
93.54%

POOJA W.
92.62%

RADHIKA R.
92.62%

ASHA M.
92.62%

SHRUSHTI K.
92.46%

KIMBERLY P.
92.46%

PRUTHAV P.
92.31%

DISHA M.
92.31%

MEET S.
92.31%

KAJAL B.
92.31%

ROHIT V.
92.31%

BHOOMI S.
92.31%

SARAH S.
92.31%

DEVANSHI K.
92.31%

OM P.
92.31%

VAISHNAVI S.
92.15%

KANISHKA K.
92.00%

PALAK S.
92.00%

ASMITA G.
91.69%

KASHISH S.
91.69%

VIJETA B.
91.54%

RITIK S.
91.54%

TANUSHREE G.
91.54%

AADITYA D.
91.54%

ARYA I.
91.38%

SHARAYU K.
91.38%

ADITI M.
91.38%

UNNATI S.
91.38%

DELNAZ D.
91.38%

SAMIKSHA P.
91.38%

NAMIT A.
91.23%

JUHI K.
91.08%

ABHIRAM G.
91.08%

SRUSHTI M.
91.08%

MAHEK P.
91.08%

DIMPLE P.
90.92%

TANVI J.
90.92%

SHESHKUMAR S.
90.77%

SMITI M.
90.62%

RADHIKA B.
90.46%

ASHLESH A.
90.46%

SEJAL J.
90.46%

SAMIHA S.
90.46%

JINESHA D.
90.46%

SHRUTI M.
90.31%

MUSKAAN K.
90.31%

RIDDHI P.
90.31%

VIDHI L.
90.31%

UMANG K.
90.15%

SIDDHI D.
90.15%

TANVI H.
90.15%

SHRUTEE P.
90.15%

PRINA G.
90.00%

SANA L.
90.00%

JOIN THE LEAGUE OF CHAMPIONS

57 Students above 90%

97 Students above 88%

186 Students above 85%

344 Students above 80%

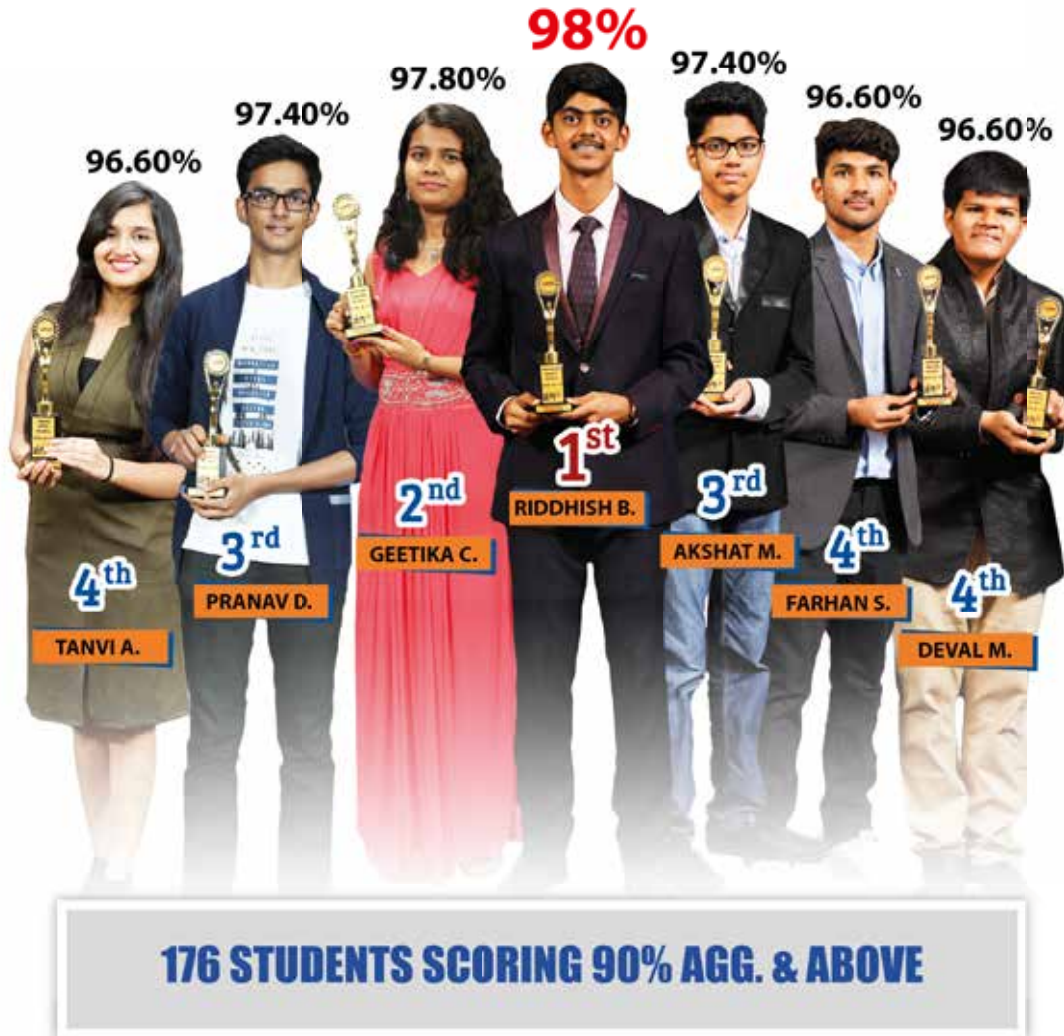
523 Students Secured Distinction

878 Students Secured First Class

MAHESH TUTORIALS **COMMERCE**



OUR ICSE TOPPERS 2018



School Section

30 long years of undisputed academic supremacy and the leadership continues with complete élan...

Never ever in the industry of school coaching classes, has any brand name / organization dominated with such sheer consistency anywhere across India.

Be it State Boards, CBSE or ICSE - supplementary coaching for Class VIII, IX & X reminisces just one name over the past 3 decades - MAHESH TUTORIALS.

The team of absolutely best-in-class teachers empowered with exceptional usage of technology through Robomate+ ensures uniform quality in coaching for the school section across more than 500 batches - an absolute unparalleled / unheard phenomenon. From the steering committee to the academic subject experts, each one of the core management team of school section is simply an epitome.

With more than 300+ full time teachers and almost 700+ administrative support staff, this team of stalwarts is indeed instrumental in instilling the ethos of 'Padhe Chalo, Badhe Chalo' amongst 20,000+ students of Mahesh Tutorials School section year after year.

Creating top rankers each year, since inception simply shows the divine presence and blessings of 'Mata Saraswati' in the pure intentions of serving the student community amongst each team member of Mahesh Tutorials School section.

Knowing the detailed academic requirement of every single student who joins here and carefully giving them an apt bespoke treatment makes it stand the tallest amongst all other institutes. Mahesh Tutorials acts as a lighthouse for all students who aspire to successfully navigate their first big challenge of life - Class X Board exams. The experienced team of Mahesh Tutorials has weathered all storms and ensured that every student successfully masters their foremost test. After all, it is rightly said 'Experience Matters'.

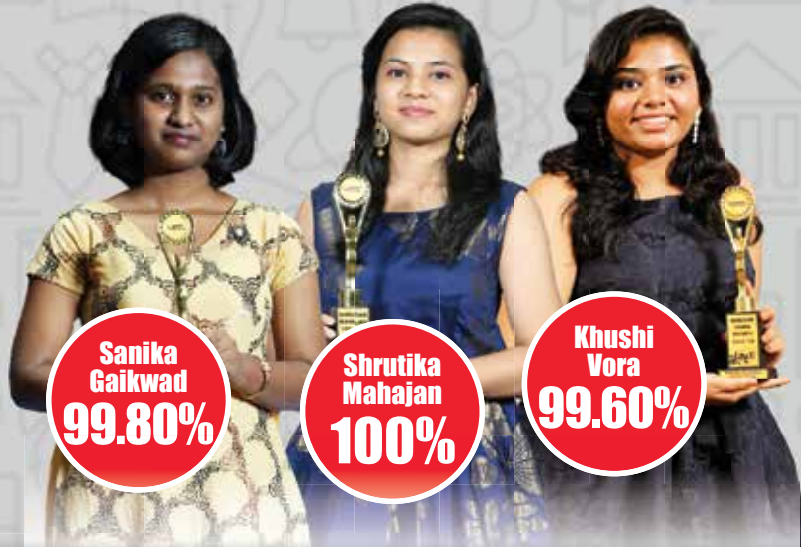
OUR CBSE TOPPERS 2018

PRIYANKA K. 97.80% JANHAVI K. 98.40% ARCHANA N. 97.60%



114 STUDENTS SCORING 90% AGG. & ABOVE

TOP 3 SSC 2018 RANKERS IN MAHARASHTRA



Sanika
Gaikwad
99.80%

Shrutika
Mahajan
100%

Khushi
Vora
99.60%

224 Students
Scored
95% agg.
& above

1552 Students
Scored
90% agg.
& above

Our Academic Achievements for 2017 -18

IIT JEE Advanced

AIR – 1, AIR – 1 (B-Arch), AIR – 1 (PwD), AIR – 16, AIR 21 (PwD)
(These are All India Ranks, in first 50)

AIIMS

AIR – 1, AIR – 10, AIR – 14, AIR – 60

CA Final

May 2018

AIR – 18, AIR – 37

| Nov. 2017

| AIR – 13, AIR – 21, AIR – 22, AIR – 35, AIR – 50

CA Inter May 2018

AIR – 26, AIR – 49

CA Foundation 2018

AIR 17, AIR 36, AIR 38, AIR 40, AIR 42, AIR 45, AIR 47

MBA Entrance Top B-School Calls

1002 calls

Commerce

57 students above 90% at HSC 2018

Science

65 students above 90% at HSC 2018

SSC

1 student scored 100% (Topper in Maharashtra),
1552 Students above 90%

CBSE

114 Students above 90%

ICSE

176 Students above 90%



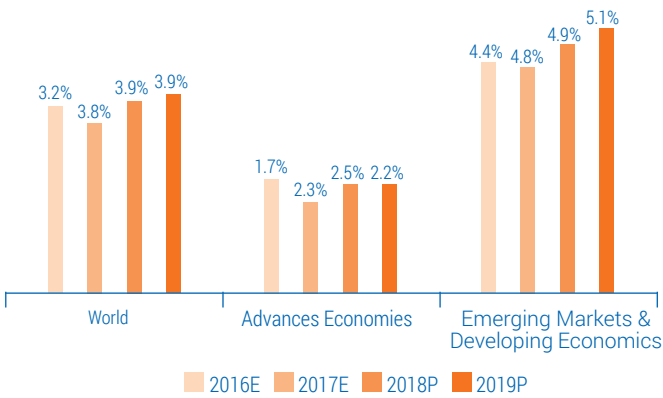
Management Discussion and Analysis

Economic Review

Global Economy

As per IMF's World Economic Outlook April 2018, the world GDP growth in the year 2017 is estimated at 3.8%, which is higher than 3.2% growth in 2016. The GDP growth was largely driven by a surge in global trade and a revival in investments across Advanced Economies. The Advanced Economies has witnessed a sharp increase in economic growth of 2.3% in 2017 from 1.7% in 2016. The economic growth in Emerging Markets and Developing Economies continue to remain stable and is estimated to have been 4.8% in 2017 from 4.4% in 2016. The global growth going forward is expected to remain stable with IMF's projection of 3.9% for 2018 & 2019, supported majorly by strong momentum across various economies and recovery in commodity prices.

Exhibit 1: World GDP Growth

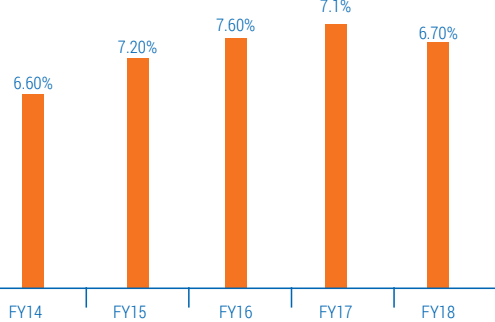


Note: E-Estimated, P-Projected Source: IMF's World Economic Outlook April 2018

India Economy

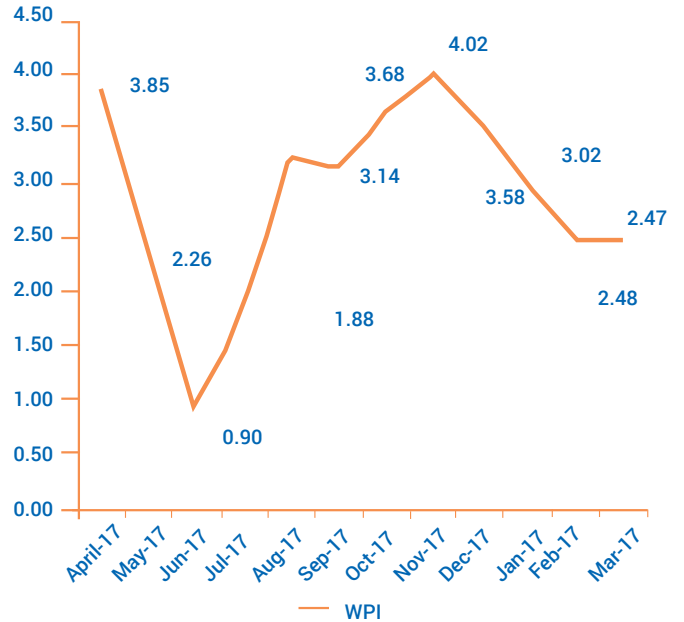
India's GDP as per CSO has grown at 6.7% in FY18. The lingering impacts of demonetization and initial disruption caused by the introduction of new Goods & Services Tax (GST) were the key drag on the economic growth. The inflation during the year FY18 has been in control where Wholesale Price Index (WPI) ended the year at 2.47%. However, during the last quarter of FY18, Consumer Price Index (CPI) has witnessed an upsurge and stood at 4.28% in March 2018. With inflation under control, the Reserve Bank of India during the year FY18 has reduced the Repo rate by 25bps to 6.0% however maintained CRR at 4.0%. As per IMF's World

Exhibit 2: India GDP Growth



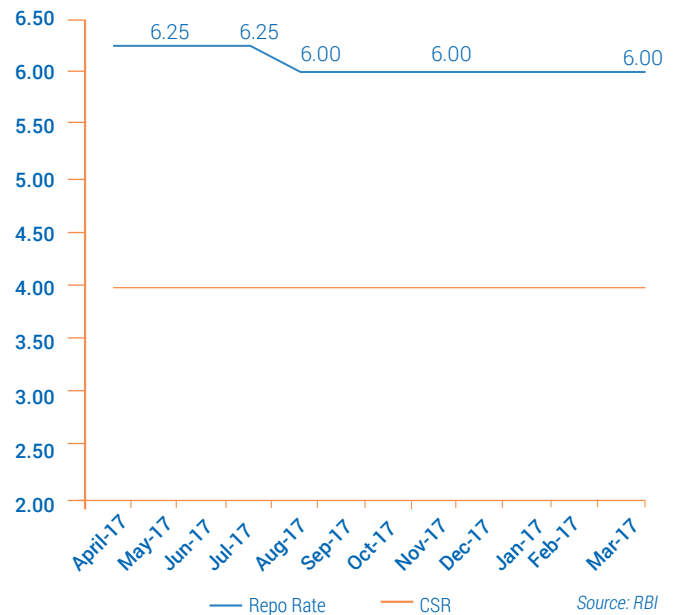
Source: CSO

Exhibit 3: India WPI, %



Source: MOSPI

Exhibit 4: Key Policy Rates



Source: RBI

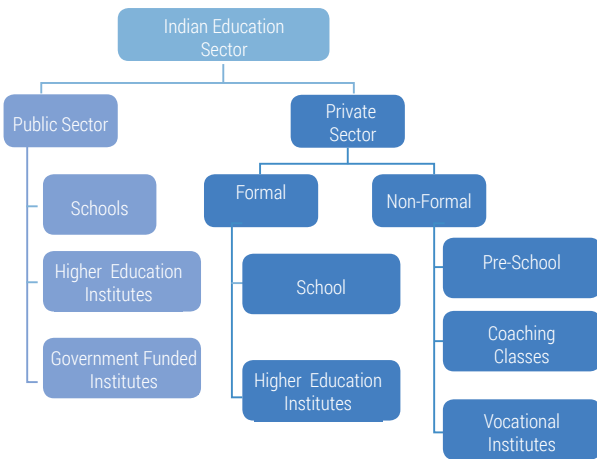
Economic Outlook April 2018, the GDP growth in India is projected to increase from 6.7% in 2017 to 7.4% in 2018 and 7.8% in 2019 surpassing China's projected GDP growth. The key growth drivers as per IMF would be the increase in private consumption backed by fading impacts of demonetization and streamlining of the goods & services tax. Also, higher investments in infrastructure development and an expectation of normal monsoon by IMD would further strengthen India's GDP growth.

Industry Overview

Education & Training Sector in India

The Indian Education sector comprises of pre-school, primary and higher secondary education. This is then followed by the higher education segment, which includes professional and technical education. In addition, the segment also comprises vocational training, coaching classes, distance education through e-learning platforms and the like. The Indian Education Sector can be broadly classified into two categories, public sector and private sector.

Exhibit: Indian Educational Sector Structure

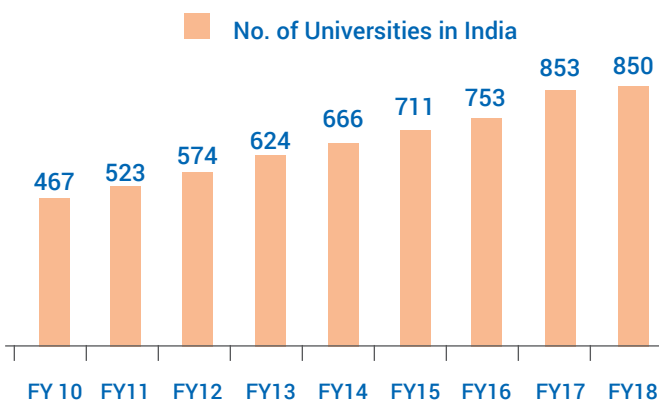


Source: Care Rating

The Indian Education sector is amongst the largest in the world, with an extensive network of more than 1.4 million schools (with over 200 million students enrolled) and more than 850 universities and 40,000 higher education institutes and is expanding rapidly in light of rising income levels and growing demand for quality education in the country. Further, India also has the world's largest population in the age bracket 3 to 23 years indicating a huge market segment.

Education sector in India is a mix of government-operated and privately operated educational institutions and allied education products and services providers. India has a significant young population which calls for a robust education sector to harness potential for human capital. The sector is highly influenced by

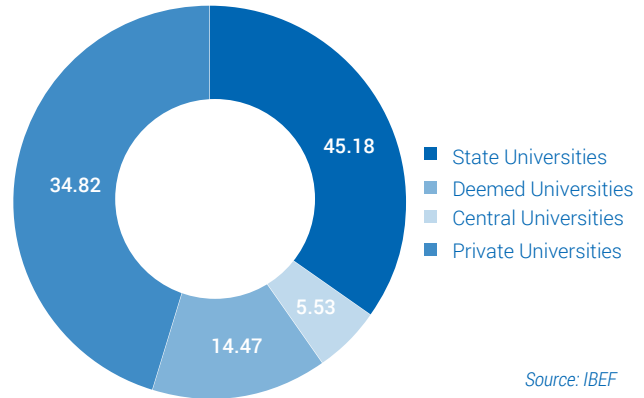
Exhibit: Number of Universities in India



Source: IBEF

various government schemes and policies launched primarily to improve the quality of education and the planned expenditure through several schemes.

Exhibit: Mix of Universities



Source: IBEF

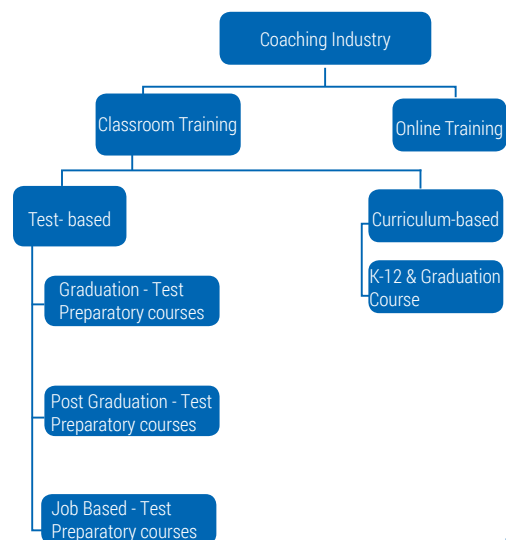
As per India Rating & Research, the education sector in India is estimated to have been around USD91.7 billion in FY18 and is estimated to grow to USD101.1 billion in FY19. Accelerated private sector participation due to a liberalized regulatory regime has provided a fillip to the education sector. More collaboration with foreign institutions and industry associations would further help the sector grow.

As per Technopak, the school segment contributes 52% to the education market in India, higher education contributes 15% of the market size, text-book, e-learning and allied services contribute 28% and vocational education in manufacturing and services contributes 5%. Higher education segment has witnessed a rapid expansion with a steady addition in capacity for student enrolment.

Coaching Industry

With a vast growing student base and continuous evolution in the courses/curriculum as well as in competitive exams the Coaching Classes sector in India has grown significantly. The private coaching classes segment provide training for almost all subjects, classes and area of study including

Exhibit: Coaching Industry Structure



Source: CRISIL

school and college level, civil services exams as well as entrance exams for professional courses. Coaching classes also train students for international entrance tests and language proficiency exams. The Indian Coaching market has always been characterized by the existence of numerous players (primarily, city specific or course specific) leading to a fragmented market. However, with the advent of organized players with high funding capacity the dynamics of the coaching class industry with respect to the classroom size i.e. strength of students in a batch, use of technology in education etc. has undergone a drastic change.

The desire to score well has resulted in more and more school children going for private tuitions. According to a survey by ASSOCHAM, a whopping 87% of primary school students and 95% of high school students in metros receive private tutoring. According to a survey by the Indian Institute of Technology-Delhi, about 38% of successful Joint Entrance Examination (JEE) candidates gave their schools a miss to attend coaching classes for cracking one of the toughest engineering entrance tests in India. The survey also found that only 3% of the surveyed candidates did not go for coaching or tuition.

IIT-JEE (IIT-Joint Entrance Examination) has only 5,500 seats but every year more than 300,000 students appear for the examination. AIEEE (All India Engineering Entrance Examination) just have 9,000 seats but it is no surprise that more than 525,000 eyes are glued on them. More than 170,000 appear for the All India Pre Medical Test (AIPMT) for a mere 1,600 seats such is the ratio of the total number of students appearing to the total number of seats available. Hence parents rely significantly on coaching institutes for their children's carrier. With such a customer support, trust and willingness to spend among the parents, coaching institutes seem to be a recession-proof industry.

E-Learning

The online platform providers play a core role in online education system. Initially, the platform served as enablers by connecting prospective students and content providers. Online education in India has a mix of dedicated online only and offline players with an online presence. C2C business models have also emerged where the platform connects prospective teachers and student. B2B offerings are prevalent in higher education, where institutions offer degree/diploma courses to students through their own platforms or third party aggregators.

Category	Estimated Size by 2021, USD mn	Highpoints
Primary and secondary supplement education :- Supplement to school learning for students enrolled in primary and secondary classes in school	773	<ul style="list-style-type: none"> Current demand driven by consumer behavior shift towards deeper understanding of topics in place of only clearing exams Growth will be driven by large offline student base and increased internet penetration in tier 2 cities and beyond
Test Preparation :- Online programmes aimed at coaching students in preparation for competitive examinations	515	<ul style="list-style-type: none"> High demand for engineering and government services courses Higher adoption amongst target audience and increase in the number of competitive exam aspirants will drive growth in the future
Re-skilling and online certifications:- Courses designed to assist users in skill enhancement, which may result in certifications	463	<ul style="list-style-type: none"> Technical certifications are the most popular kind of courses Category to be driven by increasing re-skilling and up-skilling needs of working population in India
Higher education:- Provide an alternative to traditional higher education courses	184	<ul style="list-style-type: none"> Online MBA is the most popular course in this category Anticipation to grow backed by robust governance framework and large distance learning user-base
Language and casual learning:- Learning of non-academic subjects such as spoken English and playing instruments	29	<ul style="list-style-type: none"> English language learners comprise majority of the user base Category to witness impressive rise in user base but proportion of paid users would still remain low

Growth driver for Online Education

- A Low-cost Alternative

Online platform needs lower infrastructure cost to serve a large base of students hence leading to saving on cost through economies of scale

- Provides Quality education to aspirants

It has been observed that areas where availability of quality offline education is a challenge the aspirants adopt non-traditional education methods. There is a vast difference

between the quality of education between rural and urban India which can be met by use of online courses. As per KPMG, open courses and distance learning enrolments in India to rise to round 10 million in 2021 witnessing a CAGR of around 10%

- Strong growth in internet penetration

There is an increasing penetration of internet in semi-urban and rural areas of India. Nearly 735 million internet users are projected by 2021. This provides huge growth opportunity for online education

- Growing penetration of Smartphone

There are around 291 million smartphone users in India and it is estimated to reach 490 mn by 2022. This will further add to the demand for online education due to convenience of medium

- Rising aspirations for a better job opportunity

As per KPMG, around 280 million job seekers are expected to enter the job market by 2050 in India. Hence there will be an increased competition and the demand for industry relevant training is expected to grow

- Strong Government Push

Government initiatives such as SWAYAM, E-Basta, Rashtriya Madhyamik Shiksha Abhiyan (RMSA), Skill India and Digital India will enable the infrastructure needed by students to study online

Government Initiatives

The central and state governments also lay a huge impetus on the growth of education sector in India. The budgetary allocation to the education sector has witnessed a steady rise and for the year FY19 the central government has budgeted for ₹ 4.411 Lakh crore which is up by 11.6% YoY. Some of the other major initiatives taken by the Government of India are:

- The state of Uttar Pradesh is set to have about 5,000 state government-run English medium primary schools which are expected to start functioning from the next academic year
- In order to boost the Skill India Mission, two new schemes, Skills Acquisition and Knowledge Awareness for Livelihood Promotion (SANKALP) and Skill Strengthening for Industrial Value Enhancement (STRIVE), have been approved by the Cabinet Committee on Economic Affairs (CCEA), Government of India, with an outlay of ₹ 6,655 crore (USD 1.02 billion) and will be supported by the World Bank
- India's first Pradhan Mantri Kaushal Kendra (PMKK) for Skilling in Smart Cities has been inaugurated by the Ministry of Skill Development and Entrepreneurship, Government of India in partnership with New Delhi Municipal Council (NDMC) with the purpose of increasing the pace of skilling through collaboration
- The Government of India is working towards improving the doctor population ratio and has added over 5,800 PG seats in government medical colleges this year
- The Government of India has signed a Financing Agreement with the World Bank for IDA credit of USD 125 million for the "Skills Strengthening for Industrial Value Enhancement Operation (STRIVE) Project"

- The Government of India will spend around ₹ 20,000 crore (US\$ 3.10 billion) to build six new Indian Institutes of Technology (IITs) by March 2024, of which ₹ 7,000 crore (US\$ 1.08 billion) will be spent by March 2020

- The Union Cabinet chaired by the Prime Minister Shri Narendra Modi has approved 'Pradhan Mantri Gramin Digital Saksharta Abhiyan' (PMGDISHA) to make 60 million rural households digitally literate. The outlay for this project is ₹ 2,351.38 crore (US\$ 353.70 million) to usher in digital literacy in rural India by March, 2019.

Company Review

Operational Review

School Division

Particulars	FY17	FY18	Growth
Revenue (₹ in Lakh)	8,472	7,059	-16%
No. of Students Served	27,661	24,406	-12%

MT Educare has increased its focus on developing its CBSE and ICSE verticals for further enhancing its operations in the school segment. The Company has increased batch utilization by adding count in existing locations across Mumbai. The number of students serviced has reduced in comparison to last year, as many State Board schools are getting converted to CBSE/ICSE.

Science Division

Particulars	FY17	FY18	Growth
Revenue (₹ in Lakh)	9,687	9,670	0%
No. of Students Served	28,318	32,232	14%

MT Educare conducts JEE Advanced (IIT Entrance Exam) in Mumbai & North India under the brand 'Lakshya'. The Company has 22 Pre-University tie-ups across Karnataka under its 'Mahesh PU' brand for K-CET test preparatory coaching. The Company aims to leverage its 'Mahesh PU' brand to strengthen its science division. The Company is also a leading test preparation player in Mumbai for MH-CET.

Commerce & UVA (includes Skill Development) Division

Particulars	FY17	FY18	Growth
Revenue (₹ in Lakh)	10,037	4,534	-55%
No. of Students Served	80,293	29,504	-63%

MT Educare has developed expertise in XI and XII for Maharashtra through its experience of more than 30 years in teaching. Under the UVA segment, the Company undertakes government's skill development projects, and free coaching to minority and underprivileged students. The Company has slowed down the government projects due to fall in collections. However, there is increase in CA business segment in Chennai.

Robomate+ Division

Particulars	FY17	FY18	Growth
Revenue (₹ in Lakh)	2050	927	-57%
No. of Students Serviced	22,890	10,360	-55%

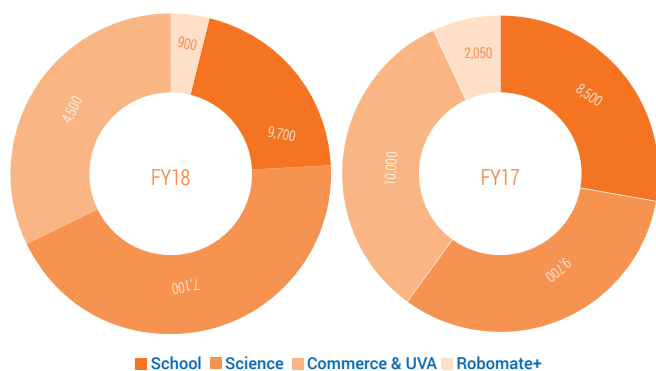
Robomate+ is an educational technology edutech platform, which enables content creation, enhances classroom delivery, report performance analysis and helps in administrative management. The digital content of Robomate+ has received good response from the students which is clearly visible through our ranks. The Company is reaching out to Non MT students for scaling up its business. It is our endeavor to tap the new geographies across India in the coming year. The Company is expanding reach through:

- Tie up with local coaching classes in tier II and tier III cities
- Providing training to teachers
- Appointing Franchisee across India

The reduction in revenue & students serviced as compared to last year is due to one-time deals with certain large group of educational institutions. However, Robomate business under its B2B & B2C has been growing well.

Financial Review**Revenue**

The consolidated revenue for the year FY18 stood at ₹ 22,262 lakhs as against ₹ 30,461 Lakhs in FY17, down by 26%. The fall in revenue was largely due to slow down of government projects leading to fall in collections.

Sales Vertical-wise split**Direct Expense**

The Direct expenses mainly includes purchase of tablets/SD Cards which are issued to students as a part of course material, rent for coaching centers and fees paid to visiting faculties. The direct expense for the year FY18 was ₹ 12,975 Lakhs as against ₹ 14,932 Lakhs in FY17, down by 13% as many Tablets were replaced with less costly SD Cards.

Employee Benefits and Other Expenses

The employee benefit expense for the year FY18 stood at ₹ 3,939 Lakhs which was almost same as ₹ 3,948 Lakhs in the previous year FY17.

Other expenses for the year FY18 stood at ₹ 22,535 lakhs as against ₹ 8,528 lakhs in FY 17 mainly on account of provision for doubtful debts of ₹16,968 in FY18 as against ₹ 2,131 lakhs in FY17 to factor in the impact of Expected Credit Loss (ECL) as required by the new accounting standards, Ind AS.

Capital Expenditure (Fixed Assets) and Depreciation

The gross block of tangible fixed assets has increased by ₹ 281 Lakhs. There has been deduction of ₹ 867 Lakhs in gross block leading to net addition of ₹ 586 Lakhs in gross block. The net block of tangible fixed assets as on March 31, 2018 is ₹ 3,293 Lakhs as compared to ₹ 4,279 Lakhs as on March 31, 2017.

The gross block on the intangible assets that largely consists of the Company's investment in development of digital content (Robomate) for use in MT classrooms and sale to MT and non-MT students stood at ₹ 4,709 as at March 31, 2018 whereas the net block was at ₹ 1,557

The depreciation & amortization expense for the year FY18 was ₹ 2,136 Lakhs as against ₹ 1,884 Lakhs. The increase in depreciation & amortization expense was largely due to the amortization of content which as per company policy, sets amortization in 3 years..

Other Balance Sheet Items

The advance fees (current + non-current) stood at ₹ 3,533 Lakhs as on March 31, 2018. Financial assets – loans (net of provision for doubtful loans and advances) have reduced to ₹ 4903 lakhs in FY 18 from ₹ 9,149 lakhs in FY 17 and the trade receivables (net of provision for bad and doubtful debts) reduced to ₹ 1,377 lakhs in FY 18 from ₹ 11,503 lakhs in FY 17 primarily to factor in the impact of Expected Credit Loss (ECL) as required by the new accounting standards, Ind AS

Cash Flow

The Companies cashflow from operating items after tax for the FY 18 stood at ₹ (26,869) lakhs as compared to ₹ (7,928) lakhs in FY 17 mainly on account of provision towards doubtful debts and advances.

Outlook

India currently has the world's largest population in the age bracket 0 to 14 years of about 415 million. India also has around 845 million people in the 15 to 59 age bracket which constitutes the working population. India has also increasingly becoming a talent provider to the world. Hence education sector remains one of the most important and steadily growing sector in India. Also with growing competitive environment coaching classes segment in the education sector would continue to witness a strong growth.

Risk Review

The Company has diversified operations across pan India and operates in various segments within the coaching business. Thus the company is exposed to various risks. It becomes very imperative for the Company to have a strong risk mitigation plan.

Competition Risk

Due to low capital intensive and high payback, the coaching has large number of small and medium sized players. This leads to high competition.

Mitigation Plan: The Company has a good brand recall value for its focused and result oriented approach of providing quality teaching for more than 28 years. Its continued focus on blending technology with the teaching method of LMS "Robomate+" has been a key differentiator. MT Educare leverages its goodwill of brand 'Mahesh' through its improved focus on blending technology along with its LMS teaching methods. Thus, it has been able to create a point of differentiation creating strong entry barriers to new players.

Attrition Risk

Due to stiff competition among peers and demand for good teacher, there is a constant threat of attrition among the teachers.

Mitigation Plan: The Company offers good salary to its employees and teachers which are above the industry standard remuneration for its high-quality teaching staff.

Human Capital

MT Educare significantly values its Human Capital and recognizes it as one of its key assets. The Company takes a number of initiatives to further enhance the capabilities of its Human Capital through various internal training programs. The Company also extensively works towards attracting best talent in the industry and also takes a lot of initiatives to retain them. The company also motivates and elevates its faculty members

to take larger role in the organizations. MT Educare had total strength of more than 1844 well-trained faculty members and employees during FY18.

Internal Control Systems and Their Adequacy

MT Educare has adequate system of internal controls in place which ensure that all the assets are safeguarded and protected against loss from an unauthorized use or disposition and those transactions are authorized, recorded and reported quickly.

The Company has developed internal financial control framework and timely review the effectiveness of the controls across all critical processes. MT Educare's internal control has an extensive programme of internal audits, timely reviewed by management and policies, guidelines and procedures are documented. The report of findings is submitted to the Audit Committee of the Board of Directors by the internal auditors. The internal controls ensure that financial and other records are reliable to prepare the financial information and other data and for maintaining accountability of assets.

Cautionary Statement

The statements contained in the Board's Report and Management Discussion and Analysis contain certain statements relating to the future and therefore are forward looking within the meaning of applicable securities, laws and regulations. Various factors such as economic conditions, changes in government regulations, tax regime, other statutes, market forces and other associated and incidental factors may however lead to variation in actual results.

Directors' Report

To,
The Members of
MT Educare Limited

Your Directors take pleasure in presenting the Twelfth Annual Report of the Company together with Audited Financial Statements for the year ended March 31, 2018. This report states compliance as per the requirements of the Companies' Act, 2013 ("the Act"), the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and other rules and regulations as applicable to the Company.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013 ("the Act"), in relation to the Audited Financial Statements for the Financial Year 2017-2018, your Directors confirm that:

- The Financial Statements of the Company - comprising of the Balance Sheet as at March 31, 2018 and the Statement of Profit & Loss for the year ended on that date, have been prepared on a going concern basis following applicable Indian accounting standards and that no material departures have been made from the same;
- Accounting policies selected were applied consistently and the judgments and estimates related to these financial statements have been made on a prudent and reasonable basis, so as to give a true and fair view of the state of affairs of the Company as at March 31, 2018, and of the loss of the Company for the year ended on that date;
- Proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, to safeguard the assets of the Company and to prevent and detect fraud and other irregularities;
- Requisite internal financial controls to be followed by the Company were laid down and that such internal financial controls are adequate and operating effectively; and
- Proper systems have been devised to ensure compliance with the provisions of all applicable laws and such systems are adequate and operating effectively.

FINANCIAL PERFORMANCE

The Financial performance of your Company for the year ended March 31, 2018 is summarised below: (₹ in lakhs)

Particulars	Standalone – Year ended		Consolidated – Year ended	
	March 31, 2018	March 31, 2017	March 31, 2018	March 31, 2017
Revenue from Operations	18,111.00	25,256.70	22,262.41	30,461.06
Other Income	1,441.84	1,296.31	1,450.10	1,342.04
Total Income	19,552.84	26,553.01	23,712.51	31,803.10
Total Expenses	34,355.57	23,318.66	39,448.74	27,408.41
Operating Profit/Loss	(14,802.73)	3,234.35	(15,736.23)	4,394.69
Less: Finance Cost	2,054.64	1,346.68	2,297.90	1,435.46
Less: Depreciation	1,860.98	1,729.01	2,136.34	1,884.38
Profit/ (Loss) before Tax	(18,718.35)	158.66	(20,170.47)	1,074.85
Tax expense	(6,571.32)	156.87	(6,987.91)	490.89
Profit/Loss after Tax	(12,147.03)	1.79	(13,182.56)	583.96
Balance carried To Balance Sheet	(12,147.03)	1.79	(13,182.56)	583.96
Other comprehensive income carried to balance sheet	6.68	6.98	6.96	13.11

There have been no material changes and commitments that have occurred after close of the financial year till the date of this report, which affect the financial position of the Company. Based on the internal financial control framework and compliance systems established in the Company, the work performed by Statutory, Internal, Secretarial Auditors and reviews performed by the management and/or relevant Audit and other Committees of the Board, your Board is of the opinion that the Company's internal financial controls were adequate and working effectively during financial year 2017-18.

DIVIDEND

In view of losses incurred during the year and to conserve the resources, your Directors do not recommend dividend for the year under review.

BUSINESS OVERVIEW

With the objective of GREAT – Global Reach in Education and Training, your company is committed to take Education to every home across India. 'Teachers + technology = Toppers' has been our ethos. Digital content for learning, teaching and assessments along with innovative pedagogy has been the hallmark of our exceptional academic laurels year after year.

Your company is truly a national player with multi-city presence and a diverse product portfolio, standing a class apart due to technology enabled business processes, digital content delivery and 24 x 7 online support for the courses offered.

Company has registered Standalone Revenue of ₹18,111.00 Lakh in FY18 compared to ₹ 25,256.70 Lakh in FY17. Operating EBITDA stood at ₹(14,802.73) Lakh in FY18, compared to ₹ 3,234.35 Lakh in FY17. PBT stood at ₹ (18,718.35) Lakh in FY18, compared to ₹ 158.66 Lakh in FY17. PAT stood at ₹ (12,147.03) Lakhs in FY18, compared to ₹ 1.79 Lakh in FY17

Company has registered Consolidated Revenue of ₹ 22,262.41 Lakh in FY18, compared to ₹ 30,461.06 Lakh in FY17. Operating EBITDA stood at ₹ (15,736.23) Lakh in FY18, compared to ₹ 4,394.69 Lakh in FY17. PBT stood at ₹ (20,170.47) Lakh in FY18, compared to ₹ 1,074.85 Lakh in FY17. PAT stood at ₹ (13,182.56) Lakh in FY18, compared to ₹ 583.96 Lakh in FY17.

These are simply moving few steps behind for taking a huge leap forward. Company is poised to march ahead with élan in achieving our objectives of empowering the youth of India with world-class coaching & training facilities. Company shall continue to attain pioneering outcomes in the field of education by surmounting all odds and ensure that 'SYNERGY BRINGS NEW ENERGY'.

SHARE CAPITAL

During the year under review, your Company had allotted 3,19,64,200 Equity Shares of ₹ 10/- each issued at ₹ 62.57 including a premium of ₹ 52.57/- to M/s Zee Learn Limited on a preferential basis on March 27, 2018.

This has resulted an increase in the paid-up equity share capital of the Company from ₹ 39,82,07,840 to ₹ 71,78,49,840 comprising of 7,17,84,984 equity shares of ₹ 10/- each.

STRATEGIC INVESTMENT BY ZEE LEARN LIMITED

Zee Learn Ltd. has acquired a controlling stake of 44.53% in MT Educare Ltd by investing ₹ 200 crores in the Company. Indeed this synergy shall bring in new energy & zeal in the Company. The Board of Directors, at its meeting held on March 27, 2018 had accorded its approval to issue 3,19,64,200 Equity Shares on preferential basis to M/s Zee Learn Ltd. for an aggregate amount of ₹ 200 crores (₹ 200,00,00,000).

M/s. Zee Learn Ltd. ("Acquirer") along with Sprit Infrapower and Multiventures Private Ltd, (formerly known as Sprit Textiles Pvt. Ltd.) pursuant to Regulations 3(1) and 4 of the SEBI SAST Regulations, 2011 made a Public Announcement for Open Cash Offer to the shareholders of the company to acquire up to 1,86,64,096 fully paid-up equity shares of ₹ 10/- each at a price of ₹ 72.76 per fully paid up equity share, payable in cash.

Swift growth in the market requires significant focus and reaches. Zee Learn Ltd. shall bring this much required expertise with the help of their extensively penetrated network and very strong management team. The unparalleled scale that Company has accomplished (in this extremely fragmented coaching class segment of Education sector) over the past many years shall further be catapulted by this collaboration Company's mantra of 'Padhe Chalo, Badhe Chalo' along with the veracious management team of Zee Learn Ltd. shall ensure that Company transform the education landscape of country in the years to come.

EMPLOYEES STOCK OPTION SCHEME

The Company implemented the Employee Stock Options Scheme "ESOP 2016" and "MT EDUCARE LTD ESOP 2018" in accordance with the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014. In accordance with ESOP 2016, Out of 8, 00,000 options 7,31,000 options were granted and surrendered in the previous financial year. During the current financial year 7,38,450 options were granted on December 18, 2017.

The Nomination & Remuneration Committee and the Board of Directors of the Company approved and recommended the MT Educare Limited Employee Stock Option Scheme 2018 through resolutions passed at its meeting held on February 14, 2018, which was approved by the members at the Extra-ordinary General Meeting held on March 12, 2018. Further, the members approved an increase in the number of Stock Options equivalent to 5% of the expanded post preferential allotment Issued, Subscribed and Paid-up Share Capital of the Company, which is 35,89,249 Stock Options (5% of 7,17,84,984 Equity Shares of ₹ 10/- each).

The applicable disclosures as stipulated under the said Regulations as at March 31, 2018 are provided in note no. 34 of (Standalone) financial statement.

SUBSIDIARY COMPANY

As at March 31, 2018, your Company had six subsidiaries, namely, MT Education Services Pvt. Ltd., Lakshya Educare Pvt. Ltd., Chitale's Personalised Learning Pvt. Ltd., Sri Gayatri Educational Services Pvt. Ltd., Robomate Edutech Pvt. Ltd., Letspaper Technologies Pvt. Ltd.

During the year under review, Lakshya Forum For Competitions Pvt. Ltd. has ceased to be a subsidiary of the Company on account of Amalgamation with Lakshya Educare Pvt. Ltd. vide NCLT order dated August 17, 2017. The Company does not have any associate or joint venture companies.

In compliance with Section 129 of the Companies Act, 2013, a statement containing requisite details including financial highlights of the operations of all subsidiaries is annexed to this report.

In accordance with Ind AS-110 Consolidated Financial statements read with Ind AS-28 Investment in Associates & joint ventures and Ind AS-31 Interests in Joint Ventures, the audited Consolidated Financial Statements are provided in and forms part of this Annual Report as per Ind As format.

In accordance with Section 136 of the Companies Act, 2013, the audited financial statements including the consolidated financial statements and related information of the Company and audited accounts of each of the subsidiaries are available on the website of the Company www.mteducare.com. These documents will also be available for inspection during business hours at the Registered Office of the Company.

CORPORATE GOVERNANCE AND POLICIES

Your Company is in compliance with the Corporate Governance requirements mentioned in Listing Regulations. In terms of Schedule V of Listing Regulations, a detailed report on Corporate Governance along with Compliance Certificate issued by the Statutory Auditors of the Company is attached and forms an integral part of this Annual Report. All Board members and senior management personnel have affirmed compliance with the Code of Conduct for the year 2017-18. A declaration to this effect signed by the Chairman and Managing Director of the Company is contained in this Annual Report. The Chairman and Managing Director and Chief Financial Officer have certified to the Board with regard to the financial statements and other matters as required under Regulation 17(8) of the Listing Regulations and the said certificate is contained in this Annual Report. Management Discussion and Analysis Report as per Listing Regulations are presented in separate sections forming part of the Annual Report.

In compliance with the requirements of Section 178 of the Companies Act, 2013, the Nomination and Remuneration Committee of your Board had fixed various criteria for nominating a person on the Board which inter alia include desired size and composition of the Board, age limits, qualification / experience, areas of expertise and independence of individual. Your Company has also adopted a Remuneration Policy, salient features whereof is annexed to this report.

In compliance with the requirements of Companies Act, 2013 and Listing Regulations, your Board has approved various Policies including Code of Conduct for Directors and Senior Management, Material Subsidiary Policy, Insider Trading Code, Document Preservation Policy, Material Event Determination and Disclosure Policy, Fair Disclosure Policy, Whistle Blower and Vigil Mechanism Policy, Related Party Transaction

Policy and Remuneration Policy. All these policies and codes have been uploaded on Company's corporate website www.mteducare.com. Additionally, Directors Familiarisation Programme and Terms and Conditions for appointment of Independent Directors can be viewed on Company's corporate website www.mteducare.com.

CORPORATE SOCIAL RESPONSIBILITY

In compliance with requirements of Section 135 read with Schedule VII of the Companies Act, 2013, your Company has constituted Corporate Social Responsibility Committee comprising of 3 (Three) Directors i.e. Mr. Uday Lajmi, Independent Director as Chairman, Dr. Chhaya Shastri, Non-Executive Director and Mr. Mahesh Shetty, Executive Director as its Members.

The said Committee has been entrusted with the responsibility of formulating and recommending to the Board, a Corporate Social Responsibility Policy indicating the activities to be undertaken by the Company, monitoring the implementation of the framework of the CSR Policy and recommending the amount to be spent on CSR activities.

As part of its initiative under the Corporate Social Responsibility ('CSR') the Company has undertaken project of coaching 12,363 students of Standard IX and 10,558 students of Standard X (English / Hindi / Marathi and Urdu medium) of 158 BMC Schools across Mumbai. The projects are in accordance with Schedule VII of the Companies Act, 2013 and the Company's CSR policy. The Company has been conducting Free Grade Improvement Classes for students of Standard X with a vision to achieve 100% results in BMC schools, since last 8 years and over the years the Company has coached approximately 75,000 under-privileged children. Under this project, we mentor, guide and coach the students of Standard IX and X encouraging them to pursue qualitative education and lead a dignified life.

The Report on CSR Activities as required under Companies (Corporate Social Responsibility Policy) Rules, 2014 is set out in Annexure forming part of this Report. Apart from the CSR Activities under the Companies Act, 2013 the Company continues to voluntarily support the following social initiatives / NGO's like (a) Aasara, (b) AmchaGhar, (c) Justice Chainani Old Age Home etc. to name a few.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Your Board currently comprises of 6 Directors including 3 (three) Non-Executive-Independent Directors, 2 (two) other Non-Executive Directors and 1 (one) Executive Director. Independent Directors provide their declarations both at the time of appointment and annually confirming that they meet the criteria of independence as prescribed under Companies Act, 2013 and Listing Regulations. During FY 2017-2018, your Board met 6 (six) times details of which are available in Corporate Governance Report annexed to this report.

Mr. Mahesh Shetty, Chairman and Managing Director is liable to retire by rotation at the ensuing Annual General Meeting and, being eligible he has offered himself for re-appointment. Your Board recommends his re-appointment with all his earlier terms

and conditions of appointment remaining same. A resolution to the effect is placed in the Notice for the ensuing Annual General Meeting for consideration / approval of the members for your consideration and approval.

Changes in the Key Managerial Personnel (KMP) during the year.

Name of the KMP	Appointment / Resignation/ No change	With effect from
Mr. Mahesh R. Shetty Chairman and Managing Director	No Change	N.A.
Mr. Sanjay Sethi Chief Financial Officer	Resignation	May 31, 2017(Close of the business hour)
Mr. Sandesh Naik Chief Financial Officer	Appointment	November 30, 2017
Mr. Dinesh Darji Company Secretary	Resignation	November 30, 2017 (Close of the business hour)
Mr. Raju Bamane Company Secretary	Appointment	November 30, 2017
Mr. Raju Bamane Company Secretary	Resignation	February 23, 2018 (Close of the business hour)

Subsequent to resignation of Mr. Raju Bamane as the Company secretary & Compliance officer w.e.f February 23, 2018, Mr. Sandesh Naik, Chief Financial Officer was appointed as the Compliance officer of the Company at the Board Meeting of the Company held on May 29, 2018.

The information as required to be disclosed under the Listing Regulations in case of re-appointment of the director is provided in Report on Corporate Governance annexed to this report and in the notice of the ensuing Annual General Meeting.

The disclosure in pursuance of Schedule V to the Companies Act, 2013 and SEBI Listing Regulation pertaining to the remuneration, incentives etc. to the Directors is given in the Corporate Governance Report.

BOARD EVALUATION

In a separate meeting of Independent Directors, performance of non-independent directors, performance of the board as a whole and performance of the Chairman was evaluated. Based on such report of the meeting of Independent Directors and taking into account the views of directors the Board had evaluated its performance on various parameters such as Board composition and structure, effectiveness of board processes, effectiveness of flow of information, contributions from each Directors, etc.

