

August 13, 2024

The Manager (CRD) The BSE Limited Phiroze Jeejeebhoy Dalal Street, Mumbai- 400001	Towers, Fort,	The Manager – Listing Department National Stock Exchange of India Ltd Exchange Plaza, Plot no. C/1, G Block, Bandra-Kurla Complex, Bandra (East) Mumbai - 400 051
<b>Scrlp Code : 534312</b>		<b>Symbol: MTEDUCARE</b>

Dear Sir / Madam,

**Sub: Outcome of Board Meeting held on August 13<sup>th</sup>, 2024**

This is to inform you that the financial results were taken on record by the Resolution Professional and Directors of the Company at a meeting held on August 13, 2024. Given that the Company is under corporate insolvency resolution process pursuant to the provisions of the Insolvency and Bankruptcy Code, 2016, and with effect from December 16, 2022, its affairs, business and assets are being managed by Resolution Professional who took charge of the affairs of the Company, and the powers of the board of directors are vested in the resolution professional, Mr. Arihant Nenawati ("RP"), the aforesaid meeting of the Directors was chaired by the RP of the Company who, relying on the certifications, representations and statements of the Directors and management of the Company and the consequent recommendation of the Directors, took on record the UN-audited Standalone and Consolidated Financial Results for the first quarter and Three months of the F Y 2024-25 ended on June 30, 2024.

The meeting commenced at 03.45 p.m. and concluded at 05.00 p.m.

**The Following matters were taken on record:**

- 1) Un-audited Financial Results (Standalone & Consolidated) of the Company for the first quarter and three months of the financial year 2024-25 ended on June 30, 2024 pursuant to Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The copy of the Un-Audited Financial results along with the Limited Review Report by Statutory Auditors of the Company is enclosed herewith.

- 2) Directors Responsibility Statement for the year ended 31st March, 2024, Directors' Report, Corporate Governance Report, reports/certificates forming part of Directors report, Stakeholders Information and took note of Secretarial Audit report for the FY. 2023-24 ended 31st March, 2024.
- 3) The Notice for convening of 18th Annual General Meeting (AGM) on Wednesday 25th September, 2024 through Video Conferencing (VC)/Other Audio Visual Means (OVAM).





- 4) Appointment of Scrutinizer for the 18th Annual General Meeting to be held on Wednesday 25th September, 2024.
- 5) Pursuant to section 91 of the Companies Act, 2013 and regulation 42 of SEBI (LODR) Regulations, 2015 the register of members & share transfer Books of the Company shall remain closed from Thursday, 19th September, 2024 to Wednesday, 25th September, 2024 (both days inclusive) for the purpose of 18th Annual General Meeting of the Company to be held on Wednesday 25th September, 2024.
- 6) Approval for re-appointment of M/s Joshi Apte & Associates as Cost Auditor for the F. Y 2024-2025 (Brief Profile Attached with the Outcome).

Thanking you.

Yours faithfully,

For, MT Educare Limited (In CIRP)



(Arihant Nenawati)

Resolution Professional

AFA Valid Upto 08-Nov-2024

IP Reg. No: IBBI/IPA-001/IP-P00456/2017-2018/10799

Email ID: mteducare.cirp@gmail.com



**Note:** Pursuant to the Order dated 16th December, 2022 of the Hon'ble National Company Law Tribunal, Mumbai ("NCLT Order"), Corporate Insolvency Resolution Process ("CIR Process") has been initiated against the Company in accordance with the provisions of the Insolvency and Bankruptcy Code, 2016, ("Code") and related rules and regulations issued thereunder with effect from 16th December, 2022 (Corporate Insolvency Resolution Process Commencement Date). Mr. Ashwin Bhavanji Shah has been appointed as Interim Resolution Professional ("IRP") in terms of the NCLT Order, IRP has constituted Committee of Creditors on 21-08-2023. previously, IRP was performing function as Resolution Professional under regulation 17(3) of CIRP of IBBI, however on 22nd January, 2024, Mr. Arihant Nenawati were appointed as New Resolution Professional in the application filed by Prudent ARC by the Hon'ble NCLT, Mumbai Bench.



**Annexure I**

**A BRIEF PROFILE OF THE COST AUDITORS IS AS BELOW:**

Joshi Apte and Associates is one of the leading Cost Auditing firm in India. It consists of 7 partners with varied exposure in Costing, Accounting, ERP implementation, Taxation, GST and other fields related to finance. Partners consist of different educational qualifications like Doctorate, Company Secretary and MBA. It has cliental of large Public Sector Companies, Private Companies and other forms of organizations too. Cliental includes from various industries like Pharma, Construction, Healthcare, Education, Petroleum, Engineering and many other fields. Partners in the firm have worked on Institute of Cost Accountants of India in various capacities like President, Chairman, Central Council Member and Regional Council Member also. Mix blend of experience and educational qualification makes the firm ahead in many aspects from other Cost Auditing Firms in India.