BOARD COMMITTEES

In compliance with the requirements of Companies Act, 2013 and Listing Regulations, your Board had constituted various Board Committees including Audit Committee, Nomination

and Remuneration Committee, Stakeholders Relationship Committee and Corporate Social Responsibility Committee. Details of the constitution of these Committees, which are in accordance with regulatory requirements, have been uploaded on the website of the Company viz. www.mteducare.com. Details of scope, constitution, terms of reference, number of meetings held during the year under review along with attendance of Committee Members therein form part of the Corporate Governance Report annexed to this report.

AUDITORS

The Statutory Auditors M/s. MSKA & Associates, Chartered Accountants, Mumbai (Firm Registration No. 105047W) (formerly known as M/s. MZSK & Associates) were appointed at the tenth Annual General Meeting ('AGM') of the Company held on September 28, 2016. Accordingly, M/s. MSKA & Associates, Chartered Accountants shall hold office from the conclusion of tenth AGM for a term of consecutive five years till conclusion of fifteenth AGM which shall be subject to the ratification of their appointment by the members at every AGM.

Your Company has received confirmation from the Auditors to the effect that their appointment, with the limits specified under the Companies Act, 2013 and the firm satisfies the criteria specified in Section 141 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit & Auditors) Rules, 2014.

In accordance with Section 139 of the Companies Amendment Act, 2017, notified w.e.f May 7, 2018, by the Ministry of Corporate Affairs, the appointment of Statutory Auditors is not required to be ratified at every Annual General Meeting. Hence, M/s. MSKA & Associates shall continue as Statutory Auditors for the remaining period of the term until the conclusion of fifteenth Annual General Meeting of the Company. Though, as a good corporate governance practice we have placed the resolution of ratification of statutory auditors M/s. MSKA & Associates for the period from tenth Annual General Meeting ('AGM') to fifteenth Annual General Meeting ('AGM') for the approval of members which form part of notice annexed to the Annual Report.

COST AUDITOR

Pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Rules, amended rules, 2014, the cost audit records maintained by the Company in respect of its education services, other than such similar services falling under philanthropy or as part of social spend which do not form part of any business is required to be Audited.

Your Directors had, on the recommendation of the Audit Committee and on ratification of its Members appointed M/s. Joshi Apte & Associates, Cost Accountants (Firm Registration No 00240) for conduct of audit of the cost records of the Company for the financial year 2018-19.

SECRETARIAL AUDITOR

During the year, Secretarial Audit was carried out by M/s. Manish Ghia & Associates, Company Secretaries, Mumbai in compliance with Section 204 of the Companies Act, 2013.

The reports of Statutory Auditor, Cost Auditor and Secretarial Auditor do not contain any qualification, reservation or adverse remarks. The reports of Statutory Auditor, Secretarial Auditor forming part of this Annual report. During the year the Statutory Auditors had not reported any matter under Section 143 (12) of the Act, therefore no detail is required to be disclosed under Section 134 (3) (ca) of the Act.

DISCLOSURES

i. Particulars of loans, guarantees and investments:

Particulars of loans, guarantees and investments made by the Company required under section 186 (4) of the Companies Act, 2013 are contained in Note No. 12 to the Standalone Financial Statements.

ii. Transactions with Related Parties:

None of the transactions with related parties fall under the scope of Section 188(1) of the Act. Information on material transactions with related parties pursuant to Section 134(3)(h) of the Act, read with rule 8(2) of the Companies (Accounts) Rules, 2014, in Form AOC-2 is annexed to this report.

iii. Risk Management:

The Company's approach to addressing business risks is comprehensive and includes periodic review of such risks and a framework for mitigating controls and reporting mechanism of such risks.

iv. Internal Financial Controls:

Internal Financial Controls includes policies and procedures adopted by the company for ensuring orderly and efficient conduct of its business, accuracy and completeness of the accounting records, and timely preparation of reliable financial information.

The Company has in place a proper and adequate Internal Financial Control System with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

v. Deposits:

Your Company has not accepted any public deposits under Chapter V of the Companies Act, 2013.

vi. Extract of Annual Return:

The extract of Annual Return in Form MGT-9 as required under Section 92(3) of the Act read with Companies (Management & Administration) Rules, 2014 is annexed to this report.

vii. Sexual Harassment:

The Company has zero tolerance for sexual harassment at workplace and has adopted a Policy on prevention,

prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. During the year under review no complaints on sexual harassment was received.

viii. Regulatory Orders:

No significant or material orders were passed by the regulators or courts or tribunals which impact the going concern status and Company's operations in future.

ix. Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- Issue of equity shares with differential rights as to dividend, voting or otherwise.
- Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOP referred to in this Report.
- Neither the Managing Director nor the Whole-time Directors of the Company received any remuneration or commission from any of its subsidiaries.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

• Conservation of energy

The particulars as required under the provisions of Section 134(3)(m) of the Companies Act, 2013 read with rule 8 of the Companies (Accounts) Rules, 2014 in respect of conservation of energy have not been provided considering the nature of activities undertaken by the Company during the year under review.

• Technology absorption

During the year, the Company has not absorbed or imported any technology.

• Foreign exchange earnings and outgoings

During the year, there were ₹ 27.68 Lakhs Foreign Exchange Earnings and the Foreign Exchange outgo stood at ₹ 25.63 Lakhs.

PARTICULARS OF EMPLOYEES

The information required under Section 197 (12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended March 31, 2018.

The particulars of employees in compliance of provisions of Section 134(3)(q) read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed to this report. Details of remuneration of Top 10 employees will be provided to the shareholders upon a receipt of written request duly signed, at the Registered Office of the Company. The above referred Annexure is also available

for inspection by members at the Registered Office of the Company, for a period of 21 days before the ensuing 12th AGM and up to the date of the AGM between 11.00 a.m. and 1.00 p.m. on all working days (except Saturday and Public Holidays).

None of the employee listed in the said Annexure is a relative of any director of the Company. None of the employee holds (by himself or along with his spouse and dependent children) more than two percent of the Equity shares of the Company

ACKNOWLEDGMENTS

Your Directors wish to express their appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, customers, vendors and members during the year under review.

Your Directors also express their appreciation to all the visiting faculty, lecturers, and employees of MT Educare FAMILY for their hard work, commitment, dedicated services and collective contribution.

CAUTIONARY STATEMENT

Statements in the Board's Report and the Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ materially from those either expressed or implied. Important factors that could affect the company's operations include significant political and / or economic environment in India, tax laws, litigations, interest and other costs.

For and on behalf of the Board

Mahesh Shetty

Chairman and Managing Director

DIN: 01526975

Naarayanan Iyer

Director

DIN: 00295246

Place: Mumbai

Date: June 05, 2018

STATEMENT CONTAINING SALIENT FEATURES OF THE FINANCIAL STATEMENT OF SUBSIDIARIES/ASSOCIATE COMPANIES/ JOINT VENTURES AS PER THE COMPANIES ACT, 2013 FOR THE YEAR ENDED MARCH 31, 2018

(₹ in lakhs)

Name of the Subsidiary	Sri Gayatri Educational Services Pvt. Ltd.	Robomate Edutech Pvt. Ltd.	Letspaper Technologies Pvt. Ltd.
Share capital	1.00	1.00	1.00
Reserves & surplus	(2.89)	(0.75)	(0.55)
Total assets	3.28	2.16	0.70
Total Liabilities	5.17	1.91	0.25
Investments	0.00	0.00	0.00
Turnover	0.00	0.00	0.00
Profit before taxation	(1.31)	(0.50)	(0.30)
Tax expense	0.00	0.00	0.00
Profit after taxation	(1.31)	(0.50)	(0.30)
Proposed Dividend	0.00	0.00	0.00
% of shareholding	75%	100%	100%

(₹ in lakhs)

Name of the Subsidiary	Chitale's Personalised Learning Pvt.Ltd.	MT Education Services Pvt.Ltd.	Lakshya Educare Pvt.Ltd.
Share capital	12.24	1.00	2.00
Reserves & surplus	(138.90)	100.54	(501.26)
Total assets	422.02	229.72	4706.45
Total Liabilities	548.68	128.18	5205.71
Investments	0.00	0.00	0.00
Turnover	373.78	138.32	3959.03
Profit before taxation	(367.63)	57.94	(1140.31)
Tax expense	(99.72)	14.33	(331.21)
Profit after taxation	(267.91)	43.61	(809.10)
Proposed Dividend	0.00	0.00	0.00
% of shareholding	100%	100%	100%

Notes:

The Company does not have any Associate/Joint Venture.

For and on behalf of the Board

Mahesh Shetty

Chairman and Managing Director

DIN: 01526975

Naarayanan Iyer

Director

DIN: 00295246

Place: Mumbai

Date: June 05, 2018

Annexure

FORM NO. MGT – 9
EXTRACT OF ANNUAL RETURN

As on Financial year ended 31/03/2018

Pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the
Companies (Management & Administration) Rules, 2014.

I REGISTRATION AND OTHER DETAILS

1	CIN	L80903MH2006PLC163888
2	Registration Date	19/08/2006
3	Name of the Company	MT Educare Limited
4	Category / Sub-Category of the Company	Company limited by shares / Indian Non-Government Company
5	Address of the Registered Office and Contact Nos.	220, 2 nd Floor, "FLYING COLORS", Pandit Din Dayal Upadhyay Marg, L.B.S. Cross Road, Mulund (West), Mumbai - 400080. Tel: (022) 2593 7700 / 800 / 900 Fax: (022) 2593 7799
6	Whether Listed Company	Yes. Listed on BSE Limited and National Stock Exchange of India Limited
7	Name address and contact details of the Registrar and Transfer Agents, if any	Link Intime India Private Limited C-101, 247 Park, L.B.S. Marg, Vikhroli (West), Mumbai-400 083. Tel: (022) 4918 6270 Fax: (022) 4918 6060 Email:rnt.helpdesk@linkintime.co.in Website: www.linkintime.co.in

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All business activities contributing 10% or more of the total turnover of the Company shall be stated)

Sr. No	Name and Description of the main product / Service	NIC code of the product / service	% of total turnover of the Company
1	Providing coaching services	Group 809, Class 8090 & Sub-class 80902	100.00

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No	Name and Address of the Company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	MT Education Services Pvt. Ltd. 220, 2 nd Floor, "FLYING COLORS", Pandit Din Dayal Upadhyay Marg, L.B.S. Cross Road, Mulund (West), Mumbai - 400080.	U80301MH2010PTC199012	Subsidiary Company	100	Section 2(87)
2	Lakshya Educare Pvt. Ltd. 220, 2 nd Floor, "FLYING COLORS", Pandit Din Dayal Upadhyay Marg, L.B.S. Cross Road, Mulund (West), Mumbai – 400080.	U80301MH2012PTC238011	Subsidiary Company	100	Section 2(87)
3	Lakshya Forum For Competitions Pvt. Ltd. (amalgamated vide NCLT order dated August 17, 2017)	U80301PB2010PTC034186	Subsidiary Company	100	Section 2(87)
4	Chitale's Personalised Learning Pvt. Ltd. 1/14, Shefalee Co-op Society, Phiroze Shah Road, Santacruz (West), Mumbai 400054.	U80301MH2009PTC197141	Subsidiary Company	100	Section 2(87)

Sr. No	Name and Address of the Company	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
5	Sri Gayatri Educational Services Pvt. Ltd 220, 2 nd Floor, "FLYING COLORS", Pandit Din Dayal Upadhyay Marg, L.B.S. Cross Road, Mulund (West), Mumbai – 400080.	U80904MH2014PTC255536	Subsidiary Company	75	Section 2(87)
6	Robomate EduTech Pvt. Ltd 220, 2 nd Floor, "FLYING COLORS", Pandit Din Dayal Upadhyay Marg, L.B.S. Cross Road, Mulund (West), Mumbai – 400080.	U74999MH2016PTC286570	Subsidiary Company	100	Section 2(87)
7	Letspaper Technologies Pvt. Ltd. 220, 2 nd Floor, "FLYING COLORS", Pandit Din Dayal Upadhyay Marg, L.B.S. Cross Road, Mulund (West), Mumbai – 400080.	U74999MH2016PTC289017	Subsidiary Company	100	Section 2(87)

IV SHAREHOLDING PATTERN

(Equity Share Capital break-up as percentage to total equity)

1. Category wise Shareholding

Category code	Category of Shareholders	No. of shares held at the beginning of the year (as on April 1, 2017)			No. of shares held at the end of the year (as on March, 2018)			% change during the year	
		Demat	Physical	Total	% of total shares	Demat	Physical		Total
(A)	Promoter and Promoter Group								
1	Indian								
(a)	Individuals/HUF	17,036,803.00	-	17,036,803.00	17,036,803.00	-	17,036,803.00	23.73	(*19.05)
(b)	Central Govt. /State Govt.	-	-	-	-	-	-	-	-
(c)	Bodies Corporate	-	-	-	-	-	-	-	-
(d)	Banks / FI	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-
	Sub Total (A)(1)	17,036,803.00	-	17,036,803.00	17,036,803.00	-	17,036,803.00	23.73	(19.05)
2	Foreign								
(a)	Individuals (NRI & Foreign)	-	-	-	-	-	-	-	-
(b)	Bodies Corporate	-	-	-	-	-	-	-	-
(c)	Institutions	-	-	-	-	-	-	-	-
(d)	Qualified Foreign Investors	-	-	-	-	-	-	-	-
(e)	Any Other (specify)	-	-	-	-	-	-	-	-
	Sub Total (A)(2)	-	-	-	-	-	-	-	-
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	17,036,803.00	-	17,036,803.00	17,036,803.00	-	17,036,803.00	23.73	(*19.05)
(B)	Public shareholding								
1	Institutions								
(a)	Mutual Fund	1,001,652.00	-	1,001,652.00	-	-	-	-	(2.52)
(b)	Venture Capital Funds	-	-	-	-	-	-	-	-
(c)	Alternate Investment Funds	-	-	-	-	-	-	-	-
(d)	Foreign Venture Capital Investors	-	-	-	-	-	-	-	-
(e)	Foreign Portfolio Investor	4,952,280.00	-	4,952,280.00	12.44	-	253,000.00	0.35	(12.09)
(f)	Financial Institutions / Banks	38,963.00	-	38,963.00	0.10	-	92,791.00	0.13	0.03
(g)	Insurance Companies	-	-	-	-	-	-	-	-

Category code	Category of Shareholders	No. of shares held at the beginning of the year (as on April 1, 2017)			No. of shares held at the end of the year (as on March, 2018)			% change during the year		
		Demat	Physical	Total	% of total shares	Demat	Physical		Total	% of total shares
(h)	Provident Funds/ Pension Funds	-	-	-	-	-	-	-		
(i)	Any Other (specify)	-	-	-	-	-	-	-		
	Sub Total (B) (1)	5,992,895.00	-	5,992,895.00	15.05	345,791.00	0.48	(14.57)		
2	Non-institutions									
(a)	Bodies Corporate	2,565,421.00	-	2,565,421.00	6.44	39,294,848.00	54.74	48.30		
(b)	i. Individuals - shareholders holding nominal share capital up to ₹ 1 Lakh	6,232,072.00	36,190.00	6,268,262.00	17.05	6,907,997.00	10.64	(6.41)		
	ii. Individual shareholders holding nominal share capital in excess of ₹ 1 Lakh	2,971,881.00	10,890.00	2,982,771.00	6.18	4,050,101.00	4.63	(1.55)		
(c)	Qualified Foreign Investors	-	-	-	-	-	-	-		
(d)	Any Other	-	-	-	-	-	-	-		
i	NRI -Repatriation	664,723.00	-	664,723.00	1.67	461,586.00	0.64	(1.03)		
ii	NRI - Non Repatriation	128,275.00	-	128,275.00	0.32	72,214.00	0.10	(0.22)		
iii	Foreign Portfolio Invt. (Corporate)	27,100.00	-	27,100.00	0.07	72,100.00	0.10	0.03		
iv	Clearing Member	3,308,507.00	-	3,308,507.00	8.31	934,890.00	1.30	(7.02)		
v	Directors / Relatives	223,551.00	-	223,551.00	0.56	1,928,551.00	2.69	2.13		
vi	Trusts	149.00	-	149.00	0.00	-	-	(0.00)		
vii	Foreign Nationals	594.00	-	594.00	0.00	594.00	0.00	(0.00)		
viii	Hindu Undivided Family	621,733.00	-	621,733.00	1.56	673,817.00	0.94	(0.62)		
	Sub Total (B)(2)	16,744,006.00	47,080.00	16,791,086.00	42.17	54,362,403.00	75.79	33.62		
	Total Public Shareholding Group (B)=(B)(1)+(B)(2)	22,736,901.00	47,080.00	22,783,981.00	57.22	54,708,194.00	76.27	19.05		
	Total (A)+(B)	39,773,704.00	47,080.00	39,820,784.00	100.00	71,744,997.00	100.00	0.00		
(C)	Shares held by custodians and against which Depository Receipts have been issued									
i	Promoter and Promoter group	-	-	-	-	-	-	-		
ii	Public	-	-	-	-	-	-	-		
	Sub Total (C)	-	-	-	-	-	-	-		
	GRAND TOTAL (A)+(B)+(C)	39,773,704.00	47,080.00	39,820,784.00	100.00	71,744,997.00	100.00	0.00		

* On 27.03.2018, the Company allotted 3,19,64,200 shares on preferential basis to Zee Learn Limited, basis which Company's paid up capital has been increased from 39,820,784 to 71,784,984. Hence % shareholding of Mr. Mahesh Shetty has been diluted from 42.78% to 23.73%, however number of shares held by him remains unchanged i.e 1,70,36,803.

2. Shareholding of Promoters and Promoters' Group

Sr. No	Name of Promoter	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		Nos. of Shares	% of total shares of the Company	% of shares pledged/ encum-bered to total shares	Nos. of Shares	% of total shares of the Company	% of shares pledged/ encum-bered to total shares	
1	Mahesh R. Shetty	1,70,36,803	42.78	78.29	1,70,36,803	23.73	64.57	0.00

3. Change in Promoters shareholding (Please specify, if there is no change)

Sr. No	Particulars	Shareholding at the beginning of the year		Shareholding at the end of the year	
		Nos. of Shares	% of total shares of the Company	Nos. of Shares	% of total shares of the Company
1	Mahesh R. Shetty				
	At the beginning of the year	1,70,36,803	42.78	-	-
	Date wise Increase / Decrease in Promoters shareholding during the year specifying the reasons for Increase / Decrease (e.g. allotment / transfer / bonus / sweat equity etc.)	% of promoter shareholding has been diluted on account of allotment of 3,19,64,200 equity shares to M/s Zee Learn Limited on a preferential basis			
	At the end of the year	-	-	1,70,36,803	23.73

4. Shareholding Pattern of Top 10 shareholders(Other than Directors, Promoters and holders of GDRs and ADRs)

Sr. No.	For each of the top 10 shareholders	Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	India Max Investment Fund Limited				
	a) At the Beginning of the Year	11,19,760	2.81		
	b) Changes during the Year	(11,19,760)	(2.81)	Nil	Nil
	c) At the end of the Year			Nil	Nil
2	Kotak Mahindra (International) Limited				
	a) At the Beginning of the Year	10,05,000	2.52		
	b) Changes during the Year	(10,05,000)	(2.52)	Nil	Nil
	c) At the end of the Year			Nil	Nil
3	Antique Stock Broking Limited				
	a) At the Beginning of the Year	11,90,003	2.99		
	b) Changes during the Year	(11,90,003)	(2.99)	Nil	Nil
	c) At the end of the Year			Nil	Nil
4	HDFC Trustee Company Limited - HDFC Tax Saverfund				
	a) At the Beginning of the Year	8,06,372	2.03		
	b) Changes during the Year	(806,372)	(2.03)	Nil	Nil
	c) At the end of the Year			Nil	Nil

Sr. No.	For each of the top 10 shareholders	Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
5	Premier Investment Fund Limited				
	a) At the Beginning of the Year	7,80,985	1.96		
	b) Changes during the Year	(5,27,985)	(1.61)	2,53,000	0.35
	c) At the end of the Year			2,53,000	0.35
6	LTS Investment Fund Ltd				
	a) At the Beginning of the Year	5,35,000	1.34		
	b) Changes during the Year	(5,35,000)	(1.34)	Nil	Nil
	c) At the end of the Year			Nil	Nil
7	ECAP Equities Limited				
	a) At the Beginning of the Year	3,64,564	0.92		
	b) Changes during the Year	(3,64,564)	(0.92)	Nil	Nil
	c) At the end of the Year			Nil	Nil
8	Grandeur Peak Global Opportunities Fund				
	a) At the Beginning of the Year	3,25,189	0.82		
	b) Changes during the Year	(3,25,189)	(0.82)	Nil	Nil
	c) At the end of the Year			Nil	Nil
9	Madhusudan Kela				
	a) At the Beginning of the Year	3,19,000	0.80		
	b) Changes during the Year	(3,19,000)	(0.80)	Nil	Nil
	c) At the end of the Year			Nil	Nil
10	Rajasthan Global Securities Private Limited				
	a) At the Beginning of the Year	2,97,163	0.73		
	b) Changes during the Year	32,61,591	7.81	35,58,754	8.55
	c) At the end of the Year			35,58,754	8.55
11	Ratnabali Capital Markets Private Limited				
	a) At the Beginning of the Year	-	-		
	b) Changes during the Year	951,302	1.33	951,302	1.33
	c) At the end of the Year			951,302	1.33
12	JM Financial Services Ltd.				
	a) At the Beginning of the Year	3,824	0.01		
	b) Changes during the Year	3,79,597	0.52	3,83,421	0.53
	c) At the end of the Year			3,83,421	0.53
13	Lilavati Hirji Fooria				
	a) At the Beginning of the Year	1,138	0.00		
	b) Changes during the Year	3,70,000	0.51	3,71,138	0.52
	c) At the end of the Year			3,71,138	0.52

Sr. No.	For each of the top 10 shareholders	Shareholding		Cumulative shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
14	Vijit Asset Management Private Limited				
	a) At the Beginning of the Year	-	-		
	b) Changes during the Year	2,63,400	0.37	2,63,400	0.37
	c) At the end of the Year			2,63,400	0.37
15	Eesha Kirti Bafna				
	a) At the Beginning of the Year	-	-		
	b) Changes during the Year	2,54,692	0.35	2,54,692	0.35
	c) At the end of the Year			2,54,692	0.35
16	Eureka Stock and Share Broking Services Limited				
	a) At the Beginning of the Year	-	-		
	b) Changes during the Year	2,50,000	0.35	2,50,000	0.35
	c) At the end of the Year			2,50,000	0.35
17	Dheeraj Kumar Lohia				
	a) At the Beginning of the Year	41,732	0.10		
	b) Changes during the Year	1,97,389	0.23	2,39,121	0.33
	c) At the end of the Year			2,39,121	0.33
18	LiipL MT Educare Preferential Allotment Escrow Demat Account*				
	a) At the Beginning of the Year	-	-		
	b) Changes during the Year	3,19,64,200	44.53		
	c) At the end of the Year	3,19,64,200	44.53	3,19,64,200	44.53

*The shares under the name "LiipL MT Educare Preferential Allotment Escrow Demat Account" belongs to M/s Zee Learn Limited. M/s Zee Learn Limited had subscribed to the Preferential Allotment of MT Educare Ltd. amounting to 3,19,64,200 of ₹ 10/- aggregating to 44.53%. Since, this triggered an open offer of upto 26% of the paid up capital of MT Educare Ltd., Zee Learn Limited had made an open offer for the shares of MT Educare Ltd. In compliance with the requirement of the SEBI (SAST) Regulation, the aforesaid said shares had to be kept in an Escrow account till the open offer process was complete. Currently Zee learn Limited is a Non- Promoter and post open offer will be classified as Promoter

5. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Name of Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year	
		Nos. of Shares	% of total shares of the Company	Nos. of Shares	% of total shares of the Company
1	Mr. Mahesh R. Shetty	1,70,36,803	42.78	1,70,36,803	23.73
2	Mr. Naarayanan Iyer	1,98,000	0.49	1,98,000	0.28
3	Dr. Chhaya Shastri	18,652	0.04	18,652	0.03
4	Ms. Drushti Desai	Nil	Nil	Nil	Nil
5	Mr. Yatin Samant				
	At the beginning of the year	8,000	0.02	-	-
	Shares purchased during the year	5,000	0.01	13,000	0.02
	At the end of the year			13,000	0.02

Sr. No	Name of Shareholder	Shareholding at the beginning of the year		Shareholding at the end of the year	
		Nos. of Shares	% of total shares of the Company	Nos. of Shares	% of total shares of the Company
6	Mr. Uday Lajmi	Nil	Nil	Nil	Nil
7	Mr. Sanjay Sethi (resigned w.e.f. May 31, 2017)	Nil	Nil	N.A.	N.A.
8	Mr. Sandesh Naik (appointed w.e.f. November 30, 2017)	N.A.	N.A.	Nil	Nil
9	Mr. Dinesh Darji (resigned w.e.f. November 30, 2017)	Nil	Nil	N.A.	N.A.
10	Mr. Raju Bamane (appointed w.e.f. November 30, 2017, resigned w.e.f. from February 23, 2018)	N.A.	N.A.	Nil	Nil

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment. (₹ In lakhs)

Particulars	Secured Loan excluding deposit	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	12,441.00	1,888.21	-	14,329.49
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	142.34	0.00	-	142.34
Total (i + ii + iii)	12,583.62	1,888.21	-	14,471.83
Change in indebtedness during the year				
Additions	23,426.67	280.58	-	23,707.25
Reductions	21,289.71	2,117.12	-	23,406.83
Net Change	2,136.96	1,836.54	-	47,114.08
Indebtedness at the end of the financial year				
i. Principal Amount	14,578.24	51.67	-	14,629.91
ii. Interest due but not paid	-	-	-	-
iii. Interest accrued but not due	58.22	0.98	-	59.20
Total (i + ii + iii)	14,636.46	52.65	-	14,689.10

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration of Managing Director, Whole-time Director and / or Manager

Sr. No	Particulars of Remuneration paid to Mr. Mahesh R. Shetty (CMD)	Total Amount (in Lakhs)
1	Gross Salary	
a.	Salary as per provision contained in Section 17(1) of the Income Tax Act, 1961	152.87
b.	Value of perquisites u/s 17(2) of the Income Tax Act, 1961	Nil
c.	Profit in lieu of salary u/s 17(3) of the Income Tax Act, 1961	Nil
2	Stock Options	Nil
3	Sweat Equity	Nil
4	Commission :	
a.	As % of profit	Nil
b.	Others, specify	Nil
5	Others, please specify	Nil

B. Remuneration of Other Directors

Sr. No	Particulars of Remuneration	Name of Directors			Total Amount (₹)
1	Independent Directors	Ms. Drushti Desai	Mr. Yatin Samant	Mr. Uday Lajmi	
	Fees for attending Board / Committee meetings	5,70,000	4,20,000	5,10,000	15,00,000
	Commission	-	-	-	-
	Others, please Specify	-	-	-	-
	Total (A)	5,70,000	4,20,000	5,10,000	15,00,000
2	Other non-Executive Directors	Mr. Naarayanan Iyer	Dr. Chhaya Shastri		
	Fees for attending Board / Committee meetings	2,40,000	5,70,000	-	8,10,000
	Commission	-	-	-	-
	Others, please Specify	-	-	-	-
	Total (B)	2,40,000	5,70,000	-	8,10,000
	Total (A + B)	23,10,000			

C. Remuneration to Key Managerial Personnel other than MD / WTD/ Manager

Sr. No	Particulars of Remuneration	Key Managerial Personnel				Total (Amount in ₹)
		Mr. Sanjay Sethi - CFO (upto May 31, 2017)	Mr. Dinesh Darji - CS (upto November 30, 2017)	Mr. Sandesh Naik - CFO (w.e.f. November 30, 2017)	Mr. Raju Bamane - CS (w.e.f. November 30, 2017 upto February 23, 2018)	
1	Gross Salary					
	a. Salary as per provision contained in Section 17(1) of the Income Tax Act, 1961	11,81,789	16,11,471	16,59,741	6,88,048	51,41,049
	b. Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-	-
	c. Profit in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock Options	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission					
	d. As % of profit	-	-	-	-	-
	e. Others, specify	-	-	-	-	-
5	Others, please specify	-	-	-	-	-

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCE

Type	Section of the Companies Act	Brief description	Details of penalty / Punishment / Compounding fees imposed	Authority (RD / NCLT / Court)	Appeals made, if any (give details)
Company					
Punishment	-	-	-	-	-
Penalty	-	-	-	-	-
Compounding	-	-	-	-	-
Directors					
Punishment	-	-	-	-	-
Penalty	-	-	-	-	-
Compounding	-	-	-	-	-
Other Officer in Default					
Punishment	-	-	-	-	-
Penalty	-	-	-	-	-
Compounding	-	-	-	-	-

Annexure

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
MT Educare Limited
Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **MT Educare Limited** (CIN:L80903MH2006PLC163888) and having its registered office at 220, 2nd Floor, "Flying Colors", Pandit Din Dayal Upadhyay Marg, L.B.S Cross Road, Mulund (West), Mumbai- 400080 (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (**Not applicable to the Company during the audit period**);
- (v) The following Regulations prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (**Not applicable to the Company during the audit period**);
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (**Not applicable to the Company during the audit period**);
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period); and
 - (i) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- (vi) there are no laws that are specifically applicable to the Company based on their sector/industry.

We have also examined compliance with the applicable clauses of the Secretarial Standards issued by The Institute of Company Secretaries of India;

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Standards etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings; agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting member's views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has:

1. obtained approval of members vide special resolution under section 180(1)(c) at the 11th Annual General Meeting held on September 6, 2017 enabling borrow of funds in excess of its aggregate of paid up share capital and free reserves and up to a maximum limit of ₹ 200 crores;
2. obtained approval of members vide special resolution passed under section 62(3) at the 11th Annual General Meeting held on September 6, 2017 enabling conversion of Loan given by M/s. Xander Finance Pvt. Ltd. into equity share capital of the Company;
3. obtained enabling approval of members vide special resolution passed under section 41, 42, 62 and 71 at the 11th Annual General Meeting held on September 6, 2017 to create offer, issue and allot further securities of the Company not exceeding ₹ 150 crores through public/private/international offerings;
4. obtained approval of members vide ordinary resolution in passed in the Extra-ordinary General Meeting held on March 12, 2018 for increase of authorised capital from ₹ 52 crores to ₹ 80 crores and consequent amendment to the Capital Clause of Memorandum of Association;
5. obtained approval of members of the Company under Section 42 read with Section 62 of the Act to offer, issue and allot 31,964,200 equity shares of ₹ 10 each/- at the issue price of ₹ 62.57 each /- aggregating to ₹ 200 crores on preferential allotment basis to Zee Learn Limited vide special resolution passed in the Extra-ordinary General Meeting held on March 12, 2018;
6. obtained approval of members vide special resolution passed in the Extra-ordinary General Meeting held on March 12, 2018 to grant of options to the identified employees during any one year, equal to or not exceeding one percent of the issued capital of the company at the time of grant of option;
7. obtained approval of members vide special resolution(s) passed at the Extra-ordinary General Meeting held on March 12, 2018 for extending benefits of MT Educare Limited Employee Stock Option Scheme, 2018 to the employees of holding and subsidiary Company(ies);
8. obtained approval of members vide special resolution passed in the Extra-ordinary General Meeting held on March 12, 2018 for MT Educare Limited Employee Stock Option Scheme 2018; and
9. M/s. Zee Learn Ltd ("Acquirer") along with Sprit Infrapower and Multiventures Private Ltd, (formerly known as Sprit Textiles Pvt. Ltd.) pursuant to Regulations 3(1) and 4 of the SEBI SAST Regulations, 2011 made a Public Announcement for Open Cash Offer to the shareholders of the company to acquire up to 1,86,64,096 fully paid-up equity shares of ₹ 10/- each at a price of ₹ 72.76 per fully paid up equity share, payable in cash;

This report is to be read with our letter of even date which is annexed and forms an integral part of this report.

For **Manish Ghia & Associates**
Company Secretaries

Manish L. Ghia
Partner

M. No. FCS 6252 C.P. No. 3531

Place : Mumbai
Date: June 5, 2018

'Annexure'

To,
The Members,
MT Educare Limited
Mumbai

Our report of even date is to read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provided a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Where ever required, we have obtained the management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. Our examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Manish Ghia & Associates**
Company Secretaries

Manish L. Ghia
Partner

Place : Mumbai
Date: June 5, 2018

M. No. FCS 6252 C.P. No. 3531



PARTICULARS OF RELATED PARTY TRANSACTIONS

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014) Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

The Company has not entered into any contract or arrangement or transaction with its related parties which is not at arm's length during financial year 2017-18.

2. Details of material contracts or arrangement or transactions at arm's length basis:

The Company has not entered into any material contracts or arrangements or transactions with its related parties which is at arm's length basis during financial year 2017-18.

Place : Mumbai
Date : June 05, 2018

Mahesh R. Shetty
Chairman And Managing Director
DIN: 01526975

Naarayanan Iyer
Director
DIN: 00295246

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

The CSR policy of the Company is committed to conduct its business in socially, environmentally and ethically responsible manner and contribute to the society and environment in which it operates; to be able to contribute to social welfare and, directly or indirectly, financially assist people at large to improve their life / condition. The CSR policy of the Company is available on the Company's website on http://www.mteducare.com/images/CSR_Policy.pdf

2. **Composition of the CSR Committee:**

- a. Mr. Uday Lajmi - Chairman
- b. Mr. Mahesh Shetty – Member
- c. Dr. Chhaya Shastri - Member

3. **Average net profit of the Company for last three financial years:**

Financial year	Net Profit (₹ in Lakhs)
2016-17	1,080.75
2015-16	4,838.42
2014-15	4,178.23
Average Profit of 3years	3,365.80

4. **Prescribed CSR expenditure (two per cent of the amount as in item 3 above):**

The Company is required to spend ₹ 67.32 Lakhs towards CSR.

5. **Details of CSR spend for the financial year:**

- a. Total amount spent for the financial year: ₹ 26.60 Lakhs
- b. Amount unspent, if any: ₹ 40.72 Lakhs
- c. Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR Project / Activity identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount Outlay (Budget) Project or Programs Wise (₹ in Lakhs)	Amount Spent on the project or programs Sub-heads: (1) Direct expenditure on projects or programs. (2) Overheads	Cumulative Expenditure Up to reporting period (₹ in Lakhs)	Amount spent: Direct or through implementing agency
1	Imparting education to students of BMC Schools	Education	Mumbai, Maharashtra	11.60	Direct Expenditure	11.60	Implementing Agency – Global Education Trust
2	Rehabilitation	Charity	Mumbai, Maharashtra	4.99	Direct Expenditure	16.59	Implementing Agency – Global Education Trust
3	Medical	Health care	Mumbai, Maharashtra	1.20	Direct Expenditure	17.79	Implementing Agency – Global Education Trust
4	Tailoring	Women Empowerment	Mumbai, Maharashtra	1.85	Direct Expenditure	19.64	Implementing Agency – Global Education Trust
5	Old age homes, CRY, Save the Child, Amcha Ghar etc.	Other CSR projects	Mumbai, Maharashtra	6.96	Direct Expenditure	26.60	Implementing Agency – Global Education Trust
TOTAL				26.60		26.60	

6. In case if the Company has failed to spent two per cent, of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount –

The amount spent on CSR activities for the financial year 2017-18 was ₹ 26.60 Lakh as against the ₹ 67.32 Lakh which was required to be spent by the Company as per the provisions of Section 135 of Companies Act, 2013. However, considering the financial status of the Company, the Company was not in position to contribute towards CSR expenses as per the requirement. The Company assures that it shall make efforts to spend the balance CSR amount in the upcoming financial year.

The CSR Committee hereby confirms that the implementation and monitoring of CSR policy is in compliance with CSR objectives and policy of the Company.

Place: Mumbai
Date: June 05, 2018

Mahesh Shetty
Chairman and Managing Director
DIN: 01526975

Uday Lajmi
Chairman of CSR Committee
DIN: 03529980

Annexure

PARTICULAR OF REMUNERATION OF EMPLOYEES

A DETAILS OF THE RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEE'S REMUNERATION

(i) The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year :-

Sr. No.	Name of the Director	Designation	Ratio of remuneration to the median remuneration of the employees
1	Mr. Mahesh Shetty	Managing Director	113.89:1
2	Mr. Naarayanan Iyer	Non-Executive Director	1.79:1
3	Dr. Chhaya Shastri	Non-Executive Director	4.25:1
4	Ms. Drushti Desai	Independent Director	4.25:1
5	Mr. Yatin Sawant	Independent Director	3.13:1
6	Mr. Uday Lajmi	Independent Director	3.80:1

(ii) The percentage increase in remuneration of each director, CFO , CEO, Company Secretary or Manager, if any, in the financial year

Sr. No.	Name of the Directors / KMP	% Increase over last F.Y.
1	Mr. Mahesh Shetty, Managing Director	Nil
2	Mr. Sanjay Sethi (CFO upto May 31, 2017)	Not Comparable
3	Mr. Sandesh Naik (CFO w.e.f. November 30, 2017)	Not Comparable
4	Mr. Dinesh Darji (CS upto November 30, 2017)	Not Comparable
5	Mr. Raju Bamane (CS w.e.f. November 30, 2017 upto February 23, 2018)	Not Comparable

(iii) The percentage increase in the median remuneration of employees in the financial year 3.57%

(iv) The number of permanent employees on the rolls of the Company 748 as on March 31,2018.

(v) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration

The increase in the salary of employees, if any, other than managerial personnel is based on various parameters determined as per the Human Resource policy. The number of employees has reduced as compared to the financial year 16-17. During the year under review, there is no increase in the remuneration of the Managing Director.

We hereby confirm that the remuneration is as per the remuneration policy recommended by Nomination and Remuneration Committee of the Company and adopted by the Company.



B Particulars of Employees whose remuneration exceeded ₹ 1.02 Crore per annum or ₹ 8.50 Lakhs per month during the FY 2017-18.

1. Employed throughout the year and in receipt of remuneration aggregating ₹ 1.02 Crore or more per annum.

Name of Employee	Designation	Remuneration Received	Date of Commencement of Employment
Mahesh Shetty	Chairman & Managing Director	1,52,87,155	November 11, 1988
Rahul Mahurkar	Chief Technology Officer	1,11,76,000	June 01, 2015
Chandresh Fooria	Business Head	1,08,79,996	April 01, 1990
Anish Thakkar	Business Head	1,02,99,988	April 01, 2011

2. Employed part of the year and in receipt of remuneration aggregating ₹ 8.50 Lakhs or more per month.

There are no employees who are employed for the part of the year and were in receipt of remuneration aggregating ₹ 8.50 lakhs or more per month.

Place: Mumbai
Date: June 05, 2018

Mahesh Shetty
Chairman and Managing Director
DIN: 01526975

Uday Lajmi
Chairman of Nomination and Remuneration Committee
DIN: 03529980

Report On Corporate Governance

COMPANY'S GOVERNANCE PHILOSOPHY

Your Company firmly believes that effective Corporate Governance practices constitute a strong foundation on which successful commercial enterprises are built to prosper. It is essentially a system by which Companies are directed and controlled by the management in the best interest of all stakeholders.

Corporate Governance is the application of best management practices, compliance of laws, rules, regulations and adherence to ethical principles in all its dealings, to achieve the objects of the Company, enhance stakeholder value and discharge its social responsibility. Above all, it is a way of life, rather than merely a legal compulsion. Your Company believes that good corporate governance practices should be enshrined in all activities of the Company. This would ensure efficient conduct of the affairs of the Company and help the Company achieve its goal of maximising value for all its shareholders.

Your Company is in compliance with the requirements of Corporate Governance stipulated in the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

POLICIES

In compliance with the requirements of Listing Agreement with Stock Exchanges, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), and Companies Act, 2013, the Board of Directors of the Company has approved various policies, as detailed herein:

Whistle Blower & Vigil Mechanism Policy

As per Section 177 of the Companies Act, 2013 and Regulation 22 of Listing Regulations, a comprehensive Whistle Blower and Vigil Mechanism Policy has been approved and implemented within the organisation. The policy enables the employees and directors to report instances of any unethical act or suspected incidents of fraud or violation of Companies Code of conduct. This mechanism/Policy provides adequate safeguards to whistle blowers against reprisals or victimisation. The Copy of the Policy has been uploaded on the Company's Website viz. www.mteducare.com

Code of Conduct

The Company has also adopted a Code of Conduct for the Members of the Board of Directors and Senior Management, and all the Directors and senior functionaries as defined in the Code provide their annual confirmation of compliance with the Code. Copy of the Code is available on the website of the Company www.mteducare.com

A declaration affirming compliance with the Code of Conduct by the Members of the Board and Senior Management personnel is given below:

Declaration: I confirm that the Company has obtained from all Directors and Senior Management Personnel of the Company their affirmation of compliance with the Code of Conduct for Members of the Board of Directors and Senior Management of the Company for the financial year ended March 31, 2018.

Mahesh Shetty

Chairman & Managing Director
Mumbai, April 02, 2018

Related Party Transaction Policy

In compliance with the requirements of Regulation 23 of Listing Regulations, the Board of Directors of the Company has approved a Related Party Transaction Policy, to facilitate management to report and seek approval for any Related Party Transaction proposed to be entered into by the Company. The said Related Party Transaction Policy can be viewed on www.mteducare.com

Policies & Code as per SEBI Insider Trading Regulations

In accordance with SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated and approved (i) an Insider Trading Code to regulate dealing in the securities of the Company by designated persons in compliance with the regulations; and (ii) a Policy for Fair Disclosure of Unpublished Price Sensitive Information.

Mr. Dinesh Darji resigned as the Company Secretary & Compliance Officer of the Company w.e.f November 30, 2017. Further, Mr. Raju Bamane was appointed as the Company Secretary & Compliance Officer w.e.f November 30, 2017.

Mr. Sanjay Sethi, resigned as Chief Financial Officer w.e.f. May 31, 2017 and Mr. Sandesh Naik was appointed as Chief Financial Officer w.e.f. November 30, 2017 .

Further, Mr. Raju Bamane resigned as the Company Secretary & Compliance Officer of the Company w.e.f February 23, 2018

Hence Mr. Sandesh Naik, Chief Financial Officer of the Company was appointed to act as the Compliance Officer of the Company for the purposes of Insider Trading Code, and appointed as Chief Investor Relations Officer for the purpose of Fair Disclosure policy.

Familiarisation Program for Independent Directors

Independent Directors are familiarised with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through induction programs at the time of their appointment as Directors and also annually by providing detailed presentations on the businesses of the Company. While review and approval of quarterly and annual financial statements of the Company are

taken up, detailed presentation covering inter alia economy and industry overview, key regulatory developments, strategy and performance of individual profit centres is made to the Board.

Apart from the above policies, the Board has in accordance with the requirements of Companies Act, 2013 and Listing Regulations approved and adopted Policy for determining Material Subsidiary, Remuneration Policy, Material Events Determination and Disclosure Policy and Document Preservation Policy. These policies can be viewed on Company's website at www.mteducare.com

BOARD OF DIRECTORS

Composition & Category of Directors

MT Educare Ltd is in compliance with the Board composition requirements of the Listing Regulations. Independent Directors of the Company provide appropriate annual certifications to the Board confirming satisfaction of the conditions of their being independent as laid down in Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations.

Composition of the Board as on March 31, 2018

Category of Directors	No. of Directors	% to total No. of Directors
Executive Director	1	16.67
Non-Executive Independent Directors	3	50.00
Other Non-Executive Director	2	33.33
Total	6	100.00

Director's Profile

Mr. Mahesh Shetty is the Chairman and Managing Director of the Company. He is also the Promoter of our Company. He has over 33 years of experience and holds a bachelor's degree in Science and education from University of Mumbai. His foresight of delivering quality education with unique innovation ahead of the market has resulted in your Company being the premier institution in the Education sector and a household name. He started the business of providing coaching services to students in School Section in 1988 under the brand of 'Mahesh Tutorials'. Prior to this, he was associated with Shetty's Academy as a faculty member for a period of three years. He was awarded the "Edupreneurs 2013" award by The Times of India. Mr. Mahesh Shetty is a Promoter of the Company and holds 1,70,36,803 Equity Shares of the Company as on March 31, 2018.

Mr. Naayanan Iyer is a Non-independent and Non-executive Director. He has been associated with our Company since its incorporation. He holds a bachelor's degree in mechanical engineering from the University of Madras. He has to his forte a rich 26 years of experience in the education sector and was instrumental in establishing a culture of training and development in the Company. He holds 1,98,000 Equity Shares of the Company as on March 31, 2018.

Dr. Chhaya Shastri is a Non-independent and Non-executive Director. She was appointed as a Director of our Company on April 8, 2011. She holds a Bachelor's degree in Dental Surgery from University of Bombay and a Bachelor's degree in Law (General) from the University of Bombay. She has successfully completed the executive programme in business management from IIM Calcutta. She has over 23 years of experience in various sectors such as education, media, healthcare, constructions and manufacturing. She started her working career with her own family concerns in 1996. In 2005, she started advising MT Educare in her capacity as a promoter director of Prosynapse Consultants India Private Limited, which provides advisory services in various fields like media, healthcare, constructions and manufacturing. She joined our business in 2005 in the capacity of an advisor on behalf of Prosynapse Consultants India Private Limited, pursuant to a retainer arrangement. She has played a major role in establishing our Company as a corporate entity and formulating strategic expansion plans of our Company.

She holds 18,652 Equity Shares of the Company as on March 31, 2018.

Ms. Drushti Desai is an Independent Director of the Company. She was appointed as a Director of our Company on April 8, 2011. She holds a bachelor's degree in commerce from Sydenham College of Commerce and Economics, Mumbai. She is also a fellow chartered accountant of ICAI. She has 22 years of experience in the field of chartered accountancy, taxation, restructuring advisory and valuation. She is a partner of Bansi S. Mehta & Co., B. S. Mehta & Co., and BSM Associates, Chartered Accountants.

She is a director of MPIL Corporation Limited, Global Logic Technologies Limited, Global Logic India Limited, Kewal Kiran Clothing Limited and Narmada Gelatines Limited. She does not hold any Equity shares of the Company as on March 31, 2018.

Mr. Yatin Samant is an Independent Director of the Company. He was appointed as a Director of our Company on April 8, 2011. He holds a Bachelor's degree in Engineering (Production) from V.J. Technical Institute, University of Bombay, and a Master's degree in Management Studies from Jamnalal Bajaj Institute of Management Studies, University of Bombay. He has over 30 years of varied experience in sales, marketing, business development and general management across industries, geography & cultures in India & abroad. He is a trained Coach and specialises in Organisation and Leadership development and consults corporate on Growth strategies and Leadership Development. He presently, works as a CEO of a Facility Management Company based in Bangalore and also coaches, conducts developmental workshops for senior business leaders in different industries. He had been associated with (i) Herbertsons Limited as group product manager from June 1984 to February 1989; (ii) Warner Lambert (I) Limited as Associate Director - Product Management from March 1989 to April 1995; (iii) Mafatlal Industries Limited as General Manager - Suitings from May 1995 to June 1996; (iv) Allergan India Limited as Director - Sales & Marketing from July 1996 to March 2000; (v) Allergan Asia Pacific as Area Director - South East Asia from May 2000 to March 2004; (vi) Allergan India

Limited as Managing Director from April 2004 to July 2008; (vii) Clinton Foundation as Country Director from April 2008 to December 2008; and (viii) Shalina Healthcare Limited as Director - Strategy, Business Development from March 2009 to February 2010 and (ix) Smmart Training & Consultancy Private Limited as CEO – Customer excellence from August 2013 to April 2015. He holds 13,000 Equity Shares of the Company as on March 31, 2018.

Mr. Uday Lajmi is an Independent Director of the Company. He was appointed as a Director of our Company on June 2, 2011. He holds a master's degree in marketing management and a doctorate degree in physical chemistry from the Institute of Technology Mumbai. He has over 27 years of experience in various capacities in industry and academics. He is presently, the Dean - Management Education & Assistant Vice President (Training & Development) with Reliance Infrastructure Limited, a Reliance ADAG company. He was in the past, associated with (i) Hindustan Dorr-Oliver Limited as Senior Scientist – Environmental Science & Management from February 1992 to August 1995; (ii) Reliance Industries Limited as Technical Officer-polymer processing from December 1995 to June 2005; (iii) Welingkar Institute of Management Development and Research, Mumbai as reader in marketing management from June 2000 to December 2001; (iv) Narsee Monjee Institute of Management Studies as associate professor of Marketing from January 2002 to February 2003; (v) Dr. D.Y. Patil Institute of Management Studies, Mumbai as dean from March 2003 to September 2005; and (vi) Thakur Institute of Management Studies and Research, Mumbai as director from October 2005 to September 2007.

He does not hold any Equity shares of the Company as on March 31, 2018.

Independent Director

The Non-Executive Independent Directors of the Company fulfills the condition of independence specified in Section 149(6) of the Companies Act, 2013 and Rules made thereunder and meet the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A Formal letter of Appointment to Independent Directors as provided in the Companies Act, 2013 has been issued and disclosed on the website of the Company at http://www.mteducare.com/images/Letter_of_appointment_of_Independent_Director.pdf

During the financial year under review, 6 (Six) meetings of the Board were held May 11, 2017, September 06, 2017, November 30, 2017, December 11, 2017, February 14, 2018 and March 27, 2018. The annual calendar of meetings in connection with approval of quarterly and annual financial statements of the Company is broadly determined at the beginning of each financial year.

Particulars of Directors, their attendance at the Annual General Meeting and Board Meetings held during the financial year 2017-18 and also their other directorships/ memberships held in Indian Public Companies (excluding Foreign Companies and Section 8 Companies of Companies Act, 2013) and Membership/ Chairmanship of Audit Committee and Stakeholder Relationship Committee of other Public Companies as at March 31, 2018 are as under:

Name of Director	Attendance at		No. of Directorship in other Public Companies		No. of Committee positions held in other public Companies	
	Board Meeting	11 th AGM held on September 06, 2017	Member	Chairman	Member	Chairman
	(Total 6 Meetings)					
Mr. Mahesh Shetty Executive Chairman	6	Yes	-	-	-	-
Mr. Naarayanan Iyer Non - Executive Director	6	Yes	-	-	-	-
Dr. Chhaya Shastri Non- Executive Independent Director	6	Yes	-	-	-	-
Ms. Drushti Desai	6	Yes	5	-	4	5
Mr. Yatin Samant	6	Yes	-	-	-	-
Mr. Uday Lajmi	6	Yes	-	-	-	-

Board Procedures

Schedule of the Board meetings for approval of quarterly and annual financial results each year are decided well in advance and communicated to the Directors. Board meetings are generally held at Mumbai. The agenda along with the explanatory notes are sent to the Directors well in advance to enable them to take informed decisions. Senior management

personnel are normally invited to the Board meetings to provide necessary insights into the working of the Company and for discussing corporate strategies.

The Board periodically reviews certificates in respect of compliance of various laws and regulations applicable to the Company.

BOARD COMMITTEES

Particulars of Meetings of Board Committees held during the year along with details of Directors attendance at such Committee Meeting(s) are detailed herein:

	Audit Committee	Nomination & Remuneration Committee	Stakeholders Relationship Committee	Corporate Social Responsibility Committee
No. of Meetings held	5	3	4	2
Directors attendance				
Mr. Mahesh Shetty	N.A.	N.A.	N.A.	2
Mr. Naarayanan Iyer	N.A.	N.A.	N.A.	N.A.
Dr. Chhaya Shastri	5	N.A.	4	2
Ms. Drushti Desai	5	3	4	N.A.
Mr. Yatin Samant	N.A.	3	4	N.A.
Mr. Uday Lajmi	5	3	N.A.	2

Note: N.A. denotes the director is not a Member of such Committee.

In compliance with requirements of Regulation 25 of the Listing Regulations and Section 149 read with Schedule IV of the Companies Act, 2013, the Independent Directors of the Company met on December 12, 2017 to review the performance of Chairman and Non-Independent Directors, evaluate performance of the Board of Directors and its Committees and review flow of information between the management and the Board.

Details of Board Committees are as mentioned herein:

Audit Committee

Constitution

As at March 31, 2018, the Audit Committee of the Board comprises of 3 (Three) Directors, including Ms. Drushti Desai, Independent Director as Chairperson, Dr. Chhaya Shastri, Non-Executive Director and Mr. Uday Lajmi, Independent Director as Members of the Audit Committee.

During the year under review, five (5) meetings of the Audit Committee were held on May 11, 2017, September 06, 2017, November 30, 2017, December 11, 2017 and February 14, 2018 and the gap between two meetings did not exceed 120 days. The Chairperson of the Audit Committee was present at the previous Annual General Meeting

Terms of reference

The role and the powers of the Audit Committee is as set out in Part C of Schedule II of the Listing Regulations and Section 177 of the Companies Act, 2013. The terms of reference of Audit Committee broadly includes:

- recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
- review and monitor the auditor's independence and performance, and effectiveness of audit process;

- examination of the financial statement and the auditors' report thereon;
- approval or any subsequent modification of transactions of the company with related parties;
- scrutiny of inter-corporate loans and investments;
- valuation of undertakings or assets of the company, wherever it is necessary;
- evaluation of internal financial controls and risk management systems;
- monitoring the end use of funds raised through public offers and related matters.

Review of information by Audit Committee

The Audit Committee shall mandatorily review the following information:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the internal auditor shall be subject to review by the Audit Committee.
 - a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
6. Statement of deviations.

- b. Annual statement of funds utilised for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Audit Committee also reviews adequacy of disclosures and compliance with all relevant laws. In addition to these, in compliance with requirements of Regulation 24 of Listing Regulations, the Audit Committee reviews operations of Subsidiary Companies viz., its financial statements, to grant omnibus approval for related party transactions which are in the ordinary course of business and on an arm's length pricing basis and to review and approve such transactions subject to the approval of the Board, statement of investments and minutes of meetings of its Board and Committees.

Audit Committee Meetings are generally attended by the Chief Financial Officer, and representative of the Statutory Auditors of the Company. Internal Auditors have attended Audit Committee Meetings wherein the Internal Audit reports are considered by the Committee. The Company Secretary acts as the secretary to the Audit Committee.

Nomination & Remuneration Committee

Constitution

As at March 31, 2018, the Nomination & Remuneration Committee comprises of 3 (Three) Directors including Mr. Uday Lajmi, Independent Director as Chairman, Mr. Yatin Samant, Independent Director and Ms. Drushti Desai, Independent Director as members of the Committee. The Company Secretary of the Company acts as Secretary of Nomination & Remuneration Committee.

During the year under review, the Committee met 3 (Three) times on May 11, 2017, November 30, 2017 and December 11, 2017.

The Chairperson of the Nomination & Remuneration Committee was present at the previous Annual General Meeting

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee are as follows:

- Reviewing the overall compensation policy, service agreement and other employment conditions of Managing / Whole-time Directors and senior Management (one level below the Board);
- To help in determining the appropriate size, diversity and composition of the Board;
- To recommend to the Board appointment / re-appointment and removal of Directors;
- To frame criteria for determining qualification, positive attributes and independence of Directors;
- To recommend to the Board remuneration payable to the Directors;

- To extend or continue the term of appointment of the Independent Director, on the basis of the report of performance evaluation of Independent Directors.
- create an evaluation framework for independent Directors and the Board;
- To provide necessary evaluation report to the Chairman after the evaluation process is complete by the Directors;
- To assist in developing a succession plan for the Board;
- To assist the Board in fulfilling responsibilities entrusted from time to time;
- Delegation of any of its powers to any Member of the Committee or the Compliance Officer.
- Formulation of the criteria for determining qualifications, positive attributes and independence of directors and recommended to Board of Directors a policy relating to the remuneration of the Directors, KMP and other employees.

Remuneration Policy

The guiding principle of the remuneration policy of the Company is that the remuneration and other terms of engagement / employment shall be competitive enough to ensure that the Company is in a position to attract, retain and motivate right kind of human resource(s) for achieving the desired growth set by the Company's management year on year thereby creating long-term value for all stakeholders of the Company.

Criteria for making payment to Non-Executive Directors

The criteria for making payment to Non-Executive Directors and Independent Directors of the Company are as follows:

- Independent Directors ("ID") and Non-Independent Non-Executive Directors ("NED") may be paid sitting fees (for attending the meetings of the Board and of the Committees of Board of which they may be members) and commission within regulatory limits. Quantum of sitting fees may be subject to review on a periodic basis, as required.
- Within the parameters prescribed by law, the payment of sitting fees and commission will be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors of the Company.
- The aggregate commission payable to all the NEDs and IDs will be recommended by the Nomination and Remuneration Committee to the Board based on Company's growth, performance, profits, and any other significant qualitative parameters as may be decided by the Board of the Company from time to time.
- In addition to the sitting fees and commission, the Company may pay and/or reimburse to any Director such fair and reasonable expenditure, as may have been incurred by the Director while performing his/her role as a Director of the Company. This could include reasonable

expenditure incurred by the Director for attending board meetings, committee meetings, general meetings, court convened meetings, meetings with shareholders/creditors/ management, site visits, induction and training (organised by the Company for Directors) and in obtaining professional advice from independent advisors in furtherance of his/her duties as a director.

Remuneration payable to Chairman and Managing Director

The Nomination and Remuneration Committee recommends the appointment and remuneration of executive Directors including Chairman and Managing Director to the Board of Directors and same is subject to approval of shareholders of the Company. The Remuneration of Executive Director(s) comprises of salary, perquisites, allowances and contribution to provident and other retirement funds as approved by the Shareholders in the General Meetings. Annual increments are linked to the performance and are decided by the Nomination and Remuneration Committee and recommended to the Board of Directors for approval thereof.

The aggregate value of salary and perquisites paid/payable to Mr. Mahesh Shetty for the year ended March 31, 2018 is detailed below. Presently, the Company does not have a scheme for grant of stock options or performance linked incentive for its Directors

Particulars	Mr. Mahesh Shetty (Chairman & Managing Director)
Fixed Components:	
Salary and allowances	1,52,87,155
Monetary Value Perquisites	0
Reimbursement of Expenses	0
Variable Components:	
Commission	0
Bonus / Incentive / Variable Pay	0
Total	
Leave Encashment	0
Gross Total	
Director's Sitting Fees for FY 2017-18	0
Outstanding Stock Options as at March 31, 2018	0
Shareholding as at March 31, 2018	1,70,36,803

The remuneration paid to Mr. Mahesh R. Shetty during the year 2017-18 is ₹ 152.87 lakhs (previous year ₹ 155.00 lakhs).

Remuneration payable to Non-Executive Director

Non-Executive Directors were entitled to sitting fees of ₹ 40,000/- per meeting of the Board and ₹ 30,000/- per meeting of Committees.

Particulars of Sitting Fees paid and Commission paid to Non-Executive Directors of the Company during financial year 2017-18 is as detailed herein:

Directors Name	Board Meetings	Committees Meetings	Total
Naarayanan Iyer	2,40,000	-	2,40,000
Dr. Chhaya Shastri	2,40,000	3,30,000	5,70,000
Drushti Desai	2,40,000	3,30,000	5,70,000
Yatin Samant	2,40,000	1,80,000	4,20,000
Uday Lajmi	2,40,000	2,70,000	5,10,000

The Non-Executive Directors of the Company do not have any other material pecuniary relationships or transactions with the Company or its Directors, Senior Management, Subsidiary or Associate, other than in normal course of business.

Performance Evaluation

Pursuant to the provision of the Companies Act, 2013 and Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the board has carried out the annual performance evaluation of its own performance, the Directors individually as well as the evaluation of the working of the Board Committee. A structured questionnaire was prepared covering various aspects of the Board functioning such as execution and performance of specific duties, obligations and governance. The performance evaluation of the Chairman and Managing Director and the non-independent Directors was carried out by the independent Directors. The Directors express satisfaction with the evaluation process.

Stakeholders' Relationship Committee

Constitution

As at March 31, 2018, the Stakeholders Relationship Committee of the Board comprises of 3 (Three) Directors including Mr. Yatin Samant, Independent Director as Chairman, Dr. Chhaya Shastri, Non-Executive Director and Ms. Drushti Desai, Independent Director as the members of the Committee. The Company Secretary acts as the secretary to the Audit Committee.

During the year under review, Stakeholder Relationship Committee met 4 (Four) times on May 11, 2017, September 06, 2017, December 11, 2017, and February 14, 2018.

The Chairperson of the Stakeholders' Relationship Committee was present at the previous Annual General Meeting.

Terms of Reference

The role and the powers of the Stakeholder Relationship Committee is as set out in Part D of Schedule II of the Listing Regulations and Section 178 of the Companies Act, 2013.

Terms of reference of Stakeholder Relationship Committee is to supervise and ensure efficient transfer of shares, issue of duplicate share certificates reported lost, defaced or destroyed and proper and timely attendance to investors' grievances. The Committee has delegated various powers including approving requests for transfer, transmission, rematerialisation & dematerialisation etc. of Equity shares to the Executives of the

Company and the Company Secretary, being the compliance officer, is entrusted with the responsibility, to specifically look into the redressal of the shareholders and investors complaints and report the same to Stakeholders Relationship Committee.

Details of number of requests/complaints received and resolved during the year ended March 31, 2018, are as under:

Nature of Correspondence	Received	Replied/ Resolved	Pending
Non-receipt of Dividend	0	0	-
Non-receipt of Annual Report	0	0	-
Non-receipt of Shares	0	0	-
Letter from Stock Exchange/ ROC/SEBI	0	0	-
Others	2	2	-
Total	2	2	-

Other Board Committees

In addition to the above, the Board has constituted following Committees to exercise powers delegated by the Board as per the scope mentioned herein:

i) Corporate Social Responsibility Committee

In compliance with requirements of Section 135 read with Schedule VII of the Companies Act, 2013, the Board has

constituted Corporate Social Responsibility Committee comprising of 3 (Three) Directors including Mr. Uday Lajmi, Independent Director as Chairperson, Dr. Chhaya Shastri, Non-Executive Director and Mr. Mahesh Shetty, Executive Director as its Members.

During the year under review, Corporate Social Responsibility Committee met 2 (Two) time on May 11, 2017 and September 06, 2017.

DIVIDEND HISTORY AND UNCLAIMED DIVIDEND

Section 124 and Section 125 of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules') mandates that companies transfer dividend that has remained unclaimed for a period of seven years from unpaid dividend account to Investor Education and Protection Fund (IEPF). Further, the Rules mandate the transfer of shares with respect to the dividend, which has not been paid or claimed for seven consecutive years or more to IEPF. Accordingly, the dividend for the years mentioned as follows will be transferred to the IEPF on the respective dates if the dividend remains unclaimed for seven years, and the corresponding shares will also be transferred to IEPF if dividend is unclaimed for seven consecutive years. The shareholders are requested to claim the unclaimed dividend amount immediately in order to avoid the transfer of shares to IEPF.

Year	Type of Dividend	Dividend Per Share (in ₹)	Date of Declaration of Dividend	Due Dates for transfer to IEPF
2012-13	Interim	1.00	November 2, 2012	December 8, 2020
2012-13	Final	1.00	September 14, 2013	October 20, 2020
2013-14	Interim	1.00	November 14, 2013	December 20, 2021
2013-14	Final	1.25	September 24, 2014	October 30, 2021
2014-15	Interim	0.60	November 12, 2014	December 18, 2022
2014-15	Final	2.05	August 7, 2015	September 12, 2022
2015-16	Interim	0.60	November 6, 2015	December 14, 2023
2015-16	Final	1.40	September 28, 2016	November 3, 2023

During FY 2016-17 and 2017-2018 no dividend was recommended by the Board.

GENERAL MEETINGS

Annual General Meeting:

The Twelfth Annual General Meeting of the Company for the financial year 2017-18 will be held on 24, September, 2018 at 9.30 a.m. at "Ravindra Natya Mandir, P.L. Deshpande Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai 400 025"

The location, day, date and time of the Annual General Meetings held during last three years along with Special Resolution(s) passed at these meetings are as follows :

Year	Day and Time	Special Resolutions passed	Venue
2014-2015	Friday, August 07, 2015 at 11.30 a.m.	a) Adoption of new set of Articles of Association b) Revision in salary payable to Mr. Mahesh Shetty	Jainam Banquet Hall, Jainam Arcade, BTM Compound, 100 L.B.S Road, Bhandup (West) -Mumbai -400 078
2015-2016	Wednesday, September 28, 2016 at 11.30 a.m.	None	Jainam Banquet Hall, Jainam Arcade, BTM Compound, 100 L.B.S Road, Bhandup (West) -Mumbai -400 078
2016-17	Wednesday, September 06, 2017 at 10.30 a.m.	a) Re-appointment of Mr. Mahesh Shetty as Managing Director of the Company and determination of Remuneration b) Approval for Conversion of loan into equity share capital of the Company c) Increase in borrowing limits of the Company d) Authority to the Board of Directors to create offer, issue and allot further securities of the Company	Anthurium Banquet, 5th floor, Hotel Shilpa Residency, L.B.S. Marg, Mulund(West), Mumbai – 400080

All the above resolutions were passed with requisite majority.

None of the resolutions proposed at the ensuing Annual General Meeting needs to be passed by Postal Ballot.

Extra Ordinary General Meeting:

The location, day, date and time of the Extra Ordinary General Meetings held during year along with Special Resolution(s) passed at this meetings is as follows:

Year	Day and Time	Special Resolutions passed	Venue
2016-2017	Monday, March 12, 2018 at 11.00 a.m.	a) Preferential Allotment of Equity Shares b) Approval for MT Educare Limited Employee Stock Option Scheme 2018 c) Approval for extending benefits of MT Educare Limited Employee Stock Option Scheme, 2018 to the employees of subsidiary company / ies d) Approval for extending benefits of MT Educare Limited Employee Stock Option Scheme, 2018 to the employees of holding company / ies e) Approval of the grant of options to the identified employees during any one year, equal to or exceeding one percent of the issued capital of the company at the time of grant of option	Anthurium Banquet, 5th Floor, Hotel Shilpa Residency, L.B.S. Marg, Mulund (West), Mumbai 400080

The Board of Directors had appointed CS Priti J Sheth, Partner, M/s. Priti J Sheth & Associates, Company Secretaries, Mumbai as Scrutiniser for conducting the e-voting and voting by poll at the meeting. As per the Scrutiniser's Report dated March 12, 2018, all the resolutions were approved by the members with requisite majority.

Postal Ballot

No Postal Ballot was conducted during financial year 2017-18.

OUTSTANDING GDRS/ ADRS/ WARRANTS OR ANY CONVERTIBLE INSTRUMENTS

As of date, Company has not issued GDRs/ ADRs/ Warrants or any Convertible instruments.

AFFIRMATIONS AND DISCLOSURES

- a. Compliance with Governance framework – The Company is in compliance with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- b. Related Party Transactions - During the financial year under review, all transactions entered into with related parties were in the ordinary course of business and on arm's length basis. There are no materially significant transactions with related parties during the financial year. Related party transactions have been discussed under note no. 35 (Standalone) and note no. 36 (consolidated) of significant accounting policies and notes forming part of the financial statements in accordance with "Accounting Standard 18". A statement of transactions with related parties is periodically placed before the Audit Committee for review and recommendation to the Board for their approval

As required under Regulation 23(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Company has formulated a policy on dealing with Related Party Transactions. The Policy is available on the website of the Company at

http://www.mteducare.com/images/Policy_Related_Party_Transactions.pdf

None of the transaction with related parties were in conflict with the interest of the Company. All the transactions are in the normal course of business and have no potential conflict with the interest of the Company at large and are carried out at arm's length basis or fair value.

- c. Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to the capital market, during the last three years:

The Company has complied with all the requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as other applicable regulations and guidelines of SEBI. Consequently there are no penalties or strictures imposed by either SEBI or Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital market, during the last three years.

- d. Vigil Mechanism / Whistle Blower Policy - Pursuant to Section 177 (9) and (10) of the Companies Act, 2013 and Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

The Company has laid down Whistle Blower Policy which provides a platform for employees, vendors and customers to report to the management about any suspected or confirmed incident of fraud, misconduct, unethical behavior, etc. The mechanism provides for

adequate safeguards against victimisation of Employees and Directors who use such mechanism and make provision for direct access to the Chairperson of the Audit Committee in exceptional cases. None of the personnel of the Company has been denied access to the Audit Committee.

- e. Disclosure of Accounting Treatment - In the preparation of financial statements, the Company has followed the Accounting Standards issued by the Institute of Chartered Accountant of India to the extent applicable. The significant accounting policies which are consistently applied are set out in the notes to the financial statements.
- f. Risk Management – Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.
- g. The Company has complied with all the mandatory / non-mandatory requirements under Regulation 27 read with Schedule II Part E of the Listing Regulations

The status of compliance with non-mandatory recommendations and steps adopted by the Company is provided below:

- Chairman: Mr. Mahesh Shetty is a Chairman & Managing Director of the Company.
- Shareholder Rights: The Quarterly / Half-yearly / Annual financial results of the Company are published in the newspapers and also hosted on its website – www.mteducare.com
- A Physical copy of Annual Report are sent to those shareholders whose e-mail addresses are not registered with the Depository or the Company's Registrar and Share Transfer Agents or the Shareholders who has made specific request for the same.
- Modified opinion(s) in audit report: The Company ensures that the financial statements are with unmodified audit opinion.
- Reporting of Internal Auditor: The Internal Auditor reports to the Audit Committee.

- h. Disclosure on Commodity price risk or foreign exchange risk and hedging activities

As such the nature of the business of the Company is not exposed to any commodity price risk/hedging activities.

- i. The Company does not have any material subsidiary as defined under regulation 16 of SEBI (LODR) Regulations, 2015. The policy on determination of Material Subsidiary of the Company is available on the website of the Company at:

http://www.mteducare.com/images/Material_Subsidary_Policy.pdf



COMPLIANCE WITH NON-MANDATORY REQUIREMENTS

The Company has complied with all the mandatory requirements of the Corporate Governance as prescribed in Listing Regulation. Adoption of non-mandatory requirements of Listing Regulation is being reviewed by the Board from time-to-time.

MEANS OF COMMUNICATION

The Company has promptly reported all material information including declaration of quarterly financial results, press releases etc., to the Stock Exchanges where the shares of the Company are listed. Such information is also simultaneously displayed on the Company's website www.mteducare.com. The quarterly, half yearly and annual financial results and other statutory information were communicated to the shareholders by way of advertisement in an English newspaper 'Free Press Journal' and in a vernacular language newspaper 'Navshakti(Marathi)' as per the requirements of Listing Regulations. The financial and other information are filed by the Company on electronic platforms of NSE and BSE.

Official press releases and presentations made to institutional investors or to the analysts, if any, are displayed on Company's website www.mteducare.com.

GREEN INITIATIVE IN CORPORATE GOVERNANCE

Ministry of Corporate Affairs has undertaken a "Green Initiative in Corporate Governance" by allowing service of documents by a Company to its Members through electronic mode. The move of the Ministry allows public at large to contribute to the green movement.

Keeping in view the underlying theme, the electronic copies of the Annual Report 2017-18 and Notice of 12th Annual General Meeting of the Company are sent to all members whose email addresses are registered with the Company/ Depository Participant(s). For members who have not registered their email address, physical copies of the Annual Report along with notice of Annual General Meeting for 2017-18 is being sent in the permitted mode.

To support this green initiative in full measure, members who have not registered their e-mail addresses so far, are requested to register their email addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members who hold shares in physical form are requested to fill in the Registration form which can be obtained from Company's Registrar - Link Intime India Pvt. Ltd.

Management Discussion and Analysis Report forming part of this Annual Report is annexed separately.

General Shareholders Information

- 1. Date, Time and Venue of Shareholder's Meeting**
Meeting : Twelfth Annual General Meeting
Day & Date : Monday, September 24, 2018
Time : 09:30 a.m
Venue : Ravindra NatyaMandir, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai 400 025
- 2. Financial Year** April 1, 2017 till March 31, 2018
First Quarterly Results On or before August 14, 2018
Second Quarterly Results On or before November 14, 2018
Third Quarterly Results On or before February 14, 2019
Fourth Quarterly Results On or before May 30, 2019
- 3. Date of Book Closure** From Monday, September 17, 2018 to Monday, September 24, 2018 (both date inclusive)
- 4. Dividend Payment Date** N.A.
- 5. Address for Correspondence** Registered Office:
220, 2nd Floor, "FLYING COLORS"
Pandit Din Dayal Upadhyay Marg, L.B.S. Cross Road, Mulund (West), Mumbai – 400 080
Tel: +91-22-2593 7700/800, Fax: +91-22-25937799
Website : www.mteducare.com
- 6. Corporate Identity Number** L80903MH2006PLC163888
- 7. Listing on Stock Exchanges** **National Stock Exchange of India Limited (NSE)**
Exchange Plaza, 5th Floor, Plot No. C/1, G Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051
BSE Limited (BSE)
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001
- 8. Stock Code** NSE : MTEDUCARE
BSE : 534312
- 9. ISIN No.** INE472M01018 (Equity shares of ₹ 10/- each, fully paid up)
- 10. Registrar & Share Transfer Agent**
Link Intime India Private Limited
C-101, 247 Park, L.B.S. Marg,
Vikhroli West, Mumbai- 400083 Tel No: +91-22-49186000 Fax No: +91-22-49186060
Email id: mt.helpdesk@linkintime.co.in
- 11. Investor Relations Officer**
The Company Secretary
MT Educare Limited
220, 2nd Floor, "FLYING COLORS", Pandit Din Dayal Upadhyay Marg, L.B.S Cross Road, Mulund (West), Mumbai - 400 080.
Tel: +91-22-25937700/800 Fax: +91-22-25937799
E-mail: info@mteducare.com

12. Listing Fee:

Company has paid the Annual Listing fees for the Financial Year 2018-19 to the stock exchanges where the shares of the Company are listed (viz NSE & BSE).

13. PAN & Change of Address

Members holding equity share in physical form are requested to notify the change of address/dividend mandate, if any, to the Company's Registrar & Share Transfer Agent, at the address mentioned above.

The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding Shares in dematerialised form are requested to submit their PAN, notify the change of address including e-mail address/ dividend mandate, if any, to their respective Depository Participant (DP). Members holding shares in physical form can submit their PAN, notify the change of address including e-mail address/ dividend mandate, if any, to the Company/ Registrar & Share Transfer Agent.

14. Share Transfer System

Equity Shares sent for physical transfer or for dematerialisation are generally registered and returned within a period of 15 days from the date of receipt of completed and validly executed documents.

15. Dematerialisation of Equity Shares & Liquidity

To facilitate trading in demat form the Company has made arrangements with both the depositories viz. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). Shareholders may open account with any of the Depository Participant registered with any of these two depositories. As on March 31, 2018, 99.94% of the equity shares of the Company is held by 16,793 Equity Shareholders in dematerialised form and the balance 0.06% is held by 52 Equity Shareholders in physical form. Entire Equity shareholding of the promoters in Company is held in dematerialised form.

16. Unclaimed Shares – As on March 31, 2018 there are no unclaimed shares lying with the Company

17. Shareholders' Correspondence

The Company has attended to all the investors' grievances/ queries/ information requests. It is the endeavor of the Company to reply to all letters/ communications received from the shareholders within a period of 5 working days.

All correspondence may please be addressed to the Registrar & Share Transfer Agent at the address given above. In case any shareholder is not satisfied with the response or do not get any response within reasonable period, they may approach the Investor Relations Officer at the address given above.

18. Outstanding Convertible Securities

There are no outstanding warrants or any other convertible instruments which are likely to impact the equity capital of the Company as on March 31, 2018.

19. Share Capital Build-up

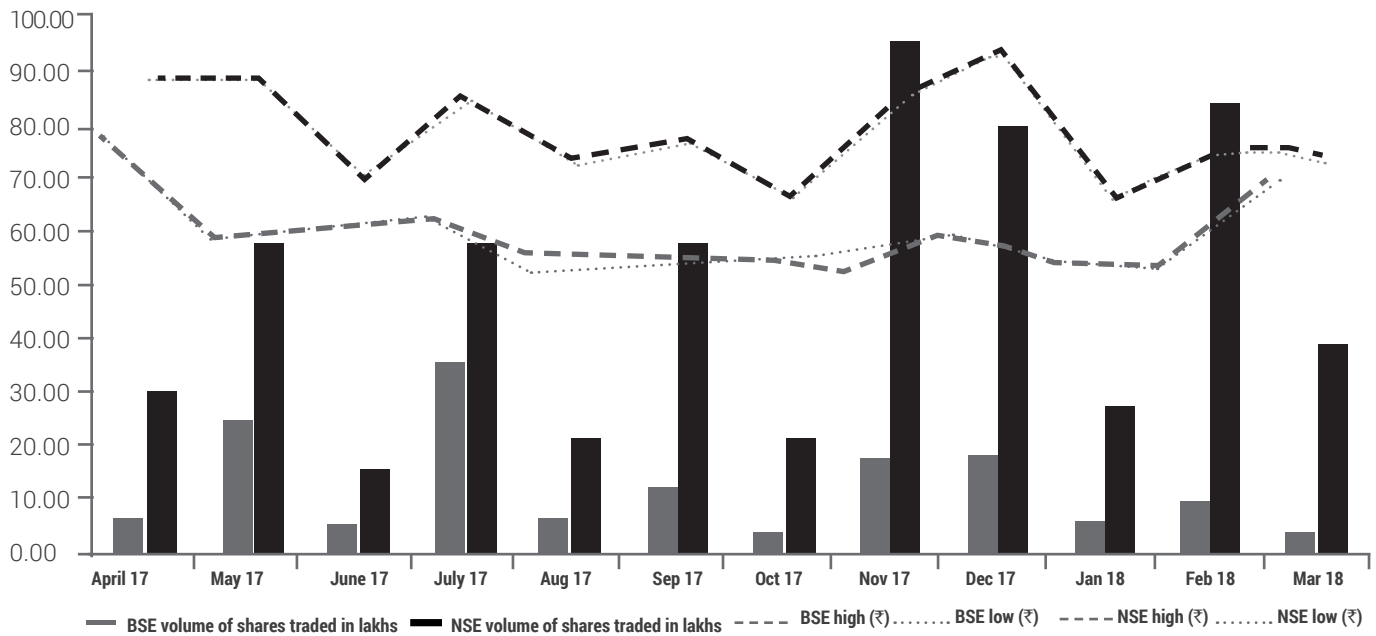
Particulars	No. of Shares issued	Date of Issue
Issued to Subscribers	10,000	21.08.2006
Private Placement	26,100	28.10.2006
Private Placement	60,000	11.12.2006
Private Placement	3,900	15.03.2007
Private Placement	20,396	30.07.2007
Private Placement	2,144	30.07.2007
Private Placement	66	27.02.2009
Private Placement	50,884	12.03.2009
Bonus Issue	8,67,450	08.06.2009
Bonus Issue	3,33,10,080	07.04.2010
Allotment under ESOP	6,80,966	11.06.2011
Private Placement	1,40,886	11.06.2011
Initial Public Offering	43,75,000	10.04.2012
Allotment under ESOP	2,34,315	15.05.2013
Allotment under ESOP	11,953	14.05.2014
Allotment under ESOP	26,644	13.05.2015
Preferential Allotment to Zee Learn Limited	3,19,64,200	27.03.2018
Issue & Paid- up Capital as on 31.03.2018	7,17,84,984	

20. Stock Market Data Relating to Shares Listed in India

Monthly high and low quotations and volume of Equity Shares traded on BSE and NSE for the financial year 2017-2018:

Months	BSE			NSE		
	High (₹)	Low (₹)	volume of shares traded	High (₹)	Low (₹)	volume of shares traded
April 2017	87.60	77.50	6,69,639	87.90	77.10	30,12,468
May 2017	88.40	58.95	24,83,272	88.40	59.00	57,56,666
June 2017	69.90	61.15	5,24,992	69.55	61.55	15,74,136
July 2017	83.40	62.45	35,92,389	83.70	62.65	53,73,487
August 2017	72.05	56.00	5,79,613	71.80	52.45	20,78,233
September 2017	75.40	55.00	11,43,079	75.80	55.00	57,53,934
October 2017	65.70	55.25	3,98,182	65.35	55.00	20,73,399
November 2017	85.00	53.00	17,46,099	84.90	55.55	94,88,613
December 2017	92.95	58.90	17,57,851	92.75	60.00	79,03,980
January 2018	65.90	54.20	4,62,995	65.00	54.00	27,59,160
February 2018	73.80	53.65	9,67,760	74.55	53.30	83,73,195
March 2018	72.40	69.05	5,22,206	73.00	69.05	38,85,731

21. Relative Performance of the Equity Shares Vs. BSE Sensex & Nifty Index



22. Distribution of Shareholding as on March 31, 2018

No. of Equity Shares	Number of Share Holders		No. of Shares	
	Number	% of Holders	Number	% of Capital
Up to 500	13,209	78.4103	1903574	2.6518
501 - 1000	1,475	8.7558	1215736	1.6936
1001 - 2000	1,112	6.6010	1650052	2.2986
2001 - 3000	348	2.0658	898523	1.2517
3001 - 4000	179	1.0626	644641	0.8980
4001 - 5000	134	0.7954	638483	0.8894
5001 -10000	193	1.1457	1426834	1.9876
10001 and Above	195	1.1635	63407141	88.3293
Total	16,846	100.00	71784984	100.00

23. Categories of Equity Shareholders as on March 31, 2018

Category	March 31, 2018	
	% of shareholding	No. of shares held
Promoters	23.73	1,70,36,803
Individuals	20.20	1,45,01,048
FIs/MF/Banks/Others	0.13	92,791
FIIIs/ NRIs/OCBs/GDRs	1.20	8,59,494
Indian Companies (Bodies Corporate)	54.74	3,92,94,848
Total	100.00	7,17,84,984

24. Particulars of Shareholding
a) Promoter Shareholding as on March 31, 2018

Sl No	Name of Shareholder	No of Shares held	% of shareholding
1	Mahesh Shetty	1,70,36,803	23.73
	Total	1,70,36,803	23.73

b) Top ten (10) Public Shareholding as on March 31, 2018

Sl No	Name of Shareholder	No of Shares held	% of shareholding
1	LiipI Mt Educare Preferential Allotment Escrow Demat Account*	3,19,64,200	44.53
2	Rajasthan Global Securities Private Limited	35,58,754	4.96
3	Ratnabali Capital Markets Private Limited	9,51,302	1.33
4	JM Financial Services Ltd.	3,83,421	0.53
5	Lilavati Hirji Fooria	3,71,138	0.52
6	Vijit Asset Management Private Limited	2,63,400	0.37
7	Eesha Kirti Bafna	2,54,692	0.35
8	Premier Investment Fund Limited	2,53,000	0.35
9	Eureka Stock and Share Broking Services Limited	2,50,000	0.34
10	Dheeraj Kumar Lohia	2,39,121	0.33
	Total	3,84,89,028	53.62

*The shares under the name "Liip MT Educare Preferential Allotment Escrow Demat Account" belongs to M/s Zee Learn Limited. M/s Zee Learn Limited had subscribed to the Preferential Allotment of MT Educare Ltd. amounting to 3,19,64,200 of ₹ 10/- aggregating to 44.53%. Since, this triggered an open offer of upto 26% of the paid up capital of MT Educare Ltd., Zee Learn Limited had made an open offer for the shares of MT Educare Ltd. In compliance with the requirement of the SEBI (SAST) Regulation, the aforesaid said shares had to be kept in an Escrow account till the open offer process was complete. Currently Zee learn Limited is a Non- Promoter and post open offer will be classified as Promoter.



AUDITOR'S CERTIFICATE REGARDING COMPLIANCE OF CORPORATE GOVERNANCE

To
The Members
MT Educare Ltd.
Mumbai.

We have examined the compliance of conditions of Corporate Governance by MT Educare Limited, for the year ended on March 31, 2018 as stipulated under Regulation 34 (3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said Listing Regulations.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the Directors and the Management, we certify that the Company has complied with the mandatory conditions of Corporate Governance as stipulated in relevant regulation(s) of above mentioned Listing Regulations.

We state that such compliance is neither an assurance as to future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **Manish Ghia & Associates**
Company Secretaries

Manish L. Ghia
Partner

M. No. FCS 6252 C.P. No. 3531

Place : Mumbai
Date: June 5, 2018

Certification by the Chief Executive Officer (CEO) and Chief Financial Officer (CFO) on Financial Statements of the Company:

(Pursuant to Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

We, Mahesh R. Shetty, Chairman and Managing Director and Sandesh Naik, Chief Finance Officer of MT Educare Limited, certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended March 31, 2018 and to the best of our knowledge and belief:
 - a) these statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading and
 - b) these statements together present a true and fair view of the Company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. there are, to the best of our knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or in violation of the Company's code of conduct;
3. We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify the identified deficiencies; and
4. We have indicated, based on our most recent evaluation, wherever applicable, to the Auditors and the Audit Committee:
 - i. significant changes, if any, in internal control over financial reporting during the year;
 - ii. significant changes, if any, in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
 - iii. there were no instances of fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place : Mumbai
Date : May 29, 2018

Mahesh R. Shetty
Chairman And Managing Director

Sandesh Naik
Chief Financial Officer

Independent Auditor's Report

To The Members of MT Educare Limited

Report on the Standalone Ind AS Financial Statements

We have audited the accompanying standalone Ind AS financial statements of MT Educare Limited ("the Company") which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone Ind AS financial statements that give a true and fair view of the state of affairs (financial position), profit or loss (financial performance including other comprehensive income), cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended, and the accounting principles generally accepted in India.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone Ind AS financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit of the standalone Ind AS financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone Ind AS financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the state of affairs (financial position) of the Company as at March 31, 2018, and its loss (financial performance including other comprehensive income), its cash flows and the changes in equity for the year ended on that date.

Other Matters

The comparative financial information of the Company for the year ended March 31, 2017 included in these standalone Ind AS financial statements is based on the previously issued statutory standalone financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 on which we issued unmodified audit opinion vide our reports dated May 11, 2017, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have also been audited by us.

The opening standalone balance sheet as at the transition date April 1, 2016 included in these standalone Ind AS financial statements, is based on the previously issued statutory standalone financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2016 dated May 17, 2016 expressed an unmodified audit opinion on those standalone financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Cash Flows and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid standalone Ind AS financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors as on March 31, 2018 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in '**Annexure A**'.
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014,
- as amended, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Ind AS financial statements – Refer Note 31.1 to the standalone Ind AS financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.
2. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of sub-section 11 of Section 143 of the Act, we give in the '**Annexure B**', a statement on the matters specified in paragraphs 3 and 4 of the Order.

For MSKA & Associates
(Formerly known as 'MZSK & Associates')
Chartered Accountants
ICAI Firm Registration No. 105047W

Vishal Vilas Divadkar
Partner
Membership No.118247

Place: Mumbai
Date: May 29, 2018

‘ANNEXURE A’ TO THE INDEPENDENT AUDITOR’S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF MT EDUCARE LIMITED

[Referred to in paragraph 1(f) under ‘Report on Other Legal and Regulatory Requirements’ in the Independent Auditor’s Report of even date to the Members of MT Educare Limited on the Standalone Ind AS Financial Statements for the year ended March 31, 2018]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of MT Educare Limited (“the Company”) as of March 31, 2018, in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the “Guidance Note”). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors’ Responsibility

Our responsibility is to express an opinion on the Company’s internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor’s judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial

reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note.

For **MSKA & Associates**
(Formerly known as 'MZSK & Associates')
Chartered Accountants
ICAI Firm Registration No. 105047W

Vishal Vilas Divadkar
Partner
Membership No.118247

Place: Mumbai
Date: May 29, 2018

'ANNEXURE B' TO INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE IND AS FINANCIAL STATEMENTS OF MT EDUCARE LIMITED FOR THE YEAR ENDED MARCH 31, 2018

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report]

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the fixed assets have not been physically verified by the management during the year. However, there is a regular program of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The Company is involved in the business of rendering services. Accordingly, the provisions stated in paragraph 3(ii) of the Order are not applicable to the Company.
- iii. The Company has granted unsecured loans to 5 companies covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
- (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the rate of interest and other terms and conditions on which the loans have been granted to the companies listed in the register maintained under Section 189 of the Act are not, prima facie, prejudicial to the interest of the Company.
- (b) In case of the loans granted to the companies listed in the register maintained under Section 189 of the Act, we have been informed that repayment of principal and payment of interest are on demand. In our opinion and based on the information and explanation provided to us, we did not notice any delay in repayment of principal and payment of interest if demanded by the Company during the year.
- (c) There are no amounts overdue for more than ninety days in respect of the loans granted to companies listed in the register maintained under Section 189 of the Act.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, in respect of loans, investments, guarantees and security made.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the rules framed there under.
- vi. We have broadly reviewed the books of account relating to materials, labour and other items of cost maintained by the Company pursuant as specified by the Central Government for the maintenance of cost records under sub-section (1) of Section 148 of the Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and the records of the Company examined by us, in our opinion, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, value added tax and any other statutory dues applicable to it.
- As explained to us, the Company did not have any dues on account of duty of customs, duty of excise and cess.
- (b) According to the information and explanation given to us and examination of records of the Company, there are no dues of income-tax, sales-tax, service tax and value added tax which have not been deposited on account of any dispute, except for:

Name of the statute	Nature of dues	Amount (₹ in lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Income Tax	67.28*	A.Y. 2007-08	CIT Appeals	-

*No amount has been paid under protest.

As explained to us, the Company did not have any dues on account of custom duty, excise duty and cess.

- viii. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to the financial institutions or banks.
- As explained to us, there are no amounts due to government and debenture holders.
- ix. In our opinion, according to the information and explanation provided to us, money raised by way of term loans during the year have been applied for the purpose for which they were raised.

As explained to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year.

- x. During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees.
- xi. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid / provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the Ind AS financial statements as required by the applicable Indian Accounting Standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the

Company, the Company has made preferential allotment and private placement of equity shares during the year and the requirements of Section 42 of the Act have been complied with. The amounts were raised in the month of March, 2018 and have not been used for the purposes for which they were raised and the same are lying in escrow account.

- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.
- xvi. In our opinion, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions stated in paragraph 3(xvi) of the Order are not applicable to the Company.

For MSKA & Associates
(Formerly known as 'MZSK & Associates')
Chartered Accountants
ICAI Firm Registration No. 105047W

Vishal Vilas Divadkar
Partner
Membership No.118247

Place: Mumbai
Date: May 29, 2018

Balance Sheet

as at March 31, 2018

₹ in lakhs

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	4	3,052.52	3,945.38	4,327.38
Capital work-in-progress		10.57	1.99	46.67
Goodwill	4	-	-	-
Other intangible assets	4	1,230.66	2,117.88	897.30
Intangible assets under development		48.85	324.65	827.95
Financial Assets				
-Investments	5	1,761.96	1,759.96	1,759.96
-Loans	6	3,551.22	7,591.30	9,564.04
-Other financial assets	7	226.75	-	-
Deferred tax assets (net)	33	8,492.32	1,880.34	1,311.10
Other non-current assets	8	1,271.84	1,769.86	1,211.16
Total non-current assets		19,646.69	19,391.36	19,945.56
Current assets				
Inventories		-	-	42.74
Financial assets				
-Trade receivables	9	1,184.82	9,336.95	3,361.62
-Cash and cash equivalents	10	118.45	1,578.01	804.96
-Bank balances other than cash and cash equivalents	11	20,026.71	30.12	23.41
-Loans	12	870.73	2,950.79	639.65
-Other financial assets	13	3,247.19	1,242.97	275.64
Other current assets	14	208.61	738.52	1,074.71
Total current assets		25,656.51	15,877.36	6,222.73
TOTAL ASSETS		45,303.20	35,268.72	26,168.29
EQUITY AND LIABILITIES				
Equity				
Equity share capital	15	7,178.50	3,982.08	3,982.08
Other equity	16	13,722.71	9,572.42	10,234.63
Total equity		20,901.21	13,554.50	14,216.71
Liabilities				
Non-current liabilities				
Financial Liabilities				
- Borrowings	17	10,052.81	2,013.53	-
Provisions	18	275.07	211.84	146.44
Other non-current liabilities	19	325.09	210.94	546.27
Total non-current liabilities		10,652.97	2,436.31	692.71

Balance Sheet

as at March 31, 2018

₹ in lakhs

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Current liabilities				
Financial Liabilities				
- Borrowings	20	4,424.92	12,441.58	3,499.00
- Trade payables	21	1,971.65	1,582.38	372.23
- Other financial liabilities	22	2,379.53	448.99	1,023.08
Other current liabilities	23	4,836.30	3,925.57	4,458.41
Provisions	24	136.62	879.39	1,906.15
Total current liabilities		13,749.02	19,277.91	11,258.87
Total liabilities		24,401.99	21,714.22	11,951.58
TOTAL EQUITY AND LIABILITIES		45,303.20	35,268.72	26,168.29
Summary of significant accounting policies and notes	1-2			

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **MSKA & Associates** (Formerly known as MZSK & Associates)
Chartered Accountants
Firm Registration No. : 105047W

**For and on behalf of the Board of Directors of
MT Educare Limited**
CIN: L80903MH2006PLC163888

Vishal Vilas Divadkar
Partner
Membership No.:118247

Mr Mahesh Shetty
Chairman and Managing Director
DIN - 01526975

Mr Naarayanan Iyer
Director
DIN - 00295246

Mr Sandesh Naik
Chief Financial Officer

Place : Mumbai
Date : May 29, 2018

Place : Mumbai
Date : May 29, 2018

Statement of Profit and Loss

for the year ended March 31, 2018

₹ in lakhs

Particulars	Note No.	For the Year ended March 31, 2018	For the Year ended March 31, 2017
1 Income			
Revenue from Operations	25	18,111.00	25,256.70
Other income	26	1,441.84	1,296.31
Total Income		19,552.84	26,553.01
2 Expenses			
Direct expenses	27	10,375.94	11,605.11
Employee benefits expense	28	3,471.95	3,612.29
Finance costs	29	2,054.64	1,346.68
Depreciation and amortisation expense	4	1,860.98	1,729.01
Other expenses	30	20,507.68	8,101.26
Total Expenses		38,271.19	26,394.35
3 (Loss) / Profit before tax (1-2)		(18,718.35)	158.66
4 Tax expense:			
(a) Current tax		-	705.62
(b) Adjustments for earlier years		44.20	24.17
(c) Deferred tax credit	33	(6,615.52)	(572.92)
		(6,571.32)	156.87
5 (Loss)/ Profit for the year (3 - 4)		(12,147.03)	1.79
6 Other Comprehensive Income (OCI)			
Items that will not be reclassified to statement of profit and loss			
i. Remeasurement of defined benefit plan		10.22	10.67
ii. Income tax related to (i) above	33	(3.54)	(3.69)
Total other comprehensive income		6.68	6.98
7 Total comprehensive (loss)/ income for the year (5+6)		(12,140.35)	8.77
8 Earnings/ (loss) per share [Nominal value per share ₹10 each (Previous Year ₹10 each)]:	32		
Basic (₹)		(30.17)	0.0045
Diluted (₹)		(30.17)	0.0045
Summary of significant accounting policies and notes	1-2		

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **MSKA & Associates** (Formerly known as MZSK & Associates)
Chartered Accountants
Firm Registration No. : 105047W

Vishal Vilas Divadkar
Partner
Membership No.: 118247

Place : Mumbai
Date : May 29, 2018

For and on behalf of the Board of Directors of
MT Educare Limited
CIN: L80903MH2006PLC163888

Mr Mahesh Shetty
Chairman and Managing Director
DIN - 01526975

Mr Naarayanan Iyer
Director
DIN - 00295246

Mr Sandesh Naik
Chief Financial Officer

Place : Mumbai
Date : May 29, 2018

Statement of Cash Flows

for the year ended March 31, 2018

₹ in lakhs

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
A. Cash flow from operating activities		
(Loss) / Profit before tax	(18,718.35)	158.66
Adjustments for:		
Depreciation and amortisation	1,860.98	1,729.01
Interest income	(1,408.58)	(1,286.01)
Finance Cost	1,945.73	1,098.05
Dividend income	(0.01)	(0.01)
Net gain on sale of investments	-	(0.86)
Net loss on sale of Property, Plant & Equipment and intangible assets written off	455.06	165.45
Allowance for doubtful debts and advances	15,642.30	2,101.40
Bad debts written off	17.32	-
Liabilities no longer written back (net)	(23.29)	-
Employee stock option expense	67.82	-
Operating (loss) / profit before working capital changes	(161.02)	3,965.69
Changes in working capital:		
(Increase) in Trade receivables	(1,162.61)	(5,975.33)
(Increase) in other assets	(27,675.46)	(3,466.21)
Decrease in Inventories	-	42.74
Increase in Trade payables	412.57	1,210.15
Increase/(Decrease) in Other Liabilities & Provisions	1,128.21	(1,305.49)
Cash used in operations	(27,458.31)	(5,528.45)
Net income tax paid	(357.74)	(1,409.88)
Net cash used in operating activities (A)	(27,816.05)	(6,938.33)
B. Cash flow from investing activities		
Proceeds from sale of property, plant and equipment	113.35	52.33
Capital expenditure on property, plant and equipment, including movement in intangible assets under development and capital advances	(242.31)	(2,377.41)
Sale of Current investments	-	800.86
Purchase of Current investments	-	(800.00)
Investment in Subsidiaries	(2.00)	-
Loans and advances given	5,558.45	131.45
Interest received	1,623.67	688.79
Dividend on non current investments received	0.01	0.01
Net cash flow from / (used in) investing activities (B)	7,051.17	(1,503.97)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
C. Cash flow from financing activities		
Proceeds from issue of equity shares	20,000.00	-
Proceeds from non current borrowings	8,039.28	2,013.53
(Repayment)/proceeds of current borrowings (Net)	(6,193.17)	8,859.95
Share Issue Expenses	(580.77)	-
Finance Cost paid	(1,960.02)	(987.15)
Dividend paid	-	(557.49)
Tax on dividend paid	-	(113.49)
Net cash flow from financing activities (C)	19,305.32	9,215.35
Net (decrease)/increase in Cash and cash equivalents (A+B+C)	(1,459.56)	773.05
Cash and cash equivalents at the beginning of the year	1,578.01	804.96
Cash and cash equivalents at the end of the year (Refer note 10)	118.45	1,578.01
Cash and cash equivalents at the end of the year *		
* Comprises:		
Balances with banks in current accounts	118.45	1,578.01
	118.45	1,578.01

Notes

The above Statement Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows".

Amendment to Ind AS 7

The amendment to Ind AS 7 "Statement of Cash Flows" requires the entities to provide disclosures that enables users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendment has become effective from April 1, 2017 and the required disclosure is made below. There is no other impact on the financial statements due to this amendment.

₹ in lakhs

	As at March 31, 2017	Cash flows	Fair value changes	Current/ non current classification	As at March 31, 2018
Borrowings - Non current liabilities	2,013.53	10,032.29	(183.81)	(1,809.20)	10,052.81
Other financial liabilities	28.25	-	-	1,809.20	1,837.45
Borrowings - current	12,441.58	(8,016.66)	-	-	4,424.92

As per our report of even date attached

For **MSKA & Associates** (Formerly known as MZSK & Associates)
Chartered Accountants
Firm Registration No. : 105047W

Vishal Vilas Divadkar
Partner
Membership No.: 118247

Place : Mumbai
Date : May 29, 2018

**For and on behalf of the Board of Directors of
MT Educare Limited**
CIN: L80903MH2006PLC163888

Mr Mahesh Shetty
Chairman and Managing Director
DIN - 01526975

Mr Naarayanan Iyer
Director
DIN - 00295246

Mr Sandesh Naik
Chief Financial Officer

Place : Mumbai
Date : May 29, 2018

Statement of Changes in Equity

for the year ended March 31, 2018

A) Equity share capital

₹ in lakhs

Particulars	As at	As at
	March 31, 2018	March 31, 2017
Balance at the beginning of the reporting period	3,982.08	3,982.08
Changes in equity share capital during the year	3,196.42	-
Balance at the end of the reporting year	7,178.50	3,982.08

B) Other equity

₹ in lakhs

Particulars	Reserves and Surplus				Total
	General reserve	Securities premium reserve	Employee stock options outstanding account	Retained earnings	
Balance as on April 1, 2016 (A)	7,068.99	3,177.37	-	(11.73)	10,234.63
Additions during the year:					
Net Profit for the year	-	-	-	1.79	1.79
Items of OCI for the year, net of tax					
- Remeasurement of defined benefit plan	-	-	-	6.98	6.98
Total comprehensive income for the year (B)	-	-	-	8.77	8.77
Reductions during the year:					
Final Dividend	-	-	-	(557.49)	(557.49)
[Dividend per share ₹ 1.40]					
Tax on final dividend	-	-	-	(113.49)	(113.49)
Transferred to General reserve	(669.19)	-	-	669.19	-
Total (C)	(669.19)	-	-	(1.79)	(670.98)
Balance as on March 31, 2017 D=A+B+C	6,399.80	3,177.37	-	(4.75)	9,572.42
Add : Securities Premium credited on shares issue	-	16,803.58	-	-	16,803.58
Less: Transaction costs arising on share issue	-	(580.76)	-	-	(580.76)
Add: Employee stock option expense	-	-	67.82	-	67.82
Total (E)	-	16,222.82	67.82	-	16,290.64
Additions during the year:					
Net (Loss) for the year	-	-	-	(12,147.03)	(12,147.03)
Items of OCI for the year, net of tax					
- Remeasurement of defined benefit plan	-	-	-	6.68	6.68
Total comprehensive loss for the year (F)	-	-	-	(12,140.35)	(12,140.35)
Reductions during the year:					
Transferred to General reserve	(12,147.03)	-	-	12,147.03	-
Total (G)	(12,147.03)	-	-	12,147.03	-
Balance as on March 31, 2018 H= D+E+F+G	(5,747.23)	19,400.19	67.82	1.93	13,722.71

The accompanying notes are an integral part of these financial statements

As per our report of even date attached

For **MSKA & Associates** (Formerly known as MZSK & Associates)
Chartered Accountants
Firm Registration No. : 105047W

Vishal Vilas Divadkar
Partner
Membership No.:118247

Place : Mumbai
Date : May 29, 2018

For and on behalf of the Board of Directors of
MT Educare Limited
CIN: L80903MH2006PLC163888

Mr Mahesh Shetty
Chairman and Managing Director
DIN - 01526975

Mr Naarayanan Iyer
Director
DIN - 00295246

Mr Sandesh Naik
Chief Financial Officer

Place : Mumbai
Date : May 29, 2018

Notes forming part of the financial statements

for the year ended March 31, 2018

1 Corporate information

MT Educare Limited ('MTEL' or 'the Company') is an education support and coaching services provider for students in the secondary and higher secondary school and for students pursuing graduation degree in commerce, preparing for various competitive examinations and undertaking chartered accountancy examinations.