Statement of Standalone Unaudited Financial Results for the quarter ended 30 June 2024

(Rs. in Lakhs, except EPS data)

Sr. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
		30 June 2024	31 March 2024	30 June 2023	31 March 2024
		Unaudited	Audited	Unaudited	Audited
<b>1</b>	<b>Income</b>				
	Revenue from operations	616.83	572.54	744.73	2,544.44
	Other income (Refer Note 8)	167.77	94.54	514.85	339.72
	<b>Total income</b>	<b>784.60</b>	<b>667.08</b>	<b>1,259.58</b>	<b>2,884.16</b>
<b>2</b>	<b>Expenses</b>				
	Direct expenses (Refer Note 5 (a))	566.69	448.15	544.73	1,944.27
	Employee benefits expense	146.15	148.26	114.65	501.53
	Finance costs (Refer Note 7)	171.90	172.47	174.35	728.83
	Depreciation and amortisation expense	170.12	160.72	180.51	680.02
	Other expenses (Refer Note 5 (b))	118.94	117.66	535.77	562.55
	<b>Total expenses</b>	<b>1,173.81</b>	<b>1,047.26</b>	<b>1,550.01</b>	<b>4,417.20</b>
<b>3</b>	<b>Profit/(Loss) before tax (1-2)</b>	<b>(389.21)</b>	<b>(380.18)</b>	<b>(290.43)</b>	<b>(1,533.04)</b>
<b>4</b>	Tax expense/(credit)	(30.47)	(14.63)	(16.64)	(58.42)
<b>5</b>	<b>Net Profit / (Loss) for the period/year after tax (3-4)</b>	<b>(358.75)</b>	<b>(365.55)</b>	<b>(273.79)</b>	<b>(1,474.62)</b>
<b>6</b>	<b>Other comprehensive income (including tax effect)</b>				
	Items that will not be reclassified to profit or loss (Net of tax)	-	5.64	0.31	23.49
<b>7</b>	<b>Total comprehensive income/(loss) for the period/year (5+6)</b>	<b>(358.75)</b>	<b>(359.91)</b>	<b>(273.48)</b>	<b>(1,451.13)</b>
<b>8</b>	<b>Paid up equity share capital ( Face Value Rs. 10 per share )</b>	7,222.81	7,222.81	7,222.81	7,222.81
<b>9</b>	<b>Other equity</b>				(2,160.27)
<b>10</b>	<b>Earnings per share (Face Value of Rs. 10 each) (Not annualised for the quarters):</b>				
	Basic	(0.50)	(0.51)	(0.38)	(2.04)
	Diluted	(0.50)	(0.51)	(0.38)	(2.04)

For MT Educare Limited, (In RP)

Arihant Nenaswati  
Resolution Professional  
IBBI/IPA-001/IP-P00456/2017-18/10299  
Email ID: mteducare.cirp@gmail.com



Place : Mumbai  
Date : 13 August 2024



**Independent Auditor's Review Report on the Unaudited Standalone Financial Results of MT Educare Limited for the quarter ended 30 June 2024, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015, as amended**

To  
The Board of Directors/ Resolution Professional (RP) of  
**MT Educare Limited**

**Corporate Insolvency Proceedings as per Insolvency and Bankruptcy Code, 2016 (IBC)**

1. The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an Insolvency and Bankruptcy petition filed by an operational creditor against MT Educare Limited ("the Company") and ordered the commencement of Corporate Insolvency Resolution Process (CIRP) of MT Educare Limited, the Company/ Corporate Debtor, vide its Order dated 16 December 2022 and Mr. Ashwin B Shah was appointed as the Interim Resolution Professional by the NCLT. Interim Resolution Professional took (IRP) took charge of the affairs of the Corporate Debtor on 23 December 2022. Mr. Vipin Choudhary, Director of the Company, challenged the Order of Hon'ble NCLT before Hon'ble National Company Law Appellate Tribunal (NCLAT), New Delhi. Hon'ble NCLAT vide Order dated 18 August 2023, dismissed the appeal filed by the Director, Mr. Vipin Choudhary. IRP constituted the Committee of Creditors (COC) on 21 August 2023. The Committee of Creditors (COC) at its meeting held on 29 December 2023, in terms of Section 22 (2) of the Code, resolved with the requisite voting share, to replace the Interim Resolution Professional with Mr. Arihant Nenawati as Resolution Professional (RP) which has been confirmed by the NCLT vide its Order dated 22 January 2024, with a direction to initiate appropriate action contemplated, with extant provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.

In view of pendency of the Corporate Insolvency Resolution Process (CIRP), the powers of the Board of Directors of the Company have been suspended and the management of the affairs of the Company and power of the Board of Directors are now vested with the Resolution Professional and the Statement is being signed by the Resolution Professional in exercise of such powers.

2. We were engaged to review the accompanying statement of unaudited standalone financial results of the Company for the quarter ended 30 June 2024 ("the Statement") attached herewith, being submitted by the Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
3. This Statement, which is the responsibility of the Company's Management has been prepared by the Company and approved by the RP in their meeting held on 13 August 2024, in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of Companies Act, 2013, read with rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations.
4. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under



Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

#### 5. Basis for Disclaimer of Conclusion

For the paragraphs (a) to (j) mentioned below, we are unable to comment on the elements of standalone financial results which may require necessary adjustments/disclosures in the Standalone financial results including but not limited to an impact on the Company's ability to continue as a going concern and these adjustments when made, may have material and pervasive impact on the outcome of the Standalone financial results for the quarter ended 30 June 2024. Accordingly, pending these adjustments and unavailability of sufficient and appropriate evidence in respect of these items, we are unable to express our conclusion on the standalone financial results of the Company.

- a) We draw attention to Note 1 of the standalone financial results regarding admission of the Company into Corporate Insolvency Resolution Process ("CIRP"), and pending determination of obligations and liabilities with regard to various claims submitted by the operational / financial / other creditors and employees including claims for guarantee obligation and interest payable on loans. We are unable to comment on adjustments, if any, pending reconciliation and determination of final obligation.
- b) In the absence of comprehensive review of carrying amount of certain assets (loans and advances, balances with government authorities, deposits, trade and other receivables) and liabilities and non-availability of confirmation of substantial balances, we are unable to comment upon adjustments, if any, that may be required to the carrying amount of such assets and liabilities and consequential impact, if any, on the loss for the quarter ended 30 June 2024. Non-determination of fair value of financial assets and liabilities are not in compliance with Ind AS 109 "Financial Instruments" and Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets".
- c) We have not received bank statement/ confirmation of balance for the balance lying in current account with bank of Rs 5.36 lakhs. In the absence of sufficient appropriate audit evidence, we are unable to determine any possible impact thereof on the loss for the quarter ended 30 June 2024 and on the carrying value of cash and cash equivalents.
- d) We have been informed by the RP that certain information including the minutes of the meetings of the COC, and the outcome of certain specific/ routine procedures carried out as part of the IBC process are confidential in nature and could not be shared with other than the COC and Hon'ble NCLT. In the opinion of the RP, the matter is highly sensitive, confidential and may have adverse impact on the resolution process. Accordingly, we are unable to comment on the impact, if any, on the accompanying standalone financial results including recognition, measurement and disclosures, that may arise had we been provided access to the above-mentioned information.
- e) We draw attention to Note 10 of the standalone financial results, wherein the Company has acquired land and building including related assets ("property") on lease from a subsidiary company. The subsidiary company has defaulted on loan taken against the property. The lender has taken the possession of the property under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI"). Pursuant to this, the RP has filed an IA No. 3314/2024 for the further direction from the Hon'ble NCLT for the possession of the leased premises of the Corporate Debtor and as per the direction given by Adjudicating authority status quo to be maintained till further order. In view of the above, we are unable to comment on



carrying value of Right -of- use assets of Rs 2,077.59 lakhs, security deposits/ advances given Rs 177.89 lakhs and corresponding lease liabilities of Rs 5,031.12 lakhs as at 30 June 2024, and its consequential impact on the standalone financial results.

- f) The Company has not provided for interest on borrowings of Rs. 86.60 lakhs for the quarter ended 30 June 2024 and Rs.1,286.36 lakhs up to 30 June 2024 on outstanding borrowings calculated based on the basic rate of interest as per the terms of the loan and claims received. Non provision of interest is not in compliance with Ind AS 23 "Borrowing Costs".
- g) The Company has recognized net deferred tax assets of Rs 6,966.34 lakhs considering sufficient taxable income would be available in future years against which such deferred tax assets can be utilized. Due to losses during the quarter and earlier years and pendency of CIRP, it is uncertain that the Company would achieve sufficient taxable income in future against which such deferred tax assets can be utilized. Accordingly, we are unable to obtain sufficient appropriate audit evidence to corroborate the Management's / RP's assessment of recognition of deferred tax assets as at 30 June 2024.
- h) The Company's investment in subsidiary companies of Rs 1,297.71 lakhs as at 30 June 2024 are considered as good and fully recoverable by the management/ RP, inspite of accumulated losses, complete erosion of networth and liquidity constraints. In the absence of sufficient and appropriate evidence, we are unable to comment upon adjustments, if any, that may be required to the carrying values of these non-current investments as per Ind AS 109 "Financial Instruments", and the consequential impact on the accompanying standalone financial results.
- i) (i) The Company has outstanding loans, trade receivables and other receivables ("receivables") of Rs 8,038.18 lakhs (net of provisions) as at 30 June 2024, which are overdue / rescheduled. The management / RP envisages the same to be good and recoverable. In view of long outstanding, we are unable to assess whether adjustments are necessary to the carrying value of these outstanding receivables and the consequential impact on the accompanying standalone financial results.
- (ii) As referred in Note 8 of the standalone financial results, the Company has not provided interest income of Rs 473.41 lakhs for the quarter ended 30 June 2024 and Rs 2,236.05 lakhs up to 30 June 2024 pending recoveries of long outstanding loans (included in i (i) above)
- j) The Company has incurred net loss during the quarter and has accumulated losses resulting in negative networth, its current liabilities exceeding current assets resulting in negative working capital and has defaulted in its debt/ other obligations. Accordingly, there exists a material uncertainty about the Company's ability to continue as a "Going Concern" since the future of the Company is dependent upon the successful implementation of the Resolution plan. The standalone financial results have been prepared by the management/ RP assuming going concern basis of accounting, for which we have not been able to obtain sufficient appropriate audit evidence regarding the use of such assumption, based on management's/ RP' assessment of the successful outcome of the ongoing Resolution process with no adjustments having been made to the carrying value of assets and liabilities and their presentation and classification in the standalone financial results.