The Company is a public limited company domiciled in India and is incorporated under the provisions of Companies Act, 1956. The Company's share are listed on two recognised stock exchanges - National Stock Exchange and Bombay Stock Exchange.

2 Summary of significant accounting policies

2.1 Basis of accounting and preparation of financial statements

(a) Statement of Compliance with Ind AS

These financial statements of the Company (also referred to as standalone financial statements) have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The financial statements for all periods and including up to year ended March 31, 2017 were prepared in accordance with the accounting standards notified under the Section 133 of the Act, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (IGAAP).

These financial statements for the year ended March 31, 2018 are the first set of financial statements prepared in accordance with Ind AS. Refer note 3.2 for an explanation on how transition from IGAAP to Ind AS has affected the financial position, financial performance and cash flows of the Company.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of business and the time between the acquisition of assets for processing and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

(b) Basis of measurement

The financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:-

- i) Certain financial assets and liabilities measured at fair value
- ii) Share based payment measured at fair value
- iii) defined benefit plans – plan assets measured at fair value

The financial statements are prepared in Indian Rupees (₹) and all values are rounded off to the nearest lakhs, except when otherwise indicated.

(c) Significant accounting estimates and judgements

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes together with the accounting policies:

Note - Recognition and measurement of deferred tax asset

Note – Impairment of assets (both financial and non-financial)

Note - Fair value measurement of financial instruments

Note – Useful life of Property, plant and equipment, Intangible assets and Intangible assets under development

2.2 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

Notes forming part of the financial statements

for the year ended March 31, 2018

For the purpose of the Statement of Cash Flows, cash and cash equivalents consist of cash at bank and on hand and short-term deposits, as defined above, net of bank overdrafts as they are considered an integral part of the Company's cash management.

2.3 Tangible assets, Capital work in progress and Capital advances

An item of Property, Plant and Equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of Property, Plant and Equipment are carried out at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price, borrowing costs, if capitalization criteria are met and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight, and installation and allocated incidental expenditure during construction/acquisition and exclusive of CENVAT credit or other tax credit available to the Company.

The Company identifies and determines cost of each part of an item of Property, Plant and Equipment separately, if the part has a cost which is significant to the total cost of that item of Property, Plant and Equipment and has useful life that is materially different from that of the remaining item.

Subsequent expenditure relating to tangible assets is capitalized only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Rent paid for the period beginning/commencing from taking over vacant possession of the premises and ending with the date of completion of project/improvements or for a period of 3 months, whichever is earlier, is capitalized under leasehold improvements.

In case of centers closed down or relocated during the period, Written Down Value (WDV) of leasehold improvements / fixtures as on the date on which the centre is closed down / relocated are completely written off.

Capital Work-In-Progress are assets that are not ready for the intended use as at the Balance Sheet date. Capital advances represents advances given towards acquisition of property, plant and equipment and are outstanding as at the Balance Sheet date.

2.4 Intangible assets and Intangible assets under development

Intangible assets acquired separately:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated

amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets acquired in a business combination:

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, if any.

Internally generated Intangible Assets – Research and Development Expenditure:

Expenditure on research activities is recognised in Statement of Profit and Loss in the period in which it is incurred. An internally generated intangible asset arising from development is recognised if and only if it meets the recognition criteria of intangible assets. The amount initially recognised is the sum total of expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no intangible asset can be recognised, development expenditure is recognised in Statement of Profit and Loss in the period in which it is incurred. Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets under development:

Expenses incurred on in-house development of courseware and products are shown as Intangible asset under development till the asset is ready to use. They shall be capitalized either individually or as a knowledge bank in the form of Technology Aided Teaching (TAT) / Multimedia Software. Their technical feasibility and ability to generate future economic benefits is established in accordance with the requirements of Ind AS 38, "Intangible Assets".

2.5 Depreciation and Amortisation

Depreciation is calculated on a straight-line basis to allocate the cost of assets, net of their residual values, if any, over their estimated useful lives. Components having value significant to the total cost of the asset and life different from that of the main asset are depreciated over its useful life. The useful lives have been determined based on technical evaluation in line with useful lives mentioned in Schedule II to the Act except for air-conditioners, office equipments and computer hardware where the

Notes forming part of the financial statements

for the year ended March 31, 2018

management believes the revised useful life of these assets correctly reflect the periods over which the assets are expected to be used. Useful life for Air-conditioners, Office equipments and Computer hardware is 6, 4 and 4 years respectively, which are grouped under Plant & Machinery (including office equipments) and computers and e-learning equipments.

Residual values, useful life of assets and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year with the effect of any changes in the estimate is accounted for on a prospective basis.

Amortization of the intangible assets is provided on pro-rata basis on straight line basis based on management's technical assessment of useful life of the assets:

- (i) A period of 3 years on non-compete fees and Technology Aided Teaching (TAT)
- (ii) A period of 3 years on goodwill, based on management's current estimate of useful life of the asset
- (iii) A period of 5 years on ERP - SAP Software
- (iv) A period of 5 years on purchase of License for Online teaching
- (v) A period of 3 years for content

2.6 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Company reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. If the recoverable amount of the asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount.

An impairment loss is recognised in Statement of Profit and Loss.

2.7 Revenue recognition

Revenue is recognized to the extent that it is probable that economic benefits will flow to the Company and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of returns, rebates and discounts, if any, and excluding taxes or duties collected on behalf of the Government.

Revenue from fees received is recognized equally over the period of service rendered (i.e. course duration). Fees relating to the courses starting beyond the Balance Sheet date are accounted for as 'Advance fees'. Discounts / concessions if any, are accounted for separately in a similar manner and are netted off from 'Advance Fees'.

Revenue from sale of hardware/content is recognised upon transfer of significant risk and rewards of ownership of the goods to the customer via online/offline delivery, wherever applicable, while the Company retains neither continuing managerial involvement nor the effective control.

Revenue from government projects is recognised using percentage of completion method based on the achievement of milestones.

Management fees includes fees for services rendered and is recognised using percentage of completion method based on the achievement of milestones.

2.8 Other income

Interest income from a financial asset is recognised on a time basis, by reference to the principal outstanding using the effective interest method provided it is probable that the economic benefits associated with the interest will flow to the Company and the amount of interest can be measured reliably. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement or underlying arrangement in case of sales provided that it is probable that the economic benefits associated with the royalty shall flow to the Company and the amount of royalty can be measured reliably.

Dividend income from investments is recognised when the Company's right to receive dividend is established provided it is probable that the economic benefits associated with the dividend will flow to the Company as also the amount of dividend income can be measured reliably.

Notes forming part of the financial statements

for the year ended March 31, 2018

2.9 Foreign currency transactions and translations

Initial recognition:

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Indian rupee (₹), which is the Company's functional and presentation currency. Foreign currency transactions are recorded in the functional currency by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing exchange rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.

Exchange differences:

Exchange differences arising on the settlement of monetary items or on reporting the Company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they occur.

2.10 Employee benefits

Employee benefits include Provident Fund, Employee State Insurance Scheme, Gratuity and Compensated Absences.

Defined contribution plan:

The Company contribution to Provident Fund and Employee State Insurance are considered as defined contribution plan and are recognised as an expense in the Statement of Profit and Loss based on the amount of contribution required to be made as and when services are rendered by the employees. The Company has no further obligations under these plans beyond its monthly contributions.

Defined benefit plan:

For Defined Benefit Plans in the form of Gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest) is reflected immediately in the

Balance Sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Remeasurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to Statement of Profit and Loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Balance Sheet represents the present value of the defined benefit obligation, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited taking into account the present value of available refunds and reductions in future contributions to the schemes.

Short term and Other Long term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits, employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Company in respect of services provided by employees up to the reporting date.

2.11 Share based payments

Senior executives employees of the Company receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Company's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the Statement of Profit and Loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

Notes forming part of the financial statements

for the year ended March 31, 2018

2.12 Leases

Operating Leases

Leases where the lessor effectively retains substantially all risks and benefits of ownership of the leased premises during the lease term are classified as 'Operating Lease'. Operating lease payments are recognized as an expense in the Statement of Profit and Loss on a monthly accrual basis as per agreements, except in case of newly rented premises where the rent paid for the period beginning/commencing from taking over vacant possession of premises and ending with date of completion of the improvements / project or rent paid for 3 months, whichever is earlier, is capitalized and added to the cost of leasehold improvements.

Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

2.13 Earnings per share

Basic Earnings Per Share is calculated by dividing the Net profit / loss after tax for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted average numbers of equity shares outstanding during the period and for all periods presented are adjusted for events of bonus, granting and vesting employee stock options to employees. For the purpose of calculating diluted earnings per share, the net profit / loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.14 Tax Expense

Tax expense represents the sum of the tax currently payable and deferred tax.

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Company's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax basis used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Company expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Current and deferred tax are recognised in Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

2.15 Provisions, Contingent liabilities, contingent assets and commitments

A provision is recognized when there is a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources will be required to fulfill the obligation and in respect of which reliable estimate can be made. Provisions other than employee benefits are not discounted to their present value and are determined based on best estimate required to fulfill the obligation at the Balance Sheet date. These are reviewed at each Balance Sheet date and adjusted to reflect the best current estimate.

Contingent liabilities are not recognized but are disclosed in the notes to the financial statements where an inflow of economic benefits is probable.

Contingent assets are neither recognized nor disclosed in the financial statements.

Notes forming part of the financial statements

for the year ended March 31, 2018

Commitments include the amount of purchase order (net of advances) issued to parties for construction / completion of assets.

2.16 Inventory

Inventories comprise of tablets and SD cards.

Inventories are valued at lower of Cost and Net realisable value. Cost of inventories is determined on a weighted-average basis. Cost for this purpose includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

Provision of obsolescence on inventories is made on the basis of management's estimate based on demand and market of the inventories.

2.17 Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred over the net of acquisition-date amounts of the identifiable assets acquired and the liabilities assumed. Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Company's cash generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each assets in the unit. Any impairment loss for goodwill is recognised directly in Statement of Profit and Loss.

An impairment loss recognised for goodwill is not reversed in subsequent periods.

2.18 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM) of the Company. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Company.

2.19 Borrowings and borrowing cost

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of cost of asset, if any. All other borrowing costs are expensed in the period in which they occur.

Borrowing cost includes interest, amortization of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

2.20 Business combinations

Business combinations are accounted for using the 'Acquisition Method'. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognized in accordance with the requirements of Ind AS 12 "Income Taxes" and Ind AS 19 "Employee Benefits", respectively

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as 'Goodwill'. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as 'Capital Reserve'. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Statement of Profit and Loss in the period in which they are incurred.

In case of business combinations involving entities under common control, the above policy does not apply.

Notes forming part of the financial statements

for the year ended March 31, 2018

Business combinations involving entities under common control are accounted for using the 'Pooling of Interests Method'. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as 'Capital Reserve' under equity.

2.21 Events after the reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed as at the end of the reporting period, the impact of such events is adjusted within the financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.22 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement of financial assets and financial liabilities

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. At initial recognition, financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at Fair Value through Profit or Loss are recognised in the Statement of Profit and Loss.

(a) Financial assets

(i) Subsequent measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Debt instruments that meet conditions based on purpose of holding assets and contractual terms of instrument are subsequently measured at amortised cost using effective interest method. All other financial assets are measured at fair value. Income is recognised on an effective interest basis for debt

instruments other than those financial assets classified as Fair Value Through Profit or Loss. Interest income is recognised in profit or loss and is included in the "Other income" line item.

(ii) Impairment of financial asset

The Company applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables
- ii. Financial assets measured at amortized cost (other than trade receivables)
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Company follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognized as loss allowance.

In case of other assets (listed as ii and iii above), the Company determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognized as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognized as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Company reverts to recognizing impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking

Notes forming part of the financial statements

for the year ended March 31, 2018

into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income/ expense in the Statement of Profit and Loss under the head 'Other expenses'

(b) Financial liabilities and equity instruments

(i) Classification of debt or equity

Debt or equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instrument.

(ii) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Company are recognised at the proceeds received, net of direct issue costs.

(iii) Financial liabilities

All financial liabilities (other than derivative financial instruments) are measured at amortised cost using effective interest method at the end of reporting periods.

Derecognition of financial assets and financial liabilities

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or when the Company transfers the contractual rights to receive the cash flows of the financial asset in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Company neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and does not retain control of the financial asset. The Company derecognises a financial liability (or a part of financial liability) when the contractual obligation is discharged, cancelled or expires.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there

is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.23 Fair value measurement

The Company measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

3 Transition to Ind AS

For the purposes of reporting as set out in Note 2.1, the Company has transitioned basis of accounting from Indian generally accepted accounting principles ("IGAAP") to Ind AS. The accounting policies set out in note 2.1 have been applied in preparing the financial statements for the year ended March 31, 2017 and in the preparation of an opening Ind AS balance sheet at April 1, 2016 (the "transition date").

Notes forming part of the financial statements

for the year ended March 31, 2018

In preparing opening Ind AS balance sheet, Company has adjusted amounts reported in financial statements prepared in accordance with IGAAP. An explanation of how the transition from IGAAP to Ind AS has affected the company's financial performance, cash flows and financial position is set out in the following tables and the notes that accompany the tables. On transition, we did not revise estimates previously made under IGAAP except where required by Ind AS.

A. Exemptions availed

Ind AS 101 "First-time adoption of Indian Accounting Standards", allows first-time adopters, exemptions from the retrospective application and exemption from application of certain requirements of other Ind AS. The Company has availed the following exemptions as per Ind AS 101:

1) Past Business Combination

The Company has elected not to apply Ind AS 103 "Business Combination" retrospectively to past business combination that occurred before the transition date of April 1, 2016.

2) Investment in subsidiaries

Ind AS 101 allows a first time adopter to record the carrying value of investment in subsidiaries as per IGAAP at transition date as deemed cost under Ind AS.

Accordingly, the Company has elected to carry its investment in subsidiaries at IGAAP carrying value on transition date.

3) Deemed Cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment as recognised in the financial statements as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 "Intangible Assets".

Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their IGAAP carrying value.

4) Arrangement containing a lease

Ind AS 101 provides the option to determine whether an arrangement existing at date of transition is, or contains, a lease based on the facts and circumstances at that date and not at lease start date.

Accordingly, the Company has elected to determine arrangement existing at the date of transition and not at lease start date.

3.1 Recent accounting pronouncements

(a) Standards issued but not yet effective

In March 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115, "Revenue from Contract with Customers."

These amendments are in line with recent amendments made by International Accounting Standards Board (IASB). These amendments are applicable to the company from April 1, 2018. The company will be adopting the amendments from their effective date.

Ind AS 115, "Revenue from contract with customers"

Ind AS 115, supersedes Ind AS 11, "Construction contracts" and Ind AS 18, "Revenue". Ind AS 115 requires an entity to follow a five step model to account from revenue arising from contracts with customers. The principles of Ind AS 115 is that an entity should recognise revenue that demonstrates the transfer of promised goods and services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard can be applied either (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 "Accounting policies, changes in accounting estimates and errors," or (ii) can be applied retrospectively with recognition of cumulative effect of contracts that are not completed contracts at the date of initial application of the standard.

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for the year ended March 31, 2018

Based on the preliminary assessment performed by the Company, the impact of application of the standard is not expected to be material.

(b) Amendment to Existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:

- i. Ind AS 21 "The Effects of Changes in Foreign Exchange Rates"
- ii. Ind AS 12 "Income Taxes"

The Company is evaluating the requirement of the amendments and the impact on the financial statements. Based on the management's view, the effect of the amendments, if any, on the financial statements is expected to be insignificant.

3.2 Reconciliations

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101, "First-time Adoption of Indian Accounting Standards":

Notes forming part of the financial statements

for the year ended March 31, 2018

(a) Reconciliation of equity as at date of transition April 1, 2016

₹ in lakhs

	Notes to first-time adoption - Note 3.3	IGAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		4,327.38	-	4,327.38
Capital work-in-progress		46.67	-	46.67
Other Intangible assets		897.30	-	897.30
Intangible asset under development		827.95	-	827.95
Financial assets				
Investments		1,759.96	-	1,759.96
Loans	(ii)	10,547.70	(983.66)	9,564.04
Deferred tax asset (net)	(vi)	776.83	534.27	1,311.10
Other non-current assets	(ii)	227.50	983.66	1,211.16
Total non-current assets		19,411.29	534.27	19,945.56
Current assets				
Inventories		42.74	-	42.74
Financial assets				
Trade receivables	(iv)	3,961.62	(600.00)	3,361.62
Cash and cash equivalents		804.96	-	804.96
Bank Balances other than Cash and Cash Equivalents		23.41	-	23.41
Loans		639.65	-	639.65
Other financial assets		275.64	-	275.64
Other current assets		1,074.71	-	1,074.71
Total current assets		6,822.73	(600.00)	6,222.73
Total assets		26,234.02	(65.73)	26,168.29
EQUITY AND LIABILITIES				
Equity				
Equity share capital		3,982.08	-	3,982.08
Other equity	(ii to ix)	10,573.12	(338.49)	10,234.63
Total equity		14,555.20	(338.49)	14,216.71

Notes forming part of the financial statements

for the year ended March 31, 2018

	Notes to first-time adoption - Note 3.3	IGAAP*	Adjustments	Ind AS
Liabilities				
Non-current liabilities				
Financial liabilities				
Provisions		146.44	-	146.44
Other non-current liabilities		546.27	-	546.27
Total non-current liabilities		692.71	-	692.71
Current liabilities				
Financial liabilities				
Borrowings		3,499.00	-	3,499.00
Trade payables		372.23	-	372.23
Other financial liabilities		1,023.08	-	1,023.08
Other current liabilities	(v)	3,514.67	943.74	4,458.41
Provisions	(ix)	2,577.13	(670.98)	1,906.15
Total current liabilities		10,986.11	272.76	11,258.87
Total liabilities		11,678.82	272.76	11,951.58
Total equity and liabilities		26,234.02	(65.73)	26,168.29

*The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

(b) Reconciliation of equity as at March 31, 2017

₹ in lakhs

	Notes to first-time adoption - Note 3.3	IGAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		3,945.38	-	3,945.38
Capital work-in-progress		1.99	-	1.99
Other Intangible assets		2,117.88	-	2,117.88
Intangible asset under development		324.65	-	324.65
Financial assets				
Investments		1,759.96	-	1,759.96
Loans	(ii) and (iv)	10,601.97	(3,010.67)	7,591.30
Deferred tax asset (net)	(vi)	784.56	1,095.78	1,880.34
Other non-current assets	(ii)	826.44	943.42	1,769.86
Total non-current assets		20,362.83	(971.47)	19,391.36
Current assets				
Financial assets				

Notes forming part of the financial statements

for the year ended March 31, 2018

	Notes to first-time adoption - Note 3.3	IGAAP*	Adjustments	Ind AS
Trade receivables	(iv)	9,936.95	(600.00)	9,336.95
Cash and cash equivalents		1,578.01	-	1,578.01
Bank Balances other than Cash and Cash Equivalents		30.12	-	30.12
Loans		2,950.79	-	2,950.79
Other financial assets		1,242.97	-	1,242.97
Other current assets		738.52	-	738.52
Total current assets		16,477.36	(600.00)	15,877.36
Total assets		36,840.19	(1,571.47)	35,268.72
EQUITY AND LIABILITIES				
Equity				
Equity share capital		3,982.08	-	3,982.08
Other equity	(ii to ix)	11,643.67	(2,071.26)	9,572.41
Total equity		15,625.75	(2,071.26)	13,554.49
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	(viii)	2,023.51	(9.98)	2,013.53
Provisions		211.84	-	211.84
Other non-current liabilities		210.94	-	210.94
Total non-current liabilities		2,446.29	(9.98)	2,436.31
Current liabilities				
Financial liabilities				
Borrowings		12,441.58	-	12,441.58
Trade payables		1,582.38	-	1,582.38
Other financial liabilities		448.99	-	448.99
Other current liabilities	(v)	3,415.81	509.77	3,925.58
Provisions		879.39	-	879.39
Total current liabilities		18,768.15	509.77	19,277.92
Total liabilities		21,214.44	499.79	21,714.23
Total equity and liabilities		36,840.19	(1,571.47)	35,268.72

*The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Notes forming part of the financial statements

for the year ended March 31, 2018

(c) Reconciliation of profit or loss for the year ended March 31, 2017					₹ in lakhs
	Notes to first-time adoption - Note 3.3	IGAAP*	Adjustments	Ind AS	
Income					
Revenue from operations	(v)	24,822.72	433.98	25,256.70	
Other income	(ii)	1,198.38	97.93	1,296.31	
Total income		26,021.10	531.91	26,553.01	
Expenses					
Direct expenses	(ii)	11,507.18	97.93	11,605.11	
Employee benefit expense	(iii)	3,601.62	10.67	3,612.29	
Finance costs	(viii)	1,356.66	(9.98)	1,346.68	
Depreciation and amortization expense		1,729.01	-	1,729.01	
Other expenses	(iv)	6,034.01	2,067.25	8,101.26	
Total expenses		24,228.48	2,165.87	26,394.35	
Profit before tax		1,792.62	(1,633.96)	158.66	
Tax expense					
Current tax		705.62	-	705.62	
Adjustments for earlier years		24.17	-	24.17	
Deferred tax credit	(vi)	(7.73)	(565.19)	(572.92)	
Total tax expense		722.06	(565.19)	156.87	
Profit for the year		1,070.56	(1,068.77)	1.79	
Other comprehensive income					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Re-measurement gains/ (losses) on defined benefit plans	(iii and vii)	-	10.67	10.67	
Income tax effect	(iii and vii)	-	(3.69)	(3.69)	
Other comprehensive income for the year		-	6.98	6.98	
Total comprehensive income for the year		1,070.56	(1,061.79)	8.77	

* The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Notes forming part of the financial statements

for the year ended March 31, 2018

(d) Reconciliation of total equity as at March 31, 2017 and April 1, 2016 ₹ in lakhs

	Notes to first-time adoption - Note 3.3	As at March 31, 2017	As at April 1, 2016
Shareholder's equity as per IGAAP audited financial statements		15,625.75	14,555.20
Adjustment			
(i) Impact on account of deferred revenue	(v)	(509.76)	(943.74)
(ii) Dividend	(ix)	-	557.49
(iii) Tax on dividend	(ix)	-	113.49
(iv) Impact on account of interest income recognition on security deposits	(ii)	97.93	-
(v) Impact on account of amortisation of prepaid rent	(ii)	(97.93)	-
(vi) Ind AS impact on provisions (net of deferred tax)	(iv) and (vi)	(392.34)	(392.34)
(vii) Impact on account of provision for doubtful debts	(iv)	(2,067.25)	-
(viii) Deferred tax impact of above adjustments	(vi)	888.11	326.61
(ix) Others	(viii)	9.98	-
Shareholder's equity as per Ind AS		13,554.49	14,216.71

(e) Reconciliation of total comprehensive income for the year ended March 31, 2017 ₹ in lakhs

	Notes to first-time adoption - Note 3.3	As at March 31, 2017
Profit as per IGAAP		1,070.56
Adjustment		
(i) Impact on account of deferred revenue	(v)	433.98
(ii) Impact on account of Actuarial gain reclassified to OCI	(iii) and (vii)	(10.67)
(iii) Impact on account of interest income recognition on security deposits	(ii)	97.93
(iv) Impact on account of amortisation of prepaid rent	(ii)	(97.93)
(v) Impact on account of provision for doubtful debts	(iv)	(2,067.25)
(vi) Deferred tax impact	(vi)	561.50
(vii) Other comprehensive income	(iii) and (vii)	10.67
(viii) Others	(viii)	9.98
Total		(1,061.79)
Profit as per Ind AS		8.77

* The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

3.3 Notes to first-time adoption

(i) Lease equalization reserve

Ind AS 17, "Leases", requires lease payments to be recognized on straight-line basis if the increase is not in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. The Company has lease agreements with an escalation clause which is in line with expected general inflation, and hence no straight-lining of the lease payments have been done in Ind AS.

(ii) Security deposit

Under IGAAP, interest-free security deposit (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognized at fair value. Accordingly the Company has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognized as prepaid rent, with a corresponding charge in rent expense and other income. The security deposit in 2016 has reduced by ₹ 983.66 lakhs and 2017 by ₹ 943.42 lakhs with a corresponding increase in prepaid

Notes forming part of the financial statements

for the year ended March 31, 2018

rent. Other income for the year has increased by ₹ 97.93 lakhs in 2017 with a corresponding increase in rent expense, with no impact on retained earnings.

(iii) Defined benefit liabilities

Both under IGAAP and Ind AS, the Company recognized costs related to its post-employment defined benefit plan on an actuarial basis. Under IGAAP, the entire cost, including actuarial gains and losses, are charged to Statement of Profit and Loss. Under Ind AS, re-measurements comprising of actuarial gains and losses are recognized immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI. Thus there is an impact in employee benefit cost with a corresponding amount recognized in OCI amounting to ₹ 6.98 lakhs, net of taxes of ₹ 3.69 lakhs

(iv) Expected credit loss

Under IGAAP, allowance for doubtful debts was made as per management policy based on ageing of debtors. Under Ind AS, the company applies expected credit loss (ECL) model for recognising impairment loss on these financial assets on the transition date. On transition to Ind AS, provision for doubtful receivables/ other financial assets is measured under ECL model, which is higher than the provision as per IGAAP, the resultant change are recognised in Statement of Profit and Loss. ECL provision made in 2016 amounted to ₹ 600 lakhs and a corresponding deferred tax assets created of ₹ 207.66 lakhs and additional provision made in 2017 amounted to ₹ 2,067.25 lakhs and a corresponding deferred tax assets created of ₹ 715.48 lakhs

(v) Revenue

Under the IGAAP, revenue from Gross fees received was recognized equally over the period of service rendered (course duration) except CRF and Robomate. The Course Registration Fees (CRF) was part of total fees and being non refundable was recognised at the time of admission. Under Ind AS, Revenue is measured at the fair value of the consideration received or receivable net of returns, rebates and discounts, if any, and excluding taxes or duties collected on behalf of the government. Hence, recognition of CRF had to be streamlined and recognised over the course period. Also, robomate was fair valued and impact considered under Ind AS adjustments. Hence, advance fees included under other current liabilities has increased by ₹ 943.74 lakhs in 2016 with deferred tax asset impact of ₹ 326.61 lakhs and by ₹ 509.77 lakhs in 2017 with a corresponding reduction in retained earnings, thereby

revenue has increased by ₹ 433.98 lakhs in 2017 with deferred tax liability impact of ₹ 150.28 lakhs.

(vi) Deferred tax

IGAAP requires assessment of virtual certainty in case of losses for recognizing deferred tax asset, but under Ind AS deferred tax assets are recognized for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilize those temporary differences and losses. Hence, deferred tax asset amounting to ₹ 534.27 lakhs was recognised in 2016 and ₹ 1,095.78 lakhs in 2017 on account of revenue, ECL and defined benefit impact as mentioned in note (iv) and (v) above.

(vii) Other comprehensive income

The concept of Other Comprehensive Income (OCI) did not exist under IGAAP. Also refer point (iii) above.

(viii) Borrowings

Ind AS 109 "Financial Instruments" requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit and loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under IGAAP, these transaction costs were charged to profit or loss as and when required. Accordingly, borrowings has reduced by ₹ 9.98 lakhs with a corresponding increase in retained earnings.

(ix) Proposed dividend

Under Ind AS 10, "Events after reporting date" proposed dividend are considered as non adjusting events, hence dividend declared after the balance sheet date are not recognised at the end of the reporting period, as no obligation exists at that time. Hence, proposed dividend including dividend distribution tax has been reduced from current provisions in 2016 and reconsidered in 2017 amounting to ₹ 670.98 lakhs.

(x) Statement of Cash Flows

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flow from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended 31 March, 2017 as compared with the IGAAP.

Notes forming part of the financial statements

for the year ended March 31, 2018

4a Property, plant and equipment	(₹ in lakhs)						
	Gross Block			Accumulated Depreciation			Net Block
	As at 01.04.2017	Additions	Disposals/ adjustments	As at 01.04.2017	Additions	Disposals/ adjustments	As at 31.03.2018
Tangible Assets (Owned)							
Building	680.08	-	-	176.49	21.54	-	482.05
Plant & Machinery (including office equipments)	2,216.47	80.26	218.07	1,455.88	223.49	186.68	1,492.69
Furniture and Fixtures	4,302.77	137.38	547.22	2,475.22	323.45	325.07	2,473.60
Vehicles	19.71	-	0.01	8.50	2.31	0.01	8.90
Computers and E-Learning Equipment	2,431.83	45.91	57.63	1,589.39	322.55	48.10	1,863.84
Total	9,650.86	263.55	822.93	5,705.48	893.34	559.86	3,052.52
4b Goodwill	(₹ in lakhs)						
	Gross Block			Accumulated amortisation			Net Block
	As at 01.04.2017	Additions	Disposals/ adjustments	As at 01.04.2017	Additions	Disposals/ adjustments	As at 31.03.2018
Goodwill	90.42	-	-	90.42	-	-	90.42
Total	90.42	-	-	90.42	-	-	90.42
4c Other Intangible assets	(₹ in lakhs)						
	Gross Block			Accumulated amortisation			Net Block
	As at 01.04.2017	Additions	Disposals/ adjustments	As at 01.04.2017	Additions	Disposals/ adjustments	As at 31.03.2018
Trademark	1.22	-	-	1.22	-	-	1.22
SAP	282.83	24.90	-	230.19	34.86	-	265.05
Software	590.46	9.33	-	133.71	121.66	-	255.37
Content	3,112.99	366.57	512.19	1,504.50	826.63	207.32	2,123.81
Technology Aided Teaching	60.56	-	-	60.56	-	-	60.56
Non Compete Fees	126.00	-	-	126.00	-	-	126.00
Total	4,174.06	400.80	512.19	2,056.18	983.15	207.32	2,832.01
							1,230.66

Notes forming part of the financial statements

for the year ended March 31, 2018

4a Property, plant and equipment	(₹ in lakhs)											
	Gross Block					Accumulated Depreciation					Net Block	
	As at 01.04.2016	Additions	Disposals/ adjustments	As at 31.03.2017	As at 01.04.2016	Additions	Disposals/ adjustments	As at 31.03.2017	As at 31.03.2017	As at 31.03.2017	As at 31.03.2017	
Tangible Assets (Owned)												
Building	680.08	-	-	680.08	154.95	21.54	-	176.49	503.59			
Plant & Machinery (including office equipments)	2,205.57	202.13	191.23	2,216.47	1,389.21	239.52	172.85	1,455.88	760.59			
Furniture and Fixtures	4,439.64	350.37	487.24	4,302.77	2,389.90	398.63	313.31	2,475.22	1,827.55			
Vehicles	19.88	-	0.17	19.71	6.34	2.33	0.17	8.50	11.21			
Computers and E-Learning Equipment	2,294.88	315.83	178.88	2,431.83	1,372.27	388.98	171.86	1,589.39	842.44			
Total	9,640.05	868.33	857.52	9,650.86	5,312.67	1,051.00	658.19	5,705.48	3,945.38			
4b Goodwill	(₹ in lakhs)											
	Gross Block					Accumulated amortisation					Net Block	
	As at 01.04.2016	Additions	Disposals/ adjustments	As at 31.03.2017	As at 01.04.2016	Additions	Disposals/ adjustments	As at 31.03.2017	As at 31.03.2017	As at 31.03.2017	As at 31.03.2017	
Particulars												
Goodwill	90.42	-	-	90.42	90.42	-	-	90.42	-	-	-	
Total	90.42	-	-	90.42	90.42	-	-	90.42	-	-	-	
4c Other Intangible assets	(₹ in lakhs)											
	Gross Block					Accumulated amortisation					Net Block	
	As at 01.04.2016	Additions	Disposals/ adjustments	As at 31.03.2017	As at 01.04.2016	Additions	Disposals/ adjustments	As at 31.03.2017	As at 31.03.2017	As at 31.03.2017	As at 31.03.2017	
Particulars												
Trademark	1.22	-	-	1.22	1.22	-	-	1.22	-	-	-	
SAP	276.30	6.53	-	282.83	188.25	41.94	-	230.19	52.64			
Software	187.11	404.93	1.58	590.46	34.24	100.15	0.68	133.71	456.75			
Content	1,701.26	1,535.51	123.78	3,112.99	1,047.91	561.81	105.22	1,504.50	1,608.49			
Technology Aided Teaching	60.56	-	-	60.56	57.53	3.03	-	60.56	-			
Non Compete Fees	126.00	-	-	126.00	126.00	-	-	126.00	-			
Total	2,352.45	1,946.97	125.36	4,174.06	1,455.15	706.93	105.90	2,056.18	2,117.88			

Notes forming part of the financial statements

for the year ended March 31, 2018

4a Property, plant and equipment	Gross Block				Accumulated Depreciation				Net Block	
	As at 01.04.2015	Additions	Disposals/ adjustments	As at 31.03.2016	As at 01.04.2015	Additions	Disposals/ adjustments	As at 31.03.2016	As at 31.03.2016	As at 31.03.2016
Tangible Assets (Owned)										
Building	680.08	-	-	680.08	133.48	21.47	-	154.95	525.13	
Plant & Machinery (including office equipments)	2,046.93	225.00	66.36	2,205.57	1,136.50	301.64	48.93	1,389.21	816.36	
Furniture and Fixtures	3,941.43	714.36	216.15	4,439.64	2,147.04	356.81	113.95	2,389.90	2,049.74	
Vehicles	17.09	2.79	-	19.88	4.29	2.05	-	6.34	13.54	
Computers and E-Learning Equipment	1,809.20	516.80	31.12	2,294.88	1,062.22	352.74	42.69	1,372.27	922.61	
Total	8,494.73	1,458.95	313.63	9,640.05	4,483.53	1,034.71	205.57	5,312.67	4,327.38	
4b Goodwill										
Particulars	As at 01.04.2015	Additions	Disposals/ adjustments	As at 31.03.2016	As at 01.04.2015	Additions	Disposals/ adjustments	As at 31.03.2016	As at 31.03.2016	As at 31.03.2016
Goodwill	90.42	-	-	90.42	90.42	-	-	90.42	-	-
Total	90.42	-	-	90.42	90.42	-	-	90.42	-	-
4c Other Intangible assets										
Particulars	As at 01.04.2015	Additions	Disposals/ adjustments	As at 31.03.2016	As at 01.04.2015	Additions	Disposals/ adjustments	As at 31.03.2016	As at 31.03.2016	As at 31.03.2016
Trademark	1.22	-	-	1.22	1.22	-	-	1.22	-	-
SAP	278.40	12.68	14.78	276.30	150.37	37.88	-	188.25	88.05	
Software	16.33	170.78	-	187.11	-	34.24	-	34.24	152.87	
Content	1,201.98	499.28	-	1,701.26	673.95	373.96	-	1,047.91	653.35	
Technology Aided Teaching	60.56	-	-	60.56	45.42	12.11	-	57.53	3.03	
Non Compete Fees	126.00	-	-	126.00	126.00	-	-	126.00	-	
Total	1,684.49	682.74	14.78	2,352.45	996.96	458.19	-	1,455.15	897.30	897.30

Note:

(a) Mortgage is created in favour of bank for limits granted to Sri Gayatri Education Society. Refer Note 31.1.1

(b) Depreciation for the year includes depreciation of ₹ 15.51 lakhs (Previous year 2017 ₹ 28.92 lakhs) capitalized during the year.

Notes forming part of the financial statements

for the year ended March 31, 2018

- (c) The Company has availed the deemed cost exemption in relation to the property plant and equipment and other intangible assets on the date of transition (i.e. April 1, 2016) . Refer below for the gross block value and the accumulated depreciation on April 1, 2016 under the IGAAP :

Owned assets: (₹ in lakhs)

Description	Gross Block	Accumulated Depreciation	Net Block*
Building	680.08	154.95	525.13
Plant & Machinery (including office equipments)	2,205.57	1,389.21	816.36
Furniture and Fixtures	4,439.64	2,389.90	2,049.74
Vehicles	19.88	6.34	13.54
Computers and E-Learning Equipment	2,294.88	1,372.27	922.61

Intangible assets including goodwill: (₹ in lakhs)

Description	Gross Block	Accumulated amortisation	Net Block*
Goodwill	90.42	90.42	-
Trademark	1.22	1.22	-
SAP	276.30	188.25	88.05
Software	187.11	34.24	152.87
Content	1,701.26	1,047.91	653.35
Technology Aided Teaching	60.56	57.53	3.03
Non Compete Fees	126.00	126.00	-

* Considered as deemed cost at April 1, 2016

5 Financial Assets- Investments (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
A Investment in equity Instruments (fully paid up)			
Unquoted			
(i) Investment in subsidiaries (at cost)			
1,22,449 Equity Shares of ₹10 each fully paid up of Chitale's Personalised Learning Private Limited. (Previous Year 2017 and 2016 1,22,449 Equity Shares)	216.00	216.00	216.00
10,000 Equity Shares of ₹10 each fully paid up of MT Education Services Private Limited. (Previous Year 2017 and 2016 10,000 Equity Shares)	1.19	1.19	1.19
20,000 Equity Shares of ₹ 10 each fully paid up of Lakshya Educare Private Limited (Previous Year 2017 and 2016 20,000* Equity Shares) (Refer note 44)	1,296.71	1,296.71	1,296.71
7,500 Equity Shares of ₹ 10 each fully paid up of Sri Gayatri Educational Services Private Limited. (Previous Year 2017 and 2016 7,500 Equity Shares)	0.75	0.75	0.75
10,000 Equity Shares of ₹ 10 each fully paid up of Robomate Edutech Private Limited	1.00	-	-
10,000 Equity Shares of ₹10 each fully paid up of Letspaper Technologies Private Limited	1.00	-	-
(ii) Investment in other entity (at FVTPL)			
1,250 Equity Shares of ₹ 25 each fully paid up of The Shamrao Vithal Co-operative Bank Limited (Previous Year 2017 and 2016 1,250 Equity Shares)	0.31	0.31	0.31
Less: Impairment in value of investment	-	-	-
Subtotal (a)	1,516.96	1,514.96	1,514.96

Notes forming part of the financial statements

for the year ended March 31, 2018

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
B Investment in debentures			
Unquoted			
Investment in subsidiaries (at amortised cost)			
24,500 13% Non Convertible Debentures of ₹1,000 each of Lakshya Educare Private Limited (Previous Year 2017 and 2016 24,500 13% Non Convertible Debentures)	245.00	245.00	245.00
Less: Impairment in value of investment	-	-	-
Subtotal (b)	245.00	245.00	245.00
Total (a+b)	1,761.96	1,759.96	1,759.96
Aggregate carrying value of unquoted investments	1,761.96	1,759.96	1,759.96
Aggregate amount of impairment in value of investment	-	-	-

* 10,000 equity shares is pending issuance in Previous Year 2017 and 2016

6 Non Current Financial Assets Loans (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured considered good, unless stated otherwise)			
(a) Security deposits	1,053.32	1,118.63	1,497.06
(b) Loans and advances to related parties (Refer note 6.1, 6.2 and 35)	-	-	345.58
(c) Loans and advances to others (Refer note 6.2 and 6.3)	2,497.90	6,472.67	7,721.40
Subtotal (a)	3,551.22	7,591.30	9,564.04
Considered doubtful			
Security deposits and loans and advances to others (Refer note 6.2 and 6.3)	8,541.82	2,067.25	-
Less: Provision for doubtful deposits and loans and advances	(8,541.82)	(2,067.25)	-
Subtotal (b)	-	-	-
Total(a+b)	3,551.22	7,591.30	9,564.04

Note:

6.1 Non-current loans and advances include amounts due from subsidiaries: (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
MT Education Services Private Limited	-	-	16.08
Sri Gayatri Educational Services Private Limited	-	-	2.50
Lakshya Educare Private Limited	-	-	260.00
Chitale's Personalised Learning Private Limited	-	-	67.00
Total	-	-	345.58

6.2 Loans are utilised by the related parties and others for their business purposes.

6.3 Loans and advances to others include secured loans and advances amounting to ₹ 8,101.69 lakhs (Previous year 2017 ₹ 7,601.69 lakhs and 2016 ₹ 4,867.90 lakhs)

7 Other non current financial assets (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured considered good, unless stated otherwise)			
In Fixed deposit with maturity for more than 12 months	226.75	-	-
Total	226.75	-	-

Notes forming part of the financial statements

for the year ended March 31, 2018

8 Other non-current assets (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured considered good, unless stated otherwise)			
(a) Prepaid expenses	881.00	943.42	996.98
(b) Advance tax and Tax deducted at source [Net of tax provisions]	389.36	739.22	174.73
(c) Capital advances	1.48	87.22	39.45
Subtotal (a)	1,271.84	1,769.86	1,211.16
Considered doubtful			
Capital advances	80.00	-	-
Less: Provision for doubtful capital advances	(80.00)	-	-
Subtotal (b)	-	-	-
Total (a+b)	1,271.84	1,769.86	1,211.16

9 Trade receivables (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured, unless stated otherwise)			
Considered good (Refer note 35 and 9.1)	1,184.82	9,336.95	3,361.62
Considered doubtful	9,297.42	634.15	600.00
	10,482.24	9,971.10	3,961.62
Less: Provision for doubtful trade receivables	9,297.42	634.15	600.00
Total	1,184.82	9,336.95	3,361.62

Note:

9.1 Trade receivables include due from: (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Chitale's Personalised Learning Private Limited	-	-	34.05

10 Cash and cash equivalents (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Balances with banks in current accounts	118.45	1,578.01	798.15
(b) Cash on hand	-	-	6.81
Total	118.45	1,578.01	804.96

11 Bank Balances other than Cash and Cash Equivalents (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with banks:			
(a) Margin money deposit in banks (Refer note 11.1)	25.09	28.50	23.41
(b) In dividend payment bank account (Earmarked account) (Refer note 11.2)	1.62	1.62	-
(c) In escrow account (Refer note 11.3)	20,000.00	-	-
Total	20,026.71	30.12	23.41

Note:

11.1 Held as lien by bank against bank guarantees issued

11.2. The Company can utilise these balances only towards settlement of unclaimed dividend.

11.3. Zee Learn has entered into share subscription agreement dated February 14, 2018 with the Company and had invested ₹ 20,000 lakhs by way of issue of 31,964,200 equity shares of the Company @ ₹ 62.57 per share on preferential basis. The subscription money is held in escrow account as on balance sheet date.

Notes forming part of the financial statements

for the year ended March 31, 2018

12 Current Financial Assets Loans

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured, considered good, unless stated otherwise)			
(a) Security deposits	58.28	339.57	88.48
(b) Loans and advances to related parties (Refer note 12.1, 12.2 and 35)	100.75	1,635.23	112.46
(c) Loans and advances to others (Refer note 12.2)	711.70	975.99	438.71
Subtotal (a)	870.73	2,950.79	639.65
Considered doubtful			
Loans and advances to others (Refer note 12.2)	12.46	-	-
Less: Provision for doubtful loans and advances	(12.46)	-	-
Subtotal (b)	-	-	-
Total (a+b)	870.73	2,950.79	639.65

Note:

12.1 Current loans and advances include amounts due from subsidiaries:

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Lakshya Educare Private Limited	21.52	1,313.51	11.92
Sri Gayatri Educational Services Private Limited	3.55	2.50	-
Chitale's Personalised Learning Private Limited	74.04	305.16	100.54
Robomate Education private Limited	1.64	-	-
MT Education Services Private Limited	-	14.06	-
Total	100.75	1,635.23	112.46

12.2 Loans are utilised by the related parties and others for their business purposes.

13 Other Current Financial Assets

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured, considered good, unless stated otherwise)			
Visiting Faculty salary recoverable	36.60	38.62	26.01
Receivables from related parties (refer note 13.1 & 35)	678.45	-	-
Unbilled receivables	962.56	175.70	-
Others	1,569.58	1,028.65	249.63
Total	3,247.19	1,242.97	275.64

Note:

13.1 Receivable from related parties:

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
MT Education Services Private Limited	39.68	-	-
Sri Gayatri Educational Services Private Limited	0.63	-	-
Lakshya Educare Private Limited	309.74	-	-
Chitale's Personalised Learning Private Limited	328.40	-	-
Total	678.45	-	-

Notes forming part of the financial statements

for the year ended March 31, 2018

14 Other current assets

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured, considered good, unless stated otherwise)			
(a) Income Tax refund receivable	-	41.94	949.79
(b) Prepaid expenses	52.25	10.02	6.77
(c) Advances to suppliers	156.36	686.56	118.15
Subtotal (a)	208.61	738.52	1,074.71
Considered doubtful			
Advances to suppliers	412.00	-	-
Less: Provision for doubtful advances to suppliers	(412.00)	-	-
Subtotal (b)	-	-	-
Total(a+b)	208.61	738.52	1,074.71

15 Share capital

The company has only one class of share capital having a par value of ₹10 per share, referred to herein as equity shares.

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
(a) Authorised						
Equity shares of ₹10 each (previous year 2017 ₹ 10 each and 2016 ₹ 10 each)	80,000,000	8,000.00	52,000,000	5,200.00	52,000,000	5,200.00
(b) Issued, Subscribed and paid up						
Equity shares of ₹10 each fully paid up (previous year 2017 ₹10 each fully paid up and 2016 ₹ 10 each fully paid up)	71,784,984	7,178.50	39,820,784	3,982.08	39,820,784	3,982.08
Total	71,784,984	7,178.50	39,820,784	3,982.08	39,820,784	3,982.08

Note:

15.1 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Opening Balance at the beginning of the year	39,820,784	3,982.08	39,820,784	3,982.08	39,820,784	3,982.08
Add: Shares issued during the year	31,964,200	3,196.42	-	-	-	-
Closing Balance at the end of the year	71,784,984	7,178.50	39,820,784	3,982.08	39,820,784	3,982.08

15.2 Rights, preferences and restrictions attached to shares

The company has only one class of equity shares having par value of ₹ 10 per share. Each shareholder is entitled to one vote per share held. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders

Notes forming part of the financial statements

for the year ended March 31, 2018

15.3 Details of equity shares held by each shareholder holding more than 5% of the aggregate shares in the company:

Class of shares / Name of shareholder	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Equity shares						
Mahesh R. Shetty	17,036,803	23.73%	17,036,803	42.78%	17,036,803	42.78%
Zee Learn Limited *	31,964,200	44.53%	-	-	-	-

* As per the terms of Share Subscription Agreement, Zee Learn Limited shall not exercise any voting rights pending successful completion of the proposed open offer.

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

15.4 Aggregate number of equity shares issued as bonus shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Nil (previous year 2017 Nil and 2016 Nil)

15.5 Shares reserved for issue under options

For details of shares reserved for issue under the Share Based Payment plan of the company, please refer note 34.

16 Other equity

(₹ in lakhs)

Particulars	Reserves and Surplus				
	General reserve	Securities premium reserve	Employee stock options outstanding account	Retained earnings	Total
Balance as on April 1, 2016 (A)	7,068.99	3,177.37	-	(11.73)	10,234.63
Additions during the year:					
Net Profit for the year	-	-	-	1.79	1.79
Items of OCI for the year, net of tax					
- Remeasurement of defined benefit plan	-	-	-	6.98	6.98
Total comprehensive income for the year (B)	-	-	-	8.77	8.77
Reductions during the year:					
Final Dividend	-	-	-	(557.49)	(557.49)
[Dividend per share ₹ 1.40]					
Tax on final dividend	-	-	-	(113.49)	(113.49)
Transferred to General reserve	(669.19)	-	-	669.19	-
Total (C)	(669.19)	-	-	(1.79)	(670.98)
Balance as on March 31, 2017 D=A+B+C	6,399.80	3,177.37	-	(4.75)	9,572.42
Add : Securities Premium credited on shares issue	-	16,803.58	-	-	16,803.58
Less: Transaction costs arising on share issue	-	(580.76)	-	-	(580.76)
Add: Employee stock option expense	-	-	67.82	-	67.82
Total (E)	-	16,222.82	67.82	-	16,290.64
Additions during the year:					
Net (Loss) for the year	-	-	-	(12,147.03)	(12,147.03)
Items of OCI for the year, net of tax					
- Remeasurement of defined benefit plan	-	-	-	6.68	6.68
Total comprehensive income for the year (F)	-	-	-	(12,140.35)	(12,140.35)
Reductions during the year:					
Transferred to General reserve	(12,147.03)	-	-	12,147.03	-
Total (G)	(12,147.03)	-	-	12,147.03	-
Balance as on March 31, 2018 H=D+E+F+G	(5,747.23)	19,400.19	67.82	1.93	13,722.71

Notes forming part of the financial statements

for the year ended March 31, 2018

Note:

- 16.1 Securities premium reserve is created due to premium on issue of shares. This reserve is utilised in accordance with the provisions of the Act.
- 16.2 The General Reserve is used from time to time to transfer profits / (loss) from retained earnings for appropriation purposes. The General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive Income.
- 16.3 The Employee Share options outstanding account is used to recognise the grant date fair value of options issued to employees under employee stock option plan.

17 Non current Financial liabilities borrowings (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured:			
Term Loan (Refer note 17.1)			
- from Bank	5,551.17	2,008.28	-
- from other parties	6,316.20	-	-
Unsecured:			
Term Loan			
Term loan from other parties (Refer note 17.1-(ii))	22.89	33.50	-
Less: Current maturity of non current borrowings and interest accrued and due thereon (Refer Note 22)	(1,837.45)	(28.25)	-
Total	10,052.81	2,013.53	-

Note:

17.1 Nature of security and terms of repayment for secured borrowings:

(i) Nature of security:

Term loan from bank is secured by:

- first pari passu hypothecation charge on the entire current assets and movable assets (except vehicle) of the Company both present and future;
- pledge of shares owned by the promoter of the Company; and
- personal guarantee given by the promoter of the Company.

Term loan from other party is secured by:

- first pari passu hypothecation charge on the entire current assets and movable assets of the Company both present and future;
- pledge of shares owned by the promoter of the Company; and
- personal guarantee given by the promoter of the Company.

(ii) Terms of repayment:

In case of term loan from bank:

- Repayable in 8 half yearly installments starting from September 2018. Last installment due in April 2022. Rate of interest is 2.75% over banks 12 months MCLR (Range from 10.75% to 11.00% per annum as on March 31, 2018).
- Repayable in 16 quarterly installments starting from August 2018. Last installment due in May 2022. Rate of interest is 2.75% over banks 12 months MCLR. (Range from 10.75% to 11.00% per annum as on March 31, 2018).

In case of term loan from other party:

- Repayable in 10 half yearly installments starting from October 2018. Last installment due in March 2023. Rate of interest is 13% per annum.

Terms of repayment for unsecured borrowings:

- Repayable in 36 monthly installments starting from February 2017. Last installment due in January 2020. Rate of interest is 17.50% per annum.

Notes forming part of the financial statements

for the year ended March 31, 2018

18 Non Current Provisions (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits: (Refer note 39)			
(i) Provision for Gratuity (net) (funded)	173.45	86.88	38.47
(ii) Provision for Leave Encashment (unfunded)	101.62	124.96	107.97
Total	275.07	211.84	146.44

19 Other non current liabilities (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Fees (Refer note 19.1)	325.09	210.94	546.27
Total	325.09	210.94	546.27

Note

19.1 Fees collected in advance from students to the extent of revenue which will not be recognised within the company's operating cycle have been classified as "Other non current liabilities".

20 Current Financial Liabilities Borrowings (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured:			
Loans from (Refer note 20.1)			
- Banks	-	4,502.71	3,499.00
- Other Parties	2,122.72	6,045.04	-
Unsecured:			
Loans from (Refer note 20.2)			
- Other Parties	28.45	1,873.83	-
- Related party (Refer note 35)	2,273.75	20.00	-
Total	4,424.92	12,441.58	3,499.00

Note:

20.1 Nature of security and terms of repayment for secured borrowings:

(i) Nature of security:

Loan from banks and other parties is secured by:

- first pari passu hypothecation charge on the entire current assets and movable assets of the Company both present and future;
- pledge of shares owned by the promoter of the Company; and
- personal guarantee given by the promoter of the Company.

(ii) Terms of repayment:

Loan from banks and other parties is repayable on demand.

20.2 Terms of repayment for unsecured borrowings:

Loan from other parties and related parties is repayable on demand.

Notes forming part of the financial statements

for the year ended March 31, 2018

21 Trade payables (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Total outstanding dues of micro enterprises and small enterprises (Refer note 21.1)	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises:	1,971.65	1,582.38	372.23
Total	1,971.65	1,582.38	372.23

Note:

21.1 Based on the information available with us, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

22 Other current financial liabilities (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Payable for capital expenditure	155.71	101.67	193.93
(b) Security deposits	20.50	20.50	20.50
(c) Employee related payables(Refer note 39)	364.25	296.95	287.72
(d) Unclaimed dividend (Refer note 11)	1.62	1.62	-
(e) Current maturity of non current borrowings (Refer note 17)	1,786.28	9.99	-
(f) Interest accrued and due on non current borrowings (Refer note 17)	51.17	18.26	-
(g) Other payables	-	-	520.93
Total	2,379.53	448.99	1,023.08

23 Other current liabilities (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Advance fees (refer note 23.1)	2,515.52	2,884.82	3,578.05
(b) Statutory payables	710.99	400.67	305.97
(c) Other payables	1,609.79	640.08	574.39
Total	4,836.30	3,925.57	4,458.41

Note:

23.1 Fees collected in advance from students to the extent of revenue which will be recognised within the company's operating cycle have been classified as "Other current liabilities".

24 Current Provisions (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Provision for employee benefits:(Refer note 39)			
(i) Provision for gratuity (funded)	102.32	132.11	145.51
(ii) Provision for leave encashment (unfunded)	34.30	41.93	31.84
Subtotal (a)	136.62	174.04	177.35
(b) Provision - Others:			
(i) Provision for IncomeTax [Net of advance tax and TDS]	-	705.35	1,728.80
Subtotal (b)	-	705.35	1,728.80
Total(a+b)	136.62	879.39	1,906.15

Notes forming part of the financial statements

for the year ended March 31, 2018

25 Revenue from operations (₹ in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Revenue from services		
Revenue from coaching/teaching services	19,204.53	24,486.79
Less : Discount and concession	(2,309.52)	(1,665.87)
Subtotal (a)	16,895.01	22,820.92
Other operating revenues		
Sale of hardware/content	829.92	1,792.35
Others (Refer note 25.1 and 35)	386.07	643.43
Subtotal (b)	1,215.99	2,435.78
Total (a+b)	18,111.00	25,256.70

Note:

25.1 Others mainly include royalty income, reimbursement of expenses by subsidiaries and cheque return charges.

26 Other income (₹ in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Interest income on financial assets carried at amortised cost	1,408.58	1,286.01
(b) Dividend income on non-current investments as FVTPL	0.01	0.01
(c) Net gain on sale of investments	-	0.86
(d) Liabilities no longer required written back (net)	23.29	-
(e) Other non-operating income :		
(i) Net Gain on foreign exchange transactions and translations	-	0.09
(ii) Miscellaneous income	9.96	9.34
Total	1,441.84	1,296.31

27 Direct Expenses (₹ in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Rent (Refer note 36) (Net of recoveries from subsidiaries)	3,271.51	3,676.52
Rates and taxes	32.64	31.79
Electricity	638.57	772.38
Student material and test expenses	1,616.80	2,684.52
Increase/decrease in inventories	-	42.74
Visiting lecturer fees	4,677.36	4,281.13
Bandwidth charges	49.42	32.88
Others	89.64	83.15
Total	10,375.94	11,605.11

28 Employee Benefits Expense (₹ in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Salaries, wages, bonus and other allowances	3,190.59	3,331.83
Contribution to provident and other funds (Refer note 39)	128.53	170.76
Share based payments to employees (Refer note 34)	67.82	-
Staff welfare expenses	85.01	109.70
Total	3,471.95	3,612.29

Notes forming part of the financial statements

for the year ended March 31, 2018

29 Finance costs (₹ in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Interest expense on borrowings at amortised cost (Refer note 35)	1,945.73	1,098.05
(b) Other borrowing cost	108.91	248.63
Total	2,054.64	1,346.68

30 Other expenses (₹ in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
ADMINISTRATION EXPENSES		
Director's sitting fees	23.10	23.85
Corporate social responsibility expenses (Refer note 40)	26.60	92.92
Donation	7.58	-
Printing and stationary	168.23	51.04
Professional fees	965.45	1,105.06
Provision for doubtful debts	15,642.30	2,101.40
Bad debts	17.32	-
Repairs and maintenance	294.52	487.67
Security charges	32.79	35.12
House keeping expenses	119.56	154.46
Auditor's remuneration (Refer note 30.1)	49.54	28.35
Communication expenses	157.11	333.60
Travelling and conveyance expenses	337.99	330.73
Net loss on sale of property plant and equipment	16.78	0.90
Net loss on foreign exchange transactions and translations	0.58	-
Assets written off (intangible)	438.28	164.55
Interest on statutory dues	28.31	7.05
Insurance	4.11	7.83
Other Administrative Expenses	680.44	618.81
Subtotal (a)	19,010.59	5,543.34
SELLING EXPENSES		
Advertisement and Publicity	1,248.07	2,400.15
Business Promotion Expenses	249.02	157.77
Subtotal (b)	1,497.09	2,557.92
Total (a)+ (b)	20,507.68	8,101.26

30.1 Auditor's remuneration (excl. applicable taxes) (₹ in lakhs)

Particulars	Year ended March 31, 2018	Year ended March 31, 2017
As auditors :		
Statutory audit	14.58	18.33
Limited review	7.50	3.75
In other capacity:		
Tax audit	4.00	4.00
Other services(including certification)	21.50	-
Reimbursements	1.96	2.27
Total	49.54	28.35

Notes forming part of the financial statements

for the year ended March 31, 2018

Note 31 Contingent liabilities

31.1		(₹ in lakhs)		
Particulars	March 31, 2018	March 31, 2017	April 1, 2016	
Contingent Liabilities not provided for in respect of –				
(a) Claims against the Company not acknowledged as debt				
Income Tax demand against the company not provided for and relating to issues of deductions and allowances in respect of which the company is in appeal	67.28	67.28	57.50	
(b) Corporate Guarantee (Refer note 31.1.1)	2,435.00	2,435.00	2,435.00	
(c) Corporate Guarantee (Refer note 31.1.2)	3,325.00	-	-	
(d) Guarantees given by banks in favour of Government bodies	177.37	51.74	68.28	

Note:

- 31.1.1 Corporate guarantee is provided to a bank in respect of loan taken by Sri Gayatri Educational Society pursuant to the long term partnership arrangement entered through company's subsidiary Sri Gayatri Educational Services Private Limited. Corporate guarantee is utilised for business purposes.
- 31.1.2 Corporate guarantee is provided to a party in respect of loan taken by subsidiary company, Lakshya Educare Private Limited. Corporate guarantee is utilised for business purposes.

31.2 Capital and other commitments: (₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016	
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances):				
Tangible assets	43.40	-	62.24	
Intangible assets	14.58	40.42	85.83	
(b) Other commitments (other than lease commitments)	288.55	-	-	

32 Earnings per Share (EPS)

Particulars	March 31 2018	March 31, 2017
Basic and Diluted		
Net (loss)/profit for the year attributable to the equity shareholders (₹ in lakhs)	(12,147.03)	1.79
Weighted average number of equity shares for Basic EPS (in nos)	40,258,650	39,820,784
Weighted average number of equity shares for Diluted EPS (in nos)	40,302,441	39,820,784
Par value per share (in ₹)	10.00	10.00
(Loss)/Earnings per share - Basic (in ₹)	(30.17)	0.0045
(Loss)/Earnings per share - Diluted (in ₹) #	(30.17)	0.0045

Since conversion of above mentioned potential equity shares would decrease loss per share from continuing ordinary activities, these are anti-dilutive in nature and thus, the effects of anti-dilutive potential equity shares are ignored in calculating diluted earning per share in March 31, 2018.

Notes forming part of the financial statements

for the year ended March 31, 2018

33 Deferred tax assets (net) (₹ in lakhs)

Particulars	As at March 31, 2018	Benefit / (Charge) for the year 17-18	As at March 31, 2017	Benefit / (Charge) for the year 16-17	As at April, 2016
Deferred tax liability					
Tax effect of items constituting deferred tax liabilities :					
Tax liability recognized in OCI - On re-measurements gain/(losses) of post-employment benefit obligations	7.23	3.54	3.69	3.69	-
(a)	7.23	3.54	3.69	3.69	-
Deferred tax assets					
Tax effect of items constituting deferred tax assets :					
Provision for compensated absences, gratuity and other employee benefits	172.63	39.09	133.54	21.47	112.07
Provision for doubtful debts and advances	6,387.88	5,451.29	936.59	694.78	241.81
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	15.19	15.19	-	(8.65)	8.65
On difference between book balance and tax balance of Property, Plant & Equipment	941.03	303.46	637.57	15.61	621.96
Deferred Tax impact on losses	942.21	942.21	-	-	-
Deferred revenue impact on CRF and robomate	16.91	(159.42)	176.33	(150.28)	326.61
On expenditure on employee stock option plan	23.70	23.70	-	-	-
(b)	8,499.55	6,615.52	1,884.03	572.93	1,311.10
Net deferred tax asset/(liability) Total (b-a)	8,492.32	6,611.98	1,880.34	569.24	1,311.10

33.1 Effective Tax Reconciliation

(₹ in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Tax expense recognised in Statement of Profit and Loss		
Current Tax		
- In respect of current year *	-	705.62
- In respect of previous year	44.20	24.17
(a)	44.20	729.79
Deferred Tax		
- In respect of current year	(6,615.52)	(572.92)
(b)	(6,615.52)	(572.92)
Total (a+b)	(6,571.32)	156.87

* No provision for income tax for the year has been made in the absence of book profits and in view of taxable loss computed under the provisions of the Income Tax Act, 1961 of India.

(₹ in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Tax expense for the year can be reconciled to the accounting profits as follows:		
Profit before tax	(18,718.35)	158.66
Income Tax rate (%)	34.61%	34.61%
(a)	(6,478.05)	54.91
Adjustments for current tax of prior periods	44.20	24.17
Amount not deductible for tax purpose - Permanent Disallowance	15.08	19.47
Change in Tax Rate	(72.69)	-
Others	(79.86)	58.32
(b)	(93.27)	101.96
Total (a+b)	(6,571.32)	156.87

Notes forming part of the financial statements

for the year ended March 31, 2018

34. Share based payments

MT Educare Employee Stock Option Scheme (ESOS) 2016

- The shareholders' vide its special resolution dated February 17, 2016 approved ESOS 2016 for granting employee stock options in form of equity shares to eligible employees of the Company, monitored and supervised by the Board of Directors.
- The ESOS 2016 was granted to eligible employees to reward for their performance and to motivate them to contribute to the growth and profitability of the Company. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.
- Options are granted under the ESOS 2016 for no consideration and carry no dividend and voting rights.
- The fair value of the share options is estimated at the grant date using a Black Scholes Option Pricing Model, taking into account the terms and conditions upon which the share options were granted.
- When exercisable, each option is convertible into one equity share.
- There are no cash settlement alternatives in ESOS 2016.

Sr. No.	Particulars	Employee Stock Option Scheme (ESOS) 2016
1	Date of Shareholders' Approval	February 17, 2016
2	Total number of options approved under Scheme	800,000
3	Date of Grant	December 18, 2017
4	Vesting Requirements	60%, 30% and 10% will vest over a period of three years from the date of grant
5	Exercise Price	₹ 10
6	Maximum term of Options granted	Options to be exercised within 2 years from the date of vesting
7	Source of Shares	Primary
8	Variation in terms of ESOS 2016	Nil

The following table illustrates the number and movements in share options during the year:

Particulars	March 31, 2018	March 31, 2017
Options outstanding at beginning of year	-	-
Options granted during the year	738,450	731,000
Options exercised during the year	-	-
Options forfeited / surrendered during the year*	-	731,000
Options expired during the year	-	-
Options outstanding at the end of year	738,450	-
Option exercisable at the end of year	-	-

In accordance with the above mentioned ESOS 2016, ₹ 67.82 lakhs (Previous year 2017 ₹ Nil) has been charged to the Statement of Profit and Loss in relation to the options granted under the Employee Stock Option Scheme Compensation. (Refer Note 28)

*During the year ended March 31, 2017, 731,000 options were granted and forfeited / surrendered in the previous year itself. Accordingly, no expenses in respect of these options has been recognized in the financial statement.

The options outstanding at the year ending on March 31, 2018 with the range of exercise price of ₹ 10 are 738,450 options (March 31, 2017: Nil) and a weighted average remaining contractual life of all options are 4.72 (March 31, 2017: Nil).

Notes forming part of the financial statements

for the year ended March 31, 2018

The following tables list the inputs to the Option pricing model used for the year ended:

Particulars	March 31, 2018	March 31, 2017
Weighted Average:		
Fair value of the options at the grant dates (₹)	41.55	NA
Dividend yield (%)	2.63%	NA
Risk free interest rate (%)	6.61%	NA
Expected life of share options (years)	2.5	NA
Expected volatility (%)	54.35%	NA
Weighted average share price (₹)	10.00	NA

The expected life of the stock options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

35 Related Party Disclosures

(A) Names of related parties and description of relationship as identified and certified by the Company:

Description of relationship	Names of related parties
Subsidiary companies	Chitale's Personalised Learning Private Limited
	MT Education Services Private Limited
	Lakshya Forum for Competitions Private Limited (merged with Lakshya Educare Private Limited wef 17 August 2017) (refer note 44)
	Lakshya Educare Private Limited
	Sri Gayatri Educational Services Private Limited
	Robomate Edutech Private Limited
	Letspaper Technologies Private Limited
Key Management Personnel (KMP)	Mahesh R. Shetty (Chairman and Managing Director)
	Dr. Chhaya Shastri (Non Independent, Non Executive Director)
	Naarayanan Iyer (Non Independent, Non Executive Director)
	Drushti Iyer (Independent, Non Executive Director)
	Yatin Samant (Independent, Non Executive Director)
	Uday Lajmi (Independent, Non Executive Director)
	Sandesh Naik (CFO - November 30, 2017 till date)
	Sanjay Sethi (CFO - July 1, 2016 to May 31, 2017)
Enterprises in which KMP can exercise significant influence	Dinesh Darji (Company Secretary - from June 30, 2016 to November 30, 2017))
	Raju Bamane (Company Secretary - from November 30, 2017 to February 23, 2018))
	Mahesh Tutorials Chembur
	Mahesh Tutorials Mulund
	Prosynapse Consultants Private Limited

Notes forming part of the financial statements

for the year ended March 31, 2018

(B) Details of transactions & outstanding balances with related party in the ordinary course of business for the year ended:
(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Transactions entered during the year:			
Dividend paid to Key Management Personnel			
Mr. Mahesh Shetty	-	238.52	451.48
Others	-	22.03	45.78
	-	260.55	497.26
KMP Remuneration*	204.28	268.71	267.31
Sitting fees paid to Non Executive Directors			
Dr. Chhaya Shastri	5.70	6.30	2.80
Naarayanan Iyer	2.40	2.40	1.00
Drushti Desai	5.70	5.55	2.50
Yatin Samant	4.20	4.05	1.90
Uday Lajmi	5.10	5.55	2.50
	23.10	23.85	10.70
Interest Expense on Loan			
Lakshya Educare Private Limited	126.04	4.82	-
MT Education Services Private Limited	10.99	4.35	-
	137.03	9.17	-
Professional fees expenses			
Prosynapse Consultants Private Limited	123.00	123.00	123.00
Lakshya Educare Private Limited	34.61	85.72	-
Chitale's Personalised Learning Private Limited	0.26	-	-
	157.87	208.72	123.00
Other operating income			
Chitale's Personalised Learning Private Limited	14.08	-	-
Lakshya Educare Private Limited	18.34	-	-
	32.42	-	-
Rent expense			
Mahesh Tutorials Chembur	73.14	88.08	87.81
Mahesh Tutorials Mulund	31.46	31.62	31.52
Mr.Mahesh Shetty	18.54	14.09	12.54
	123.14	133.79	131.87
Other operating income - Sale of TAB			
Chitale's Personalised Learning Private Limited	-	30.01	-
	-	30.01	-
Purchase of fixed assets			
Chitale's Personalised Learning Private Limited	10.41	-	-
Lakshya Educare Private Limited	12.25	-	-
	22.66	-	-
Sale of fixed assets			
Lakshya Educare Private Limited	5.27	-	-

Notes forming part of the financial statements

for the year ended March 31, 2018

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
	5.27	-	-
Interest income on loan			
Lakshya Educare Private Limited	-	44.67	11.43
MT Education Services Private Limited	-	0.50	1.64
Chitale's Personalised Learning Private Limited	12.99	-	1.40
Sri Gayatri Educational Services Private Limited	0.34	0.33	0.33
Robomate Edutech Private Limited	0.16	-	-
	13.49	45.50	14.80
Interest income on investment in debentures			
Lakshya Educare Private Limited	31.85	31.85	31.85
	31.85	31.85	31.85
Management fee income			
Chitale's Personalised Learning Private Limited	-	-	36.18
Lakshya Educare Private Limited	-	-	19.79
	-	-	55.97
Rent income			
Chitale's Personalised Learning Private Limited	12.41	31.59	25.41
Lakshya Educare Private Limited	277.36	311.47	243.26
	289.77	343.06	268.67
Investment in Shares			
Robomate Edutech Private Limited	1.00	-	-
Letspaper Technologies Private Limited	1.00	-	-
	2.00	-	-
Loans and advances given			
Lakshya Educare Private Limited	-	2,832.27	335.00
Chitale's Personalised Learning Private Limited	263.81	-	67.00
MT Education Services Private Limited	-	-	16.58
Robomate Edutech Private Limited	1.50	-	-
	265.31	2,832.27	418.58
Loans and advances given received back			
Lakshya Educare Private Limited	1,088.95	2,003.31	282.36
Chitale's Personalised Learning Private Limited	191.85	67.00	-
MT Education Services Private Limited	-	16.08	30.50
	1,280.80	2,086.39	312.86
Loans and advances taken			
MT Education Services Private Limited	100.00	95.00	-
Lakshya Educare Private Limited	8,655.18	60.85	-
	8,755.18	155.85	-
Loans and advances repaid			
MT Education Services Private Limited	7.50	75.00	-
Lakshya Educare Private Limited	6,562.71	21.00	-

Notes forming part of the financial statements

for the year ended March 31, 2018

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
	6,570.21	96.00	-
Corporate Guarantee			
Corporate Guarantee given to a party on behalf of loan taken by Lakshya Educare Private Limited (Refer note 31.1.2)	3,325.00	-	-
	3,325.00	-	-
Outstanding at the end of the year:			
Deposit for premises			
Mahesh Tutorials Chembur	29.76	29.76	29.76
Mahesh Tutorials Mulund	11.28	11.28	11.28
Mr. Mahesh Shetty	8.97	8.97	7.47
	50.01	50.01	48.51
Investment in debentures			
Lakshya Educare Private Limited	245.00	245.00	245.00
	245.00	245.00	245.00
Rent payable			
Mahesh Tutorials Chembur	15.78	-	-
Mahesh Tutorials Mulund	5.66	-	-
Mr. Mahesh Shetty	1.69	0.53	-
	23.13	0.53	-
KMP remuneration payable	12.76	15.90	17.14
Professional fee payable			
Prosynapse Consultants Private Limited	11.07	10.76	10.71
	11.07	10.76	10.71
Outstanding loans payable			
MT Education Services Private Limited	112.50	20.00	-
Lakshya Educare Private Limited	2,092.47	-	-
	2,204.97	20.00	-
Interest on loan payable			
Lakshya Educare Private Limited	54.97	0.61	7.71
MT Education Services Private Limited	13.81	3.91	-
	68.78	4.52	7.71
Interest receivable on debentures			
Lakshya Educare Private Limited	21.52	21.52	28.67
	21.52	21.52	28.67
Interest on loan receivable			
Chitale's Personalised Learning Private Limited	2.08	-	1.26
Lakshya Educare Private Limited	-	36.30	7.16
MT Education Services Private Limited	-	0.47	0.02
Sri Gayatri Educational Services Private Limited	1.05	0.74	0.45
Robomate Edutech Private Limited	0.14	-	-

Notes forming part of the financial statements

for the year ended March 31, 2018

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
	3.27	37.51	8.89
Loan receivable			
Lakshya Educare Private Limited	-	1,088.95	260.00
MT Education Services Private Limited	-	-	16.08
Chitale's Personalised Learning Private Limited	71.96	-	67.00
Sri Gayatri Educational Services Private Limited	2.50	2.50	2.50
Robomate Edutech Private Limited	1.50	-	-
	75.96	1,091.45	345.58
Trade receivables			
Chitale's Personalised Learning Private Limited	-	-	34.05
	-	-	34.05
Other reimbursable expenses receivable			
MT Education Services Private Limited	39.68	14.06	-
Chitale's Personalised Learning Private Limited	328.40	304.52	100.54
Sri Gayatri Educational Services Private Limited	0.63	-	-
Lakshya Educare Private Limited	309.74	224.56	55.97
	678.45	543.14	156.51
Corporate Guarantee			
Corporate Guarantee given to a party on behalf of loan taken by Lakshya Educare Private Limited (Refer note 31.1.2)	3,325.00	-	-
	3,325.00	-	-

*The amount does not include amount in respect of post employment benefits (i.e gratuity and leave encashment) as the same is not determinable.

36 Operating Lease

The Company has entered into operating lease arrangements for certain facilities and Coaching Center premises. The lease rentals are payable by the company on monthly/quarterly basis.

Lease payments recognised in the Statement of Profit and Loss is ₹ 3,271.51 lakhs (Previous year 2017- ₹ 3,676.52 lakhs)

Future minimum lease payments payable under non-cancellable lease agreements are as under:

(₹ in lakhs)

	March 31, 2018	March 31, 2017
Future minimum Lease payments		
(i) Less than 1 year	278.29	278.29
(ii) later than 1 year and not more than 5 years	-	278.29
(iii) 5 years or more	-	-

37 Segment Reporting

The Company's operations predominantly relates to a single segment viz. conducting commercial training, coaching, tutorial classes and activities incidental and ancillary thereon. The Chief Operating Decision Maker (CODM) reviews the operations of the Company as one operating segment. Hence no separate segment information has been furnished herewith.

Notes forming part of the financial statements

for the year ended March 31, 2018

38 Disclosures as required under Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

38.1 Loans and advances in the nature of loans given to subsidiaries (₹ in lakhs)

Name of the Party	Relationship	Amount Outstanding as on March 31, 2018	Maximum amount outstanding during the year (2017-18)	Amount Outstanding as on March 31, 2017	Maximum amount outstanding during the year (2016-17)	Amount Outstanding as on March 31, 2016	Maximum amount outstanding during the year (2015-16)
MT Education Services Private Limited	Subsidiary	-	-	-	16.08	16.08	30.00
Lakshya Educare Private Limited	Subsidiary	-	1088.95	1,088.95	1,581.99	260.00	309.05
Chitale's Personalised Learning Private Limited	Subsidiary	71.96	263.81	-	67.00	67.00	67.00
Robomate Edutech Private Limited	Subsidiary	1.50	1.50	-	-	-	-
Sri Gayatri Educational Services Private Limited	Subsidiary	2.50	2.50	2.50	2.50	2.50	2.50

38.2 Investment in shares / debentures of subsidiaries by the Company: (Refer note 5).

39 Employee benefit plans

In accordance with the Indian Accounting Standard-19 'Employee Benefits', the Company has calculated the various benefits provided to employees as under:

a Defined contribution plans

The Company makes contributions towards provident fund and Labour Welfare fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Company is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits.

During the year, the company has recognized the following amounts in the Statement of profit and loss:- (₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	March 31, 2016
Employers' contribution to provident fund	128.11	170.15	157.58
Employers' contribution to labour welfare fund	0.42	0.61	0.60

b Defined benefit plans

(a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service. The gratuity plan is a funded plan and the Company makes contributions to recognised funds in India.

(b) Compensated absences

The compensated absences are payable to all eligible employees at the rate of daily salary of each day of accumulated leave on death or on resignation or upon retirement on attaining retirement age, whichever is earlier. The liability towards compensated absences are determined based on actuarial valuation carried out by using Projected Unit Credit Method.

In accordance with Indian Accounting Standard 19, an actuarial valuation was carried out in respect of the aforesaid defined benefit plans based on the following assumptions:

Notes forming part of the financial statements

for the year ended March 31, 2018

Actuarial assumptions:

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Discount rate per annum	7.35%	6.85%	7.54%
Expected Rate of Increase in compensation levels per annum	6.00%	6.00%	6.00%
Expected rate of return on plan assets	7.35%	6.85%	7.54%
Mortality Rate	Indian assured lives Mortality (2006-08) Ultimate	Indian assured lives Mortality (2006-08) Ultimate	Indian assured lives Mortality (2006-08) Ultimate
Retirement Age	58 years	58 years	58 years
Withdrawal Rate	N.A.	N.A.	N.A.
Attrition	21.50%	21.50%	21.50%

- The discount rate is based on the prevailing market yields Indian Government securities as at the balance sheet date for the estimated term of the obligations.
- Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

(a) Gratuity (Funded)

i. Changes in the fair value of plan assets:

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Fair value of plan assets as at the beginning of the year	82.69	101.86	103.70
Expected return on plan assets	5.66	7.68	8.19
Contributions	4.40	8.64	8.05
Benefits paid	(53.76)	(34.93)	(17.28)
Actuarial loss on plan assets	(6.23)	(0.56)	(0.80)
Fair value of plan assets as at the end of the year	32.76	82.69	101.86

ii. Changes in the present value of the defined benefit obligation are as follows:

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Present value of defined benefit obligation at beginning of the year	301.68	285.84	236.09
Interest cost	20.67	21.55	18.64
Current service cost	39.01	40.44	31.26
Past service cost	22.06	-	-
Benefits paid	(53.76)	(34.93)	(17.28)
Actuarial (gain) / loss on obligation	(16.44)	(11.22)	17.13
Present value of defined benefit obligation at the end of the year	313.22	301.68	285.84

Notes forming part of the financial statements

for the year ended March 31, 2018

iii. Reconciliation of present value of defined benefit obligation and fair value of assets: (₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Present value of obligation as at the end of the year	313.22	301.68	285.84
Fair value of plan assets as at the end of the year	32.76	82.69	101.86
Unfunded net liability recognized in balance sheet	280.46	218.99	183.98
Amount classified as:			
Current provision (Refer note 24)	102.32	132.11	145.51
Non-current provision (Refer note 18)	173.45	86.88	38.47
Other financial liabilities (Note 22)	4.69	-	-

iv. Expenses recognized in Statement of Profit and Loss: (₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Current service cost	39.01	40.44	31.26
Past service cost*	22.06	-	-
Interest cost	15.00	13.87	10.45
Expected return on plan assets	6.23	0.56	0.81
Net actuarial loss/(gain) recognized during the year	(16.44)	(11.22)	17.13
Total	65.86	43.65	59.65
Actual benefit payments	53.76	34.93	17.28
Actual contributions	4.40	8.64	8.05

* During the year, the company has changed the benefit scheme in line with Payment of Gratuity Act, 1972 by increasing monetary ceiling from ₹ 10 lakhs to ₹ 20 lakhs. Change in liability (if any), due to this scheme change is recognised as past service cost.

Actuarial gain of ₹ 10.22 lakhs (Previous year 2017 ₹10.67 lakhs) is included in other comprehensive income.

v. Investment details of the Plan Assets: (₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Government of India Securities	-	-	-
Corporate Bonds	-	-	-
Insurer Managed Funds	32.76	82.69	101.86
Special Deposit Scheme	-	-	-
Others	-	-	-
Total fund balance	32.76	82.69	101.86

vi. A quantitative sensitivity analysis for significant assumption as at 31 March 2018 is as shown below:

(₹ in lakhs)

	March 31, 2018	March 31, 2017
Impact on defined benefit obligation	313.22	301.68
Discount rate		
1% increase	(9.38)	(9.91)
1% decrease	10.12	10.74
Rate of increase in salary		
1% increase	8.90	10.72
1% decrease	(8.54)	(10.08)
Rate of employee turnover		
1% increase	0.08	(0.73)
1% decrease	(0.14)	0.72

Notes forming part of the financial statements

for the year ended March 31, 2018

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

These plans typically expose the Company to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk.

Investment Risk	The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest Risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity Risk	The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

vii Maturity profile of defined benefit obligation:

(₹ in lakhs)

	March 31, 2018	March 31, 2017
Apr 2018- Mar 2019	70.06	57.84
Apr 2019- Mar 2020	54.50	52.40
Apr 2020- Mar 2021	48.85	46.04
Apr 2021- Mar 2022	42.87	40.52
Apr 2022- Mar 2023	40.86	35.78
Apr 2023 onwards	154.92	273.64
The weighted average duration of the defined benefit obligation	4 years	5 years

viii Employer's best estimate for contribution during next year:

The expected contribution for defined benefit plan for the next financial year will be in line with 2017-18.

(b) Compensated absences (Unfunded)

The leave salary are payable to all eligible employees at the rate of daily salary of each day of accumulated leave (upto 39 days) on death or on resignation or upon retirement on attaining retirement age.

The liability for compensated absences as at year end is ₹ 141.66 lakhs (March 31, 2017: ₹ 166.89 Lakhs and April 1, 2016: ₹ 139.81 lakhs)

Short term Provision as at year end is ₹34.30 Lakhs (March 31, 2017: ₹ 41.93 Lakhs and April 1, 2016: ₹ 31.84 lakhs)

Long term Provision as at year end is ₹101.62 Lakhs(March 31, 2017: ₹124.96 lakhs and April 1, 2016: ₹ 107.97 lakhs)

Current liability as at the year end is ₹5.74 lakhs (March 31, 2017: ₹ Nil and April 1, 2016: Nil)

Notes forming part of the financial statements

for the year ended March 31, 2018

40. Corporate Social Responsibility

A. Gross amount required to be spent by the Company during the year 2017-18 - ₹ 70.64 Lakhs (Year 2016-17 - ₹ 82.19 Lakhs)

B. Actual amount spent during the year on: (₹ in lakhs)

Particulars	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
Previous Year 2017	-	-	-
(ii) On purposes other than (i) above	26.60	-	26.60
Previous Year 2017	92.92	-	92.92

41 Financial instruments - Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities

Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable

Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Financial Instrument measured at Fair Value through Profit and Loss

No financial assets/liabilities have been valued using level 1 and 2 fair value measurements.

Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities. (₹ in lakhs)

	March 31, 2018	March 31, 2017	April 1, 2016
Financial assets measured at amortized cost			
Investments	245.00	245.00	245.00
Trade receivables	1,184.82	9,336.95	3,361.62
Cash and cash equivalents	118.45	1,578.01	804.96
Bank Balances other than Cash and Cash Equivalents	20,026.71	30.12	23.41
Loans	4,421.95	10,542.09	10,203.70
Other financial assets	3,473.94	1,242.97	275.64
Financial assets measured at Fair value through profit and loss			
Investments	0.31	0.31	0.31
Financial liabilities measured at amortized cost			
Borrowings	16,315.18	14,483.36	3,499.00
Trade Payables	1,971.65	1,582.38	372.23
Other financial liabilities	542.08	420.74	1,023.08

42 Financial instruments - Risk management objectives and policies

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

Notes forming part of the financial statements

for the year ended March 31, 2018

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company exposure to the risk of changes in market interest rates relates primarily to the Company's long-term debt obligations with floating interest rates. For details of the Company's current and non current loans and borrowings, including interest rate profiles, refer to Note 17 and 20.

Exposure to interest rate risk

The summary quantitative data about the Company's exposure to interest rate risk as reported to the management of the Company is as follows:

	(₹ in lakhs)	
	March 31, 2018	March 31, 2017
Interest on term loan from bank	570.92	18.26

Foreign currency sensitivity

The Company is exposed to the interest rate fluctuations of 2.75% over banks 12 months MCLR (Range from 10.75% to 11.00% per annum as on March 31, 2018). The following table demonstrates the sensitivity to a .25bps increase or decrease in the interest rates with all other variables held constant. The sensitivity analysis is prepared as at the reporting date.

Effect	(₹ in lakhs)	
	Profit or loss Strengthening	Weakening
March 31, 2018		
Interest on term loan from bank	584.03	557.80

Effect	(₹ in lakhs)	
	Profit or loss Strengthening	Weakening
March 31, 2017		
Interest on term loan from bank	18.68	17.84

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

Exposure to currency risk

The summary quantitative data about the Company's exposure to currency risk as reported to the management of the Company is as follows:

	(₹ in lakhs)				(₹ in lakhs)	
	March 31, 2018		March 31, 2017		(April 1, 2016)	
	AED	₹ in lakhs	AED	₹ in lakhs	AED	₹ in lakhs
Accounts Receivable	64,221.50	11.38	35,102.00	6.20	56,888.00	10.27
Balance sheet exposure	64,221.50	11.38	35,102.00	6.20	56,888.00	10.27

Notes forming part of the financial statements

for the year ended March 31, 2018

Foreign currency sensitivity

The Company is exposed to the AED. The following table demonstrates the sensitivity to a 10% increase or decrease in the AED against ₹ with all other variables held constant. The sensitivity analysis is prepared on the unhedged exposure of the Company as at the reporting date.

(₹ in lakhs)

Effect	Profit or loss	
	Strengthening	Weakening
March 31, 2018		
AED	1.14	(1.14)
Effect	Profit or loss	
	Strengthening	Weakening
March 31, 2017		
AED	0.62	(0.62)
Effect	Profit or loss	
	Strengthening	Weakening
April 1, 2016		
AED	1.03	(1.03)

(iii) Other price risk

The Company does not have exposure to equity securities price risk arising from investments in equity shares (Unquoted) held by the Company and classified in the balance sheet at fair value through profit and loss.

(B) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business;
- ii) Actual or expected significant changes in the operating results of the counter-party;
- iii) Financial or economic conditions that are expected to cause a significant change to the counter-party's ability to meet its obligations;
- iv) Significant increase in credit risk on other financial instruments of the same counter-party; and
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. Where loans or receivables have been written off, the Company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized as income in the statement of profit and loss.

Notes forming part of the financial statements

for the year ended March 31, 2018

The Company measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

The Company limits its exposure to credit risk of balances held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The management reviews the bank accounts on regular basis and fund draw downs are planned to ensure that there is minimal surplus in bank accounts.

The company recognises expected credit loss based on the following:

Internal Rating (IR)	Category	Description of category	Basis of recognition of expected credit loss provision	
			Loans, deposits and other receivables	Trade receivables
IR 1	Standard assets with moderate credit risk	Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong	12 month expected credit losses	life time expected credit losses (simplified approach)
IR 2	Substandard assets with high credit risk	Assets where there is significant increase in credit risk and high probability of default.	life time expected credit losses	life time expected credit losses (simplified approach)
IR 3	Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery. As and when recoveries are made these are recognised in profit and loss	Asset is written off	

Under the simplified approach, the company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets, the company determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity recognises impairment loss allowance based on 12-month ECL.

The movement in ECL in respect of trade receivables is as follows:

(₹ in lakhs)

	Internal Rating (IR)	March 31, 2018	March 31, 2017	April 1, 2016
Gross carrying amount		10,482.24	9,971.10	3,961.62
Provision for doubtful receivables including ECL	IR 2	(9,297.42)	(634.15)	(600.00)
Balance at the end of the year		1,184.82	9,336.95	3,361.62

The movement in ECL in respect of financial assets other than trade receivables is as follows:

(₹ in lakhs)

	Internal Rating (IR)	March 31, 2018	March 31, 2017	April 1, 2016
Gross carrying amount		12,976.23	12,609.34	10,203.69
Provision for doubtful loans and advances	IR 2	(8,554.28)	(2,067.25)	-
Balance at the end of the year		4,421.95	10,542.09	10,203.69

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the company's reputation. The management monitors rolling forecast on the liquidity position and cash and cash equivalents on the basis of expected cash flows.

Notes forming part of the financial statements

for the year ended March 31, 2018

The table below analysis financial liabilities of the Company into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows. (₹ in lakhs)

As at March 31, 2018	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	16,315.18	6,202.11	5,272.96	4,840.11	-
Trade Payables	1,971.65	1,971.65	-	-	-
Other current financial liabilities	542.08	542.08	-	-	-

(₹ in lakhs)

As at March 31, 2017	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	14,483.36	12,460.47	511.28	1,511.61	-
Trade Payables	1,582.38	1,582.38	-	-	-
Other current financial liabilities	420.74	420.74	-	-	-

(₹ in lakhs)

As at March 31, 2016	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	3,499.00	3,499.00	-	-	-
Trade Payables	372.23	372.23	-	-	-
Other current financial liabilities	1,023.08	1,023.08	-	-	-

43 Capital management

The Company aim to manages its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Company is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. Company consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Company may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Company's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Company will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Company's adjusted net debt to equity ratio is as follows: (₹ in lakhs)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total borrowings along with accrued interest	16,315.18	14,483.36	3,499.00
Less : Cash and cash equivalents	(118.45)	(1,578.01)	(804.96)
Adjusted net debt	16,196.73	12,905.35	2,694.04
Equity	7,178.50	3,982.08	3,982.08
Other Equity	13,722.71	9,572.42	10,234.63
Total Equity	20,901.21	13,554.50	14,216.71
Adjusted net debt to equity ratio	0.77	0.95	0.19

Notes forming part of the financial statements

for the year ended March 31, 2018

44 The Scheme of Arrangement ("Scheme") between Lakshya Forum for Competitions Private Limited (LFCPL), Lakshya Educare Private Limited (LEPL) and their respective Shareholders was filed with the High Court of Judicature at Bombay and the High Court of Punjab & Haryana at Chandigarh. The Hon'ble High Court of Judicature at Bombay approved the Scheme on May 4, 2016 subject to approval of the Scheme by High Court of Judicature at Punjab & Haryana. The Scheme was subsequently approved vide Order dated August 17, 2017 passed by National Company Law Tribunal Court – Chandigarh Bench, Chandigarh on account of transfer from High Court of Judicature at Punjab & Haryana, effective April 1, 2014 which is the 'Appointed Date' prescribed in the Scheme. The Scheme has, accordingly, been given effect to in the financial statements of Lakshya Educare Private Limited for the year ended March 31, 2018.

45 Events after the reporting period

No significant events have occurred after the balance sheet date which requires adjustment or disclosure in the financial statements of the Company.

46 Approval of financial statements

The financial statements are approved for issue by the Audit Committee and Board of Directors at its meeting held on May 29, 2018.

47 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

As per our report of even date attached

For **MSKA & Associates** (Formerly known as MZSK & Associates)
Chartered Accountants
Firm Registration No. : 105047W

Vishal Vilas Divadkar
Partner
Membership No.:118247

Place : Mumbai
Date : May 29, 2018

For and on behalf of the Board of Directors of

MT Educare Limited
CIN: L80903MH2006PLC163888

Mr Mahesh Shetty
Chairman and Managing Director
DIN - 01526975

Mr Naarayanan Iyer
Director
DIN - 00295246

Mr Sandesh Naik
Chief Financial Officer

Place : Mumbai
Date : May 29, 2018

Independent Auditor's Report

To The Members of MT Educare Limited

Report on the Consolidated Ind AS Financial Statements

We have audited the accompanying consolidated Ind AS financial statements of MT Educare Limited (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows, the Consolidated Statement of Changes in Equity for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated Ind AS financial statements").

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in equity of the Group in accordance with the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended, and the accounting principles generally accepted in India. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated Ind AS financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated Ind AS financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated Ind AS financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated Ind AS financial statements.

We believe that the audit evidence obtained by us is sufficient and appropriate to provide a basis for our audit opinion on the consolidated Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India including the Ind AS, of the consolidated financial position of the Group as at March 31, 2018, and its consolidated loss (including other comprehensive income), their consolidated cash flows and consolidated statement of changes in equity for the year ended on that date.

Other Matters

The comparative financial information of the Group for the year ended March 31, 2017 included in these consolidated Ind AS financial statements is based on the previously issued statutory consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 on which we issued an unmodified audit opinion vide our reports dated May 11, 2017 on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to the Ind AS, which have also been audited by us.

The opening consolidated balance sheet as at the transition date April 1, 2016 included in these consolidated Ind AS

financial statements, is based on the previously issued statutory consolidated financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by the predecessor auditor whose report for the year ended March 31, 2016 dated May 17, 2016 expressed an unmodified audit opinion on those consolidated financial statements, as adjusted for the differences in the accounting principles adopted by the Group on transition to the Ind AS, which have been audited by us.

Our opinion is not modified in respect of these matters.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, based on our audit of the Group, we report to the extent applicable that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated Ind AS financial statements;
 - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books;
 - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Cash Flows and Consolidated Statement of Changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated Ind AS financial statements;
 - (d) In our opinion, the aforesaid consolidated Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Indian Accounting Standards) Rules, 2015, as amended;
 - (e) On the basis of the written representations received from the directors of the Holding Company / Subsidiary Companies as on March 31, 2018 and

taken on record by the Board of Directors of the Holding Company / Subsidiary Companies, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2018 from being appointed as a director of that Company in terms of Section 164 (2) of the Act;

- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in 'Annexure A';
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, as amended, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The consolidated Ind AS financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 32.1 to the consolidated Ind AS financial statements;
 - (ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts during the year ended March 31, 2018; and
 - (iii) There are no amounts which are required to be transferred to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India during the year ended March 31, 2018.

For MSKA & Associates
(Formerly known as 'MZSK & Associates')
Chartered Accountants
ICAI Firm Registration No. 105047W

Vishal Vilas Divadkar
Partner
Membership No.118247

Place: Mumbai
Date: May 29, 2018

'ANNEXURE A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED Ind AS FINANCIAL STATEMENTS OF MT EDUCARE LIMITED

[Referred to in paragraph 1(f) under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditor's Report of even date to the Members of MT Educare Limited on the Consolidated Ind AS Financial Statements for the year ended March 31, 2018]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

In conjunction with our audit of the consolidated Ind AS financial statements of the Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of MT Educare Limited (hereinafter referred to as "the Holding Company") and its subsidiary companies, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company and its subsidiary companies, which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls over financial reporting of the Holding company and its subsidiary companies, which are companies incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note deemed to be issued by the ICAI and the Standards on Auditing prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance

about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting of the Holding Company and its subsidiary companies, which are companies incorporated in India, as of that date.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and

directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary companies, which are companies incorporated

in India, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For **MSKA & Associates**
(Formerly known as 'MZSK & Associates')
Chartered Accountants
ICAI Firm Registration No. 105047W

Vishal Vilas Divadkar
Partner
Membership No.118247

Place: Mumbai
Date: May 29, 2018

Consolidated Balance Sheet

as at March 31, 2018

₹ in lakhs

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
ASSETS				
Non-current assets				
Property, plant and equipment	4	3,293.38	4,278.67	4,701.39
Capital work-in-progress		10.57	96.45	46.67
Investment Property	4	-	78.15	78.15
Goodwill	4	1,627.52	1,627.52	1,627.52
Other intangible assets	4	1,556.95	2,534.66	967.37
Intangible assets under development		69.13	324.65	1,030.68
Financial Assets				
- Investments	5	0.31	0.31	0.31
- Loans	6	3,803.31	7,647.04	9,265.63
- Other financial assets	7	335.70	11.38	2.55
Deferred tax assets (net)	33	9,101.05	2,070.14	1,491.90
Other non-current assets	8	1,284.20	1,776.96	1,246.14
Total non-current assets		21,082.12	20,445.93	20,458.31
Current assets				
Inventories		-	-	117.01
Financial Assets				
- Trade receivables	9	1,376.99	11,502.73	3,953.98
- Cash and cash equivalents	10	217.07	1,613.45	1,089.54
- Bank Balances other than Cash and Cash Equivalents	11	20,035.21	30.12	23.41
- Loans	12	1,100.03	1,501.79	755.44
- Other financial assets	13	2,573.26	1,242.97	275.64
Other current assets	14	954.16	1,183.78	1,149.10
Asset classified as held for sale	15	64.25	-	-
Total current assets		26,320.97	17,074.84	7,364.12
TOTAL ASSETS		47,403.09	37,520.77	27,822.43
EQUITY AND LIABILITIES				
Equity				
Equity share capital	16	7,178.50	3,982.08	3,982.08
Other equity	17	13,308.61	10,193.58	10,267.15
Equity attributable to owners of the company		20,487.11	14,175.66	14,249.23
Non controlling interest		-	-	-
Total equity		20,487.11	14,175.66	14,249.23
Liabilities				
Non-current liabilities				
Financial Liabilities				
- Borrowings	18	13,003.77	2,013.53	-
Provisions	19	324.63	250.08	182.69
Other non-current liabilities	20	574.62	234.41	546.27

Consolidated Balance Sheet

as at March 31, 2018

Particulars	Note No.	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total non-current liabilities		13,903.02	2,498.02	728.96
Current liabilities				
Financial Liabilities				
- Borrowings	21	2,151.17	12,464.30	3,499.00
- Trade payables	22	2,395.42	1,962.68	659.80
- Other financial liabilities	23	2,852.47	588.97	1,268.93
Other current liabilities	24	5,450.98	4,807.84	5,426.24
Provisions	25	162.92	1,023.30	1,990.27
Total current liabilities		13,012.96	20,847.09	12,844.24
Total liabilities		26,915.98	23,345.11	13,573.20
TOTAL EQUITY AND LIABILITIES		47,403.09	37,520.77	27,822.43
Summary of significant accounting policies and notes	1-2			

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **MSKA & Associates** (Formerly known as MZSK & Associates)
Chartered Accountants
Firm Registration No. : 105047W

Vishal Vilas Divadkar
Partner
Membership No.:118247

Place : Mumbai
Date : May 29, 2018

**For and on behalf of the Board of Directors of
MT Educare Limited**
CIN: L80903MH2006PLC163888

Mr Mahesh Shetty
Chairman and Managing Director
DIN - 01526975

Mr Naarayanan Iyer
Director
DIN - 00295246

Mr Sandesh Naik
Chief Financial Officer

Place : Mumbai
Date : May 29, 2018

Consolidated Statement of Profit and Loss

for the year ended March 31, 2018

₹ in lakhs

Particulars	Note No.	For the Year ended March 31, 2018	For the Year ended March 31, 2017
1 Income			
Revenue from Operations	26	22,262.41	30,461.06
Other income	27	1,450.10	1,342.04
Total Income		23,712.51	31,803.10
2 Expenses			
Direct expenses	28	12,974.57	14,932.42
Employee benefits expense	29	3,938.94	3,947.62
Finance costs	30	2,297.90	1,435.46
Depreciation and amortisation expense	4	2,136.34	1,884.38
Other Expenses	31	22,535.23	8,528.37
Total Expenses		43,882.98	30,728.25
3 (Loss) / Profit before tax (1-2)		(20,170.47)	1,074.85
4 Tax expense:			
(a) Current tax		15.04	1,062.08
(b) Adjustments for earlier years		31.82	12.74
(c) Mat credit		-	18.32
(d) Deferred tax credit	33	(7,034.77)	(602.25)
		(6,987.91)	490.89
5 (Loss)/ Profit for the year (3 - 4)		(13,182.56)	583.96
6 Other Comprehensive Income (OCI)			
Items that will not be reclassified to Consolidated Statement of Profit and Loss			
i. Remeasurement of defined benefit plan		10.59	18.81
ii. Income tax related to (i) above	33	(3.63)	(5.70)
Total other comprehensive income		6.96	13.11
Total comprehensive (loss)/ income for the year (5+6)		(13,175.60)	597.07
7 (Loss)/ Profit for the year attributable to:			
Owners of the Company		(13,182.56)	583.96
Non - controlling interest		-	-
8 Other comprehensive income for the year attributable to:			
Owners of the Company		6.96	13.11
Non - controlling interest		-	-
9 Total comprehensive (loss)/ income for the year attributable to:			
Owners of the Company		(13,175.60)	597.07
Non - controlling interest		-	-
10 (Loss)/ Earnings per share [Nominal value per share of ₹ 10 each (Previous Year. ₹ 10 each)]:			
Basic (₹)	34	(32.74)	1.47
Diluted (₹)	34	(32.74)	1.47
Summary of significant accounting policies and notes	1-2		

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **MSKA & Associates** (Formerly known as MZSK & Associates)
Chartered Accountants
Firm Registration No. : 105047W

Vishal Vilas Divadkar
Partner
Membership No.:118247

Place : Mumbai
Date : May 29, 2018

For and on behalf of the Board of Directors of
MT Educare Limited
CIN: L80903MH2006PLC163888

Mr Mahesh Shetty
Chairman and Managing Director
DIN - 01526975

Mr Naarayanan Iyer
Director
DIN - 00295246

Mr Sandesh Naik
Chief Financial Officer

Place : Mumbai
Date : May 29, 2018

Consolidated Statement of Cash Flows

for the year ended March 31, 2018

₹ in lakhs

Particulars	For the year ended March 31, 2018		For the year ended March 31, 2017	
A. Cash flow from operating activities				
(Loss) /Profit before tax		(20,170.47)		1,074.85
Adjustments for:				
Depreciation and amortisation	2,136.34		1,884.38	
Interest income	(1,395.10)		(1,231.25)	
Finance Cost	2,121.80		1,183.05	
Dividend income	(0.01)		(0.01)	
Allowance for doubtful debts and advances	16,967.90		2,131.08	
Bad debts written off	18.10		-	
Net gain on sale of investments	-		(0.86)	
Net loss on sale of Property, Plant & Equipment and intangible assets written off	459.88		176.75	
Impairment loss on asset classified as held for sale	13.90		-	
Liabilities no longer required written back (net)	(32.13)			
Employee stock option expense	67.82	20,358.50	-	4,143.14
Operating profit before working capital changes		188.03		5,217.99
Changes in working capital:				
(Increase) in Trade receivables	(547.55)		(7,580.92)	
(Increase) in other assets	(27,375.30)		(3,846.15)	
Decrease in Inventories	-		117.01	
Increase in Trade payables	432.74		1,302.88	
Increase/(Decrease) in Other Liabilities & Provisions	1,130.01	(26,360.10)	(1,477.55)	(11,484.73)
Cash used in operations		(26,172.07)		(6,266.74)
Net income tax paid		(697.37)		(1,661.18)
Net cash used in operating activities (A)		(26,869.44)		(7,927.92)
B. Cash flow from investing activities				
Proceeds from sale of property, plant and equipment	134.88		52.33	
Capital expenditure on Property, Plant and Equipment, including movement in Intangible assets under development and capital advances	(281.94)		(2,726.52)	
Sale of Current investments	-		800.86	
Purchase of Current investments	-		(800.00)	
Interest received	1,465.20		649.10	
Loans and advances given	4,038.66		1,323.01	
Dividend on non current investments received	0.01		0.01	
Net cash flow from/(used in) investing activities (B)		5,356.80		(701.21)
C. Cash flow from financing activities				
Proceeds from issue of equity shares	20,000.00		-	
Proceeds from non current borrowings	10,990.24		2,013.53	
(Repayment)/proceeds of current borrowings (Net)	(8,087.34)		8,881.63	
Share Issue Expenses	(580.77)		-	
Finance Cost paid	(2,205.87)		(1,071.14)	
Dividend paid	-		(557.49)	
Tax on dividend paid	-		(113.49)	
Net cash flow from financing activities (C)		20,116.26		9,153.04

Consolidated Statement of Cash Flows

for the year ended March 31, 2018

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Net (decrease)/increase in Cash and cash equivalents (A+B+C)	(1,396.38)	523.91
Cash and cash equivalents at the beginning of the year	1,613.45	1,089.54
Cash and cash equivalents at the end of the year (Refer note 10)	217.07	1,613.45
Cash and cash equivalents at the end of the year *		
* Comprises:		
Cash on hand	-	0.23
Balances with banks in deposit accounts	-	8.50
Balances with banks in current accounts	217.07	1,604.72
	217.07	1,613.45

Notes:

The above Consolidated Statement Cash Flows has been prepared under the 'Indirect Method' as set out in the Indian Accounting Standard (Ind AS) 7 - "Statement of Cash Flows".