Our opinion on the standalone audited financial results for the year ended 31 March 2024, also had a disclaimer of opinion with respect to the matters stated above.



**6. Disclaimer for conclusion**

In the view of the nature of the matters described in paragraph 5, 'Basis for Disclaimer of Conclusion', for which absence of sufficient and appropriate audit evidence has resulted in limitation of work and the consequent adjustments not being determined, we are unable to state whether the accompanying Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, or that the Statement discloses the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement. Thus, we do not express a conclusion on the accompanying Statement.

**For MGB & Co LLP**  
Chartered Accountants  
Firm Registration Number 101169W/W-100035



**Hitendra Bhandari**  
Partner  
Membership Number 107832  
Place: Mumbai  
Date: 13 August 2024  
UDIN: 24107832BKEOEN7417





Statement of Consolidated Unaudited Financial Results for the quarter ended 30 June 2024

(Rs. in Lakhs, except EPS data)

Sr. No.	Particulars	Quarter ended	Quarter ended	Quarter ended	Year ended
		30 June 2024	31 March 2024 (Refer Note 11)	30 June 2023	31 March 2024
		Unaudited	Audited	Unaudited	Audited
<b>1</b>	<b>Income</b>				
	Revenue from operations	1,388.16	962.58	1,268.31	4,733.45
	Other income (Refer Note 8)	196.66	79.43	599.25	403.45
	<b>Total income</b>	<b>1,584.82</b>	<b>1,042.01</b>	<b>1,867.56</b>	<b>5,136.90</b>
<b>2</b>	<b>Expenses</b>				
	Direct expenses (Refer note 5 (a))	935.77	889.87	964.17	3,651.94
	Employee benefits expense	233.32	262.09	192.54	860.63
	Finance costs (Refer Note 7)	319.24	324.44	281.26	1,214.88
	Depreciation and amortisation expense	265.46	246.85	283.17	1,036.50
	Other expenses (Refer Note 5 (b))	154.23	313.83	582.34	1,004.13
	<b>Total expenses</b>	<b>1,908.02</b>	<b>2,037.09</b>	<b>2,303.48</b>	<b>7,768.09</b>
<b>3</b>	<b>Profit/(Loss) before tax (1-2)</b>	<b>(323.20)</b>	<b>(995.07)</b>	<b>(435.92)</b>	<b>(2,631.19)</b>
<b>4</b>	Tax expense/(credit)	(32.21)	45.38	33.45	134.07
<b>5</b>	<b>Net Profit/(loss) for the period/year after tax attributable to the shareholders of the Company (3-4)</b>	<b>(290.99)</b>	<b>(1,040.45)</b>	<b>(469.37)</b>	<b>(2,765.26)</b>
<b>6</b>	<b>Other comprehensive income (including tax effect)</b>				
	Items that will not be reclassified to profit or loss (Net of tax)	-	4.84	0.03	24.43
<b>7</b>	<b>Total comprehensive income for the period/year(5+6)</b>	<b>(290.99)</b>	<b>(1,035.61)</b>	<b>(469.34)</b>	<b>(2,740.83)</b>
<b>8</b>	<b>Profit/(Loss) for the year attributable to:</b>				
	Owners of the Company	(290.99)	(1,040.45)	(469.37)	(2,765.26)
	Non controlling interest	-	-	-	-
<b>9</b>	<b>Other comprehensive income/(loss) for the year attributable to:</b>				
	Owners of the Company	-	4.84	0.03	24.43
	Non controlling interest	-	-	-	-
<b>10</b>	<b>Total comprehensive income/(loss) for the year attributable to:</b>				
	Owners of the Company	(290.99)	(1,035.61)	(469.34)	(2,740.83)
	Non - controlling interest	-	-	-	-
<b>11</b>	<b>Paid up equity share capital ( Face Value Rs. 10 )</b>	7,222.81	7,222.81	7,222.81	7,222.81
<b>12</b>	<b>Other equity</b>				(4,280.72)
<b>13</b>	<b>Earnings per share (Face Value of Rs. 10 each) (Not annualised for the quarters):</b>				
	Basic	(0.40)	(1.44)	(0.65)	(3.83)
	Diluted	(0.40)	(1.44)	(0.65)	(3.83)

For MT Educare Limited (In RP)

Arihant Neeawati

Resolution Professional

IBBI/IPA-001/IP-P00456/2017-18/10756

Email ID: mteducare.cirp@gmail.com



Place : Mumbai

Date : 13 August 2024



**Notes to the Statement of Unaudited standalone and consolidated financial results for the quarter ended 30 June 2024 :**

- 1 Pursuant to an application filed by Connect Residuary Private Limited before the National Company Law Tribunal, Mumbai Bench ("NCLT") in terms of Section 9 of the Insolvency and Bankruptcy Code, 2016 read with the rules and regulations framed thereunder ("Code"), the NCLT had admitted the application and ordered the commencement of Corporate Insolvency Resolution Process ("CIRP") of MT Educare Limited ("Corporate Debtor", "the Company") vide its Order dated 16 December 2022. The NCLT had appointed Mr. Ashwin B. Shah as the Interim Resolution Professional ("IRP") for the Corporate Debtor vide its Order dated 16 December 2022. Interim Resolution Professional took charge of the affairs of the Corporate Debtor on 23 December 2022. Director Mr. Vipin Choudhry challenged the Order of Hon'ble NCLT dated 16 December 2022 before Hon'ble NCLAT, New Delhi. The Hon'ble National Company Law Appellate Tribunal ("NCLAT") by an Order dated 6 January 2023 had ordered to hold the formation of Committee of Creditors (CoC) till further hearing. Finally, Hon'ble NCLAT Order was pronounced on 18 August 2023 whereby Appeal filed by Director Mr. Vipin Choudhry was dismissed. The said Order dated 18 August 2023 was served upon IRP on 21 August 2023. IRP immediately constituted Committee of Creditors on 21 August 2023. CoC at its meeting held on 29 December 2023, in terms of section 22(2) of the Code, resolved with the requisite voting share, to replace the IRP with Mr Arijant Nenawati as Resoluton Professional (RP) which has been confirmed by the NCLT in its Order dated 22 January 2024.

This is to bring to your kind attention that the Hon'ble Mumbai Bench of NCLT, had with effect from 16 December 2022 admitted Corporate Insolvency Resolution Process (CIRP) of the MT Educare Limited vide order no.C.P.No. 1291/IBC/MB/2021 appointing Mr. Ashwin Bhavanji Shah, having Registration No. IBBI/IPA-001/IP-P02648/2021-2022/14054 as the Interim Resolution Professional (IRP) for conducting the CIRP in the matter of the MT Educare Limited.

Further, this is to bring into your notice that the Hon'ble NCLT Mumbai vide order dated 22 January, 2024, order received to the Resolution Professional (RP) on January 31, 2024, replaced Mr. Ashwin Bhavanji Shah (IRP) with the undersigned Resolution Professional (RP), Mr. Arijant Nenawati, having IBBI Registration No.IBB/IPA-001/IP-P00456/2017-2018/10799.

During the CIRP period, claims from 683 creditors amounting to Rs. 22,919.13 lakhs were received, out of which 659 claims amounting to Rs. 9,498.87 lakhs were admitted. Further, claims of Rs.7,555.53 lakhs were not admitted for the reasons best communicated to the creditors. A detailed list of creditors is available on the official website of the Corporate Debtor.

In furtherance to the Form G published on 8 January, 2024, we had received intimation of interest from Nine Resolution Applicants each depositing with an EMD of Rs. 25.00 lakhs in line with the RFRP issued.

Based on requests from the Prospective Resolution applicants, ("PRAs"), and subsequent consultation with the members of the CoC, the last date for submission of the Resolution Plan was extended to April 10, 2024. Further, The said Resolution Plans were thoroughly discussed and deliberated upon by the members of CoC during the Eleventh and Twelfth Meetings of the CoC. The members of the CoC meticulously examined the commercial viability and feasibility of the Resolution Plans, following which the Resolution Plans were put to a vote. The RP will approach the Hon'ble NCLT Mumbai for Final Order.