Amendment to Ind AS 7

The amendment to Ind AS 7 "Statement of Cash Flows requires the entities to provide disclosures that enables users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the Balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. This amendment has become effective from April 1, 2017 and the required disclosure is made below. There is no other impact on the consolidated financial statements due to this amendment.

₹ in lakhs

Particulars	Non - Cash changes				
	As at March 31, 2017	Cash flows	Fair value changes	Current/ non current classification	As at March 31, 2018
Borrowings - Non current liabilities	2,013.53	13,315.75	(183.81)	(2,141.70)	13,003.77
Other financial liabilities	28.25	-	-	2,141.70	2,169.95
Borrowings - current	12,464.30	(10,313.13)	-	-	2,151.17

As per our report of even date attached

For **MSKA & Associates** (Formerly known as MZSK & Associates)
Chartered Accountants
Firm Registration No. : 105047W

Vishal Vilas Divadkar
Partner
Membership No.:118247

Place : Mumbai
Date : May 29, 2018

**For and on behalf of the Board of Directors of
MT Educare Limited**
CIN: L80903MH2006PLC163888

Mr Mahesh Shetty
Chairman and Managing Director
DIN - 01526975

Mr Naarayanan Iyer
Director
DIN - 00295246

Mr Sandesh Naik
Chief Financial Officer

Place : Mumbai
Date : May 29, 2018

Consolidated Statement of Changes in Equity

for the year ended March 31, 2018

A) Equity share capital

₹ in lakhs

Particulars	As at March 31, 2018	As at March 31, 2017
Balance at the beginning of the reporting period	3,982.08	3,982.08
Changes in equity share capital during the year	3,196.42	-
Balance at the end of the reporting year	7,178.50	3,982.08

₹ in lakhs

Particulars	Reserves and Surplus						Total
	General reserve *	Securities premium reserve	Employee stock options outstanding account	Retained earnings	Total attributable to owners of the company	Non - controlling interests	
Balance as on April 1, 2016 (A)	6,893.20	3,373.63	-	0.32	10,267.15	-	10,267.15
Additions during the year:							
Net Profit for the year	-	-	-	583.96	583.96	-	583.96
Items of OCI for the year, net of tax							
- Remeasurement of defined benefit plan	-	-	-	13.11	13.11	-	13.11
Total comprehensive income for the year (B)	-	-	-	597.07	597.07	-	597.07
Reductions during the year:							
Final Dividend	-	-	-	(557.15)	(557.15)	-	(557.15)
[Dividend per share ₹ 1.40]							
Tax on final dividend	-	-	-	(113.49)	(113.49)	-	(113.49)
Transferred to General reserve	(86.68)	-	-	86.68	-	-	-
Total (C)	(86.68)	-	-	(583.96)	(670.64)	-	(670.64)
Balance as on March 31, 2017 D=A+B+C	6,806.52	3,373.63	-	13.43	10,193.58	-	10,193.58
Add : Securities Premium credited on shares issue	-	16,803.58	-	-	16,803.58	-	16,803.58
Less: Transaction costs arising on share issue	-	(580.77)	-	-	(580.77)	-	(580.77)
Add: Employee stock option expense	-	-	67.82	-	67.82	-	67.82
Total (E)	-	16,222.81	67.82	-	16,290.63	-	16,290.63
Additions during the year:							
Net Loss for the year	-	-	-	(13,182.56)	(13,182.56)	-	(13,182.56)
Items of OCI for the year, net of tax							
- Remeasurement of defined benefit plan	-	-	-	6.96	6.96	-	6.96
Total comprehensive income for the year (F)	-	-	-	(13,175.60)	(13,175.60)	-	(13,175.60)
Reductions during the year:							
Transferred to General reserve	(13,182.56)	-	-	13,182.56	-	-	-
Total (G)	(13,182.56)	-	-	13,182.56	-	-	-
Balance as on March 31, 2018 H=D+E+F+G	(6,376.04)	19,596.44	67.82	20.39	13,308.61	-	13,308.61

*General reserve as at April 1, 2016 includes amalgamation reserve amounting to ₹ 51.76.Lakhs (Refer note 44.)

The accompanying notes are an integral part of these consolidated financial statements

As per our report of even date attached

For **MSKA & Associates** (Formerly known as MZSK & Associates)
Chartered Accountants
Firm Registration No. : 105047W

Vishal Vilas Divadkar
Partner
Membership No.:118247

Place : Mumbai
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For and on behalf of the Board of Directors of
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DIN - 00295246

Mr Sandesh Naik
Chief Financial Officer

Place : Mumbai
Date : May 29, 2018

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

1 Corporate information

MT Educare Limited (‘the ‘Company’ or the ‘Holding Company’), its subsidiaries (the Holding Company and its subsidiaries together referred to as the ‘Group’) is an education support and coaching services provider for students in the secondary and higher secondary school and for students pursuing graduation degree in commerce, preparing for various competitive examinations and undertaking chartered accountancy examinations.

The Company is a public limited company domiciled in India and is incorporated under the provisions of Companies Act, 1956. The Company’s share are listed on two recognised stock exchanges - National Stock Exchange and Bombay Stock Exchange.

2 Summary of significant accounting policies

2.1 Basis of accounting and preparation of financial statements

(a) Statement of Compliance with Ind AS

These financial statements of the Group (also referred to as consolidated financial statements) have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the “Act”) read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016.

The consolidated financial statements for all period and including up to year ended 31 March 2017 were prepared in accordance with the accounting standards notified under the Section 133 of the Act, read with paragraph 7 of the Companies (Accounts) Rules, 2014 (IGAAP).

These consolidated financial statements for the year ended 31 March 2018 are the first set of consolidated financial statements prepared in accordance with Ind AS. Refer note 3.2 for an explanation on how transition from IGAAP to Ind AS has affected the financial position, financial performance and cash flows of the Group.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

All assets and liabilities have been classified as current or non-current as per the Group’s normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of business and the time between the acquisition of assets for processing and their realisation in

cash and cash equivalents, the Group has ascertained its operating cycle as 12 months for the purpose of current or non-current classification of assets and liabilities.

(b) Basis of measurement

The consolidated financial statements have been prepared on a historical cost convention on accrual basis, except for the following material items that have been measured at fair value as required by relevant Ind AS:-

- i) Certain financial assets and liabilities measured at fair value
- ii) Share based payment measured at fair value
- iii) Defined benefit plans – plan assets measured at fair value
- iv) Assets classified as held for sale - measured at the lower of carrying amount or fair value less costs to sell

The consolidated financial statements are prepared in Indian Rupees (₹) and all values are rounded off to the nearest lakhs, except when otherwise indicated.

(c) Significant accounting estimates and judgements

The preparation of consolidated financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the balance sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the balance sheet date. The estimates and assumptions used in the accompanying consolidated financial statements are based upon the Management’s evaluation of the relevant facts and circumstances as at the date of the consolidated financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognised in the year in which the estimates are revised and in any future years affected.

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment within the next financial year are included in the following notes together with the accounting policies:

Note - Recognition and measurement of deferred tax asset
 Note – Impairment of assets (both financial and non-financial)

Note - Fair value measurement of financial instruments

Note – Useful life of Property, plant and equipment, Intangible assets and Intangible assets under development

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

2.2 Cash and cash equivalents

Cash and cash equivalent in the Consolidated Balance Sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the Consolidated Statement of Cash Flows, cash and cash equivalents consist of cash at bank and on hand and short-term deposits, as defined above, net of bank overdrafts as they are considered an integral part of the Group's cash management.

2.3 Tangible assets, Capital work in progress and Capital advances

An item of Property, Plant and Equipment that qualifies as an asset is measured on initial recognition at cost. Following initial recognition, items of Property, Plant and Equipment are carried out at cost less accumulated depreciation and accumulated impairment losses, if any. Cost comprises the purchase price, borrowing costs, if capitalisation criteria are met and any cost attributable to bringing the assets to its working condition for its intended use which includes taxes, freight and installation and allocated incidental expenditure during construction/acquisition and exclusive of CENVAT credit or other tax credit available to the Group.

The Group identifies and determines cost of each part of an item of Property, Plant and Equipment separately, if the part has a cost which is significant to the total cost of that item of Property, Plant and Equipment and has useful life that is materially different from that of the remaining item.

Subsequent expenditure relating to tangible assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Rent paid for the period beginning/commencing from taking over vacant possession of the premises and ending with the date of completion of project/improvements or for a period of 3 months, whichever is earlier, is capitalised under leasehold improvements.

In case of centers closed down or relocated during the period, Written Down Value (WDV) of leasehold improvements / fixtures as on the date on which the centre is closed down / relocated are completely written off.

Capital Work-In-Progress are assets that are not ready for the intended use as at the Balance Sheet date. Capital advances represents advances given towards acquisition of property, plant and equipment and are outstanding as at the Balance Sheet date.

2.4 Intangible assets and Intangible assets under development

Intangible assets acquired separately:

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets acquired in a business combination:

Intangible assets acquired in a business combination and recognised separately from goodwill are initially recognised at their fair value at the acquisition date (which is regarded as their cost). Subsequent to initial recognition, intangible assets acquired in a business combination are reported at cost less accumulated amortisation and accumulated impairment losses, if any.

Internally generated Intangible Assets – Research and Development Expenditure:

Expenditure on research activities is recognised in Consolidated Statement of Profit and Loss in the period in which it is incurred. An internally generated intangible asset arising from development is recognised if and only if it meets the recognition criteria of intangible assets. The amount initially recognised is the sum total of expenditure incurred from the date when the intangible asset first meets the recognition criteria. Where no intangible asset can be recognised, development expenditure is recognised in Consolidated Statement of Profit and Loss in the period in which it is incurred. Subsequent to initial recognition, internally generated intangible assets are reported at cost less accumulated amortisation and accumulated impairment losses, if any.

Intangible assets under development:

Expenses incurred on in-house development of courseware and products are shown as Intangible asset under development till the asset is ready to use. They shall be capitalised either individually or as a knowledge bank in the form of Technology Aided Teaching (TAT) / Multimedia Software. Their technical feasibility and ability to generate future economic benefits is established in accordance with the requirements of Ind AS 38, "Intangible Assets".

2.5 Depreciation and Amortisation

Depreciation is calculated on a straight-line basis to allocate the cost of assets, net of their residual values, if

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

any, over their estimated useful lives. Components having value significant to the total cost of the asset and life different from that of the main asset are depreciated over its useful life. The useful lives have been determined based on technical evaluation in line with useful lives mentioned in Schedule II to the Act except for air-conditioners, office equipments and computer hardware where the management believes the revised useful life of these assets correctly reflect the periods over which the assets are expected to be used. Useful life for Air-conditioners, Office equipments and Computer hardware is 6, 4 and 4 years respectively which are grouped under plant and machinery (including office equipments) and computers and e-learning equipments.

Residual values, useful life of assets and methods of depreciation of property, plant and equipment are reviewed at the end of each financial year with the effect of any changes in the estimate is accounted for on a prospective basis.

Amortisation of the intangible assets is provided on pro-rata basis on straight line basis based on management's technical assessment of useful life of the assets:

- (i) A period of 3 years on non-compete fees and Technology Aided Teaching (TAT)
- (ii) A period of 3 years on goodwill, based on management's current estimate of useful life of the asset
- (iii) A period of 5 years on ERP - SAP Software
- (iv) A period of 5 years on purchase of License for Online teaching
- (v) A period of 3 years for content

2.6 Impairment of tangible and intangible assets other than goodwill

At the end of each reporting period, the Group reviews the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss, if any. When it is not possible to estimate the recoverable amount of an individual asset, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual cash-generating units, or otherwise they are allocated to the smallest group of cash-generating units for which a reasonable and consistent allocation basis can be identified.

Intangible assets not yet available for use are tested for impairment at least annually and whenever there is an indication that the asset may be impaired.

Recoverable amount is the higher of fair value less costs of disposal and value in use. If the recoverable amount of the asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised in Consolidated Statement of Profit and Loss.

2.7 Revenue recognition

Revenue is recognised to the extent that it is probable that economic benefits will flow to the Group and revenue can be reliably measured. Revenue is measured at the fair value of the consideration received or receivable net of returns, rebates and discounts, if any, and excluding taxes or duties collected on behalf of the government.

Revenue from fees received is recognised equally over the period of service rendered (i.e. course duration). Fees relating to the courses starting beyond the Balance Sheet date are accounted for as 'Advance fees'. Discounts / concessions if any, are accounted for separately in a similar manner and are netted off from 'Advance Fees'.

Revenue from sale of hardware/content is recognised upon transfer of significant risk and rewards of ownership of the goods to the customer via online/offline delivery, wherever applicable, while the Group retains neither continuing managerial involvement nor the effective control.

Revenue from government projects is recognised using percentage of completion method based on the achievement of milestones.

Management fees includes fees for services rendered and is recognised using percentage of completion method based on the achievement of milestones.

2.8 Other income

Interest income from a financial asset is recognised on a time basis, by reference to the principal outstanding using the effective interest method provided it is probable that the economic benefits associated with the interest will flow and the amount of interest can be measured reliably. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

Royalty revenue is recognised on an accrual basis in accordance with the substance of the relevant agreement or underlying arrangement in case of sales provided that

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

it is probable that the economic benefits associated with the royalty shall flow and the amount of royalty can be measured reliably.

Dividend income from investments is recognised when the right to receive dividend is established provided it is probable that the economic benefits associated with the dividend will flow and also the amount of dividend income can be measured reliably.

2.9 Foreign currency transactions and translations

Initial recognition:

Items included in the consolidated financial statements are measured using the currency of the primary economic environment in which the entity operates (the functional currency). The consolidated financial statements are presented in Indian rupee (₹), which is the Group's functional and presentation currency. Foreign currency transactions are recorded in the functional currency by applying the exchange rate between the functional currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing exchange rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when such values were determined.

Exchange differences:

Exchange differences arising on the settlement of monetary items or on reporting the Group's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognised as income or as expenses in the year in which they occur.

2.10 Employee benefits

Employee benefits include Provident Fund, Employee State Insurance Scheme, Gratuity and Compensated Absences.

Defined contribution plan:

The Group's contribution to Provident Fund and Employee State Insurance are considered as defined contribution plan and are recognised as an expense in the Consolidated Statement of Profit and Loss based on the amount of contribution required to be made as and

when services are rendered by the employees. The Group has no further obligations under these plans beyond its monthly contributions.

Defined benefit plan:

For Defined Benefit Plans in the form of Gratuity, the cost of providing benefits is determined using the Projected Unit Credit method, with actuarial valuations being carried out at each balance sheet date. Remeasurement, comprising actuarial gains and losses and the return on plan assets (excluding net interest) is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income in the period in which they occur. Remeasurement recognised in Other Comprehensive Income is reflected immediately in retained earnings and is not reclassified to Consolidated Statement of Profit and Loss. Past service cost is recognised immediately for both vested and the non-vested portion. The retirement benefit obligation recognised in the Consolidated Balance Sheet represents the present value of the defined benefit obligation, as reduced by the fair value of scheme assets. Any asset resulting from this calculation is limited taking into account the present value of available refunds and reductions in future contributions to the schemes.

Short term and Other Long term employee benefits:

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave and sick leave in the period the related service is rendered at the undiscounted amount of the benefits expected to be paid in exchange for that service. Liabilities recognised in respect of short-term employee benefits, employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service. Liabilities recognised in respect of other long-term employee benefits are measured at the present value of the estimated future cash outflows expected to be made by the Group in respect of services provided by employees up to the reporting date.

2.11 Share based payments

Senior executives employees of the Group receive remuneration in the form of share-based payments, whereby employees render services as consideration for equity instruments (equity-settled transactions). The cost of equity-settled transactions is determined by the fair value at the date when the grant is made using an appropriate valuation model. That cost is recognised, together with a corresponding increase in share-based payment (SBP) reserves in equity, over the period in which the performance and/or service conditions are fulfilled in employee benefits expense. The cumulative expense

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recognised for equity-settled transactions at each reporting date until the vesting date reflects the extent to which the vesting period has expired and the Group's best estimate of the number of equity instruments that will ultimately vest. The expense or credit in the Consolidated Statement of Profit and Loss for a period represents the movement in cumulative expense recognised as at the beginning and end of that period and is recognised in employee benefits expense.

The dilutive effect of outstanding options is reflected as additional share dilution in the computation of diluted earnings per share.

2.12 Leases

Operating Leases

As lessee

Leases where the lessor effectively retains substantially all risks and benefits of ownership of the leased premises during the lease term are classified as 'Operating Lease'. Operating lease payments are recognised as an expense in the Consolidated Statement of Profit and Loss on a monthly accrual basis as per agreements, except in case of newly rented premises where the rent paid for the period beginning/ commencing from taking over vacant possession of premises and ending with date of completion of the improvements / project or rent paid for 3 months, whichever is earlier, is capitalised and added to the cost of leasehold improvements.

Where the rentals are structured solely to increase in line with expected general inflation to compensate for the lessor's expected inflationary cost increases, such increases are recognised in the year in which such benefits accrue.

As lessor

Lease income from operating leases where the Group is a lessor is recognized in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the consolidated balance sheet based on their nature.

2.13 Earnings per share

Basic Earnings Per Share is calculated by dividing the Net profit / loss after tax for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. The weighted

average numbers of equity shares outstanding during the period and for all periods presented are adjusted for events of bonus, granting and vesting employee stock options to employees. For the purpose of calculating diluted earnings per share, the net profit / loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

2.14 Tax Expense

Tax expense represents the sum of the tax currently payable and deferred tax.

Current tax:

The tax currently payable is based on taxable profit for the year. Taxable profit differs from 'profit before tax' as reported in the Consolidated Statement of Profit and Loss because of items of income or expense that are taxable or deductible in other years and items that are never taxable or deductible. The Group's current tax is calculated using applicable tax rates that have been enacted or substantively enacted by the end of the reporting period and the provisions of the Income Tax Act, 1961 and other tax laws, as applicable.

Deferred tax:

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. Deferred tax liabilities are generally recognised for all taxable temporary differences. Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised.

The carrying amount of deferred tax assets is reviewed at the end of each reporting period and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The measurement of deferred tax liabilities and assets reflects the tax consequences that would follow from the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Notes forming part of the consolidated financial statements

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Current and deferred tax are recognised in Consolidated Statement of Profit and Loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

2.15 Provisions, Contingent liabilities, contingent assets and commitments

A provision is recognised when there is a present obligation (legal or constructive) as a result of a past event; it is probable that an outflow of resources will be required to fulfill the obligation and in respect of which reliable estimate can be made. Provisions other than employee benefits are not discounted to their present value and are determined based on best estimate required to fulfill the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the best current estimate.

Contingent liabilities are not recognised but are disclosed in the notes to the consolidated financial statements where an inflow of economic benefits is probable.

Contingent assets are neither recognised nor disclosed in the consolidated financial statements.

Commitments include the amount of purchase order (net of advances) issued to parties for construction / completion of assets.

2.16 Inventory

Inventories comprise of tablets and SD cards.

Inventories are valued at lower of Cost and Net realisable value. Cost of inventories is determined on a weighted-average basis. Cost for this purpose includes purchase price, (excluding those subsequently recoverable by the enterprise from the concerned revenue authorities), freight inwards and other expenditure incurred in bringing such inventories to their present location and condition. Net realisable value represents the estimated selling price in the ordinary course of business less all estimated costs of completion and estimated costs necessary to make the sale.

Provision of obsolescence on inventories is made on the basis of management's estimate based on demand and market of the inventories.

2.17 Goodwill

Goodwill is measured as the excess of the sum of the consideration transferred over the net of acquisition-date amounts of the identifiable assets acquired and the

liabilities assumed. Goodwill arising on an acquisition of a business is carried at cost as established at the date of acquisition of the business less accumulated impairment losses, if any. For the purposes of impairment testing, goodwill is allocated to each of the Group's cash generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually or more frequently when there is an indication that the unit may be impaired. If the recoverable amount of the cash generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit pro rata based on the carrying amount of each assets in the unit. Any impairment loss for goodwill is recognised directly in Consolidated Statement of Profit and Loss.

An impairment loss recognised for goodwill is not reversed in subsequent periods.

2.18 Segment Reporting

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM) of the Group. The CODM is responsible for allocating resources and assessing performance of the operating segments of the Group.

2.19 Borrowings and borrowing cost

Borrowings are initially recognised at net of transaction costs incurred and measured at amortised cost. Any difference between the proceeds (net of transaction costs) and the redemption amount is recognised in the Consolidated Statement of Profit and Loss over the period of the borrowings using the effective interest method.

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of cost of asset, if any. All other borrowing costs are expensed in the period in which they occur.

Borrowing cost includes interest, amortisation of ancillary costs incurred in connection with the arrangement of borrowings and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost.

2.20 Investment properties

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the Group, is classified as Investment Property. Investment property is measured at its cost, including related transaction costs

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and, where applicable, borrowing costs less depreciation and impairment, if any. Depreciation on building is provided over its useful life using the straight lining method.

Useful life considered for calculation of depreciation for assets class are as follows:

Non-factory building - 60 years

2.21 Non-current assets held for sale

The Group classifies non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use of the assets and actions required to complete such sale indicate that it is unlikely that significant changes to the plan to sell will be made or that the decision to sell will be withdrawn. Also, such assets are classified as held for sale only if the management expects to complete the sale within one year from the date of classification.

Non-current assets classified as held for sale are measured at the lower of their carrying amount and the fair value less cost to sell. Non-current assets classified as held for sale are not depreciated or amortised.

2.22 Business combinations

Business combinations are accounted for using the 'Acquisition Method'. At the acquisition date, identifiable assets acquired and liabilities assumed are measured at fair value. For this purpose, the liabilities assumed include contingent liabilities representing present obligation and they are measured at their acquisition date fair values irrespective of the fact that outflow of resources embodying economic benefits is not probable. The consideration transferred is measured at fair value at acquisition date and includes the fair value of any contingent consideration. However, deferred tax asset or liability and any liability or asset relating to employee benefit arrangements arising from a business combination are measured and recognised in accordance with the requirements of Ind AS 12, 'Income Taxes' and Ind AS 19, 'Employee Benefits', respectively.

Where the consideration transferred exceeds the fair value of the net identifiable assets acquired and liabilities assumed, the excess is recorded as 'Goodwill'. Alternatively, in case of a bargain purchase wherein the consideration transferred is lower than the fair value of the net identifiable assets acquired and liabilities assumed, the difference is recorded as a gain in other comprehensive income and accumulated in equity as 'Capital Reserve'. The costs of acquisition excluding those relating to issue of equity or debt securities are charged to the Consolidated Statement of Profit and Loss in the period in which they are incurred.

In case of business combinations involving entities under common control, the above policy does not apply. Business combinations involving entities under common control are accounted for using the 'Pooling of Interests Method'. The net assets of the transferor entity or business are accounted at their carrying amounts on the date of the acquisition subject to necessary adjustments required to harmonise accounting policies. Any excess or shortfall of the consideration paid over the share capital of transferor entity or business is recognised as 'Capital Reserve' under equity.

2.23 Events after the reporting date

Where events occurring after the balance sheet date provide evidence of conditions that existed as at the end of the reporting period, the impact of such events is adjusted within the consolidated financial statements. Otherwise, events after the balance sheet date of material size or nature are only disclosed.

2.24 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

Initial recognition and measurement of financial assets and financial liabilities

Financial assets and financial liabilities are recognised when the Group becomes a party to the contractual provisions of the instruments. At initial recognition, financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit or loss) are added to or deducted from the value of the financial assets or financial liabilities, as appropriate, on initial recognition. Transaction costs directly attributable to the acquisition of financial assets or financial liabilities at Fair Value through Profit or Loss are recognised in the Consolidated Statement of Profit and Loss.

(a) Financial assets

(i) Subsequent measurement

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets. Debt instruments that meet conditions based on purpose of holding assets and contractual terms of instrument are subsequently measured at amortised cost using effective interest method. All other financial assets are measured at fair value. Income is recognised on an effective interest

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basis for debt instruments other than those financial assets classified as Fair Value Through Profit or Loss. Interest income is recognised in profit or loss and is included in the "Other income" line item.

(ii) Impairment of financial assets

The Group applies expected credit losses (ECL) model for measurement and recognition of loss allowance on the following:

- i. Trade receivables
- ii. Financial assets measured at amortised cost (other than trade receivables)
- iii. Financial assets measured at fair value through other comprehensive income (FVTOCI)

In case of trade receivables, the Group follows a simplified approach wherein an amount equal to lifetime ECL is measured and recognised as loss allowance.

In case of other assets (listed as ii and iii above), the Group determines if there has been a significant increase in credit risk of the financial asset since initial recognition. If the credit risk of such assets has not increased significantly, an amount equal to 12-month ECL is measured and recognised as loss allowance. However, if credit risk has increased significantly, an amount equal to lifetime ECL is measured and recognised as loss allowance.

Subsequently, if the credit quality of the financial asset improves such that there is no longer a significant increase in credit risk since initial recognition, the Group reverts to recognising impairment loss allowance based on 12-month ECL.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e., all cash shortfalls), discounted at the original effective interest rate. Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial asset. 12-month ECL are a portion of the lifetime ECL which result from default events that are possible within 12 months from the reporting date.

ECL are measured in a manner that they reflect unbiased and probability weighted amounts determined by a range of outcomes, taking into account the time value of money and other reasonable information available as a result of past events, current conditions and forecasts of future economic conditions.

ECL impairment loss allowance (or reversal) recognised during the period is recognised as income/ expense in the Consolidated Statement of Profit and Loss under the head 'Other expenses'.

(b) Financial liabilities and equity instruments

(i) Classification of debt or equity

Debt or equity instruments issued by the Group are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definitions of financial liability and equity instrument.

(ii) Equity Instruments

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by the Group are recognised at the proceeds received, net of direct issue costs.

(iii) Financial liabilities

All financial liabilities (other than derivative financial instruments) are measured at amortised cost using effective interest method at the end of reporting periods.

Derecognition of financial assets and financial liabilities

The Group derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or when the Group transfers the contractual rights to receive the cash flows of the financial asset in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Group neither transfers nor retains substantially all the risks and rewards of ownership of the financial asset and does not retain control of the financial asset. The Group derecognises a financial liability (or a part of financial liability) when the contractual obligation is discharged, cancelled or expires.

(c) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

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for the year ended March 31, 2018

2.25 Fair value measurement

The Group measures financial instruments at fair value in accordance with the accounting policies mentioned above. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ▶ In the principal market for the asset or liability, or
- ▶ In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the consolidated financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- ▶ Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

2.26 Basis of consolidation

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries (together referred to as "Group"). Control exists when the Group has:

- power over the investee;
- exposure or rights, to variable returns from its involvement with the investee; and
- ability to use its power over the investee to affect its returns.

The Group reassesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of control listed above.

Generally, there is a presumption that a majority of voting rights result in control. When the Group has less than a majority of the voting rights of an investee, it has power over the investee when the voting rights are sufficient to give it the practical ability to direct the relevant activities of the investee unilaterally. The Group considers all relevant facts and circumstances in assessing whether or not the Group's voting rights in an investee are sufficient to give it power, including:

- The size of the Group's holding of voting rights relative to the size and dispersion of holdings of the other vote holders;
- Potential voting rights held by the Group, other vote holders or other parties;
- Rights arising from other contractual arrangements; and
- Any additional facts and circumstances that indicate that the Group has, or does not have, the current ability to direct the relevant activities at the time that decisions need to be made, including voting patterns at previous shareholders' meetings.

Consolidation of a subsidiary begins when the Group obtains control over the subsidiary and ceases when the Group loses control of the subsidiary. Specifically, income and expenses of a subsidiary acquired or disposed off during the year are included in the Consolidated Statement of Profit and Loss from the date the Company gains control until the date when the Group ceases to control the subsidiary.

If the Group loses control over a subsidiary, it derecognises the related assets (including goodwill), liabilities, non-controlling interest and other components of equity. Any investment retained is measured at fair value.

Any resultant gain or loss is recognised in the Consolidated Statement of Profit and Loss.

A change in the ownership interest of a subsidiary, without a loss of control, is accounted for as an equity transaction.

The consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. When necessary, adjustments are made to the financial statements of subsidiaries to bring their accounting policies in line with the Group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the Holding Company, i.e. year ended on 31 March 2018.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Holding Company and its subsidiaries have been consolidated on a line-by-line basis by adding together like items of assets, liabilities, income and expenses after eliminating intra-group balances, intra-group transactions and resulting unrealised profits or losses in accordance with Ind AS 110 "Consolidated Financial Statements". Further, the carrying amount of the Holding Company's investments in each subsidiary and the Parent's portion of equity of each subsidiary are eliminated on consolidation.
- b) Profit or loss and each component of Other Comprehensive Income (the 'OCI') are attributed to the equity holders of the Group and to the non-controlling interests, even if this results in the non-controlling interests having a deficit balance.
- c) The excess of cost to the Group of its investments in the subsidiary companies over its share of equity of the subsidiary companies, at the dates on which the investments in the subsidiary companies were made, is recognised as 'Goodwill' being an asset in the consolidated financial statements and is tested for impairment on annual basis. On the other hand, where the share of equity in the subsidiary companies as on the date of investment is in excess of cost of investments of the Group, it is recognised as 'Capital Reserve' and shown under the head 'Reserves & Surplus' in the consolidated financial statements.
- d) Minority Interest in the net assets of the consolidated subsidiaries consist of the amount of equity attributable to the minority shareholders' at the date on which investments in the subsidiary companies were made and further movements in their share in the equity, subsequent to the dates of investments. Net profit / loss for the year and each component of Other Comprehensive Income of the subsidiaries attributable to minority interest is identified and adjusted against the profit after tax of the Group in order to arrive at the income attributable to shareholders' of the Company.
- e) Goodwill arising on consolidation is not amortised but tested for impairment.

3 Transition to Ind AS

"For the purposes of reporting as set out in Note 2.1, the Group has transitioned basis of accounting from Indian generally accepted accounting principles ("IGAAP") to Ind AS. The accounting policies set out in note 2.1 have been

applied in preparing the consolidated financial statements for the year ended 31 March 2017 and in the preparation of an opening Ind AS Consolidated Balance Sheet at 1 April 2016 (the "transition date").

In preparing opening Ind AS Consolidated Balance Sheet, Group has adjusted amounts reported in consolidated financial statements prepared in accordance with IGAAP. An explanation of how the transition from IGAAP to Ind AS has affected the Group's financial performance, cash flows and financial position is set out in the following tables and the notes that accompany the tables. On transition, we did not revise estimates previously made under IGAAP except where required by Ind AS.

Exemptions availed

Ind AS 101 "First-time adoption of Indian Accounting Standards", allows first-time adopters, exemptions from the retrospective application and exemption from application of certain requirements of other Ind AS. The Company has availed the following exemptions as per Ind AS 101:

1) Past Business Combination

The Company has elected not to apply Ind AS 103 "Business Combinations" retrospectively to past business combinations that occurred before the transition date of April 1, 2016

2) Deemed Cost

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its property, plant and equipment and investment property as recognised in the financial statements as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition after making necessary adjustments for de-commissioning liabilities. This exemption can also be used for intangible assets covered by Ind AS 38 Intangible Assets.

Accordingly, the company has elected to measure all of its property, plant and equipment and intangible assets at their IGAAP carrying value.

3) Arrangement containing a lease

Ind AS 101 provides the option to determine whether an arrangement existing at date of transition is, or contains, a lease based on the facts and circumstances at that date and not at lease start date.

Accordingly, the Company has elected to determine arrangement existing at the date of transition and not at lease start date.

Notes forming part of the consolidated financial statements

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3.1 Recent accounting pronouncements

(a) Standards issued but not yet effective

In March 2018, the Ministry of Corporate Affairs (MCA) issued the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115, "Revenue from Contract with Customers"

These amendments are in line with recent amendments made by International Accounting Standards Board (IASB). These amendments are applicable to the Group from April 1, 2018. The Group will be adopting the amendments from their effective date.

Ind AS 115 "Revenue from contract with customers"

"Ind AS 115, supersedes Ind AS 11, Construction contracts and Ind AS 18, Revenue. Ind AS 115 requires an entity to follow a five step model to account from revenue arising from contracts with customers. The principles of Ind AS 115 is that an entity should recognise revenue that demonstrates the transfer of promised goods and services to customers at an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods and services. The standard can be applied either (i) retrospectively to each prior reporting period presented in accordance with Ind AS 8 Accounting policies, changes in accounting estimates and errors, or (ii) can be applied retrospectively with recognition of cumulative effect

of contracts that are not completed contracts at the date of initial application of the standard. Based on the preliminary assessment performed by the Group, the impact of application of the standard is not expected to be material."

(b) Amendment to Existing issued Ind AS

The MCA has also carried out amendments of the following accounting standards:

- Ind AS 21 "The Effects of Changes in Foreign Exchange Rates"
- Ind AS 40 "Investment Property "
- Ind AS 12 - "Income Taxes"

The Group is evaluating the requirement of the amendments and the impact on the consolidated financial statements. Based on the management's view, the effect of the amendments, if any, on the consolidated financial statements is expected to be insignificant.

3.2 Reconciliations

The following reconciliations provides the effect of transition to Ind AS from IGAAP in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards:

(a) Reconciliation of equity as at date of transition April 1, 2016

(₹ in lakhs)

	Notes to first-time adoption - Note 3.3	IGAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		4,701.39	-	4,701.39
Capital work-in-progress		46.67	-	46.67
Investment property		78.15	-	78.15
Goodwill		1,627.52	-	1,627.52
Other Intangible assets		967.37	-	967.37
Intangible asset under development		1,030.68	-	1,030.68
Financial assets				
Investments		0.31	-	0.31
Loans	(ii)	10,249.29	(983.66)	9,265.63
Other financial assets		2.55	-	2.55
Deferred tax asset (net)	(vi)	873.25	618.65	1,491.90
Other non-current assets	(ii)	262.48	983.66	1,246.14
Total non-current assets		19,839.66	618.65	20,458.31

Notes forming part of the consolidated financial statements

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	Notes to first-time adoption - Note 3.3	IGAAP*	Adjustments	Ind AS
Current assets				
Inventories		117.01	-	117.01
Financial assets				
Trade receivables	(iv)	4,553.98	(600.00)	3,953.98
Cash and cash equivalents		1,089.54	-	1,089.54
Bank Balances other than Cash and Cash Equivalents		23.41	-	23.41
Loans		755.44	-	755.44
Other financial assets		275.64	-	275.64
Other current assets		1,149.10	-	1,149.10
Total current assets		7,964.12	(600.00)	7,364.12
Total assets		27,803.78	18.65	27,822.43
EQUITY AND LIABILITIES				
Equity				
Equity share capital		3,982.08	-	3,982.08
Other equity	(ii to ix)	10,874.51	(607.36)	10,267.15
Equity attributable to owners of the company		14,856.59	(607.36)	14,249.23
Non controlling interests		-	-	-
Total equity		14,856.59	(607.36)	14,249.23
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings		-	-	-
Provisions		182.69	-	182.69
Other non-current liabilities		546.27	-	546.27
Total non-current liabilities		728.96	-	728.96
Current liabilities				
Financial liabilities				
Borrowings		3,499.00	-	3,499.00
Trade payables		659.80	-	659.80
Other financial liabilities		1,268.93	-	1,268.93
Other current liabilities	(v)	4,129.25	1,296.99	5,426.24
Provisions	(ix)	2,661.25	(670.98)	1,990.27
Total current liabilities		12,218.23	626.01	12,844.24
Total liabilities		12,947.19	626.01	13,573.20
Total equity and liabilities		27,803.78	18.65	27,822.43

* The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

(b) Reconciliation of equity as at March 31, 2017

(₹ in lakhs)

	Notes to first-time adoption - Note 3.3	IGAAP*	Adjustments	Ind AS
ASSETS				
Non-current assets				
Property, plant and equipment		4,278.67	-	4,278.67
Capital work-in-progress		96.45	-	96.45
Investment property		78.15	-	78.15
Goodwill		1,627.52	-	1,627.52
Other Intangible assets		2,534.66	-	2,534.66
Intangible asset under development		324.65	-	324.65
Financial assets				
Investments		0.31	-	0.31
Loans	(ii) and (iv)	10,657.71	(3,010.67)	7,647.04
Other financial assets		11.38	-	11.38
Deferred tax asset (net)	(vi)	864.13	1,206.01	2,070.14
Other non-current assets	(ii)	833.54	943.42	1,776.96
Total non-current assets		21,307.17	(861.24)	20,445.93
Current assets				
Financial assets				
Trade receivables	(iv)	12,102.73	(600.00)	11,502.73
Cash and cash equivalents		1,613.45	-	1,613.45
Bank Balances other than Cash and Cash Equivalents		30.12	-	30.12
Loans		1,501.79	-	1,501.79
Other financial assets		1,242.97	-	1,242.97
Other current assets		1,183.78	-	1,183.78
Total current assets		17,674.84	(600.00)	17,074.84
Total assets		38,982.01	(1,461.24)	37,520.77
EQUITY AND LIABILITIES				
Equity				
Equity share capital		3,982.08	-	3,982.08
Other equity	(ii to ix)	12,587.82	(2,394.24)	10,193.58
Equity attributable to owners of the company		16,569.90	(2,394.24)	14,175.66
Non controlling interests		-	-	-
Total equity		16,569.90	(2,394.24)	14,175.66
Liabilities				
Non-current liabilities				
Financial liabilities				
Borrowings	(Viii)	2,023.51	(9.98)	2,013.53
Provisions		250.08	-	250.08
Other non-current liabilities		234.41	-	234.41
Total non-current liabilities		2,508.00	(9.98)	2,498.02

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

	Notes to first-time adoption - Note 3.3	IGAAP*	Adjustments	Ind AS
Current liabilities				
Financial liabilities				
Borrowings		12,464.30	-	12,464.30
Trade payables		1,962.68	-	1,962.68
Other financial liabilities		588.97	-	588.97
Other current liabilities	(v)	3,864.86	942.98	4,807.84
Provisions		1,023.30	-	1,023.30
Total current liabilities		19,904.11	942.98	20,847.09
Total liabilities		22,412.11	933.00	23,345.11
Total equity and liabilities		38,982.01	(1,461.24)	37,520.77

* The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

(c) Reconciliation of profit or loss for the year ended March 31, 2017 (₹ in lakhs)

	Notes to first-time adoption - Note 3.3	IGAAP*	Adjustments	Ind AS
Income				
Revenue from operations	(v)	30,107.05	354.01	30,461.06
Other income	(ii)	1,244.11	97.93	1,342.04
Total income		31,351.16	451.94	31,803.10
Expenses				
Direct expenses	(ii)	14,834.49	97.93	14,932.42
Employee benefit expense	(iii)	3,929.13	18.49	3,947.62
Finance costs	(viii)	1,445.44	(9.98)	1,435.46
Depreciation and amortisation expense		1,884.38	-	1,884.38
Other expenses	(iv)	6,461.12	2,067.25	8,528.37
Total expenses		28,554.56	2,173.69	30,728.25
Profit /(Loss) before tax		2,796.60	(1,721.75)	1,074.85
Tax expense				
Current tax		1,062.08	-	1,062.08
Adjustments for earlier years		12.74	-	12.74
MAT Credit		18.32	-	18.32
Deferred tax credit	(vi)	(15.78)	(586.47)	(602.25)
Total income tax expense		1,077.36	(586.47)	490.89
Profit for the year		1,719.24	(1,135.28)	583.96
Other comprehensive income				
Other comprehensive income not to be reclassified to Consolidated Statement of Profit and Loss in subsequent periods				
Re-measurement gains on defined benefit plans	(iii and vii)	-	18.81	18.81
Income tax effect	(iii and vii)		(5.70)	(5.70)
Other comprehensive income for the year		-	13.11	13.11
Total comprehensive income for the year		1,719.24	(1,122.17)	597.07

* The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

(d) Reconciliation of total equity as at 31 March 2017 and April 1, 2016 (₹ in lakhs)

	Notes to first- time adoption - Note 3.3	As at 31 March 2017	As at 1 April 2016
Shareholder's equity as per IGAAP audited financial statements		16,569.90	14,856.59
Adjustment			
(i) Impact on account of deferred revenue	(v)	(942.97)	(1,296.99)
(ii) Dividend	(ix)	-	557.49
(iii) Tax on dividend	(ix)	-	113.49
(iv) Impact on account of interest income recognition on security deposits	(ii)	97.93	-
(v) Impact on account of amortisation of prepaid rent	(ii)	(97.93)	-
(vi) IndAS impact on provisions (net of deferred tax)	(iv) and (vi)	(392.34)	(392.34)
(vii) Impact on account of provision for doubtful debts	(iv)	(2,067.25)	-
(viii) Deferred tax impact of above adjustments	(vi)	998.34	410.99
(ix) Others	(viii)	9.98	-
Shareholder's equity as per Ind AS		14,175.66	14,249.23

(e) Reconciliation of total comprehensive income for the year ended March 31, 2017 (₹ in lakhs)

	Notes to first- time adoption	As at 31 March 2017
Profit as per IGAAP		1,719.24
Adjustment		
(i) Impact on account of deferred revenue	(v)	354.33
(ii) Impact on account of Actuarial gain reclassified to OCI	(iii) and (vii)	(18.81)
(iii) Impact on account of interest income recognition on security deposits	(ii)	97.93
(iv) Impact on account of amortisation of prepaid rent	(ii)	(97.93)
(v) Impact on account of provision for doubtful debts	(iv)	(2,067.25)
(vi) Deferred tax impact	(vi)	580.77
(viii) Other comprehensive income	(iii) and (vii)	18.81
(vii) Others	(viii)	9.98
Total		(1,122.17)
Profit as per Ind AS		597.07

* The IGAAP figures have been reclassified to conform to Ind AS presentation requirements for the purpose of this note.

3.3 Notes to first-time adoption

(i) Lease equalisation reserve

Ind AS 17, "Leases", requires lease payments to be recognised on straight-line basis if the increase is not in line with expected general inflation to compensate for the lessor's expected inflationary cost increases. The Group has lease agreements with an escalation clause which in line with expected general inflation, and hence no straight-lining of the lease payments have been done in Ind AS.

(ii) Security deposit

Under IGAAP, interest-free security deposit (that are refundable in cash on completion of the lease term) are recorded at their transaction value. Under Ind AS, all financial assets are required to be recognised at fair value. Accordingly the Group has fair valued these security deposits under Ind AS. Difference between the fair value and transaction value of the security deposit has been recognised as prepaid rent, with a corresponding charge in rent expense and other income. The security deposit in 2016 has reduced by ₹ 983.66 lakhs and 2017 by ₹ 943.42 lakhs with a corresponding increase in prepaid

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rent. Other income for the year has increased by ₹. 97.93 lakhs in 2017 with a corresponding increase in rent expense, with no impact on retained earnings.

iii) Defined benefit liabilities

Both under IGAAP and Ind AS, the Group recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under IGAAP, the entire cost, including actuarial gains and losses, are charged to Consolidated Statement of Profit and Loss. Under Ind AS, re-measurements comprising of actuarial gains and losses are recognised immediately in the Consolidated Balance Sheet with a corresponding debit or credit to retained earnings through OCI. Thus there is an impact in employee benefit cost with a corresponding amount recognised in OCI amounting to ₹ 13.11 lakhs, net of taxes of ₹ 5.70 lakhs.

(iv) Expected credit loss

Under IGAAP, allowance for doubtful debts was made as per management policy based on ageing of debtors. Under Ind AS, the company applies expected credit loss (ECL) model for recognising impairment loss on these financial assets on the transition date. On transition to Ind AS, provision for doubtful receivables/other financial assets is measured under ECL model, which is higher than the provision as per IGAAP, the resultant change are recognised in Consolidated Statement of Profit and Loss. ECL provision made in 2016 amounted to ₹ 600 lakhs and a corresponding deferred tax asset created of ₹ 207.66 lakhs and additional provision made in 2017 amounted to ₹ 2,067.25 lakhs and a corresponding deferred tax asset created of ₹ 715.48 lakhs

(v) Revenue

Under the IGAAP, revenue from Gross fees received was recognised equally over the period of service rendered (course duration) except CRF and Robomate. The Course Registration Fees (CRF) was part of total fees and being non refundable was recognised at the time of admission. Under Ind AS, Revenue is measured at the fair value of the consideration received or receivable net of returns, rebates and discounts, if any, and excluding taxes or duties collected on behalf of the government. Hence, recognition of CRF had to be streamlined and recognised over the course period. Also, robomate was fair valued and impact considered under Ind AS adjustments. Hence, advance fees included under other current liabilities has

increased by ₹ 1,296.99 lakhs in 2016 with deferred tax asset impact of ₹ 410.99 lakhs and by ₹ 942.98 lakhs in 2017 with a corresponding reduction in retained earnings, thereby revenue has increased by ₹ 354.33 lakhs in 2017 with deferred tax liability impact of ₹ 129.00 lakhs.

(vi) Deferred tax

IGAAP requires assessment of virtual certainty in case of losses for recognising deferred tax asset, but under Ind AS deferred tax assets are recognised for all deductible temporary differences and unused tax losses only if it is probable that future taxable amounts will be available to utilise those temporary differences and losses. Hence, deferred tax asset amounting to ₹ 618.65 lakhs was recognised in 2016 and ₹ 1,206.01 lakhs in 2017 on account of revenue, ECL and defined benefit impact as mentioned in note (iv) and (v) above.

(vii) Other comprehensive income

The concept of Other Comprehensive Income (OCI) did not exist under IGAAP. Also refer point (iii) above.

(viii) Borrowings

Ind AS 109 requires transaction costs incurred towards origination of borrowings to be deducted from the carrying amount of borrowings on initial recognition. These costs are recognised in the profit and loss over the tenure of the borrowing as part of the interest expense by applying the effective interest rate method. Under IGAAP, these transaction costs were charged to profit or loss as and when required. Accordingly, borrowings has reduced by ₹ 9.98 lakhs with a corresponding increase in retained earnings.

(ix) Proposed dividend

Under Ind AS 10, proposed dividend are considered as non adjusting events, hence dividend declared after the balance sheet date are not recognised at the end of the reporting period, as no obligation exists at that time. Hence, proposed dividend including dividend distribution tax has been reduced from current provisions in 2016 and reconsidered in 2017 amounting to ₹ 670.98 lakhs.