With respect to the standalone and consolidated financial results for the quarter ended 30 June 2024, the RP has signed the same solely for the purpose of ensuring compliance by the Corporate Debtor with applicable laws, and subject to the following disclaimers

a. The RP has furnished and signed the report in good faith and accordingly, no suit, prosecution or other legal proceeding shall lie against the RP in terms of Section 233 of the Code;

b. No statement, fact, information (whether current or historical) or opinion contained herein should be construed as a representation or warranty, express or implied, of the RP including, his authorized representatives and advisors;

c. The RP, in review of the standalone and consolidated financial results and while signing this standalone and consolidated financial results, has relied upon the assistance provided by the directors of the Corporate Debtor, and certifications, representations and statements made by the directors of the Corporate Debtor, in relation to these standalone and consolidated financial results. The standalone and consolidated financial results of the Corporate Debtor for the quarter ended 30 June 2024 have been taken on record by the RP solely on the basis of and relying on the aforesaid certifications, representations and statements of the aforesaid directors and the erstwhile management of the Corporate Debtor. For all such information and data, the RP has assumed that such information and data are in conformity with the Companies Act, 2013 and other applicable laws with respect to the preparation of the standalone and consolidated financial results and that they give true and fair view of the position of the Corporate Debtor as of the dates and period indicated therein. Accordingly, the RP is not making any representations regarding accuracy, veracity or completeness of the data or information in the standalone and consolidated financial results.

d. In terms of the Code's provisions, the RP must undertake a review to determine avoidance transactions.

e. Considering various factors including admission of the Corporate Debtor, there are various claims submitted by the operational creditors, the financial creditors including corporate guarantee, employees and other creditors. The overall obligations and liabilities including obligation for interest on loans shall be determined during the CIRP and accounting impact if any will be given on completion of CIRP.

- 2 The above results have been prepared in accordance with the Indian Accounting Standards (INDAS), the provisions of the Companies Act, 2013 (the Act) as applicable and Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirements) Regulation, 2015 (as amended).

- 3 The Standalone and Consolidated Financial Results have been reviewed by the Audit Committee duly Chaired by RP and taken on record at the meetings held on 13 August 2024. The Statutory auditors have expressed disclaimer of opinion in respect of the standalone and consolidated results for the quarter ended 30 June 2024.

- 4 The Company is primarily engaged in one business segment namely coaching services as determined by the chief operating decision maker in accordance with IND AS 108 - "Operating Segments".

- 5.a Direct expenses mainly includes fees paid to visiting faculties, content cost and materials which is issued to students as a part of course material, center related utilities etc.

- 5.b Other Expenses mainly includes Professional Fees, Provision for Doubtful Debts / Receivables, Repairs & maintenance and Communication expenses.

- 6 The Group / Company has loans, trade receivables and other receivables of Rs.11,118.39 lakhs / Rs. 8,038.18 lakhs (net of provisions) outstanding as at 30 June 2024 from parties which are overdue/rescheduled. Management/RP anticipate progress in business in the coming period which will enable recovery of the receivables in an orderly manner. Additionally, the management/RP considers the outstanding dues to be good and recoverable.

- 7 The Company and its Subsidiary had taken loan from Bank and Financial Institution and others ("lenders"). The Group / Company has not recognised interest expense (excluding penal interest if any) of Rs. 127.55 lakhs / Rs. 86.60 lakhs respectively for quarter ended 30 June 2024 respectively (cumulative Rs. 1841.16 Lakhs/ Rs.1,286.36 Lakhs upto 30 June 2024). The claims are submitted by financial creditors, however the adjustments, if any, thereof including other claims shall be done in accordance of the outcome of the CIRP.

- 8 The Group/ Company has not provided for interest income of Rs 663.41 lakhs / Rs. 473.41 lakhs for the quarter ended 30 June 2024 respectively (cumulative Rs. 3,186.08 Lakhs/ Rs. 2,236.05 Lakhs upto 30 June 2024) on loans given considering prudence for pending recovery of long outstanding principal amount.

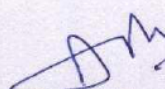
- 9 The Group / Company has been continued as going concern. With regard to Corporate Debtor viz MT Educare Limited, in CIRP, the business operations are continued by RP in accordance with objective of IBC 2016 to ensure that going concern is continued for maximising the value of corporate debtor.

- 10 SVC Cooperative Bank Ltd( SVC) has issued demand notice u/s 13(2) of SARFAESI Act on Labh Ventures India Private Limited (a subsidiary company) as principal borrower and Holding company as corporate guarantor for Rs 4973 Lakhs. SVC Cooperative Bank Ltd has filed claim before IRP for Rs 4,973 Lakhs since corporate debtor was corporate guarantor. However, the claim submitted by SVC Cooperative Bank Ltd has not been admitted by IRP. Further SVC Cooperative bank has taken Land and building including related assets (property) situated at Mangalore under their possession vide notice no. CRL / MIS. CASE NO 48/2024 on 15th March 2024. Pursuant to that, the RP has filed an IA No. 3314/2024 for the further direction from the Hon'ble NCLT for the possession of the leased premises of the corporate Debtor and as per the direction given by Adjudicating authority Status Quo to be maintained till further order. Next date of hearing is scheduled on 22nd August 2024.

- 11 Figures for the Quarter ended 31 March 2024 are the balancing figures between audited figures for the financial year and reviewed year to date figure upto third quarter of the respective financial year.

- 12 The figures for the previous year/periods have been regrouped wherever necessary.

Place : Mumbai  
Date: 13 August, 2024

  
Arijant Nenawati  
Resolution Professional

IBBI/IPA-001/IP-P00456/2017-2018/10799

Email ID: mteducare.cirp@gmail.com





**Independent Auditor's Review Report on the Unaudited Consolidated Financial Results of MT Educare Limited for the quarter ended 30 June 2024, pursuant to Regulation 33 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended**

To  
The Board of Directors/ Resolution Professional (RP) of  
**MT Educare Limited**

**Corporate Insolvency Proceedings as per Insolvency and Bankruptcy Code, 2016 (IBC)**

1. The Hon'ble National Company Law Tribunal, Mumbai Bench ("NCLT") admitted an Insolvency and Bankruptcy petition filed by an operational creditor against MT Educare Limited (the "Holding Company") and ordered the commencement of Corporate Insolvency Resolution Process (CIRP) of MT Educare Limited, the Holding Company/ Corporate Debtor, vide its Order dated 16 December 2022 and Mr. Ashwin B Shah was appointed as the Interim Resolution Professional by the NCLT. Interim Resolution Professional took charge of the affairs of the Corporate Debtor on 23 December 2022. Mr. Vipin Choudhary, Director of the Holding Company, challenged the Order of Hon'ble NCLT before Hon'ble National Company Law Appellate Tribunal ("NCLAT"), New Delhi. Hon'ble NCLAT vide Order dated 18 August 2023, dismissed the appeal filed by the Director Mr. Vipin Choudhary. IRP constituted the Committee of Creditors (COC) on 21 August 2023. The Committee of Creditors (COC) at its meeting held on 29 December 2023, in terms of Section 22 (2) of the Code, resolved with the requisite voting share, to replace the Interim Resolution Professional with Mr. Arihant Nenawati as Resolution Professional (RP) which has been confirmed by the NCLT vide its Order dated 22 January 2024, with a direction to initiate appropriate action contemplated, with extant provisions of the Insolvency and Bankruptcy Code, 2016 and other related rules.

In view of pendency of the Corporate Insolvency Resolution Process (CIRP), the powers of the Board of Directors of the Company have been suspended and the management of the affairs of the Holding Company and power of the Board of Directors are now vested with the Resolution Professional and the Statement is being signed by the Resolution Professional in exercise of such powers.

2. We were engaged to review the accompanying Statement of unaudited consolidated financial results of MT Educare Limited ("the Company or Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as the "Group") for the quarter ended 30 June 2024 ("the Statement") attached herewith, being submitted by the Holding Company pursuant to the requirements of Regulation 33 of the Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended ("Listing Regulations").
3. This Statement, which is the responsibility of the Holding Company's Management has been prepared by the Company and approved by the RP in their meeting held on 13 August 2024, in accordance with the recognition and measurement principles laid down in Indian Accounting Standard 34 "Interim Financial Reporting" ("Ind AS 34"), prescribed under Section 133 of Companies Act, 2013, read with rules issued thereunder and other accounting principles generally accepted in India and in compliance with the Listing Regulations.
4. We conducted our review of the Statement in accordance with the Standard on Review Engagements (SRE) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" issued by the Institute of Chartered Accountants of India. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and





accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Standards on Auditing specified under Section 143(10) of the Companies Act, 2013 and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

The Statement includes the results of the following entities:

**A. Holding Company**

MT Educare Limited

**B. Subsidiaries**

- I. MT Education Services Private Limited
- II. Lakshya Forum for Competitions Private Limited
- III. Chitale's Personalised Learning Private Limited
- IV. Sri Gayatri Educational Services Private Limited
- V. Robomate Edutech Private Limited
- VI. Letspaper Technologies Private Limited
- VII. Labh Ventures India Private Limited

**5. Basis for Disclaimer of Conclusion**

For the paragraphs (a) to (i) mentioned below, we are unable to comment on the elements of consolidated financial results which may require necessary adjustments/disclosures in the consolidated financial results including but not limited to an impact on the Group's ability to continue as a going concern and these adjustments when made, may have material and pervasive impact on the outcome of the consolidated financial results for the quarter ended 30 June 2024. Accordingly, pending these adjustments and unavailability of sufficient and appropriate evidence in respect of these items, we are unable to express our conclusion on the consolidated financial results of the Group.

- a) We draw attention to Note 1 of the consolidated financial results regarding admission of the Holding Company into Corporate Insolvency Resolution Process ("CIRP"), and pending determination of obligations and liabilities with regard to various claims submitted by the operational / financial / other creditors and employees including claims for guarantee obligation and interest payable on loans. We are unable to comment on adjustments, if any, pending reconciliation and determination of final obligation.
- b) In the absence of comprehensive review of carrying amount of certain assets (loans and advances, balances with government authorities, deposits, trade and other receivables) and liabilities and non-availability of confirmation of substantial balances, we are unable to comment upon adjustments, if any, that may be required to the carrying amount of such assets and liabilities and consequential impact, if any, on the loss for the quarter ended 30 June 2024. Non-determination of fair value of financial assets and liabilities are not in compliance with Ind AS 109 "Financial Instruments" and Ind AS 37 "Provisions, Contingent Liabilities and Contingent Assets".
- c) We have not received bank statement/ confirmation of balance for the balance lying in current accounts with bank of Rs 11.34 lakhs. In the absence of sufficient appropriate audit evidence, we are unable to determine any possible impact thereof on the loss for the quarter ended 30 June 2024 and on the carrying value of cash and cash equivalents.