(x) Statement of cash flows

The Ind AS adjustments are either non cash adjustments or are regrouping among the cash flow from operating, investing and financing activities. Consequently, Ind AS adoption has no impact on the net cash flow for the year ended March 31, 2017 as compared with the IGAAP.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

Particulars	Gross Block			Accumulated Depreciation			Net Block	
	As at 01.04.2017	Additions	Disposals/ adjustments	As at 01.04.2017	Additions	Disposals/ adjustments	As at 31.03.2018	As at 31.03.2018
Tangible Assets (Owned)								
Building	680.08	-	-	176.49	21.54	-	198.03	482.05
Plant & Machinery (including office equipments)	2,382.70	89.63	225.69	1,552.37	241.79	191.70	1,602.46	644.18
Furniture & Fixtures	4,566.35	137.38	548.75	2,568.08	354.36	326.19	2,596.25	1,558.73
Vehicles	36.13	-	0.01	20.14	4.26	0.01	24.39	11.73
Computers and E-Learning Equipment	2,615.84	54.05	93.26	1,685.35	355.35	60.76	1,979.94	596.69
Total	10,281.10	281.06	867.71	6,002.43	977.30	578.66	6,401.07	3,293.38
4b Goodwill								
Goodwill on consolidation	1,627.52	-	-	-	-	-	-	1,627.52
Goodwill (acquired seperately)	137.47	-	-	137.47	-	-	137.47	-
Total	1,764.99	-	-	137.47	-	-	137.47	1,627.52
4c Other Intangible assets								
Trademark	1.22	-	-	1.22	-	-	1.22	-
SAP	303.91	24.89	-	238.72	38.89	-	277.61	51.19
Software	591.62	9.33	-	134.87	121.66	-	256.53	344.42
Content	3,636.23	467.60	512.19	1,623.50	1,014.09	207.29	2,430.30	1,161.34
Technology Aided Teaching	60.56	-	-	60.56	-	-	60.56	-
Non Compete Fees	126.00	-	-	126.00	-	-	126.00	-
Total	4,719.54	501.82	512.19	2,184.87	1,174.64	207.29	3,152.22	1,556.95

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

Particulars		Gross Block		Accumulated Depreciation		Net Block	
		As at 01.04.2016	Additions	Disposals/ adjustments	As at 31.03.2017	Additions	Disposals/ adjustments
4a Property, plant and equipment							
Tangible Assets (Owned)							
Building	680.08	-	-	680.08	21.54	-	176.49
Plant & Machinery (including office equipments)	2,358.38	215.56	191.24	2,382.70	261.20	173.10	1,552.37
Furniture & Fixtures	4,700.86	354.39	488.90	4,566.35	429.72	313.37	2,568.08
Vehicles	36.30	-	0.17	36.13	4.27	0.17	20.14
Computers and E-Learning Equipment	2,463.09	367.46	214.71	2,615.84	408.50	173.48	1,685.35
Total	10,238.71	937.41	895.02	10,281.10	1,125.23	660.12	6,002.43
4b Goodwill							
Particulars							
	As at 01.04.2016	Additions	Disposals/ adjustments	As at 31.03.2017	Additions	Disposals/ adjustments	As at 31.03.2017
Goodwill on consolidation	1,627.52	-	-	1,627.52	-	-	-
Goodwill (acquired seperately)	137.47	-	-	137.47	-	-	137.47
Total	1,764.99	-	-	1,764.99	-	-	137.47
4c Other Intangible assets							
Particulars							
	As at 01.04.2016	Additions	Disposals/ adjustments	As at 31.03.2017	Additions	Disposals/ adjustments	As at 31.03.2017
Trademark	1.22	-	-	1.22	-	-	1.22
SAP	284.31	19.60	-	303.91	45.61	-	238.72
Software	188.27	404.93	1.58	591.62	100.15	0.67	134.88
Content	1,812.06	1,984.50	160.33	3,636.23	668.84	137.13	1,623.50
Technology Aided Teaching	60.56	-	-	60.56	3.03	-	60.56
Non Compete Fees	126.00	-	-	126.00	-	-	126.00
Total	2,472.42	2,409.03	161.91	4,719.54	817.63	137.80	2,184.88
Net Block							
	As at 01.04.2016	Additions	Disposals/ adjustments	As at 31.03.2017	Additions	Disposals/ adjustments	As at 31.03.2017
Goodwill on consolidation	1,627.52	-	-	1,627.52	-	-	1,627.52
Goodwill (acquired seperately)	137.47	-	-	137.47	-	-	137.47
Total	1,764.99	-	-	1,764.99	-	-	1,627.52
Net Block							
	As at 01.04.2016	Additions	Disposals/ adjustments	As at 31.03.2017	Additions	Disposals/ adjustments	As at 31.03.2017
Trademark	1.22	-	-	1.22	-	-	1.22
SAP	284.31	19.60	-	303.91	45.61	-	238.72
Software	188.27	404.93	1.58	591.62	100.15	0.67	134.88
Content	1,812.06	1,984.50	160.33	3,636.23	668.84	137.13	1,623.50
Technology Aided Teaching	60.56	-	-	60.56	3.03	-	60.56
Non Compete Fees	126.00	-	-	126.00	-	-	126.00
Total	2,472.42	2,409.03	161.91	4,719.54	817.63	137.80	2,184.88
Net Block							
	As at 01.04.2016	Additions	Disposals/ adjustments	As at 31.03.2017	Additions	Disposals/ adjustments	As at 31.03.2017
Trademark	1.22	-	-	1.22	-	-	1.22
SAP	284.31	19.60	-	303.91	45.61	-	238.72
Software	188.27	404.93	1.58	591.62	100.15	0.67	134.88
Content	1,812.06	1,984.50	160.33	3,636.23	668.84	137.13	1,623.50
Technology Aided Teaching	60.56	-	-	60.56	3.03	-	60.56
Non Compete Fees	126.00	-	-	126.00	-	-	126.00
Total	2,472.42	2,409.03	161.91	4,719.54	817.63	137.80	2,184.88

Notes forming part of the consolidated financial statements

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Note 4a Property, plant and equipment

Particulars	Gross Block		Accumulated Depreciation		Net Block		
	As at 01.04.2015	Additions Disposals/ adjustments	As at 31.03.2016	As at 01.04.2015	Additions Disposals/ adjustments	As at 31.03.2016	As at 31.03.2016
Tangible Assets (Owned)							
Building	680.08	-	680.08	133.48	21.47	154.95	525.13
Plant & Machinery (including office equipments)	2,150.07	274.90	2,358.38	1,171.58	341.86	1,464.27	894.11
Furniture & Fixtures	4,141.45	851.39	4,700.86	2,206.28	384.81	2,451.73	2,249.13
Vehicles	37.07	2.79	36.30	13.81	4.11	16.04	20.26
Computers and E-Learning Equipment	1,970.80	523.50	2,463.09	1,131.53	361.57	1,450.33	1,012.76
Total	8,979.47	1,652.58	10,238.71	4,656.68	1,113.82	5,537.32	4,701.39

Note 4b Goodwill

Particulars	Gross Block		Accumulated amortisation		Net Block		
	As at 01.04.2015	Additions Disposals/ adjustments	As at 31.03.2016	As at 01.04.2015	Additions Disposals/ adjustments	As at 31.03.2016	As at 31.03.2016
Goodwill on consolidation	1,627.52	-	1,627.52	-	-	-	1,627.52
Goodwill (acquired seperately)	137.47	-	137.47	137.47	-	137.47	-
Total	1,764.99	-	1,764.99	137.47	-	137.47	1,627.52

Note 4c Other Intangible assets

Particulars	Gross Block		Accumulated amortisation		Net Block		
	As at 01.04.2015	Additions Disposals/ adjustments	As at 31.03.2016	As at 01.04.2015	Additions Disposals/ adjustments	As at 31.03.2016	As at 31.03.2016
Trademark	1.22	-	1.22	1.22	-	1.22	-
SAP	286.41	12.68	284.31	153.63	39.48	193.11	91.20
Software	17.49	170.78	188.27	1.16	34.24	35.40	152.87
Content	1,245.87	566.19	1,812.06	702.30	389.14	1,091.79	720.27
Technology Aided Teaching	60.56	-	60.56	45.42	12.11	57.53	3.03
Non Compete Fees	126.00	-	126.00	126.00	-	126.00	-
Total	1,737.55	749.65	2,472.42	1,029.73	474.97	1,505.05	967.37

Note:

- (a) Mortgage is created in favour of bank for limits granted to Sri Gayatri Education Society. Refer (Note 32.1.1)
- (b) Depreciation for the year includes depreciation of ₹ 15.60 lakhs (Previous year 2017 ₹ 58.48 lakhs) capitalised during the year.

Notes forming part of the consolidated financial statements

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(c) The Group has availed the deemed cost exemption in relation to the property plant and equipment and other intangible assets on the date of transition (i.e. April 1, 2016). Refer below for the gross block value and the accumulated depreciation on April 1, 2016 under the IGAAP :

Description	Owned assets: (₹ in lakhs)	
	Gross Block	Net Block*
Building	680.08	525.13
Plant & Machinery (including office equipments)	2,358.38	894.11
Furniture and Fixtures	4,700.86	2,249.13
Vehicles	36.30	20.26
Computers and E-Learning Equipment	2,463.09	1,012.76
Intangible assets including goodwill: (₹ in lakhs)		
Description	Gross Block	Net Block*
Goodwill (acquired separately)	137.47	1,627.52
Goodwill on consolidation	1,627.52	-
Trademark	1.22	-
SAP	284.31	91.20
Software	188.27	152.87
Content	1,812.06	720.27
Technology Aided Teaching	60.56	3.03
Non Compete Fees	126.00	-

* Considered as deemed cost at April 1, 2016

Particulars	Investment Properties (₹ in lakhs)			
	As at 01.04.2015	Gross Block Additions	Disposals/ adjustments	As at 31.03.2016
Land & building	78.15	-	-	78.15
	78.15	-	-	78.15
Net Block				
Particulars	As at 01.04.2016	Gross Block Additions	Disposals/ adjustments	As at 31.03.2016
Land & building	78.15	-	-	78.15
	78.15	-	-	78.15
Investment Properties (₹ in lakhs)				
Particulars	As at 01.04.2016	Gross Block Additions	Disposals/ adjustments	As at 31.03.2017
Land & building	78.15	-	-	78.15
	78.15	-	-	78.15

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

Particulars	(₹ in lakhs)				
	As at 01.04.2017	Additions	Disposals/ adjustments *	As at 31.03.2018	As at 31.03.2018
Land and building	78.15	-	78.15	-	-
	78.15	-	78.15	-	-

* Investment property is classified as Assets held for sale during the current financial year.

Particulars	(₹ in lakhs)	
	For the year ended March 31, 2018	For the year ended March 31, 2017
Amounts recognised in Consolidated Statement of Profit and Loss for investment properties		
Rental Income	2.12	1.75
Direct operating expenses from property that generated rental income	-	-
Direct operating expenses from property that did not generate rental income	-	-
Profit from investment property before depreciation	2.12	1.75
Depreciation	-	-
Profit from investment property	2.12	1.75

Ind AS 101 permits a first time adopter to elect to continue with the carrying value for all of its investment property as recognised in the consolidated financial statements as at the date of transition to Ind AS, measured as per the IGAAP and use that as its deemed cost as at the date of transition.

Leasing arrangements:

The investment property was leased to tenants under cancellable operating leases with rentals payable monthly.

Fair Value:

The Group carries independent valuations for its investment properties annually based on current prices in active market for similar properties.

All resulting fair value estimates for investment properties are included in level 3. As the carrying value was more than the market value in PY 2017 & 2016, no impairment has been recognised.

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for the year ended March 31, 2018

5 Financial Assets- Investments

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Investment in entity instruments (fully paid up)			
Unquoted			
Investment in other entity (at FVTPL)			
1,250 Equity Shares of ₹ 25 each fully paid up of The Shamrao Vithal Co-operative Bank Limited (Previous Year 2017 and 2016 1,250 Equity Shares)	0.31	0.31	0.31
Less: Impairment in value of investment	-	-	-
Total	0.31	0.31	0.31
Aggregate carrying value of unquoted investments	0.31	0.31	0.31
Aggregate amount of impairment in value of investment	-	-	-

6 Non Current Financial Assets Loans

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured, considered good, unless stated otherwise)			
(a) Security deposits	1,098.70	1,174.37	1,544.23
(b) Loans and advances to others (Refer note 6.1 and 6.2)	2,497.90	6,472.67	7,721.40
(c) Others	206.71	-	-
Subtotal (a)	3,803.31	7,647.04	9,265.63
Considered doubtful			
Security deposits and loans and advances to others (Refer note 6.1 and 6.2)	8,541.82	2,067.25	-
Less: Provision for doubtful deposits and loans and advances	(8,541.82)	(2,067.25)	-
Subtotal (b)	-	-	-
Total(a+b)	3,803.31	7,647.04	9,265.63

Note

6.1 Loans are utilised by others for their business purposes.

6.2 Loans and advances to others include secured loans and advances amounting to ₹ 8,101.69 lakhs(Previous year 2017 ₹ 7,601.69 lakhs and 2016 ₹ 4,867.90 lakhs)

7 Other Financial Assets

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured considered good, unless stated otherwise)			
In Fixed deposit with maturity for more than 12 months	335.70	11.38	2.55
Total	335.70	11.38	2.55

8 Other non-current assets

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured considered good, unless stated otherwise)			
(a) Gratuity Fund	3.78	3.23	-
(b) Prepaid Expenses	881.00	943.42	996.98
(c) Advance tax and Tax deducted at source (Net of tax provisions)	397.94	739.22	209.71
(d) Balances with government authorities	-	3.87	-
(e) Capital Advances	1.48	87.22	39.45
Subtotal (a)	1,284.20	1,776.96	1,246.14

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Considered doubtful			
Capital Advances	80.00	-	-
Less: Provision for doubtful capital advances	(80.00)	-	-
Subtotal (b)	-	-	-
Total (a+b)	1,284.20	1,776.96	1,246.14

9 Trade receivables (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured, unless stated otherwise)			
Considered good	1,376.99	11,502.73	3,953.98
Considered doubtful	10,655.18	666.32	602.48
	12,032.17	12,169.05	4,556.46
Less: Provision for doubtful trade receivables	10,655.18	666.32	602.48
Total	1,376.99	11,502.73	3,953.98

Note:

There are no debts due by directors or other officers of the Company or any of them either severally or jointly with any other person or debts due by firms or private companies in which any director is a partner or a director or a member

10 Cash and cash equivalents (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Balance with banks			
(i) In current accounts	217.07	1,604.72	1,079.80
(ii) In deposit accounts	-	8.50	1.00
(b) Cash on hand	-	0.23	8.74
Total	217.07	1,613.45	1,089.54

11 Bank Balances other than cash and cash equivalents (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Balances with banks:			
(a) Margin money deposit in banks (Refer note 11.1)	33.59	28.50	23.41
(b) In dividend payment bank account (Earmarked account) (Refer note 11.2)	1.62	1.62	-
(c) In escrow account (Refer note 11.3)	20,000.00	-	-
Total	20,035.21	30.12	23.41

Note:

11.1 Held as lien by bank against bank guarantees issued

11.2 The Group can utilise these balances only towards settlement of unclaimed dividend.

11.3 Zee Learn has entered into share subscription agreement dated February 14, 2018 with the Company and had invested ₹ 20,000 lakhs by way of issue of 31,964,200 equity shares of the Company @ ₹ 62.57 per share on preferential basis. The subscription money is held in escrow account as on balance sheet date.

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

12 Current Financial Assets Loans (₹ in lakhs)			
Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured, considered good, unless stated otherwise)			
(a) Security deposits	71.80	339.57	101.09
(b) Loans and advances to others (Refer note 12.1)	1,028.23	1,162.22	654.35
Subtotal (a)	1,100.03	1,501.79	755.44
Considered doubtful			
Loans and advances to others (Refer note 12.1)	12.46	-	-
Less: Provision for doubtful loans and advances	(12.46)	-	-
Subtotal (b)	-	-	-
Total(a+b)	1,100.03	1,501.79	755.44
Note 12.1 Loans are utilised by others for their business purposes.			
13 Other Current Financial Assets (₹ in lakhs)			
Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured, considered good, unless stated otherwise)			
Visiting Faculty salary recoverable	36.60	38.62	26.01
Unbilled receivables	962.56	175.70	-
Others	1,574.10	1,028.65	249.63
Total	2,573.26	1,242.97	275.64
14 Other current assets (₹ in lakhs)			
Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(Unsecured, considered good, unless stated otherwise)			
(a) Prepaid expenses	52.25	10.02	6.84
(b) Balances with Govt Authorities	23.66	75.53	56.87
(c) Advance Income Tax / Tax deducted at source	-	41.94	949.79
(d) Advances to Suppliers	173.13	731.94	125.63
(e) Others	705.12	324.35	9.97
Subtotal (a)	954.16	1,183.78	1,149.10
Considered doubtful			
Advances to Suppliers	412.00	-	-
Less: Provision for doubtful advances to suppliers	(412.00)	-	-
Subtotal (b)	-	-	-
Total(a+b)	954.16	1,183.78	1,149.10
15 Assets classified as held for sale (₹ in lakhs)			
Particulars	As at March 31, 2018	As at 31 March 2017	As at April 1, 2016
Investment in Property (Refer note 15.1 and note 4d)	78.15	-	-
Less: Provision for Impairment	(13.90)	-	-
Total	64.25	-	-

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

Note

15.1

The Group intends to dispose off property at Gazipur, as it no longer intends to utilise in the next 12 months. It was previously rented (under cancellable operating lease arrangements) to earn rentals and currently search for a buyer is underway. Hence in the current year, this asset has been reclassified from "Investment property" to "Assets classified as held for sale".

The "Investment property" classified as "Asset Held for sale" during the reporting period was measured at the lower of its carrying amount and fair value less cost to sell at the time of reclassification, resulting in the recognition of write down of ₹ 13.90 lakhs as impairment loss in the Consolidated Statement of Profit and Loss. This is a level 2 measurement as per the fair value hierarchy set out in fair value measurement disclosures (Refer note 41). The key inputs under this approach are price per square yard of comparable lots of land and building in the area of similar location and size.

16 Share capital

The Company has only one class of share capital having a par value of ₹ 10 per share, referred to herein as equity shares.

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
(a) Authorised						
Equity shares of ₹10 each (previous year 2017 ₹10 each and 2016 ₹10 each)	80,000,000	800,000,000	52,000,000	5,200.00	52,000,000	5,200.00
(b) Issued, Subscribed and paid up						
Equity shares of ₹ 10 each fully paid up (previous year 2017 ₹ 10 each fully paid up and 2016 ₹ 10 each fully paid up)	71,784,984	7,178.50	39,820,784	3,982.08	39,820,784	3,982.08
Total	71,784,984	7,178.50	39,820,784	3,982.08	39,820,784	3,982.08

16.1

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year:

Particulars	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs	Number of shares	₹ in lakhs
Opening Balance at the beginning of the year	39,820,784	3,982.08	39,820,784	3,982.08	39,820,784	3,982.08
Add: Shares issued during the year	31,964,200	3,196.42	-	-	-	-
Closing Balance at the end of the year	71,784,984	7,178.50	39,820,784	3,982.08	39,820,784	3,982.08

16.2 Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having par value of ₹ 10 per share. Each shareholder is entitled to one vote per share held. The company declares and pays dividends in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

16.3

Details of shares held by each shareholder holding more than 5% of the aggregate shares in the company.

Class of shares / Name of shareholder	As at March 31, 2018		As at March 31, 2017		As at April 1, 2016	
	Number of shares	% holding	Number of shares	% holding	Number of shares	% holding
Equity shares						
Mahesh R. Shetty	17,036,803	23.73%	17,036,803	42.78%	17,036,803	42.78%
Zee Learn Limited *	31,964,200	44.53%	-	-	-	-

* As per the terms of Share Subscription Agreement, Zee Learn Limited shall not exercise any voting rights pending successful completion of the proposed open offer.

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

16.4 Aggregate number of equity shares issued as bonus, shares issued for consideration other than cash and shares bought back during the period of five years immediately preceding the reporting date:

Nil (previous year 2017 Nil and 2016 Nil)

16.5 Shares reserved for issue under options

For details of shares reserved for issue under the Share Based Payment plan of the company, (Refer note 35).

17 Other equity

(₹ in lakhs)

Particulars	Reserves and Surplus						
	General reserve*	Securities premium reserve	Employee stock options outstanding account	Retained earnings	Total Attributable to owners of the company	Non-controlling interests	Total
Balance as on April 1, 2016 (A)	6,893.20	3,373.63	-	0.32	10,267.15	-	10,267.15
Additions during the year:							
Net Profit for the year	-	-	-	583.96	583.96	-	583.96
Items of OCI for the year, net of tax							
Remeasurement of defined benefit plan	-	-	-	13.11	13.11	-	13.11
Total comprehensive income for the year (B)	-	-	-	597.07	597.07	-	597.07
Reductions during the year:							
Final Dividend	-	-	-	(557.15)	(557.15)	-	(557.15)
[Dividend per share ₹.1.40]							
Tax on final dividend	-	-	-	(113.49)	(113.49)	-	(113.49)
Transferred to General reserve	(86.68)	-	-	86.68	-	-	-
Total (C)	(86.68)	-	-	(583.96)	(670.64)	-	(670.64)
Balance as on March 31, 2017	6,806.52	3,373.63	-	13.43	10,193.58	-	10,193.58
D=A+B+C							

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

Particulars	Reserves and Surplus						Total
	General reserve*	Securities premium reserve	Employee stock options outstanding account	Retained earnings	Total Attributable to owners of the company	Non - controlling interests	
Add : Securities Premium credited on shares issue	-	16,803.58	-	-	16,803.58	-	16,803.58
Less: Transaction costs arising on share issue	-	(580.77)	-	-	(580.77)	-	(580.77)
Add: Employee stock option expense	-	-	67.82	-	67.82	-	67.82
Total comprehensive income for the year (E)	-	16,222.81	67.82	-	16,290.63	-	16,290.63
Additions during the year:							
Net Loss for the year	-	-	-	(13,182.56)	(13,182.56)	-	(13,182.56)
Items of OCI for the year, net of tax							
- Remeasurement of defined benefit plan	-	-	-	6.96	6.96	-	6.96
Total comprehensive income for the year (F)	-	-	-	(13,175.60)	(13,175.60)	-	(13,175.60)
Reductions during the year:							
Transferred to General reserve	(13,182.56)	-	-	13,182.56	-	-	-
Total (G)	(13,182.56)	-	-	13,182.56	-	-	-
Balance as on March 31, 2018	(6,376.04)	19,596.44	67.82	20.39	13,308.61	-	13,308.61
H=D+E+F+G							

* General reserve for April 1, 2016 includes amalgamation reserve amounting to ₹ 51.76 Lakhs (Refer note 44.)

Note:

- 17.1** Securities Premium reserve is used to record the premium on issue of shares. The reserve is utilised in accordance with the provisions of the Act.
- 17.2** The General Reserve is used from time to time to transfer profits / (loss) from retained earnings for appropriation purposes. The General reserve is created by a transfer from one component of equity to another and is not an item of other comprehensive Income.
- 17.3** The employee Share options outstanding account is used to recognise the grant date fair value of options issued to employees under employee stock option plan.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

18 Non current financial liabilities borrowings

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured:			
Term Loan (Refer note 18.1)			
- from Bank	5,551.17	2,008.28	-
- from other parties	9,599.66	-	-
Unsecured:			
Term Loan			
Term loan from other parties (Refer note 18.1-ii)	22.89	33.50	-
Less: Current maturity of non current borrowings and interest accrued and due thereon (Refer Note 23)	(2,169.95)	(28.25)	-
Total	13,003.77	2,013.53	-

Note

18.1 Nature of security and terms of repayment for secured borrowings:

(i) Nature of security:

Term loan from bank is secured by:

- first pari passu hypothecation charge on the entire current assets and movable assets (except vehicle) of the Group both present and future;
- pledge of shares owned by the promoter of the Group; and
- personal guarantee given by the promoter of the Group.

Term loan from other party is secured by:

- first pari passu hypothecation charge on the entire current assets and movable assets of the Group both present and future;
- pledge of shares owned by the promoter of the Group; and
- personal guarantee given by the promoter of the Group.

(ii) Terms of repayment:

In case of term loan from bank:

- Repayable in 8 half yearly installments starting from September 2018. Last installment due in April 2022. Rate of interest is 2.75% over banks 12 months MCLR (Range from 10.75% to 11.00% per annum as on March 31, 2018 and March 31, 2017).

Repayable in 16 quarterly installments starting from August 2018. Last installment due in May 2022. Rate of interest is 2.75% over banks 12 months MCLR. (Range from 10.75% to 11.00% per annum as on March 31, 2018).

In case of term loan from other party:

- Repayable in 10 half yearly installments starting from October 2018. Last installment due in March 2023. Rate of interest is 13% per annum.

Terms of repayment for unsecured borrowings:

- Repayable in 36 monthly installments starting from February 2017. Last installment due in January 2020. Rate of interest is 17.50% per annum.

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

19 Non Current Provisions (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Provision for employee benefits: (Refer note 39)			
(i) Provision for Gratuity (net)	204.91	112.21	64.28
(ii) Provision for Leave Encashment	119.72	137.87	118.41
Total	324.63	250.08	182.69

20 Other non current liabilities (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Advance Fees (Refer note 20.1)	574.62	234.41	546.27
Total	574.62	234.41	546.27

Note :

20.1 Fees collected in advance from students to the extent of revenue which will not be recognised within the company's operating cycle have been classified as "Other non current liabilities"

21 Current financial liabilities borrowings (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Secured:			
Loan from (Refer Note : 21.1)			
- Banks	-	4,502.71	3,499.00
- Other Parties	2,122.72	6,045.04	-
Unsecured:			
Loans from (Refer note 21.2)			
- Banks	-	42.72	-
- Other parties	28.45	1,873.83	-
Total	2,151.17	12,464.30	3,499.00

Note:

21.1 Nature of security and terms of repayment for secured borrowings:

(i) Nature of security:

Loan from banks and other parties is secured by:

- first pari passu hypothecation charge on the entire current assets and movable assets of the Group both present and future;
- pledge of shares owned by the promoter of the Group; and
- personal guarantee given by the promoter of the Group.

(ii) Terms of repayment:

Loan from banks and other parties is repayable on demand.

21.2 Terms of repayment for unsecured borrowings:

Loan from banks and other parties is repayable on demand.

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

22 Trade payables (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Total outstanding dues of micro enterprises and small enterprises (Refer note 22.1)	-	-	-
(b) Total outstanding dues of creditors other than micro enterprises and small enterprises	2,395.42	1,962.68	659.80
Total	2,395.42	1,962.68	659.80

Note

22.1

Based on the information available with us, there are no outstanding dues and payments made to any supplier of goods and services beyond the specified period under Micro, Small and Medium Enterprises Development Act, 2006 [MSMED Act]. There is no interest payable or paid to any suppliers under the said Act.

23 Other financial liabilities (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Financial liabilities			
(a) Payable for Capital Expenditure	182.06	123.03	200.01
(b) Deposits	54.88	76.10	44.90
(c) Employee related payables	437.33	355.05	344.75
(d) Unclaimed dividend (Refer note 11)	1.62	1.62	-
(e) Current maturity of non current borrowings (Refer note 18)	2,118.78	-	-
(f) Interest accrued and due on non current borrowings (Refer note 18)	51.17	28.25	-
(g) Other payables	6.63	4.92	679.27
Total	2,852.47	588.97	1,268.93

24 Other current liabilities (₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Advance fees (refer note 24.1)	2,957.94	3,708.40	4,459.63
(b) Statutory payables	798.11	450.71	351.24
(c) Other payables	1,694.93	648.73	615.37
Total	5,450.98	4,807.84	5,426.24

Note

24.1

Fees collected in advance from students to the extent of revenue which will be recognised within the Group's operating cycle have been classified as "Other current liabilities".

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

25 Current Provisions

(₹ in lakhs)

Particulars	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Provision for employee benefits:(Refer note 39)			
(i) Provision for gratuity	110.08	135.71	150.71
(ii) Provision for leave encashment	39.82	47.55	34.81
Subtotal (a)	149.90	183.26	185.52
(b) Provision - Others:			
(ii) Provision for Income Tax (net of advance tax and TDS)	13.02	840.04	1,804.75
Subtotal (b)	13.02	840.04	1,804.75
Total (a+b)	162.92	1,023.30	1,990.27

26 Revenue from operations

(₹ in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Revenue from Services		
Revenue from coaching/teaching services	24,846.68	30,260.78
Less : Discount and concession	(3,524.46)	(2,725.62)
Subtotal (a)	21,322.22	27,535.16
(b) Other operating revenues		
Sale of hardware/content	829.92	2,235.31
Others (Refer note 26.1)	110.27	690.59
Subtotal (b)	940.19	2,925.90
Total (a+b)	22,262.41	30,461.06

Note

26.1 Others mainly include royalty income and cheque return charges.

27 Other income

(₹ in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
(a) Interest income on financial assets carried at amortised cost	1,395.10	1,231.25
(b) Dividend income on non-current investments as FVTPL	0.01	0.01
(c) Net gain on sale of investments	-	0.86
(d) Liabilities no longer required written back (net)	32.13	-
(e) Other non-operating income :		
(i) Net gain on foreign currency transactions and translation	-	0.09
(ii) Miscellaneous income	22.80	109.83
(iii) Net gain sale of property, plant and equipment	0.06	-
Total	1,450.10	1,342.04

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

28 Direct Expenses		(₹ in lakhs)	
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	
Rent (refer note 37)	3,584.78	4,288.54	
Rates and Taxes	33.25	27.52	
Electricity	680.22	776.63	
Student Material and Test Expenses	1,736.54	2,963.60	
Increase/decrease in inventories	-	117.01	
Visiting Lecturer Fees	6,534.55	6,576.34	
Bandwidth Charges	58.05	33.84	
Professional Fees	257.54	148.94	
Others	89.64	-	
Total	12,974.57	14,932.42	
29 Employee benefits expense		(₹ in lakhs)	
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	
Salaries, wages, bonus and other allowances	3,628.64	3,625.28	
Contribution to provident and other funds (Refer note 39)	149.64	191.29	
Share based payments to employees (Refer note 35)	67.82	-	
Staff Welfare Expenses	92.84	131.05	
Total	3,938.94	3,947.62	
30 Finance costs		(₹ in lakhs)	
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	
(a) Interest expense on borrowings at amortised cost	2,121.80	1,183.05	
(b) Other borrowing costs	118.13	250.12	
(c) Interest on Income Tax	57.97	2.29	
Total	2,297.90	1,435.46	
31 Other expenses		(₹ in lakhs)	
Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017	
ADMINISTRATION EXPENSES			
Director's Sitting Fees	23.10	23.85	
Corporate Social Responsibility expenses (Refer note 40)	26.60	92.92	
Donation	13.56	-	
Printing and Stationery	179.02	59.38	
Professional fees	966.57	1,076.05	
Bad Debts	18.10	-	
Provision for doubtful debts	16,967.90	2,131.08	
Repairs and Maintenance	351.84	549.19	

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Security Charges	36.16	35.72
House keeping Expenses	122.08	155.88
Auditor's Remuneration (Refer note 31.1)	62.23	39.90
Communication Expenses	167.31	352.98
Travelling and Conveyance Expenses	415.01	376.70
Net Loss on Sale of Property Plant and Equipment	16.79	5.90
Net loss on foreign exchange transactions and translations	0.58	-
Assets written off (intangible)	443.15	170.85
Interest paid on statutory dues	36.03	7.65
Insurance	4.64	8.24
Impairment Loss on assets held for sale (Refer note 15)	13.90	-
Other Administrative Expenses	765.38	668.33
Sub total (a)	20,629.95	5,754.62
SELLING EXPENSES		
Advertisement and Publicity	1,656.01	2,615.97
Business Promotion Expenses	249.27	157.78
Sub total (b)	1,905.28	2,773.75
Total (a)+ (b)	22,535.23	8,528.37

Note:

31.1 Auditor's Remuneration (excluding applicable taxes)

(₹ in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
As auditors:		
Statutory audit	20.83	26.77
Limited review	7.50	3.75
In other capacity:		
Tax audit	5.95	7.10
Other services(including certification)	25.99	-
Reimbursements	1.96	2.28
Total	62.23	39.90

32 Contingent liabilities

32.1

(₹ in lakhs)

Contingent Liabilities not provided for in respect of –	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
(a) Claims against the Group not acknowledged as debt Income Tax demand against the Group not provided for and relating to issues of deductions and allowances in respect of which the Group is in appeal	67.28	67.28	57.50
(b) Corporate Guarantee (Refer note 32.1.1)	2,435.00	2,435.00	2,435.00
(c) Guarantees given by banks in favour of Government bodies	185.87	51.74	68.28

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

32.1.1

Corporate guarantee is provided to a bank in respect of loan taken by Sri Gayatri Educational Society pursuant to the long term partnership arrangement entered through company's subsidiary Sri Gayatri Educational Services Private Limited. Corporate guarantee is utilised for business purposes.

32.2 Capital and other commitments:

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances):			
Tangible assets	43.40	-	62.24
Intangible assets	14.58	70.21	85.83
(b) Other commitments (other than lease commitments)	288.55	-	-

33 Deferred tax assets (net)

(₹ in lakhs)

Particulars	As at March 31, 2018	Benefit / (Charge) for the year 17-18	As at March 31, 2017	Benefit / (Charge) for the year 16-17	As at April 1, 2016
Deferred tax liability					
Tax effect of items constituting deferred tax liabilities					
Tax liability recognised in OCI - On re-measurements gain/(losses) of post-employment benefit obligations	7.23	(3.05)	10.28	3.69	6.59
(a)	7.23	(3.05)	10.28	3.69	6.59
Deferred tax assets					
Tax effect of items constituting deferred tax assets					
Provision for compensated absences, gratuity and other employee benefits	198.25	63.69	134.56	(1.28)	135.84
Provision for doubtful debts and advances	6,761.25	5,815.14	946.11	703.18	242.93
Disallowances under Section 40(a)(i), 43B of the Income Tax Act, 1961	18.18	(2.52)	20.70	10.41	10.29
On difference between book balance and tax balance of Property, Plant & Equipment	987.31	328.74	658.57	26.16	632.41
Deferred Tax impact on losses	1,058.45	1,045.79	12.66	(7.20)	19.86
Deferred revenue impact on CRF and robomate	39.89	(246.67)	286.56	(131.01)	417.57
On expenditure on employee stock option plan	23.69	23.69	-	-	-
MAT credit	21.26	-	21.26	(18.33)	39.59
(b)	9,108.28	7,027.86	2,080.42	581.93	1,498.49
Net deferred tax asset/ (liability) (b-a)	9,101.05	7,030.91	2,070.14	578.24	1,491.90

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

33.1 Effective Tax Reconciliation

(₹ in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Tax expense recognised in Consolidated Statement Profit and Loss		
Current Tax		
- In respect of current year	15.04	1,062.08
- In respect of previous year	31.82	12.74
- In respect of Mat Credit	-	18.32
(a)	46.86	1,093.14
Deferred Tax		
- In respect of current year	(7,034.77)	(602.25)
(b)	(7,034.77)	(602.25)
Total	(a+b)	490.89

(₹ in lakhs)

Particulars	For the year ended March 31, 2018	For the year ended March 31, 2017
Tax expense for the year can be reconciled to the accounting profits as follows:		
Profit before tax	(20,170.47)	1,074.85
Income Tax rate (%)	34.61%	34.61%
Tax expense (a)	(6,980.60)	371.98
Adjustments for current tax of prior periods	31.82	12.74
Amount not deductible for tax purpose - Permanent Disallowance	30.62	33.58
Change in Tax Rate	(106.47)	(13.06)
Difference in tax rate	128.44	(13.49)
Others	(91.72)	99.14
(b)	(7.31)	118.91
Total	(a+b)	490.89

34 Earnings per Share (EPS)

Particulars	March 31, 2018	March 31, 2017
Earnings per Share (EPS)		
Basic and Diluted		
Net (loss)/profit for the year attributable to the equity shareholders (₹ in lakhs)	(13,182.56)	583.96
Weighted average number of equity shares for Basic EPS	40,258,650	39,820,784
Weighted average number of equity shares for Diluted EPS	40,302,441	39,820,784
Par value per share (in ₹)	10.00	10.00
Earnings/(loss) per share - Basic (in ₹)	(32.74)	1.47
Earnings/(loss) per share - Diluted (in ₹)	(32.74)	1.47

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

35. Share based payments

MT Educare Employee Stock Option Scheme (ESOS) 2016

- The shareholders' vide its special resolution dated 17 February, 2016 approved ESOS 2016 for granting employee stock options in form of equity shares to eligible employees of the Company, monitored and supervised by the Board of Directors.
- The ESOS 2016 was granted to eligible employees to reward for their performance and to motivate them to contribute to the growth and profitability of the Company. The employees can purchase equity shares by exercising the options as vested at the price specified in the grant.
- Options are granted under the ESOS 2016 for no consideration and carry no dividend and voting rights.
- The fair value of the share options is estimated at the grant date using a Black Scholes Option Pricing Model, taking into account the terms and conditions upon which the share options were granted.
- When exercisable, each option is convertible into one equity share.
- There are no cash settlement alternatives in ESOS 2016.

Sr. No.	Particulars	Employee Stock Option Scheme (ESOS) 2016
1	Date of Shareholders' Approval	February 17, 2016
2	Total number of options approved under Scheme	800,000
3	Date of Grant	December 18, 2017
4	Vesting Requirements	60%, 30% and 10% will vest over a period of three years from the date of grant
5	Exercise Price	₹ 10
6	Maximum term of Options granted	Options to be exercised within 2 years from the date of vesting
7	Source of Shares	Primary
8	Variation in terms of ESOS 2016	Nil

The following table illustrates the number and movements in share options during the year:

Particulars	March 31, 2018	March 31, 2017
Options outstanding at beginning of year	-	-
Options granted during the year	738,450	731,000
Options exercised during the year	-	-
Options forfeited / surrendered during the year*	-	731,000
Options expired during the year	-	-
Options outstanding at the end of year	738,450	-
Option exercisable at the end of year	-	-

In accordance with the above mentioned ESOS 2016, ₹ 67.82 lakhs (Previous year 2017 ₹. Nil) has been charged to the Consolidated Statement of Profit and Loss in relation to the options granted under the Employee Stock Option Scheme Compensation. (Refer Note 29)

*During the year ended 31 March 2017, 731,000 options were granted and forfeited / surrendered in the previous year itself. Accordingly, no expenses in respect of these options has been recognised in the consolidated financial statement.

The options outstanding at the year ending on March 31, 2018 with the range of exercise price of ₹ 10 are 738,450 options (March 31, 2017: Nil) and a weighted average remaining contractual life of all options are 4.72 (March 31, 2017: Nil).

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

The following tables list the inputs to the Option pricing model used for the year ended:

Particulars	March 31, 2018	March 31, 2017
Weighted Average:		
Fair value of the options at the grant dates (₹.)	41.55	NA
Dividend yield (%)	2.63%	NA
Risk free interest rate (%)	6.61%	NA
Expected life of share options (years)	2.5	NA
Expected volatility (%)	54.35%	NA
Weighted average share price (₹.)	10.00	NA

The expected life of the stock options is based on historical data and current expectations and is not necessarily indicative of exercise patterns that may occur. The expected volatility reflects the assumption that the historical volatility over a period similar to the life of the options is indicative of future trends, which may not necessarily be the actual outcome.

36 Related Party Disclosures

A. Names of related parties and description of relationship as identified and certified by the Group:

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mahesh R. Shetty (Chairman and Managing Director)
	Dr. Chhaya Shastri (Non Independent, Non Executive Director)
	Naarayanan Iyer (Non Independent, Non Executive Director)
	Drushti Desai (Independent, Non Executive Director)
	Yatin Samant (Independent, Non Executive Director)
	Uday Lajmi (Independent, Non Executive Director)
	Sandesh Naik (CFO - November 30, 2017 till date)
	Sanjay Sethi (CFO - July 01, 2016 to May 31, 2017)
	Dinesh Darji (Company Secretary - from June 30, 2016 to November 30, 2017))
	Raju Bamane (Company Secretary - from November 30, 2017 to February 23, 2018))
Enterprises in which KMP can exercise significant influence	Mahesh Tutorials Chembur
	Mahesh Tutorials Mulund
	Prosynapse Consultants Private Limited

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

B. Details of transactions & outstanding balances with related party in the ordinary course of business for the year ended: (₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Transactions entered during the year:			
Dividend paid to Key Management Personnel			
Mr. Mahesh Shetty	-	238.52	451.48
Others	-	22.03	45.78
	-	260.55	497.26
KMP Remuneration *	204.28	268.71	267.31
Sitting fees paid to Non Executive Directors			
Dr. Chhaya Shastri	5.70	6.30	2.80
Naarayanan Iyer	2.40	2.40	1.00
Drushti Desai	5.70	5.55	2.50
Yatin Samant	4.20	4.05	1.90
Uday Lajmi	5.10	5.55	2.50
	23.10	23.85	10.70
Professional Fees Expenses			
Prosynapse Consultants Private Limited	123.00	123.00	123.00
	123.00	123.00	123.00
Rent Expense			
Mahesh Tutorials Chembur	73.14	88.08	87.81
Mahesh Tutorials Mulund	31.46	31.62	31.52
Mr. Mahesh Shetty	18.54	14.09	12.54
	123.14	133.79	131.87
Outstanding at the end of the year:			
Deposit for Premises			
Mahesh Tutorials Chembur	29.76	29.76	29.76
Mahesh Tutorials Mulund	11.28	11.28	11.28
Mr. Mahesh Shetty	8.97	8.97	7.47
	50.01	50.01	48.51
Rent Payable			
Mahesh Tutorials Chembur	15.78	-	-
Mahesh Tutorials Mulund	5.66	-	-
Mr. Mahesh Shetty	1.69	0.53	-
	23.13	0.53	-
KMP Remuneration Payable	12.76	15.90	17.14
Professional Fee Payable			
Prosynapse Consultants Private Limited	11.07	10.76	10.71
	11.07	10.76	10.71

* The amount does not include amount in respect of post employment benefits (i.e gratuity and leave encashment) as the same is not determinable.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

37 Operating Lease

The Group has entered into cancellable/non cancellable operating lease arrangements for certain facilities and Coaching Center premises. The lease rentals are payable by the Group on monthly/quarterly basis.

Lease payments recognised in the Consolidated Statement of Profit and Loss is ₹ 3,584.78 lakhs (Previous year 2017- ₹ 4,288.54 lakhs)

Future minimum lease payments payable under non-cancellable lease agreements are as under:

	(₹ in lakhs)	
	March 31, 2018	March 31, 2017
Future minimum Lease payments		
(i) Less than 1 year	278.29	278.29
(ii) later than 1 year and not more than 5 years	-	278.29
(iii) more than 5 years	-	-

38 Segment Reporting

The Group's operations predominantly relates to a single segment viz. conducting commercial training, coaching, tutorial classes and activities incidental and ancillary thereon. The Chief Operating Decision Maker (CODM) reviews the operations of the Group as one operating segment. Hence no separate segment information has been furnished herewith.

39 Employee benefit plans

In accordance with the Indian Accounting Standard-19 'Employee Benefits', the Group has calculated the various benefits provided to employees as under:

a. Defined contribution plans

The Group makes contributions towards provident fund Employee State Insurance Fund and Labour Welfare fund to a defined contribution retirement benefit plan for qualifying employees. Under the plan, the Group is required to contribute a specified percentage of payroll cost to the retirement benefit scheme to fund the benefits.

During the year, the Group has recognised the following amounts in the Consolidated Statement of Profit and Loss:-

	(₹ in lakhs)	
Particulars	March 31, 2018	March 31, 2017
Employers' contribution to provident fund	145.62	186.82
Employers' contribution to Employee state insurance corporation	3.60	3.86
Employers' contribution to labour welfare fund	0.42	0.61

b. Defined benefit plans

(a) Gratuity

The Company provides for gratuity for employees in India as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of 5 years are eligible for gratuity. The amount of gratuity payable on retirement/termination is the employees last drawn basic salary per month computed proportionately for 15 days salary multiplied for the number of years of service.

(b) Compensated absences

The compensated absences are payable to all eligible employees at the rate of daily salary of each day of accumulated leave on death or on resignation or upon retirement on attaining retirement age, whichever is earlier. The liability towards compensated absences are determined based on actuarial valuation carried out by using Projected Unit Credit Method.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

In accordance with Indian Accounting Standard 19, an actuarial valuation was carried out in respect of the aforesaid defined benefit plans based on the following assumptions:

Actuarial assumptions:

Particulars	Gratuity (funded)/unfunded		
	March 31, 2018	March 31, 2017	April 1, 2016
Discount rate per annum	7.35% - 7.87%	6.85% - 7.71%	7.54% - 7.95%
Expected Rate of Increase in compensation levels per annum	6.00%	6.00%	6.00% - 8.00%
Expected rate of return on plan assets	7.35% - 7.87%	6.85% - 7.71%	7.54% - 7.95%
Mortality Rate	Indian assured lives Mortality (2006-08) Ultimate	Indian assured lives Mortality (2006-08) Ultimate	Indian assured lives Mortality (2006-08) Ultimate
Retirement Age	58 years	58 years	58 years
Withdrawal Rate	N.A.	N.A.	N.A.
Attrition	2% - 21.5%	2% - 21.5%	2% - 21.5%

- The discount rate is based on the prevailing market yields Indian Government securities as at the balance sheet date for the estimated term of the obligations.
- Estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.
- The expected rate of return on plan assets is determined after considering several applicable factors such as the composition of the plan assets, investment strategy, market scenario, etc. In order to protect the capital and optimise returns within acceptable risk parameters, the plan assets are well diversified.

(a) Gratuity (Funded)/unfunded

i. Changes in the fair value of plan assets:

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Fair value of plan assets as at the beginning of the year	88.39	107.13	108.34
Expected return on plan assets	6.10	8.10	8.57
Contributions	5.00	8.64	8.31
Benefits paid	(54.17)	(34.93)	(17.27)
Actuarial loss on plan assets	(8.45)	(0.55)	(0.82)
Fair value of plan assets as at the end of the year	36.87	88.39	107.13

ii. Changes in the present value of the defined benefit obligation are as follows:

(₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Present value of defined benefit obligation at beginning of the year	358.84	347.15	300.36
Interest cost	24.61	26.21	23.73
Current service cost	44.10	45.99	41.66
Past service cost	27.31	-	-
Benefits paid	(62.72)	(34.93)	(17.28)
Actuarial (gain) / loss on obligation	(16.77)	(25.58)	(1.32)
Present value of defined benefit obligation at the end of the year	375.37	358.84	347.15

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

iii. Reconciliation of present value of defined benefit obligation and fair value of assets: (₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Present value of obligation as at the end of the year	375.37	358.84	347.15
Fair value of plan assets as at the end of the year	36.87	88.39	107.13
Unfunded net liability recognised in balance sheet	338.50	270.45	240.02
Amount classified as:			
Current provision (Refer note 25)	110.08	135.71	150.71
Non-current provision (Refer note 19)	204.91	112.21	64.28
Other non current assets (Refer note 8)	(3.78)	(3.23)	-
Other financial liabilities (Note 23)	27.29	25.76	25.03

iv. Expenses recognised in Consolidated Statement of Profit and Loss: (₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Current service cost	44.10	45.99	41.66
Past service cost*	27.31	-	-
Interest cost	18.50	18.11	15.16
Expected return on plan assets	6.23	0.56	0.81
Net actuarial loss/(gain) recognised during the year	(15.74)	(17.77)	(1.31)
Total	80.40	46.89	56.32
Actual benefit payments	62.72	34.93	17.28
Actual contributions	5.00	8.64	8.31

* During the year, the Group has changed the benefit scheme in line with Payment of Gratuity Act, 1972 by increasing monetary ceiling from 10 lakhs to 20 lakhs. Change in liability (if any), due to this scheme change is recognised as past service cost.

v. Investment details of the Plan Assets: (₹ in lakhs)

Particulars	March 31, 2018	March 31, 2017	April 1, 2016
Government of India Securities	-	-	-
Corporate Bonds	-	-	-
Insurer Managed Funds	36.87	88.39	107.13
Special Deposit Scheme	-	-	-
Others	-	-	-
Total fund balance	36.87	88.39	107.13

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

vi. A quantitative sensitivity analysis for significant assumption as at 31 March 2018 is as shown below: (₹ in lakhs)

	March 31, 2018	March 31, 2017
Impact on defined benefit obligation	375.37	358.84
Discount rate		
1% increase	(10.71)	(11.42)
1% decrease	11.57	12.45
Rate of increase in salary		
1% increase	9.98	12.44
1% decrease	(9.57)	(11.62)
Rate of employee turnover		
1% increase	0.19	(0.88)
1% decrease	(0.27)	0.67

The sensitivity analysis above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the method (Projected Unit Credit Method) used to calculate the liability recognised in the consolidated balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

These plans typically expose the Group to actuarial risks such as: Investment Risk, Interest Risk, Longevity Risk and Salary Risk.

Investment Risk	The present value of the defined benefit liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.
Interest Risk	A decrease in the bond interest rate will increase the plan liability; however, this will be partially offset by an increase in the return on the plan's investments.
Longevity Risk	The present value of the defined benefit liability is calculated by reference to the best estimate of the mortality of plan participants both during and after their employment. An increase in the life expectancy of the plan participants will increase the plan's liability.
Salary Risk	The present value of the defined benefit liability is calculated by reference to the future salaries of plan participants. As such, an increase in salary of the plan participants will increase the plan's liability.

vii. Maturity profile of defined benefit obligation: (₹ in lakhs)

	March 31, 2018	March 31, 2017
April 2018- March 2019	100.45	87.27
April 2019- March 2020	61.20	57.54
April 2020- March 2021	55.00	50.56
April 2021- March 2022	48.25	44.67
April 2022- March 2023	45.53	39.49
April 2023 onwards	179.08	306.11
The weighted average duration of the defined benefit obligation	4 years	5 years

viii. Employer's best estimate for contribution during next year:

The expected contribution for defined benefit plan for the next financial year will be in line with 2017-18.

(b) Compensated absences (Unfunded)

The leave salary are payable to all eligible employees at the rate of daily salary of each day of accumulated leave (upto 39 days) on death or on resignation or upon retirement on attaining retirement age.

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

Short term Provision as at year end is ₹ 39.82 Lakhs (31 March 2017: ₹ 47.55 Lakhs and 1 April 2016: ₹ 34.81 lakhs)

Long term Provision as at year end is ₹ 119.72 Lakhs (31 March 2017: ₹ 137.87 lakhs and 1 April 2016: ₹ 118.41 lakhs)

Current liability as at the year end is ₹ 15.94 lakhs (31 March 2017: ₹ 8.54 lakhs and 1 April 2016: Nil)

40: Corporate Social Responsibility

A. Gross amount required to be spent by the Group during the year 2017-18 - ₹ 70.64 Lakhs (Year 2016-17 - ₹ 82.19 Lakhs)

B. Actual amount spent during the year on: (₹ in lakhs)

Particulars	In cash	Yet to be paid in cash	Total
(i) Construction/acquisition of any asset	-	-	-
Previous year 2017	-	-	-
(ii) On purposes other than (i) above	26.60	-	26.60
Previous year 2017	92.92	-	92.92

41 Financial instruments - Fair value hierarchy

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- ▶ Level 1 – Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- ▶ Level 2 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- ▶ Level 3 – Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

Financial Instrument measured at Fair Value through Profit and Loss

No financial assets/liabilities have been valued using level 1 and 2 fair value measurements.