- d) We have been informed by the RP that certain information including the minutes of the meetings of the COC, and the outcome of certain specific/ routine procedures carried out as part of the IBC process are confidential in nature and could not be shared with other than the COC and Hon'ble NCLT. In the opinion of the RP, the matter is highly sensitive, confidential and may have adverse impact on the resolution process. Accordingly, we are unable to comment on the impact, if any, on the accompanying consolidated financial results including recognition, measurement and disclosures, that may arise had we been provided access to the above-mentioned information.
- e) We draw attention to Note 10 of the consolidated financial results, wherein the land and building including related assets ("property") of a subsidiary company has been acquired by the lender under the Securitization and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002 ("SARFAESI") for default in repayment of dues by the subsidiary company. Pursuant to this, the RP has filed an IA No. 3314/2024 for the further direction from the Hon'ble NCLT for the possession of the leased premises of the Corporate Debtor and as per the direction given by Adjudicating authority status quo to be maintained till further order. In view of the above, we are unable to comment on carrying value of property of Rs 4,441.55 lakhs and corresponding borrowings of Rs 5,594.91 lakhs as at 30 June 2024, and its consequential impact on the consolidated financial results.
- f) The Group has not provided for interest on borrowings of Rs.127.55 lakhs for the quarter ended 30 June 2024 and Rs. 1,841.16 lakhs up to 30 June 2024 on outstanding borrowings calculated based on the basic rate of interest as per the terms of the loan and claims received. Non provision of interest is not in compliance with Ind AS 23 "Borrowing Costs".
- g) The Group has recognized net deferred tax assets of Rs 7,613.74 lakhs considering sufficient taxable income would be available in future years against which such deferred tax assets can be utilized. Due to losses during the quarter and earlier years and pendency of CIRP, it is uncertain that the Group would achieve sufficient taxable income in future against which deferred tax assets can be utilized. Accordingly, we are unable to obtain sufficient appropriate audit evidence to corroborate the Management's / RP's assessment of recognition of deferred tax assets as at 30 June 2024.
- h) i) The Group has outstanding loans, trade receivables and other receivables ("receivables") of Rs 11,118.39 lakhs (net of provisions) as at 30 June 2024, which are overdue / rescheduled. The management / RP envisages the same to be good and recoverable. In view of long outstanding, we are unable to assess whether adjustments are necessary to the carrying value of these outstanding receivables and the consequential impact on the accompanying consolidated financial results.
- ii) As referred in Note 8 of the consolidated financial results, the Group has not provided interest income of Rs. 663.41 lakhs for the quarter ended 30 June 2024 and Rs. 3,186.08 lakhs upto 30 June 2024, pending recoveries of long outstanding loans (included in h(i)) above).
- i) The Group has incurred net loss during the quarter and has accumulated losses resulting in negative networth, its current liabilities exceeding current assets resulting in negative working capital and has defaulted in its debt/ other obligations. Accordingly, there exists a material uncertainty about the Group's ability to continue as a "Going Concern" since the future of the Group is dependent upon the successful implementation of the Resolution plan of the Holding Company. The consolidated financial results has been prepared by the management/ RP assuming going concern basis of accounting, for which we have not been able to obtain sufficient



appropriate audit evidence regarding the use of such assumption, based on management's/ RP's assessment of the successful outcome of the ongoing Resolution process with no adjustments having been made to the carrying value of assets and liabilities and their presentation and classification in the consolidated financial results.

Our opinion on the consolidated audited financial results for the year ended 31 March 2024, and also had a disclaimer of opinion with respect to matters stated above.

#### 6. Disclaimer for Conclusion

In the view of the nature of the matters described in paragraph 5, 'Basis for Disclaimer of Conclusion', for which absence of sufficient and appropriate audit evidence has resulted in limitation of work and the consequent adjustments not being determined, we are unable to state whether the accompanying Statement has been prepared in accordance with the recognition and measurement principles laid down in Indian Accounting Standards, prescribed under Section 133 of the Act, and other accounting principles generally accepted in India, or that the Statement discloses the information required to be disclosed in accordance with the requirements of Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended), including the manner in which it is to be disclosed, or that it contains any material misstatement. Thus, we do not express a conclusion on the accompanying Statement.

**For MGB & Co LLP**  
Chartered Accountants  
Firm Registration Number 101169W/W-100035



**Hitendra Bhandari**

Partner

Membership Number 107832

Place: Mumbai

Date: 13 August 2024

UDIN: 24107832BKEOEO3451