Financial Instrument measured at Amortised Cost

The carrying amount of financial assets and financial liabilities measured at amortised cost in the consolidated financial statements are a reasonable approximation of their fair values since the Company does not anticipate that the carrying amounts would be significantly different from the values that would eventually be received or settled.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities.

	March 31, 2018	March 31, 2017	April 1, 2016
(₹ in lakhs)			
Financial assets measured at amortised cost in			
Trade receivables	1,376.99	11,502.73	3,953.98
Cash and cash equivalents	217.07	1,613.45	1,089.54
Bank Balances other than Cash and Cash Equivalents	20,035.21	30.12	23.41
Loans	4,903.34	9,148.83	10,021.07
Other financial assets	2,908.96	1,254.35	278.19
Financial assets measured at Fair value through profit and loss			
Investments	0.31	0.31	0.31
Financial liabilities measured at amortised cost			
Borrowings	17,324.89	14,506.08	3,499.00
Trade Payables	2,395.42	1,962.68	659.80
Other financial liabilities	682.52	560.72	1,268.93

Notes forming part of the consolidated financial statements

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42 Financial instruments - Risk management objectives and policies

The Group is exposed to various financial risks. These risks are categorised into market risk, credit risk and liquidity risk. The Group's risk management is coordinated by the Board of Directors of the Group and focuses on securing long term and short term cash flows. The Group does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Group exposure to the risk of changes in market interest rates relates primarily to the Group's long-term debt obligations with floating interest rates.

For details of the Group's current and non current loans and borrowings, including interest rate profiles (refer to Note 18 and 21) of these financial statements.

Exposure to interest rate risk

The summary quantitative data about the Group's exposure to interest rate risk as reported to the management of the Group is as follows:

	(₹ in lakhs)	
	March 31, 2018	March 31, 2017
Interest on term loan from bank	570.92	18.26

Foreign currency sensitivity

The Group is exposed to the interest rate fluctuations of 2.75% over banks 12 months MCLR (Range from 10.75% to 11.00% per annum as on March 31, 2018). The following table demonstrates the sensitivity to a 25bps increase or decrease in the interest rates with all other variables held constant. The sensitivity analysis is prepared as at the reporting date.

Effect	(₹ in lakhs)	
	Profit or loss Strengthening	Weakening
March 31, 2018		
Interest on term loan from bank	584.03	557.80
March 31, 2017		
Interest on term loan from bank	18.68	17.84

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Group's exposure to the risk of changes in foreign exchange rates relates primarily to the Group's operating activities (when revenue or expense is denominated in a different currency from the Group's functional currency).

Exposure to currency risk

The summary quantitative data about the Group's exposure to currency risk as reported to the management of the Group is as follows:

	March 31, 2018		March 31, 2017		April 1, 2016	
	AED	(₹ in lakhs)	AED	(₹ in lakhs)	AED	(₹ in lakhs)
Accounts Receivable	64,221.50	11.38	35,102.00	6.20	56,888.00	10.27
Balance sheet exposure	64,221.50	11.38	35,102.00	6.20	56,888.00	10.27

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Foreign currency sensitivity

The Group is exposed to the AED. The following table demonstrates the sensitivity to a 10% increase or decrease in the AED against ₹ with all other variables held constant. The sensitivity analysis is prepared on the unhedged exposure of the Group as at the reporting date.

Effect	Profit or loss	
	Strengthening	Weakening
(₹ in lakhs)		
March 31, 2018		
AED	1.14	(1.14)
Effect	Profit or loss	
	Strengthening	Weakening
March 31, 2017		
AED	0.62	(0.62)
Effect	Profit or loss	
	Strengthening	Weakening
April 1, 2016		
AED	1.03	(1.03)

(iii) Other price risk

The Group does not have exposure to equity securities price risk arising from investments in equity shares (Unquoted) held by the Group and classified in the consolidated balance sheet at fair value through profit and loss.

(B) Credit risk

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Group periodically assesses financial reliability of customers and other counter parties, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of financial assets. Individual risk limits are set and periodically reviewed on the basis of such information.

The Group considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk, the Group compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

- i) Actual or expected significant adverse changes in business;
- ii) Actual or expected significant changes in the operating results of the counter-party;
- iii) Financial or economic conditions that are expected to cause a significant change to the counter-party's ability to meet its obligations;
- iv) Significant increase in credit risk on other financial instruments of the same counter-party; and
- v) Significant changes in the value of the collateral supporting the obligation or in the quality of the third-party guarantees or credit enhancements.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Group. Where loans or receivables have been written off, the Group continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised as income in the Consolidated Statement of Profit and Loss.

The Group measures the expected credit loss of trade receivables and loan from individual customers based on historical trend, industry practices and the business environment in which the entity operates. Loss rates are based on actual credit loss experience and past trends. Based on the historical data, loss on collection of receivable is not material hence no additional provision considered.

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

The Group limits its exposure to credit risk of balances held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus in bank accounts.

The company recognises expected credit loss based on the following:

Internal Rating (IR)	Category	Description of category	Basis of recognition of expected credit loss provision	
			Loans, deposits and other receivables	Trade receivables
IR 1	Standard assets with moderate credit risk	Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong	12 month expected credit losses	life time expected credit losses (simplified approach)
IR 2	Substandard assets with high credit risk	Assets where there is significant increase in credit risk and high probability of default.	life time expected credit losses	life time expected credit losses (simplified approach)
IR 3	Doubtful assets, credit impaired	Assets are written off when there is no reasonable expectation of recovery. As and when recoveries are made these are recognised in profit and loss	Asset is written off	

Under the simplified approach, the company does not track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets, the Group determines whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity recognises impairment loss allowance based on 12-month ECL.

The movement in ECL in respect of trade receivables is as follows:

(₹ in lakhs)

	Internal Rating (IR)	March 31, 2018	March 31, 2017	April 1, 2016
Gross carrying amount		12,032.17	12,169.05	4,556.46
Provision for doubtful receivables	IR 2	(10,655.18)	(666.32)	(602.48)
Balance at the end of the year		1,376.99	11,502.73	3,953.98

The movement in ECL in respect of current and non current financial assets loans is as follows:

(₹ in lakhs)

	Internal Rating (IR)	March 31, 2018	March 31, 2017	April 1, 2016
Gross carrying amount		13,457.62	11,216.08	10,021.07
Provision for doubtful loans and advances	IR 2	(8,554.28)	(2,067.25)	-
Balance at the end of the year		4,903.34	9,148.83	10,021.07

(C) Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they become due. The Group manages its liquidity risk by ensuring, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risk to the Group's reputation. The management monitors rolling forecast on the liquidity position and cash and cash equivalents on the basis of expected cash flows.

The table below analysis financial liabilities of the Group into relevant maturity groupings based on the remaining period from the reporting date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

(₹ in lakhs)

As at March 31, 2018	Contractual cash flows				
	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	17,324.89	3,980.95	6,849.79	6,494.15	-
Trade Payables	2,395.42	2,395.42	-	-	-
Other current financial liabilities	682.52	682.52	-	-	-
Contractual cash flows					
As at March 31, 2017	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	14,506.08	11,087.04	1,907.43	1,511.61	-
Trade Payables	1,962.68	1,962.68	-	-	-
Other current financial liabilities	560.72	560.72	-	-	-
Contractual cash flows					
As at April 1, 2016	Total	1 year or less	1-2 years	2-5 years	More than 5 years
Non-derivative financial liabilities					
Borrowings	3,499.00	3,499.00	-	-	-
Trade Payables	659.80	659.80	-	-	-
Other current financial liabilities	1,268.93	1,268.93	-	-	-

43 Capital management

The Group aims to manage its capital efficiently so as to safeguard its ability to continue as a going concern and to optimise returns to our shareholders.

The capital structure of the Group is based on management's judgement of the appropriate balance of key elements in order to meet its strategic and day-to-day needs. Group consider the amount of capital in proportion to risk and manage the capital structure in light of changes in economic conditions and the risk characteristics of the underlying assets. In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders or issue new shares.

The Group's policy is to maintain a stable and strong capital structure with a focus on total equity so as to maintain investor, creditors and market confidence and to sustain future development and growth of its business. The Group will take appropriate steps in order to maintain, or if necessary adjust, its capital structure.

The Company's adjusted net debt to equity ratio is as follows: (₹ in lakhs)

	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Total borrowings along with accrued interest	17,324.89	14,506.08	3,499.00
Less : Cash and cash equivalents	(217.07)	(1,613.45)	(1,089.54)
Adjusted net debt	17,107.82	12,892.63	2,409.46
Equity	7,178.50	3,982.08	3,982.08
Other Equity	13,308.61	10,193.58	10,267.15
Total Equity	20,487.11	14,175.66	14,249.23
Adjusted net debt to equity ratio	0.84	0.91	0.17

Notes forming part of the consolidated financial statements

for the year ended March 31, 2018

44 Amalgamation of Lakshya Forum for Competitions Private Limited (LFCPL) with Lakshya Educare Private Limited (LEPL)

Pursuant to Scheme of Arrangement (the Scheme) between Lakshya Forum for Competitions Private Limited (LFCPL), Lakshya Educare Private Limited (LEPL) and their respective shareholders' was filed with the High Court of Judicature at Bombay and the High Court of Punjab & Haryana at Chandigarh. The Hon'ble High Court of Judicature at Bombay approved the Scheme on May 4, 2016 subject to approval of the Scheme by High Court of Judicature at Punjab & Haryana. The Scheme was subsequently approved vide Order dated August 17, 2017 passed by National Company Law Tribunal Court – Chandigarh Bench, Chandigarh on account of transfer from High Court of Judicature at Punjab & Haryana, effective April 1, 2014 which is the 'Appointed Date' prescribed in the Scheme. The Scheme has, accordingly, been given effect to in the financial statements of LEPL for the year ended March 31, 2018.

LEPL is engaged into the business of conducting commercial training, coaching/tutorial classes and activities incidental thereto and LFCPL was engaged in educational service industry, imparting professional coaching for competitive examinations.

LEPL has followed the accounting treatment prescribed under the Scheme as approved by Hon'ble High Court of Judicature at Bombay and the High Court of Punjab & Haryana at Chandigarh. The amalgamation has been accounted as per "Pooling of Interest" method. Accordingly, in the books of account of LEPL, the accounting treatment has been given as under:

- (i) All assets, liabilities and reserves as at April 1, 2014 as appearing in the books of LFCPL are transferred to and vested in LEPL at their respective book values;
- (ii) Inter-company transactions and balances between LFCPL and LEPL are cancelled; and
- (iii) Difference between the purchase consideration and the value of net identifiable assets acquired is credited to the General Reserve of LEPL.
- (iv) LEPL will issue 1 Equity Shares of ₹ 10 each fully paid up (Number of Shares 10,000) for every 52.76 Equity shares of LFCPL of ₹ 10 each fully paid up (Number of Shares 5,27,560) and difference between the book value and face value of such shares amounting to ₹ 51.76 lakhs was adjusted against the General Reserve of LEPL.
- (v) Pending allotment, the said amount referred in para (iv) has been disclosed under 'Share Pending Issuance' in Other Equity as on April 1, 2016 and March 31, 2017.

Refer below for asset and liabilities acquired, consideration given to shareholders' of LFCPL and reserves taken over pursuant to the Scheme:

Particulars	₹ Lakhs
(a) Property, plant and equipment and Other intangible assets	238.35
(b) Non-current investments	78.25
(c) Non Current Financial Assets - Loans	39.10
(d) Trade receivables	79.44
(e) Cash and cash equivalents	63.95
(f) Current Financial Assets - Loans	35.34
Total Assets acquired on amalgamation (A)	534.43
(a) Long-term provisions	41.80
(b) Short-term borrowings	422.67
(c) Trade payables	30.56
(d) Other current liabilities	163.29
(e) Short-term provisions	2.97
Total Liabilities acquired on amalgamation (B)	661.29
Reserves	
Deficit in the Statement of Profit and Loss	179.62
Total Reserves acquired on amalgamation (C)	179.62
Net Asset(A-B+C)	52.76
Purchase Consideration	1.00
Excess of net assets over purchase consideration credited to General Reserve	51.76

Notes forming part of the consolidated financial statements for the year ended March 31, 2018

45 List of subsidiaries consolidated

Details of the subsidiaries at the end of the reporting period are as follows:

Name of subsidiary	Place of incorporation and operation	Principal activities	Accounting period	Proportion of ownership interest and voting rights held by the Group		
				As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Lakshya Educare Private Limited*	India	Education support and coaching services	April 1, 2017- March 31, 2018	100%	100%	100%
MT Education Services Private Limited	India	Education support and coaching services	April 1, 2017- March 31, 2018	100%	100%	100%
Chitale's Personalised Learning Private Limited	India	Education support and coaching services	April 1, 2017- March 31, 2018	100%	100%	100%
Sri Gayatri Educational Services Private Limited	India	Education support and coaching services [#]	April 1, 2017- March 31, 2018	75%	75%	75%
Robomate Edutech Private Limited	India	Education support and coaching services [#]	April 1, 2017- March 31, 2018	100%	100%	-
Letspaper Technologies Private Limited	India	Education support and coaching services [#]	April 1, 2017- March 31, 2018	100%	100%	-

* Lakshya Forum for Competitions Private Limited (100% subsidiary of the Company) was merged with Lakshya Educare Private Limited w.e.f. August 17, 2017 (Refer note 44).

[#] Yet to commence commercial business operations as on March 31, 2018.

46 Events after the reporting period

No significant events have occurred after the balance sheet date which requires adjustment or disclosure in the Consolidated financial statements of the Group.

47 Approval of consolidated financial statements

The consolidated financial statements are approved for issue by the Audit Committee and Board of Directors at its meeting held on May 29, 2018.

48 Previous year figures have been regrouped/ reclassified to confirm presentation as per Ind AS as required by Schedule III of the Act.

Notes forming part of the consolidated financial statements

for the year ended 31 March 2018

49 Additional information required as under Schedule III of Companies Act,2013 of enterprises consolidated as subsidiaries (₹ in lakhs)

Name of the entity	Net assets i.e total assets - total liabilities		Share in profit or loss		Share in other comprehensive income		Share in total comprehensive income	
	2017-2018	2016-2017	2017-2018	2016-2017	2017-2018	2016-2017	2017-2018	2016-2017
	As a % of consolidated net assets	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount	As a % of consolidated profit or loss	Amount
Parent								
MT Educare Limited	102.58%	20,901.18	92.14%	(12,147.04)	96.04%	6.68	92.14%	(12,140.36)
Subsidiaries								
Indian								
Chitale's Personalised Learning Private Limited	(0.62%)	(126.65)	1.00%	141.26	-	-	2.03%	(267.91)
MT Education Services Private Limited	0.50%	101.54	0.41%	57.92	-	-	(0.33%)	43.61
Lakshya Educare Private Limited	(2.45%)	(499.26)	2.20%	309.55	3.96%	0.28	6.14%	(808.83)
Sri Gayatri Educational Services Private Limited	(0.01%)	(1.89)	0.00%	(0.59)	-	-	0.01%	(1.31)
Robomate EduTech Private Limited	0.00%	0.25	0.00%	(0.25)	-	-	0.00%	(0.50)
Letspaper Technologies Private Limited	0.00%	0.45	0.00%	(0.25)	-	-	0.00%	(0.30)

Note :The above figures are before eliminating intra group transactions.

As per our report of even date attached

For and on behalf of the Board of Directors of

For **MSKA & Associates** (Formerly known as MZSK & Associates)

Chartered Accountants

Firm Registration No. : 105047W

MT Educare Limited

CIN: L80903MH2006PLC163888

Vishal Vilas Divadkar

Partner

Membership No.:118247

Mr Mahesh Shetty

Chairman and Managing Director

DIN - 01526975

Mr Naarayanan Iyer

Director

DIN - 00295246

Mr Sandesh Naik

Chief Financial Officer

Place : Mumbai

Date : May 29, 2018

Place : Mumbai

Date : May 29, 2018

Notes forming part of the consolidated financial statements

for the year ended 31 March 2018

AOC FORM -1

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC relating to subsidiary companies

Sr. No.	Name of the Subsidiary Company	Reporting Currency	Share Capital	Reserves & Surplus	Total Assets	Total Liabilities	Total Investments	Turnover	Profit before Taxation	Provision for Taxation	Profit after Taxation	Proposed Dividend	% of shareholding	Country
1	Lakshya Educare Private Limited	₹	2.00	(501.26)	4706.45	5205.71	-	3959.03	(1,140.31)	(331.21)	(809.10)	-	100.00	India
2	MT Education Services Private Limited	₹	1.00	100.54	229.72	128.18	-	138.32	57.94	14.33	43.61	-	100.00	India
3	Chitale's Personalised Learning Private Limited	₹	12.24	(138.90)	422.02	548.67	-	373.78	(367.63)	(99.72)	(267.91)	-	100.00	India
4	Sri Gayatri Educational Services Private Limited	₹	1.00	(2.89)	3.28	5.17	-	-	(1.31)	-	(1.31)	-	75.00	India
5	Robomate Edutech Private Limited	₹	1.00	(0.75)	2.16	1.91	-	-	(0.50)	-	(0.50)	-	100.00	India
6	Letspaper Technologies Private Limited	₹	1.00	(0.55)	0.70	0.25	-	-	(0.30)	-	(0.30)	-	100.00	India

Note :

Sri Gayatri Educational Services Pvt Ltd., Robomate Edutech Pvt. Ltd. & Letspaper Technologies Pvt. Ltd. is yet to commence operations.

As per our report of even date attached

For and on behalf of the Board of Directors of

MT Educare Limited
CIN: L80903MH2006PLC163888

Mr Mahesh Shetty
Chairman and Managing Director
DIN - 01526975

Mr Naarayanan Iyer
Director
DIN - 00295246

Mr Sandesh Naik
Chief Financial Officer

Place : Mumbai
Date : May 29, 2018

Notice

NOTICE is hereby given that the Twelfth Annual General Meeting of the members of MT Educare Limited will be held on Monday, the 24th day of September, 2018 at 9.30 a.m., at Ravindra Natya Mandir, P. L. Deshpande Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai 400 025, to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Financial Statements of the Company - on a standalone and consolidated basis, for the financial year ended March 31, 2018 including the Balance Sheet as at March 31, 2018, the Statement of Profit & Loss for the financial year ended on that date, and the Reports of the Auditors and Directors thereon.
2. To appoint a Director in place of Mr. Mahesh Shetty (DIN 01526975), Director who retires by rotation at this meeting and being eligible, offers himself for re-appointment.
3. To ratify the appointment of M/s MSKA & Associates, (formerly known as M/s. MZSK & Associates) Chartered Accountants, Mumbai, having Firm Registration No. 105047W, as approved by the members at 10th Annual General Meeting ('AGM') as Statutory Auditors of the Company to hold office from the conclusion of 10th AGM until the conclusion of the 15th AGM and to fix the remuneration for the remainder of their term.

To consider and if thought fit, to pass the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Section 139 and 142 of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014, and the resolution passed by the members at the 10th Annual General Meeting (AGM) held on 28th September, 2016, the appointment of M/s. MSKA & Associates (formerly known as M/s. MZSK & Associates), Chartered Accountants, Mumbai (Firm Registration No. 105047W) as Statutory Auditors of the Company to hold office from the conclusion of 10th AGM till the conclusion of the 15th AGM of the Company to be held for the financial year ending March 31, 2021, be and is hereby ratified and the Board of Directors of the Company be and is hereby authorised to fix the Auditor's remuneration payable for the financial years from 2018-19 upto 2020-21 in consultation with the Auditors.

RESOLVED FURTHER THAT the resolution passed in the 10th Annual General Meeting ('AGM') held on 28th September, 2016 for appointment of M/s. MSKA & Associates (formerly known as M/s. MZSK & Associates), Chartered Accountants as Statutory

auditors of the Company requiring the ratification of their appointment at every subsequent AGM till 15th AGM, shall stand modified to the extent that no such ratification/confirmation shall henceforth be necessary for their remainder period of appointment."

SPECIAL BUSINESS:

4. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) thereto or re-enactment thereof, for the time being in force), the members hereby ratify and confirm the remuneration of ₹ 60,000/- (Rupees Sixty thousand) plus applicable taxes and reimbursement of out of pocket expenses payable to M/s Joshi Apte & Associates, Cost Accountants (Firm Registration No 00240) for conduct of audit of the cost records of the Company for the financial year ending March 31, 2019 as recommended by the Audit Committee and approved by the Board of Directors.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

5. **To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:**

"RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modifications(s) or re-enactment thereof, for the time being in force), and subject to the necessary registration, approvals, consents, permissions and sanctions required, if any from the Registrar of Companies, and any other appropriate authority and subject to such terms, conditions, amendments or modifications as may be required or suggested by any such appropriate authorities, the draft regulations contained in the Articles of Association including but not limited to the provisions of the Shareholders Agreement dated February 14, 2018 entered into between the Company, Mr. Mahesh Raghav Shetty (Existing Promoter) and Zee Learn Limited (New Promoter) submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby severally authorised to do all such acts, deeds, matters and things as may be deemed proper, necessary, or expedient, including filing the requisite forms with Ministry of Corporate Affairs or submission of documents with any other authority, for the purpose of giving effect to this Resolution and for matters connected therewith or incidental thereto."

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Himanshu Mody (DIN:00686830), who was appointed as an Additional Director of the Company w.e.f. June 05, 2018 as per Section 161(1) of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and in accordance with the provisions of Articles of Association of the Company and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as a Director in the category of Non - Executive Director of the Company, whose office is liable to retire by rotation and eligible for re-appointment AND THAT Mr. Himanshu Mody shall be eligible to such number of stock options as may be decided by the Board or the Nomination and Remuneration Committee / Board from time to time whether as a Non-Executive Director or otherwise."

7. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 149 of the Companies Act, 2013 ('Act') and the rules made there under, Mr. Ajey Kumar (DIN 02278096), who was appointed as an Additional Director of the Company by the Board of Directors with effect from June 05,2018 and who holds office up to the date of ensuing Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is appointed as Director of the Company."

8. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 203 and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014,

the Company hereby accords its approval for appointment of Mr. Ajey Kumar, (DIN 02278096), Additional Director of the Company be and is hereby appointed currently as an Executive Director of the Company for a period of 3 years with effect from June 05,2018 and will be eligible for grant of Stock Options as may be decided from time to time by the Board or the Nomination and Remuneration Committee, whether as an Executive Director or otherwise, but currently without any remuneration.

"RESOLVED FURTHER THAT the Board or any other person authorised by the Board or the CFO or the Company Secretary of the Company, be and is hereby severally authorised to do all acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution."

9. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for time being in force), Dr. Manish Agarwal (DIN:02069969) who was appointed as an Additional Director of the Company by the Board of Directors with effect from June 05, 2018 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retirement by rotation for a period of 3(three) consecutive years up to June 4, 2021".

10. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

To consider, and if thought fit, to pass the following resolution as an Ordinary Resolution

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013('Act') and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for time being in force), Dr. Sangeeta Pandit (DIN 06748608) who was appointed as an Additional Director of the Company by the Board of Directors with effect from June 05, 2018 and who holds office up to the date of this Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing her candidature for the office of Director, be and is hereby

appointed as an Independent Director of the Company not liable to retirement by rotation for a period of 3(three) consecutive years up to June 4, 2021".

11. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT, pursuant to the provisions of Section 149 of the Companies Act, 2013 ('Act') and the rules made there under, Mr. Debshankar Mukhopadhyay (DIN: 08194567), who was appointed as an Additional Director of the Company by the Board of Directors with effect from August 09, 2018 and who holds office up to the date of ensuing Annual General Meeting in terms of Section 161(1) of the Act and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act proposing his candidature for the office of Director, be and is appointed as Director of the Company."

12. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Special Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 196, 203 and other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, the Company hereby accords its approval for appointment of , Mr. Debshankar Mukhopadhyay (DIN: 08194567), Additional Director of the Company be and is hereby appointed currently as an Executive Director of the Company for a period of 3 years with effect from August 09,2018 and will be eligible for grant of Stock Options as may be decided from time to time by the Board or the Nomination and Remuneration Committee, whether as an Executive Director or otherwise, but currently without any remuneration.

"RESOLVED FURTHER THAT the Board or any other person authorised by the Board or the CFO or the Company Secretary of the Company, be and is hereby severally authorised to do all acts, deeds and things as

may be necessary, proper or expedient to give effect to this resolution."

13. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Special Resolution:

"RESOLVED THAT pursuant to provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 and the Rules made thereunder (including any statutory modification or re-enactment thereof) read with Schedule V thereof and in partial modification of the resolution passed by the Members on September 06, 2017 the consent of Members of the Company be and is hereby accorded to the appointment / re-designation of Mr. Mahesh Shetty for the period of 3 years, who was then designated as the Executive Director of the Company as the Whole time Director with effect from August 09, 2018 till the end of the tenure of his earlier appointment viz. July 16, 2020 on the same terms of appointment including remuneration mentioned therein"

"RESOLVED FURTHER THAT the Board or any other person authorised by the Board or the CFO or the Company Secretary of the Company, be and is hereby severally authorised to do all acts, deeds and things as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board

Place: Mumbai
Date: August 09, 2018

Mandar Chavan
Company Secretary

Registered Office:
220, Flying Colors, 2nd Floor,
Pandit Din Dayal Upadhyay Marg,
L.B.S. Cross Road, Mulund (West),
Mumbai - 400080
CIN: L80903MH2006PLC163888
E-mail: info@mteducare.com

Notes:

1. A member entitled to attend and vote at the meeting may appoint a proxy to attend and vote on a poll on his behalf. A proxy need not be a member of the Company. A person can act as proxy on behalf of not exceeding fifty Members and holding in the aggregate not more than 10% of the total Equity Share Capital of the Company. Any Member holding more than 10% of the total Equity share capital of the Company may appoint a single person as proxy and in such a case, the said person shall not act as proxy for any other person or member. The instrument appointing proxy should, however, be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of the Companies, societies etc., must be supported by an appropriate resolution/authority as applicable.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business to be transacted at the Annual General Meeting is annexed.
3. The Register of Members and Share Transfer books of the Company will be closed from September 17, 2018 to September 24, 2018 (both days inclusive).
4. As per current SEBI Regulations, dividend is required to be credited to shareholders' bank account through National Electronic Clearing Service (NECS), direct transfer wherever the facility is available and the requisite details / mandate have been provided by the shareholders. Shareholders desirous of availing of this facility may send the ECS form (available on the website of the Company), along with a Xerox copy the cheque pertaining to the bank account where the shareholders would like the payment to be credited, to their Depository Participants in case of shares held in dematerialised form or to the Company's Registrar and Share Transfer Agents ("RTA") in case of shares held in physical form.
5. Corporate Members are requested to send to the Registered Office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 113 of the Companies Act, 2013, authorising their representative to attend and vote at the Annual General Meeting.
6. Additional information, pursuant to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, on Directors recommended by the Board for appointment / re-appointment at the Annual General Meeting forms part of the Report on Corporate Governance in the Annual Report.
7. Members who wish to obtain information on the Financial Statements for the year ended March 31, 2018, may send their queries at least seven days before the Annual General Meeting to the Compliance Officer & Company Secretary at the registered office of the Company or at email id info@mteducare.com
8. Electronic Copy of the Annual Report for 2017-18 is being sent to all the Members whose email IDs are registered with the Company / Depository Participant(s) for communication. For Members who have not registered their email address, physical copies of the Annual Report for 2017-18 is being sent. The Annual Report may also be accessed on the Company's Corporate Website www.mteducare.com
9. Members are requested to notify immediately about any change in their address/e-mail address /dividend mandate / bank details to their Depository Participant (DP) in respect of their shareholding in Demat mode and in respect of their physical shareholding to the Company's new Registrar and Share Transfer Agent, M/s Link Intime India Private Ltd at C101, 247 Park, L. B. S. Marg, Vikhroli (West), Mumbai - 400 083. Shareholders holding Equity Shares of the Company in physical form may register their email address with the Registrar and Share Transfer agent of the Company to receive all communications by the Company including Annual Report and Notice of Meeting(s) by email, by sending appropriate communication on rnt.helpdesk@linkintime.co.in.
10. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect at any time during the business hours of the Company, the proxies lodged, provided not less than three day's notice in writing is given to the Company.
11. Members / proxies are requested to bring the duly filled attendance slip attached herewith to attend the meeting.
12. Pursuant to SEBI circular dated April 20, 2018, Members whose ledger folios having incomplete details with regard to PAN and Bank particulars are required to furnish the same to the Registrar and Share Transfer Agent / Company for registration in the folio. Such Members are requested to provide their PAN and Bank particulars to the Registrar and Share Transfer Agent / Company. Further, in respect of the physical shareholding, in order to prevent fraudulent transactions, members are advised to exercise due diligence and notify the Registrar of any change in their addresses, telephone numbers, e-mail ids, nominees or joint holders, as the case may be.
13. As per the provisions of the Companies Act, 2013, nomination facility is available to the Members in respect of the shares held by them. Members holding shares in single name and physical form may send duly completed and signed nomination form to the Registrar and Share Transfer Agent. Members holding shares in dematerialised form may contact their respective Depository Participant/s.
14. The notice is being sent to all the Members, whose names appear in the Register of Members/ Statements of beneficial ownership maintained by the Depositories i.e

National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL] as on the close of business hours on August 24, 2018.

15. E-voting In compliance with Section 108 of the Companies Act, 2013 and Companies (Management and Administration) Rules, 2014, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, the Company is pleased to provide equity shareholders facility to exercise their right to vote at the 12th Annual General Meeting (AGM) by electronic means. The facility of casting votes by a member using an electronic voting system (remote e-voting) from a place other than venue of the AGM will be provided by Central Depository Services (India) Limited (CDSL) for all the business as detailed in this notice. The remote e-voting period for all items of business contained in this Notice shall commence from September 21, 2018 at 9:00 a.m. and will end on September 23, 2018 at 5:00 p.m. During this period equity shareholder of the Company holding shares either in physical form or in dematerialised form as on the cutoff date of September 17, 2018, may cast their vote electronically. The E-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by any Member, he/she shall not be allowed to change it subsequently.
16. The facility for voting by way of Ballot / Poll paper shall also be made available at the meeting and members attending the meeting who have not already cast their vote by remote e-voting shall be able to exercise their right to vote at the meeting.
17. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again.
18. The voting rights of Members either by way of remote e-voting prior to the meeting or by way of Ballot / Poll Paper at the meeting shall be in proportion to their equity shareholding in the paid up equity share capital of the Company as on the cut-off date of September 17, 2018.
19. At the Annual General Meeting the Chairman of the meeting shall after discussion on all the resolutions on which voting is to be held, allow voting by use of Ballot/ Poll Paper by all those Members who are present at the Meeting but have not cast their votes by availing the remote e-voting facility.
20. The Company has appointed M/s Manish Ghia & Associates, Company Secretaries, and Mumbai as Scrutiniser to conduct remote e-voting process as well as Ballot / Poll Paper voting process at the Annual General Meeting in a fair and transparent manner.
21. The Scrutiniser shall, after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than two days of the conclusion of the Annual General Meeting, a consolidated scrutiniser's report of the total votes cast to the Non- Executive Chairman, who shall countersign the same and declare the results of the voting forthwith.
22. The Results declared along with the Scrutiniser's report shall be placed on the website of the Company www.mteducare.com and shall also be communicated to the Stock Exchanges and Central Depository Services [India] Limited [CDSL]. The Resolutions, if approved, shall be deemed to be passed, on the date of Annual General Meeting.
23. The instructions for shareholders voting electronically are as under:
 - (i) The voting period begins on September 21, 2018 at 9:00 a.m. and ends on September 23, 2018 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialised form, as on the cut-off date (record date) of September 17, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 - (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
 - (iii) Click on Shareholders / Members
 - (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
 - (v) Next enter the Image Verification as displayed and Click on Login.
 - (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department(Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> Members who have not updated their PAN with the Company/ Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <MT Educare Limited> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) Note for Non – Individual Shareholders and Custodians

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutiniser to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013

Item No. 4

The Board, on the recommendation of the Audit Committee, has approved the appointment of M/s Joshi Apte & Associates, Cost Accountants (Firm Registration No 00240)

to conduct the audit of the cost records of the Company relating to its Education Services for the Financial Year ending March 31, 2019 on a remuneration of ₹ 60,000/- (Rupees Sixty thousand) plus applicable taxes and reimbursement of out of pocket expenses.

In accordance with the provisions of Section 148 of the Act read with the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor has to be ratified by the shareholders of the Company.

Accordingly, consent of the members is sought for passing an ordinary resolution as set out at Item No. 4 of the Notice for ratification of the remuneration payable to the Cost Auditor for the Financial Year ending March 31, 2019.

Your Board recommends the ordinary resolution as set out in Item No. 4 for approval of Members.

None of the Directors and /or Key Managerial Personnel of the Company or their relatives is in any way concerned or interested in this ordinary resolution set out in Item no. 4.

Item No. 5

The Board approved the amendment to the Articles of Association of the Company reflecting the provisions of the Shareholders Agreement dated February 14, 2018 entered into between the Company, Mr. Mahesh Raghu Shetty (Existing Promoter) and Zee Learn Limited (New Promoter) and also realigning the same with provisions of Companies Act, 2013.

In terms of Section 14 of the Companies Act, 2013, the consent of the Members by way of Special Resolution is required for adoption of new set of Articles of Association of the Company. The draft Articles of Association are available for inspection by the Members at the registered office of the Company on all working days (except Saturdays, Sundays and Public Holidays) between 11:00 a.m. to 5:00 p.m. upto the date of this Annual General Meeting and the same are also available on the Company website www.mteducare.com and shall also be available for inspection at the AGM.

The Board recommends the Special Resolution set forth in Item No. 5 of the Notice for approval of the Members.

None of the Directors or Key Managerial Personnel of the Company including their relatives are interested or concerned in the Resolution except to the extent of their shareholding, if any, in the Company.

Item No. 6

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company appointed Mr. Himanshu Mody with effect from June 05, 2018 as an Additional Director (categorised as 'Non-Executive Director') of the Company liable to retire by rotation. The Company has received a notice pursuant to Section 160 of the Companies Act, 2013

("Act") from a Member signifying his intention to propose the appointment of Mr. Himanshu Mody as a Director (categorised as 'Non-Executive Director-Chairman') of the Company. Mr. Himanshu Mody is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

The profile and specific areas of expertise of Mr. Himanshu Mody are provided as below:

Name of the Director	Mr. Himanshu Mody
DIN	00686830
Date of Appointment	June 5, 2018
Qualification	MSC in Finance, MBA
Expertise in specific functional Areas	Mr. Himanshu Mody has experience of over a decade in various Corporate Strategy, Fund raising and Mergers & Acquisitions
No. of Equity Shares held	Nil
Directorships held in Indian Public Companies as on August 9, 2018	
Relationship with any other Director inter-se	None

Accordingly, the Board of Directors recommends the Ordinary Resolution at Item no.6 of the accompanying Notice for the approval of members.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Himanshu Mody (whose appointment is proposed in this resolution) are in any way, concerned or interested, financial or otherwise, in this resolution and except to the extent of their shareholding in the Company, if any.

Item No. 7 and 8

The Board members considered the recommendation of the Nomination & Remuneration Committee and approved the appointment of Mr. Ajey Kumar currently as an Executive Director of the Company for a period of 3 (three) years with effect from June 05, 2018.

The Board members also approved Mr. Ajey Kumar proposal that currently he shall not draw any salary from the Company, however, he will be eligible to be provided Stock Options as may be decided from time to time by the Board or the Nomination and Remuneration Committee, whether as an Executive Director or otherwise.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 ("Act") from a Member signifying his intention to propose the appointment of Mr. Ajey Kumar as a Director (categorised as 'Executive

Director') of the Company. Mr. Ajey Kumar is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

The profile and specific areas of expertise of Mr. Ajey Kumar are provided as below:

Name of the Director	Mr. Ajey Kumar
DIN	02278096
Date of Appointment	June 5, 2018
Qualification	B.E. (E&C), MBA
Expertise in specific functional Areas	He is senior professional who has global experience in Strategy, Business Leadership, Turnarounds and Startups. He has worked in reputed companies like HUL, Lupin, Ethypharm etc. and has expertise in areas like Consumer goods, Life Sciences, Wellness, Education, Services, Real Estate etc
No. of Equity Shares held	Nil
Directorships held in Indian Public Companies as on August 9, 2018	1
Relationship with any other Director inter-se	None

Accordingly, the Board of Directors recommends the Ordinary/ Special Resolution at Item no.7 and 8 of the accompanying Notice for the approval of members.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Ajey Kumar (whose appointment is proposed in this resolution) are in any way, concerned or interested, financial or otherwise, in this resolution and except to the extent of their shareholding in the Company, if any.

Item No.9

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the

Company appointed Dr. Manish Agarwal as an Additional Director of the Company in the category of Independent Director effective from June 05, 2018. Pursuant to the provisions of Section 161 of the Act and Article 101 of the Articles of Association of the Company, Dr. Manish Agarwal will hold the office till next Annual General Meeting.

As per the Companies (Amendment Act), 2017, exemption is provided under Section 160 of the Companies Act, 2013 from the requirement of deposit of an amount of ₹ 1 lakh, if the director appointed is an Independent Director recommended by the Nomination and Remuneration Committee constituted under Section 178(1) of the Companies Act, 2013. Accordingly, Dr. Manish Agarwal being appointed as an Independent Director recommended by the Nomination and Remuneration Committee at its meeting held on June 05, 2018, the requirement of deposit of amount for his candidature does not arise.

The Company has received from Dr. Manish Agarwal (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that he is not disqualified under Section 164(2) of the Act and (iii) a declaration to the effect that he meets the criteria of independence as provided under Section 149(6) of the Act.

The resolution seeks the approval of the Members in terms of Section 149 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, for appointment of Dr. Manish Agarwal as an Independent Director of the Company, not liable to retire by rotation, for a period of three (3) years commencing from June 05, 2018 until June 04, 2021.

In the opinion of the Board, Dr. Manish Agarwal fulfills the conditions specified in the Act and the Rules made thereunder and is independent of the Management of the Company. A copy of the letter of appointment of Dr. Manish Agarwal as an Independent Director setting out the terms and conditions is available for inspection without any fee payable by the Members at the Registered Office of the Company during the normal business hours on working days.

The profile and specific areas of expertise of Dr. Manish Agarwal are provided as below:

Name of the Director	Dr. Manish Agarwal
DIN	02069969
Date of Appointment	June 5, 2018
Qualification	Orthopaedic Oncologist
Expertise in specific functional Areas	Dr. Manish Agarwal is an Orthopaedic Oncologist involved in clinical, teaching and research work. He has been member of various professional organisations and has been recipient of various prestigious awards/medals like Shree Jairamdas Berry Gold Medal, Gold Medal for Orthopaedic Surgery. He has contributed articles in various publications and authored various books in area of is specialisation
No. of Equity Shares held	Nil
Directorships held in Indian Public Companies as on August 9, 2018	1
Relationship with any other Director inter-se	None

Accordingly, the Board of Directors recommends the Ordinary Resolution at Item no. 9 of the accompanying Notice for the approval of members.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Dr. Manish Agarwal (whose appointment is proposed in this resolution) are in any way, concerned or interested, financial or otherwise, in this resolution and except to the extent of their shareholding in the Company, if any.

Item No.10

Based on the recommendation of the Nomination & Remuneration Committee, the Board of Directors of the Company appointed Dr. Sangeeta Pandit as an Additional Director of the Company in the category of

Independent Director effective from June 05, 2018. Pursuant to the provisions of Section 161 of the Act and Article 101 of the Articles of Association of the Company, Dr. Sangeeta Pandit will hold the office till next Annual General Meeting.

As per the Companies (Amendment Act), 2017, exemption is provided under Section 160 of the Companies Act, 2013 from the requirement of deposit of an amount of ₹ 1 lakh, if the director appointed is an Independent Director recommended by the Nomination and Remuneration Committee constituted under Section 178(1) of the Companies Act, 2013. Accordingly, Dr. Sangeeta Pandit being appointed as an Independent Director recommended by the Nomination and Remuneration Committee at its meeting held on June 05, 2018, the requirement of deposit of amount for her candidature does not arise.

The Company has received from Dr. Sangeeta Pandit (i) Consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014, (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Section 164(2) of the Act and (iii) a declaration to the effect that she meets the criteria of independence as provided under Section 149(6) of the Act.

The resolution seeks the approval of the Members in terms of Section 149 and other applicable provisions of the Act, read with Schedule IV of the Act and the Rules made thereunder, for appointment of Dr. Sangeeta Pandit as an Independent Director of the Company, not liable to retire by rotation, for a period of three (3) years commencing from June 05, 2018 until June 04, 2021.

In the opinion of the Board, Dr. Sangeeta Pandit fulfills the conditions specified in the Act and the Rules made thereunder and is independent of the Management of the Company. A copy of the letter of appointment of Dr. Sangeeta Pandit as an Independent Director setting out the terms and conditions is available for inspection without any fee payable by the Members at the Registered Office of the Company during the normal business hours on working days.

The profile and specific areas of expertise of Dr. Sangeeta Pandit are provided as below:

Name of the Director	Dr. Sangeeta Pandit
DIN	06748608
Date of Appointment	June 5, 2018
Qualification	CA, PhD in Commerce & Management
Expertise in specific functional Areas	She has about 30 (thirty) years of experience and expert knowledge in the areas of audit and representative practice, statutory and internal audits and tax and finance related matters. She was editor of Bombay Chartered Accountants Society's Referencer, a reckoner used by chartered accountants. She authored couple of books published by Bombay Chartered Accountants Society
No. of Equity Shares held	Nil
Directorships held in Indian Public Companies as on August 9, 2018	3
Relationship with any other Director inter-se	None

Accordingly, the Board of Directors recommends the Ordinary Resolution at Item no. 10 of the accompanying Notice for the approval of members.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Dr. Sangeeta Pandit (whose appointment is proposed in this resolution) are in any way, concerned or interested, financial or otherwise, in this resolution and except to the extent of their shareholding in the Company, if any.

Item No.11 and 12

The Board members considered the recommendation of the Nomination & Remuneration Committee and approved the appointment of Mr. Debshankar Mukhopadhyay currently as an Executive Director of the Company for a period of 3 (three) years with effect from August 09, 2018.

The Board members also approved Mr. Debshankar Mukhopadhyay proposal that currently he shall not draw any salary from the Company, however, he will be eligible to be provided Stock Options as may be decided from time to time by the Board or the Nomination and Remuneration Committee, whether as an Executive Director or otherwise.

The Company has received a notice pursuant to Section 160 of the Companies Act, 2013 ("Act") from a Member signifying his intention to propose the appointment of

Mr. Debshankar Mukhopadhyay as a Director (categorised as 'Executive Director') of the Company. Mr. Debshankar Mukhopadhyay is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company.

The profile and specific areas of expertise of Mr. Debshankar Mukhopadhyay are provided as below:

Name of the Director	Mr. Debshankar Mukhopadhyay
DIN	08194567
Date of Appointment	August 9, 2018
Qualification	B.com, PG in Business Management.
Expertise in specific functional Areas	Mr. Debshankar Mukhopadhyay is having over 23 years of solid experience in the educational (schools, vocational skills & enterprise solutions) & financial sector in South Asia. He is also a seasoned leader with strong execution skills with indepth knowledge of markets, profit and loss management, channel and people management experience.
No. of Equity Shares held	Nil
Directorships held in Indian Public Companies as on August 9, 2018	Nil
Relationship with any other Director inter-se	None

Accordingly, the Board of Directors recommends the Ordinary Resolution at Item no.11 and 12 of the accompanying Notice for the approval of members.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Debshankar Mukhopadhyay (whose appointment is proposed in this resolution) are in any way, concerned or interested, financial or otherwise, in this resolution and except to the extent of their shareholding in the Company, if any.

Item No.13

Mr. Mahesh Shetty is the Promoter of the Company and is associated with the Company since its inception. The Board members considered the recommendation of the Nomination & Remuneration Committee and approved the re-appointment of Mr. Mahesh Shetty as the Managing Director of the Company for term of 3 (three) years with effect from July 17, 2017

Pursuant to the share subscription agreement entered into between the Company, Zee Learn Ltd. and Mr. Mahesh Shetty dated February 14, 2018 Mr. Mahesh Shetty shall

cease to be the Chairman and Managing Director of the Company. Accordingly, the Board was in receipt of the resignation / cessation of Mr. Mahesh Shetty from the post of Chairman and Managing Director of the Company with effect from June 05, 2018; however he shall continue to be a Director of the Company.

The Board members further considered the recommendation of the Nomination and Remuneration Committee for appointing / re-designating Mr. Mahesh Shetty, Director of the Company as the Whole time Director with effect from August 09, 2018 till the end of the tenure of his earlier appointment upto July 16, 2020, on the same terms and conditions of appointment including remuneration.

The profile and specific areas of expertise of Mr. Mahesh Shetty are provided as below:

Name of the Director	Mr. Mahesh Shetty
DIN	01526975
Date of Appointment/ Re-designation	August 9, 2018
Qualification	Bachelor's degree in Science and Education
Expertise in specific functional Areas	33 years of rich experience in education sector
No. of Equity Shares held	1,70,36,803
Directorships held in Indian Public Companies as on August 9, 2018	Nil
Relationship with any other Director inter-se	None

Accordingly, the Board of Directors recommends the Ordinary Resolution at Item no.13 of the accompanying Notice for the approval of members.

None of the Directors and Key Managerial Personnel of the Company and their relatives except Mr. Mahesh Shetty (whose appointment is proposed in this resolution) are in any way, concerned or interested, financial or otherwise, in this resolution and except to the extent of their shareholding in the Company, if any.

By order of the Board

Place: Mumbai
Date: August 09, 2018

Mandar Chavan
Company Secretary

Map of AGM Venue





MT EDUCARE LIMITED

CIN: L80903MH2006PLC163888

Registered Office: 220, 2nd Floor, "FLYING COLORS", Pandit Din Dayal Upadhyay Marg,
L.B.S Cross Road, Mulund (West), Mumbai 400080

Email: info@mteducare.com | Website: www.mteducare.com

Tel: 2593 7700 / 800 | Fax: 2593 7799

ATTENDANCE SLIP

12th Annual General Meeting on Monday, September 24, 2018

I / We hereby record my / our presence at the 12th Annual General Meeting of the Company being held on Monday, September 24, 2018 at 9.30 a.m. at Ravindra Natya Mandir, P L Deshpande Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai 400 025

Regd. Folio No. / DP ID & Client ID

Name and Address of the Member(s)

Joint Holder 1

Joint Holder 2

No. of Shares

Member's / Proxy's name

Member's / Proxy's Signature



MT EDUCARE LIMITED

CIN: L80903MH2006PLC163888

Registered Office: 220, 2nd Floor, "FLYING COLORS", Pandit Din Dayal Upadhyay Marg,
L.B.S Cross Road, Mulund (West), Mumbai 400080
Email: info@mteducare.com | Website: www.mteducare.com
Tel: 2593 7700 / 800 | Fax: 2593 7799

PROXY FORM

Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of Companies
(Management and Administration) Rules, 2014

12TH ANNUAL GENERAL MEETING ON MONDAY, SEPTEMBER 24, 2018

Name of the Member(s) : _____
Registered Address : _____
E-mail ID : _____
Folio No. / DP ID No. : _____

I/We, being the Member(s) holding _____ Equity Shares of MT Educare Limited, hereby appoint:

1. Name: _____
Address: _____
Email ID: _____
Signature: _____ or failing him/her

2. Name: _____
Address: _____
Email ID: _____
Signature: _____ or failing him/her

3. Name: _____
Address: _____
Email ID: _____
Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 12th Annual General Meeting of the Company, to be held on Monday, September 24, 2018 at 09:30 a.m. at the Ravindra Natya Mandir, P L Deshpande Kala Academy, Near Siddhivinayak Temple, Sayani Road, Prabhadevi, Mumbai 400025 and at any adjournment thereof in respect of such resolutions as are indicated below:

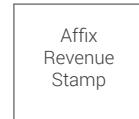
I wish my above proxy to vote in the manner as indicated in the box below:

Sr. No.	Particulars of Resolutions	Vote (Please mention no. of shares)		
		For	Against	Abstain
Ordinary Business:				
1	To receive, consider and adopt the Audited Standalone Financial Statements (including Consolidated Audited Financial Statements) of the Company for the financial year ended March 31, 2018, together with the Reports of the Board of Directors and Auditors thereon			
2	To appoint a director in place of Mr. Mahesh Shetty (DIN: 01526975), who retires by rotation and being eligible, offers himself for reappointment			
3	To ratify re-appointment of M/s. MSKA & Associates (formerly known as M/s. MZSK & Associates), Chartered Accountants, as Auditors to hold office till conclusion of next AGM			
Special Business:				
4	To ratify remuneration payable to Cost Auditors			

5	To amend Articles of Association		
6	Appointment of Mr. Himanshu Mody (DIN: 00686830) as Non-Executive Director of the Company		
7	Appointment of Mr. Ajey Kumar (DIN: 02278096) as a Director of the Company		
8	Appointment of Mr. Ajey Kumar (DIN: 02278096) as an Executive Director of the Company		
9	Appointment Dr. Manish Agarwal (DIN: 02069969) as an Independent Director of the Company		
10	Appointment of Dr. Sangeeta Pandit (DIN: 06748608) as an Independent Director of the Company		
11	Appointment of Mr. Debshankar Mukhopadhyay (DIN: 08194567) as a Director of the Company		
12	Appointment of Mr. Debshankar Mukhopadhyay (DIN: 08194567) as an Executive Director of the Company		
13	Appointment/Re-designation Mr. Mahesh Shetty (DIN: 01526975) as whole-time Director of the Company		

Signed this _____ day of _____, 2018

Signature of the Shareholder _____ Signature of Proxy holder _____



Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

OUR KEY BRANDS





MT Educare Limited

REGISTERED OFFICE

MT Educare Limited

(CIN:L80903MH2006PLC163888)

220, 2nd Floor, "FLYING COLORS"

Pandit Din Dayal Upadhyay Marg, L.B.S. Cross Road,
Mulund (West), Mumbai - 400080.

Tel.: (+91 22) 25937700/800/900

Fax: (+91 22) 2593 7799

Email: info@mteducare.com

www.mteducare.com